

W-2 2007 REPORTING
Attachment to Service Request #82047
October 31, 2007
FINAL

SR82047 Requirements

2007 W-2 reporting requirements.

Objective:

Modify the W-2 process for SSA and IRS 2007 requirements.

Requested by:

FMgmt-Payroll Coordination

Analyst:

Kathy Henmi

Cycle Date(s):

These changes must be implemented in time for campuses to produce and distribute W-2 forms to employees by January 31, 2008.

Overview:

W-2 reporting for 2007 includes changing the tax year, issues from 2006 reporting and minor modifications to the various reports produced out of the W-2 tax program.

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1.0 INTRODUCTION

The purpose of this document is to request that modifications be made to the W-2 process for tax year 2007 reporting.

2.0 W-2 EXTRACT EDITS

2.1 Country Code Changes

The Postal country code is used for reporting on the W-2 file only. In a few cases, the Internal Revenue Service (IRS) country codes, maintained in PPS, differ from the Postal country codes. The IRS country code is mapped to the Postal country code. Please make the following changes:

<u>Country</u>	<u>IRS Code</u>	<u>Postal Code</u>
Antarctica	AY	OC
Yugoslavia	YO	OC

2.2 Canada

If the employee's country code is "CA" for Canada on the EDB, the code is converted to "CN" which is then used for the file that is sent to SSA. Since the postal code for Canada is CA, this conversion should not take place. Please obsolete this process.

3.0 LASER FORM W-2

Please make the following changes to the laser Form W-2:

- Change the year from 2006 to 2007.
- Correct the spelling of the word "negligence" in Copy C.
- Change the letter code in box a Control number to "d".
- Change the letter code in box d Employee's social security number to "a".
- Change the heading in box e Employee's name, suffix, address and ZIP code to "e Employee's name, suffix f Employee's address and ZIP code".

See Attachment 1 for a sample copy.

4.0 FILES

4.1 Federal W-2 File

The reporting year (2007) is entered on the specification record and is used in the Employer Record (RE type, location 3 - 6). Thus, no change to the W-2 file is required for reporting the tax year.

RA Record - Submitter Record

Although the following fields do not pertain to the University, the file needs to be modified to stay in sync with the federal file. Position 20 - 28 needs to be split into two fields as follows:

Position 20 - 23, Software Vendor Code - blank fill

Position 24 - 28, Blanks - Fill with blanks; reserved for SSA use.

RW Record - Employee Wage Record

Employee First Name (EDB 0250)

The employee's first name cannot be blank on the W-2 file. This was discovered when a test file was submitted through SSA's Accuwage software. If the employee has no first name, enter "NFN" on the W-2 file in field Employee First Name, position 12-26 of the record.

4.2 OW2 File

4.2.1 The University's contract with TALX, a third party vendor, has been cancelled. However, the file is also used to produce the W-2 image in AYSO. Therefore, the file needs to be modified to make it consistent with 2007 requirements.

The employee's Social Security Number was previously entered in box d. It will now be entered in box a. The description for the Employee SSN starting in column 399 should be modified to reflect this change.

FIELD	START	END	LENGTH	FORMAT	DESCRIPTION	WHAT DO YOU INSERT?	SPECIFICATIONS
31	399	407	9	N	EMPLOYEE SSN	ENTER EMPLOYEE SSN EDB0111	ENTER THE EMPLOYEE'S SOCIAL SECURITY NUMBER IN BOX A.

4.2.2 Change the OW2 extract program, PPTAXW20 to use the employer address that is used for W-2 print rather than the address that is currently used which is the tape address.

4.2.3 The TALX Employer ID is coded as 12452 in the OW2 program. This ID number is unique to each campus. Since the University is no longer using TALX, change this field to filler.

4.2.4 Change the OW2 extract program, PPTAXW20, to leave an invalid SSN as it is and not change it to zeroes as is done for the federal Tape file. If it is zeroes, it cannot appear on the AYSO web site.

4.2.5 It is being requested (see Section 2.2) to obsolete the conversion of the country code "CA" to "CN" as there is no longer a need. The OW2 file should also be modified to remove the logic that changes "CN" back to "CA".

5.0 REPORTS

5.1 PPP6007 - W-2 Confirmation and Summary

Modify the heading in the last column to: STATUS/W2/PENSION.

Modify report PPP6007, to indicate if the employee has selected an electronic W-2. If the value of the employee's Electronic W-2 Indicator (EDB1166) = "Y" then print "OW2" under the W2 heading for this report. If EDB1166 = blank, then print "YES" as is done for other reports. If there is a fatal error message and no W-2 form is printed, then enter "NO" in this column.

If an employee's record goes over a specified number of lines, a blank page with the remaining data (no headings) is printed. No other employee records are printed on this page. Modify the printing so that if there is data overflow, the headings print on the next page and not on a separate page. The reporting should continue with the next employee record.

5.2 PPP6014 - Totals Reporting Federal W2 Tape.

Change the name of the report to: TOTALS REPORTING FEDERAL W2 FILE.

5.3 PPP6016 - W-2 Forms for Active Employees

Modify the report to place an asterisk at the end of the employee's name if EDB1166 = "Y". Modify the count to reflect the number of paper W-2 forms plus the number of electronic (OW2) forms.

See Attachment 2 for a sample of the above reports.

6.0 TESTING

After regular testing has been performed, use SSA's Accuwage software to test the W-2 file. The software can be accessed at SSA's website:

<http://www.ssa.gov/employer>

7.0 IMPLEMENTATION

These changes need to be implemented in time for campuses to distribute W-2 forms to employees by January 31, 2008.

The deadline for electronic filing is March 31, 2008.

d Control number		a Employee's social security number		1 Wages, tips, other compensation		2 Federal income tax withheld			
cEmployer's name, address, and ZIP code			bEmployer identification number		3 Social security wages		4 Social security tax withheld		
UC OFFICE OF THE PRESIDENT 1111 FRANKLIN ST, 8 TH FLOOR OAKLAND, CA 94607-5201			94-6002123		5 Medicare wages and tips		6 Medicare tax withheld		
			9 Advance EIC payment		10 Dependent care benefits				
e Employee's name, suffix			f Employee's address and ZIP code		12 See Instrs for Box 12		14 Other		
					12a C exec life ins		DCP-CAS		
					12b E 403(b)		DCP-REG		
					12c G 457(b)		INCLUDED IN BOX 01:		
					12d P moving expenses		OTHR INC		
					12e		INTEREST		
					12f		FRINGES		
This information is being furnished to the Internal Revenue Service.				11 Nonqualified plans		Form W-2 Wage and Tax 2007 Statement Copy B To Be Filed With Employee's FEDERAL Tax Return			
OMB No. 1545-0008 Department of the Treasury-Internal Revenue Service				13 Statutory Employee Retirement plan Third-party sick pay					
				<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>					
15 State	Employer's state ID No.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name			

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cEmployer's name, address, and ZIP code UC OFFICE OF THE PRESIDENT 1111 FRANKLIN ST, 8 TH FLOOR OAKLAND,		bEmployer identification number 94-6002123		3 Social security wages		4 Social security tax withheld	
		CA 94607-5201		5 Medicare wages and tips		6 Medicare tax withheld	
				9 Advance EIC payment		10 Dependent care benefits	
e Employee's name, suffix		f Employee's address and ZIP code		12 See Instrs for Box 12 12a C exec life ins 12b E 403(b) 12c G 457(b) 12d P moving expenses 12e 12f		14 Other DCP-CAS DCP-REG INCLUDED IN BOX 01: OTHR INC INTEREST FRINGES	
This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it. OMB No. 1545-0008 Department of the Treasury-Internal Revenue Service				11 Nonqualified plans		Form W-2 Wage and Tax 2007 Statement Copy C For EMPLOYEE'S RECORDS (See Notice to Employee on back of Copy B).	
				13 Statutory Employee <input type="checkbox"/>			
15 State	Employer's state ID No.	16 State wages, tips, etc.	17 State income tax	18 Local wages,tips,etc.	19 Local income tax	20 Locality name	

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				12e		INTEREST	
				12f		FRINGES	
OMB No. 1545-0008 Department of the Treasury-Internal Revenue Service				11 Nonqualified plans		Form W-2 Wage and Tax 2007 Statement Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return	
				13 Statutory Employee	Retirement plan		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
15 State	Employer's state ID No.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	