

**Release 1887**

**Service Request 82779**

**State Tax Table - Six Digit Percent of Excess**

**Test Plan**

October 30, 2009  
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## Testing Overview

This test plan addresses the test runs and cases constructed to verify the correct installation of Release 1887.

The test is made up of the following components:

1. Control Table Data Base (CTL) Initial Load (LOADCTL)
2. Employee Data Base (EDB) Initial Load (LOADEDDB)
3. Transaction Holding File (THF) Initial Load (LOADTHF)
4. Payroll Audit Record Data Base (PAR) Initial Load (LOADPAR)
5. Update of the State Tax Tables (RUN004)
6. Test the Rush Check process in CICS for the Tax Rate changes
  - Rush Check option OPT1
  - Rush Check option OPT2
7. Test Over Payment process in CICS for the Tax Rate changes
8. Test the Batch Compute (RUNB1) for the Bi-Weekly Tax Rate changes
9. Test the Batch Compute (RUNMO) for the Monthly Tax Rate changes
10. Attachments -- State tax calculation steps for the test cases

### **Control Table Data Base (CTL) Initial Load (LOADCTL)**

#### **Description**

This job loads the DB2 CTL database.

#### **Verification**

Ensure that the DB2 CTL has been successfully restored by verifying normal completion of the job and ensuring that all tables have been successfully loaded into the database.

### **Employee Data Base (EDB) Initial Load (LOADEDDB)**

#### **Description**

This job loads the EDB database.

#### **Verification**

Ensure that the EDB has been successfully restored by verifying normal completion of the job and ensuring that all tables have been successfully loaded into the database.

### **Transaction Holding File (THF) Initial Load (LOADTHF)**

#### **Description**

This job loads the THF database.

#### **Verification**

Ensure that the THF has been successfully restored by verifying normal completion of the job and ensuring that all tables have been successfully loaded into the database.

### **Payroll Audit Record Data Base (PAR) Initial Load (LOADPAR)**

#### **Description**

This job loads the PAR database.

#### **Verification**

Ensure that the PAR has been successfully restored by verifying normal completion of the job and ensuring that all tables have been successfully loaded into the database.

## **Update of the State Tax Tables (RUN004)**

### **Description**

This job updates the State Tax Tables A through E using the input card file STTPROD and it is to test the following changes relating to the length increase of State Tax Rate table column Percent of Excess from 4 to 6:

1. The control table update process that receives the new input UPAY 548 form batch transactions for the Monthly, Semi-monthly, and Bi-weekly pay periods
2. Editing of the State Tax Rate batch transactions correctly
3. Updating all the State Tax Rate tables including the changed table PPPSTR with the latest rates
4. Reporting of the new state tax rates with the expanded display of % excess rates (single, married, and head of household) for all the pay periods

### **Verification**

In order to assure successful installation of the changes and completion of this job, verify the following:

- a. The normal completion of the job
- b. Ensure that the following State Tax tables A through E of the CTL database have been updated successfully:
  - PPPSTA (Tables A and C)
  - PPPSTC (Table D)
  - PPPSTI (Table B)
  - PPPSTR (Table E)
- c. PPP0412 contains the Control File Maintenance report for the update of the State Tax Tables. Confirm that
  - Tax Percent is displayed in 6 decimal places
  - The locally produced PPP0412 State Tax Rates Report match the PPP0412 Report sent with this release

**Test Rush Check process in CICS for the Tax Rate changes**

**Description**

Test the rush check process to verify that the new state tax rates are used in the state tax calculations.

After successful installation of the CICS programs, test the rush check process for the state tax rates.

**Rush Check option OPT1**

Enter function **SPCL** in the option “*Next Func:*” option from the PPS *Online Applications Main Menu* screen and press **Enter** for the *Special Processes Transaction Menu*.

Enter function **OPT1** in the option “*Next Func:*” and ID 000050017, and press Enter to go to the RC10 *Special Processes Rush Check Opt1 Employee Data* screen.

Note the following EDB values in this screen for the test employee 000050017:

<i>Federal</i>	<i>Federal</i>	<i>State</i>	<i>State</i>	<i>State</i>
<i>Marital</i>	<i>Exempt</i>	<i>Marital</i>	<i>Exempt</i>	<i>Itemized</i>
<b><u>M</u></b>	<b><u>006</u></b>	<b><u>M</u></b>	<b><u>006</u></b>	<b><u>001</u></b>

In addition, the Primary Pay Schedule for this employee in the EDB is Bi-Weekly. (Table PPPPCM - value of PRI\_PAY\_SCHEDULE = ‘BW’).

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Press F11 for RC11 *Special Processes Rush Check Opt1 Earns & Deds* screen and enter an AP transaction data for the employee 000050017 as shown below:

Trn	PayEnd	Cy	Dst	Ttl	L/A/C/F/P/S	Rte/Amt	S	DOS	Time	H%	RAI	WS
AP	033009	M	00	7510	3404100COST19900PROJEC2	0576592	-	REG	10000	%	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-

Press F5 to update the successfully edited AP transaction.

The RC10 screen is displayed with the system message "P0501 Transaction successfully processed - reports sent to printer". The printed PPRCAUDT1 report should be as below:

PPRCAUDT1/PPRCAUDT/103101		UNIVERSITY OF CALIFORNIA-SYSTEMWIDE		PAGE NO.		000001								
RETN: SEE RPTS DISP SCHEDULE/DIST.		PAYROLL PROCESSING		RUN DATE		10/20/09								
		RUSH CHECKS PAYROLL AUDIT REPORT		CHECK DATE		10/20/09								
000050017 VAN LINES, MAY FLOWER		DEPT: CHANCELLORS OFFICE		LAST PAY: 12/27/08										
*****		INV STATUS: 04/01/08 ON EDB:		EUC: CX ESH: EBEUC: CX EBERC: U EMP REL: C										
RUSH CHECK	NET PAY	4,219.39	TOTAL GROSS	5,765.92	FWT GROSS	5,333.48	OASDI GROSS	0.00	MEDCR GROSS	5,765.92				
000497 4Y DCP PLAN: Y	RETR GROSS		5,765.92	STATE GROSS	5,333.48				SUM GROSSES	27,964.72				
FAU: 112600 TAX CD: FED-M006 ST-M006/001	STUDENT STAT: 1		RETR-H	SP	RETR-	FICA-M	INS RED-		PRI PAY SCHED: BW					
Y 0Y 0Y	734 DCP CASUAL	432.44	009	MEDICARE		83.60	014	FEDERAL TAX	724.20					
0Y	012 CA STATE TAX	306.29						DEDUCTION SUM	1,546.53					
AP 3-404100-COST-19900-PROJEC-2	ERC TYP	TUC	DUC	SHC	COV	TITLE	SB	RET	DOS	GROSS	RATE	TIME H	TIME %	PERIOD
	99			U	7510			0	REG	5,765.92	5,765.92 %	176.00	1.0000	03/30/09-M- - -

Verify in the above screen that CA STATE TAX amount is 306.29. The steps performed in the state tax calculation to arrive at the value of 306.29 are briefly explained in the attachment A.



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Press F5 to update the successfully edited transaction.

The RC20 screen is displayed with the system message "P0419 Prospective Advice Model transaction successfully processed". Scroll down to the third page on this screen by pressing F8 and the screen should be as below:

```
PPRCO20-E1588                Special Processes                10/20/09 17:02:14
                               Rush Check Prospective Advice          Userid:  PAYBCC
ID: 000050065 Name: TICKLEY,FRAN
Federal Withholding: SINGLE    001 Allowances Retire Status: U Page  3 of  4
State Withholding:  SINGLE    001 Allowances FICA/Medicare Status:  E
State Itemized:          000 Allowances Print Advice (Y/N):  [red]
-----Projected Earnings Detail-----
Pay Type      Pay Rate Time      Gross
Gross Earns:      5,000.00
Taxable Earns:    4,026.39
Deductions:       2,098.99
Projected Net:    2,901.01
-----Projected Deductions-----
Ded Type      Coverage      Amount
CA STATE TAX                173.21
SUPPL LIFE    0264,000      25.61
ARAG LEGAL    Self          10.02
SUPPL DIS     090 DY WAIT   27.01
-----Projected Contributions-----
```

Verify in the above screen that CA STATE TAX amount is 173.21. The steps performed in the state tax calculation to arrive at the value of 173.21 are briefly explained in the attachment **B**.

### Test Over Payment process in CICS for the Tax Rate changes

#### Description

Test the over payment process to verify that the new state tax rates are used in the state tax calculations.

After successful installation of the CICS programs, test the over payment process for the state tax rates.

Enter function **SPCL** in the option “*Next Func.*” option from the PPS *Online Applications Main Menu* screen and press **Enter** for the *Special Processes Transaction Menu*.

Enter function **OVPY** in the option “*Next Func.*” with ID 000050090 and PAR Control Number 271, and press Enter to go to the *OVPY Special Processes ORCA Overpayment Transaction* screen.

Enter the following data in the ORCA Overpayment screen as shown below:

1. Check Date 050109
2. Pay Schedule MO
3. Original Net 0422678
4. Move the cursor to the first transaction line and enter Dst ID 001
5. Original Payrate 0528200
6. ‘%’ for H or %
7. Orig Time 10000
8. ‘+’ for sign S
9. Correct Payrate 0491075
10. ‘%’ for H or %
11. Corr Time 09500
12. ‘+’ for sign S

```

PPOVPY0-E1877                Special Processes                10/22/09 16:28:36
                                ORCA Overpayment Transaction    Userid: PAYBCC
ID: 000050090 Name: BALDUCCI, GUIDO                               Page 1 of 1
PAR Control Number: 271    Check No: _____ Check Dt: 050109 Pay Sch Cd: MO
Original Net Pay: 0422678 Curr/Prior Year Ind: _ YTD Balance Ind: _

Dst Originl H Orig S Correct H Corr S Dst Originl H Orig S Correct H Corr S
ID Payrate % Time Payrate % Time ID Payrate % Time Payrate % Time
001 0528200 % 10000 + 0491075 % 09500 + _____ - _____ - _____ -
_____ - _____ - _____ - _____ - _____ - _____ -
_____ - _____ - _____ - _____ - _____ - _____ -

```

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Press enter and the ORCA screen will display a message "P0502 Transaction successfully edited - press update key for completion:"

Press F5 to update the successfully edited transaction.

The OVPY screen is displayed with the system message "P0501 Transaction successfully processed - reports sent to printer". The printed PPRCAUDT1 report should be as below:

PPORAUDT1/PPORAUDT/080497		UNIVERSITY OF CALIFORNIA-SYSTEMWIDE										PAGE NO.		000001						
RETN: SEE RPTS DISP SCHEDULE/DIST.		PAYROLL PROCESSING										RUN DATE		10/22/09						
		CANCELLATION/OVERPAYMENT/REVERSAL REPORT																		
000050090 BALDUCCI, GUIDO		PAY PERIOD END: 04/30/09		CHECK DATE: 05/01/09		EUC: IX		EDUC:		EMP REL: E										
*****																				
ORIGINAL PAY	NET PAY	4,226.78	TOTAL GROSS	5,282.00	FWT GROSS	5,195.36	OASDI GROSS	5,282.00	MEDCR GROSS	5,282.00	SUM GROSSES	31,518.72								
0 2Y			RETR GROSS	5,282.00	STATE GROSS	5,195.36														
FAU:	TAX CD: PED-M004	ST-M001/003	STUDENT STAT: 1	RETR-U	SP	RETR-0	FICA-E	INS RED-	PRI	PAY SCHED: MO										
2Y 2Y 2Y	009	MEDICARE	76.59	012	CA STATE TAX	135.90	013	OASDI	327.49											
2Y Y Y	014	FEDERAL TAX	363.60	458	IX AGENCY FE	65.00	733	DCP REGULAR	86.64											
	111	UCRS-REDUCT	19.00	C	118	DDENTAL CON	77.94	C	241	VISION PLAN	13.45	C								
	309	CM(BC) CONT	106.00	C						DEDUCTION SUM	1,271.61									
AU 3-427701-		-63000-	ERC TYP	TUC	DUC	SHC	COV	TITLE	SB	RET	DOS	GROSS	RATE	TIME H	TIME %	PERIOD				
			E	5	IX		C	1633	GN	0	REG	5,282.00	5,282.00 %	176.00	1.0000	04/30/09-M-	-	-N		
CORRECTED PAY		NET PAY	3,799.70	TOTAL GROSS	4,665.21	FWT GROSS	4,590.91	OASDI GROSS	4,665.21	MEDCR GROSS	4,665.21	SUM GROSSES	27,842.66							
0 2Y			RETR GROSS	4,665.21	STATE GROSS	4,590.91														
2Y 2Y 2Y	009	MEDICARE	67.64	012	CA STATE TAX	104.00	013	OASDI	289.24											
2Y Y Y	014	FEDERAL TAX	272.93	458	IX AGENCY FE	57.40	733	DCP REGULAR	74.30											
	111	UCRS-REDUCT	19.00	C	118	DDENTAL CON	77.94	C	241	VISION PLAN	13.45	C								
	309	CM(BC) CONT	106.00	C						DEDUCTION SUM	1,081.90									
AU 3-427701-		-63000-	ERC TYP	TUC	DUC	SHC	COV	TITLE	SB	RET	DOS	GROSS	RATE	TIME H	TIME %	PERIOD				
			E	5	IX		C	1633	GN	0	REG	4,665.21	4,910.75 %	N/A	0.9500	04/30/09-M-	-	-N		
OVERPAID - ****OVERPAYMENT-TRANSACTION****		NET PAY	427.08	TOTAL GROSS	616.79	FWT GROSS	604.45	OASDI GROSS	616.79	MEDCR GROSS	616.79	SUM GROSSES	3,676.06							
0 2Y			RETR GROSS	616.79	STATE GROSS	604.45														
FAU:	TAX CD: PED-M004	ST-M001/003	STUDENT STAT: 1	RETR-U	SP	RETR-0	FICA-E	INS RED-	PRI	PAY SCHED: MO										
2Y 2Y 2Y	009	MEDICARE	8.95	012	CA STATE TAX	31.90	013	OASDI	38.25											
2Y Y Y	014	FEDERAL TAX	90.67	458	IX AGENCY FE	7.60	733	DCP REGULAR	12.34											
										DEDUCTION SUM	189.71									
AU 3-427701-		-63000-	ERC TYP	TUC	DUC	SHC	COV	TITLE	SB	RET	DOS	GROSS	RATE	TIME H	TIME %	PERIOD				
			E	5	IX		C	1633	GN	0	REG	616.79	4,910.75 %	176.00	0.0500	04/30/09-M-	-	-N		

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Verify in the above screen that CA STATE TAX amount overpaid is **31.90**, which is the difference between CA STATE TAX of 135.90 (from original pay) and 104.00 (from corrected pay).

The original CA STATE TAX from the PAR details (PPPDRC table, GTN Number 012) is 135.90.

The steps performed in the state tax calculation to arrive at the value of 104.00 (from corrected pay) are briefly explained in the attachment **C**.

### **Test the Batch Compute (RUNB1) for the Bi-Weekly Tax Rate changes**

#### **Description**

Test the bi-weekly batch compute process to verify that the new bi-weekly state tax rates are used in the state tax calculations.

After the successful batch installation of the changed PPS programs, submit the job RUNB1, which is the B1 compute for the month of May (Pay Period End Date of 05/02/2009, Check Date of 05/13/2009).

#### **Verification**

After the successful completion of RUNB1, verify the state tax amount of 57.31 is calculated for the bi-weekly employee **000050024** (WILLING, ABE L. N.) in the PAR report PPP4401. The steps performed in the state tax calculation to arrive at the value of 57.31 are briefly explained in the attachment **D**.

In addition, verify that no CA State Tax calculated for the employee **000050107** (MART, WALLY C.) because the State Gross 433.94 is below the low income exemption amount of 434.00 (Table A, Single).

**Test the Batch Compute (RUNMO) for the Monthly Tax Rate changes**

**Description**

Test the monthly batch compute process to verify that the new monthly state tax rates are used in the state tax calculations.

After the successful batch installation of the changed PPS programs, submit the job RUNMO, which is the MO compute for the month of April (Pay Period End Date of 04/30/2009, Check Date of 05/01/2009).

**Verification**

After the successful completion of RUNMO, verify the state tax amount of 413.76 is calculated for the monthly employee **000050080** (TOESAKS,AL) in the PAR report PPP4401. The steps performed in the state tax calculation to arrive at the value of 413.76 are briefly explained in the attachment **D**.

In addition, verify the following state tax amounts calculated for the employees listed below in the PAR report PPP4401:

<u>Employee ID / Name</u>	<u>CA State Tax</u>
000050087 FORTH,SALLY	35.85
444000004 FRITZ, JOHN	98.12

In addition, verify that no CA State Tax calculated for the employee **333333009** (BANDERAS, ANTONIO) because the State Gross 1764.00 is below the low income exemption amount of 1880.00 (Table A, Married with 3 exemptions).

## Attachment A

The following steps are performed in the state tax calculation to arrive at the value of **306.29**.

1. State gross amount inputted in the AP transaction = 5765.92.
2. The following are the EDB data for the employee 000050017:
 

State Marital Status	'M' (Married)
Primary Pay Schedule	'BW'
State Exempt	6
State Itemized	1
3. Reductions that must be applied to the input gross = 432.44 (DCP Casual).  
 The resulting state gross = 5333.48 (5765.92 - 432.44).
4. The state gross amount 5333.48 is greater than 868.00 (Low Income exemption from Table A, State Exempt = 6) for a married person with greater than 1 state exemption. Therefore further state tax calculations should be done.
5. Subtract 38 (Table B, State Itemized = 1) from the state gross 5333.48 to get the new state gross of 5295.48.
6. Apply the standard deduction of 284.00 (Table C, State Exempt = 6) for a married person with greater than 1 state exemption.  
 The resulting state gross = 5011.48 (5295.48 - 284.00).
7. Calculate the state tax using the revised state tax rate table E as below:
 

State Tax	= 185.25 (tax amount till 3620.00) +
	(5011.48 - 3620.00) * .10505 (new tax percent from PPPSTR)
State Tax	= 185.25 + (1391.48 * .10505)
	= 185.25 + 146.17
	= 331.42
8. Subtract tax credit of 25.13 (Table D, State Exempt = 6) from the state tax 331.42 to get the state tax of **306.29** (331.42 - 25.13).

## Attachment B

The following steps are performed in the state tax calculation to arrive at the value of **173.21**.

1. State gross amount inputted in the OPT2 screen = 5000.00.
2. The following are the EDB data for the employee 000050065:
 

State Marital Status	'S' (Single)
Primary Pay Schedule	'MO'
State Exempt	1
State Itemized	0
3. Reductions that must be applied to the input gross = 973.61.  
 The resulting state gross = 4026.39 (5000.00 - 973.61).
4. The state gross amount 4026.39 is greater than 940.00 (Low Income exemption from Table A) for a single person. Therefore further state tax calculations should be done.
5. No deduction from Table B (State Itemized = 0) from the state gross.
6. Apply the standard deduction of 308.00 (Table C) for a single person.  
 The resulting state gross = 3718.39 (4026.39 - 308.00).
7. Calculate the state tax using the revised state tax rate table E as below:
 

State Tax	= 126.35 (tax amount till 3102.00) +
	(3718.39 - 3102.00) * .09075 (new tax percent from PPPSTR)
State Tax	= 126.35 + (616.39 * .09075)
	= 126.35 + 55.94
	= 182.29
8. Subtract tax credit of 9.08 (Table D, State Exempt = 1) from the state tax 182.29 to get the state tax of **173.21** (182.29 - 9.08).

### Attachment C

The following steps are performed in the state tax calculation to arrive at the value of **104.00**.

1. State gross amount inputted in the OVPY screen = 95% of 4910.75 = 4665.21.
2. The following are the EDB data for the employee 000050090:
 

State Marital Status	'M' (Married)
Primary Pay Schedule	'MO'
State Exempt	1
State Itemized	3
3. Reductions that must be applied to the input gross = 74.30 (DCP Regular).  
 The resulting state gross = 4590.91 (4665.21 - 74.30).
4. The state gross amount 4590.91 is greater than 940.00 (Low Income exemption from Table A, State Exempt = 1) for a married person with 1 state exemption. Therefore further state tax calculations should be done.
5. Subtract 250 (Table B, State Itemized = 3) from the state gross 4590.91 to get the new state gross of 4340.91.
6. Apply the standard deduction of 308.00 (Table C, State Exempt = 1) for a married person with 1 state exemption.  
 The resulting state gross = 4032.91 (4340.91 - 308.00).
7. Calculate the state tax using the revised state tax rate table E as below:
 

State Tax	= 56.94 (tax amount till 2832.00) +
	(4032.91 - 2832.00) * .04675 (new tax percent from PPPSTR)
State Tax	= 56.94 + (1200.91 * .04675)
	= 56.94 + 56.14
	= 113.08
8. Subtract tax credit of 9.08 (Table D, State Exempt = 1) from the state tax 113.08 to get the state tax of **104.00** (113.08 - 9.08).

**Attachment D**

The following steps are performed in the state tax calculation to arrive at the value of **57.31**.

**Employee Details:**

Employee ID	State Marital Status	State Exempt	State Itemized	Primary Pay Schedule	State Gross
000050024	S (Single)	5	2	BW	1870.51

**State Tax Calculation:**

	Table A	Table B	Table C	Table E Rates		Table D
Tax Table Amount	434	77	142	Up to 1432 Tax 58.33	Up to 1810 Tax 9.075%	20.94
Brief Explanation	Gross > 434 calculate tax	Subtract 77	Subtract 142	Tax 58.33	Add % Tax 19.92	Credit Tax 20.94
Resulting Gross	1870.51	1793.51	1651.51			
State Tax Amount				58.33	78.25	<b>57.31</b>

**Attachment E**

The following steps are performed in the state tax calculation to arrive at the value of **413.76**.

**Employee Details:**

Employee ID	State Marital Status	State Exempt	State Itemized	Primary Pay Schedule	State Gross
000050080	S (Single)	3	1	MO	6599.76

**State Tax Calculation:**

	Table A	Table B	Table C	Table E Rates		Table D
Tax Table Amount	940	83	308	Up to 3922 Tax 200.77	Up to 83334 Tax 10.505%	27.23
Brief Explanation	Gross > 940 calculate tax	Subtract 83	Subtract 308	Tax 200.77	Add % Tax 240.22	Credit Tax 27.23
Resulting Gross	6599.76	6516.76	6208.76			
State Tax Amount				200.77	440.99	<b>413.76</b>