USPS Calendar Year-End 2024 Checklist

This procedure outlines the steps to be taken to close the USPS calendar year-end. This checklist should be followed to complete the Calendar Year End closing procedures.

Preclosing items:

1.____Optional: Create the W2 SSN Verification Submission File. This file can be submitted to BSO (SSA) to verify SSN. A valid BSO login is required.

- Go to **Reports – W2 SSN Verification – Create Submission File**
    - This file will get uploaded on the **BSO website**.
- Once a file is received back from SSA, save it to your computer.
- Go to **Reports – W2 SSN Verification – Results Report**
    - Report Title – W2 SSN Verification Results (can be changed if desired)
    - Report Format – PDF or CSV
    - Sort by – Employee SSN or Employee Name
    - Click on 'Choose File' and browse to locate the file you saved
    - Click on 'Generate W2 SSN Verification Results Report'
    - Review the report for errors
    - Make corrections if necessary

2.____ Process any Life Insurance Payments (Formerly NC1) Be sure to process the Life Insurance pay type for board paid life insurance premiums over $50,000 before your last payroll of the calendar year.

- Go to **Payroll/Payroll Payments-Future**
- Click **Create**
- Choose **Life Insurance Premium** from **Pay Type** dropdown
- Populate remaining fields and click **Save**

  See the chapter called **Life Insurance Premium** in the USPS Manual.
  https://mcoecn.atlassian.net/wiki/spaces/uspsrdoc/pages/2491219/Life+Insurance+Premium

Processing Life Insurance Payment Through Payroll (detailed steps and tips)

- Using the PAYROLL/PAYROLL PAYMENTS - CURRENT or PAYROLL/PAYMENTS-FUTURE program, the amount should be entered using a pay type of Life Insurance Premium. This pay type represents one kind of non-cash earnings for the employee.
- If the district has many NC1 adjustments, then they can use the **NC1 Attendance Upload sample.csv upload template**. *Please contact HCC via a help desk ticket*, and we will send that to you.
- This pay type will be treated differently for taxation purposes. Using this non-cash earnings amount, the tax amounts for Medicare and Social Security will be calculated during the Initialization of the pay and PAYROLL/PAYMENTS - CURRENT program.

- No Federal, State, or OSDI tax amounts will be calculated. All of these will be treated according to the federal rules. The software provides the ability to withhold city tax on non-cash earnings. This can be activated by checking the "Tax Non Cash Earn" field on the city tax record in the CORE/PAYROLL ITEM CONFIGURATION screen.
- Complete the payroll.
- The non-cash earnings amount will **not** be included in the gross pay amount, **nor** in the gross totals found on Pay Report or REPORTS/PAY AMOUNT SUMMARY REPORT options. However, the non-cash earnings amount **is** being included in the *adjusted gross* figure because the amount is considered part of the taxable gross even though no tax is being withheld on it. Both the Pay Report and REPORTS/PAY AMOUNT SUMMARY REPORT options will provide a total figure of all non-cash earnings in the total section. This extra total will help with balancing.

Manually adding Life Insurance if not processed through Payroll

If the Life Insurance Premium pay type was not used on or before last pay of the year, this can be handled through Core/Adjustments to update total and taxable fields on all necessary records. However, using this method is not preferable, because the employee will owe city tax for the Life Insurance Amount not paid through the system. This will be reflected when the employee files their taxes with the city.

- Go to **Core/Adjustments** click **Create**
- Find the **Employee**
- Under the **Payroll Item** dropdown, choose the 001 record
- Under **Type** choose **Life Insurance Premium**
- Enter in a **Transaction Date**
- Enter in the **Amount** of the **Life Insurance Premium**
- A **Description** can be entered (optional)
- Click **Save**

NOTE: This will update the Federal, State, City, OSDI and Medicare total and taxable gross figures for W2 reporting purposes.

Use **Core/Adjustments** to manually add the Medicare **Amount Paid**- (board will need to pay for both Employee and Employer portion of Medicare and employee can reimburse the district if board desires.)

- Go to **Core/Adjustments** click **Create**
- Find the **Employee**
- Under the **Payroll Item** dropdown, choose **Medicare Tax 692**
- Under **Type** choose **Amount Withheld**
- Enter in a **Transaction Date**
- Enter in the **Amount** owed for **employee Medicare** for the Life Insurance Premium. (board will need to pay both employee and employer share and employee can reimburse the district if the board desired.)
- A **Description** can be entered (optional)
- Click **Save**
- **Repeat** steps to add the employer's Medicare amount. **Type** will be **Board's Amount of payroll item**.

> **This procedure is reviewed with screenshots in: "USPS Life Insurance guide and NC1 calculator".**

NOTE: Medicare withholding will be updated on the W2 Report. Can run W2 Report and Submission to verify.

If many NC1 adjustments need to be entered via **Core -> Adjustments**, then **AdjustmentJournal_Mass_Load - NC1 Mass Load.csv** can be used and uploaded through **Utilities->Mass Load->AdjustmentJournal.** *Please contact HCC for this .csv file template*.

3.____ Adoption Assistance: Process any Adoption Assistance (NC2 payments in Classic) payments.

Be sure to process Adoption Assistance Pay Types for any employees with Adoption Assistance before your last payroll of the calendar year.

- Go to **Payroll>Payroll Payments - Future** or **Payroll Payments - Current**
- Click **Create**
- If using Current, select the payroll being processed
- Enter the **Employee**
- Select the **Position**
- Continue
- **Pay Type** = Adoption Assistance
- **Unit** = 1
- **Rate** = Amount of adoption assistance needing to be reported on the employee's W2
- **Save**

4.____Reimbursable Employee Expenses: Process any Reimbursable Employee Expenses (NC3 payments in Classic). See the document called Reimbursable Employee Expenses on the SSDT Wiki page for further information.

5. ____OSDI Code: Ensure the **OSDI four-digit code** appears first in the **W2 abbreviation** field in Payroll Item Configuration, **followed by the school's name** if there is space. **The four-digit OSDI code is required on the W2**.

- Go to **Core > Payroll Item Configuration**
- Filter the gride by entering **OSDI** in the **Type** field
- Review the **W2 abbreviation** to verify the format and codes are accurate (i.e. 1234Local)

6. ____City W2 Abbreviations: Check **W2 abbreviations** on all city Payroll Item Configuration records. If left blank, the value in the abbreviation field will print.

- Go to **Core > Payroll Item Configuration**
- Filter the grid by entering **City Tax** in the **Type** field
- Review the **W2 abbreviation** column to verify there is a value in the W2 abbreviation field

7. ____ Tax Entity Codes: Ensure the **Tax Entity Codes** are on the respective **Payroll Item Configuration** city tax records.

- Go to **Core>Payroll Item Configuration**
- Filter the grid by entering **City** in the **Type** field
- View each City record that will be **filed electronically** and verify the appropriate **code** is entered in the **Tax Entity Code** field

NOTE: The specific city information cannot be filed electronically unless the tax entity code is present.

8. ____RITA: For any cities using the **Regional Income Tax Agency (RITA)** to report city tax information, verify the **Tax Entity Code**, the appropriate **RITA three-digit code**, and **RITA description** are entered on the city **Payroll Item Configuration** record. RITA three-digit codes can be found on the RITA website.

Verify that all employees having a RITA city tax withheld, verify their Payroll Item Deduction Type field is marked as Employer or Residence.

- Go to **Core > Payroll Item > Payroll Item**
- Select **City** under the Select Payroll Item dropdown
- Verify the **Deduction Type** is set to Employment or Residence

9.____CCA: For any City reporting to CCA, verify the following:

http://ccatax.ci.cleveland.oh.us/?p=mmspec

- Verify the CCA assigned code, CCA Description, and Report to CCA checkbox.
  - Go to **Core>Payroll Item Configuration**
  - Filter the grid by entering **City** in the **Type field**
  - Verify the **CCA assigned code** is entered in the **CCA field**, **the CCA assigned description** is entered in the **CCA Description**, and the **Report To CCA check box is checked**
- Any district that reports to CCA must also make sure that they review the Appendices that the CCA has published. City codes MUST be entered for cities on these lists, regardless if they are a CCA city or not. These cities get reported in the file that is sent to CCA and must also be coded.
  - Go to Appendix A, B, or C to check for the correct CCA assigned code
    - *http://ccatax.ci.cleveland.oh.us/forms/dataformat2023.pdf*

    - If CCA city is in Appendix A, they need the following in Payroll Item Configuration for CCA: Valid CCA code, valid CCA city name, and box checked on "Report to CCA".
    - If any city is not in Appendix A but in Appendix B, Payroll Item Configuration should be: Valid CCA code, valid CCA city name, and box Unchecked on "Report to CCA".

- If any city is not in <u>Appendix A, B, or C,</u> Payroll Item Configuration should be: Valid CCA code left blank, valid CCA city name*, and box Unchecked on "Report to CCA".
  - *The valid CCA city name should be entered based on the name found in the Ohio Municipal Income Tax Rate Table found at (aka TheFinder): <u>https://thefinder.tax.ohio.gov/StreamlineSalesTaxWeb/ Download/MuniRateTableInstructions.aspx</u>*
- For the employees having the CCA City tax or any other City tax withheld, verify their Payroll Item Deduction Type field is marked as Employment or Residence.
  - Go to **Core>Payroll Item**.
  - Select **City** under the Select **Payroll Item dropdown**
  - Verify the Deduction Type is set to **Employment or Residence** REQUIRED
- Verify employee's addresses to make sure you are following the guidelines per by the US Postal Service in Publication 28 - <u>https://pe.usps.com/cpim/ftp/pubs/pub28/pub28.pdf</u>

10.____ HSA: Verify any Payroll Items being used for HSA purposes have the **Annuity Type** field set to **Other**.

- Go to **Core>Payroll Item Configuration**
- Filter the grid by entering **Health** in the **Type** field
- View the HSA record
- Verify the Annuity **Type** is set to **Other**

11._____HSA Board Share paid through accounts payable: If the board made contributions to the HSA through accounts payable, an adjustment must be entered into Core-Adjustments to add it to the W-2. This will appear in Box 12 with a code of W on the W-2.

- Go to **Core>Adjustments**
- **Create** New
- Find **Employee**
- **Pay Item** = HSA Payroll item number
- **Type** = Boards Amount of payroll item
- **Transaction Date** = 12/31/23
- **Description** = Your choice (i.e. HSA Contributions July 23)
- **To Date Options** = Only **YEAR TO DATE** should be checked.

Note: This can be done via a mass load. Please submit a HelpDesk ticket to the finance team for the template.
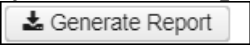
Month-End Closing

12.____ Verify that the following items were completed during your last payroll:

- SERS Per Pay Report
- SERS monthly payments as required.
- All "new" SERS employees have been reported as new hires. (Reports->SERS New Hire Report)
- STRS Report

- All "new" STRS employees have been reported as new hires. (Reports->STRS New Hire Report)
- Balancing the payroll account when the statement is received from bank (Payments -> Check Register).
- Outstanding Checks Report has been generated
- Benefit Accrual (BENACC) has been run for December (if applicable).

Quarter-End Closing

13.____ Run **Quarter Report-Go to Reports/Quarter Report**

- **Year-**Default is the current year. Can be changed is desired using dropdown.
- **Quarter-**Current quarter should be defaulted. Can be changed if desired using dropdown.
- **Sort By-**Default is **Employee Name.** Can be changed if desired using dropdown.
- Click [⬇ Generate Report]

In the "Totals" section of **Quarter Report**, the gross and adjusted gross should balance using a manual calculation.

> **Gross – Annuities + NC1 = Adjusted gross calculated**

NOTE: The Adjusted gross calculated should equal the Calculated Adjusted Gross amount from Quarter Report. This should be true for all adjusted gross figures in the "Totals" section.
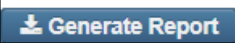
All Payroll Items for the quarter should equal the total Payroll Items showing on Quarter Report. Be sure to verify the electronic transfers of Federal and Medicare payments as well. This should be true for every Payroll Item code.

The total gross showing on Quarter Report should equal the total of all payroll clearance checks created during Payroll Posts for the quarter.

Tips for if you receive the "*Calculate Adjusted Gross Different than Total Adjusted Gross from Federal Records***" warning:**

- Check for any payments for a deceased employee. That can impact the total and calculated adjusted gross. The amount paid to the "Estate or Spouse" is reduced on the employee's Federal record (both Total and Taxable gross) and moved to a 1099 which causes the "Calculated Adj Gross Difference" warning you could receive. The amount paid is then reported on a 1099 instead of a W-2.
- Check to make sure you did not enter any stop dates from last year for a payroll item that was actually withheld this year. For example, an employee had a payroll item withheld in January but after it was withheld you entered a stop date of 12/31/23.

14.____ It is recommended that you balance the **W2 Report** at least <u>quarterly</u> to minimize problems at calendar year-end. **Use the Report Summary (last page) totals for balancing.**

- **Go to Reports – W2 Reports - W2 Report and Submission**
- **Output Format -** Choose **Report**
- **Format -** Choose from dropdown
- **Report Title -** Default is **W2 Report**-can be changed if desired
- **Federal ID Number -** Defaults from Organization
- **State ID Number -** Defaults from Organization
- **Kind of Employer -** Choose from dropdown
- **Report Year -** Defaults to current calendar year
- Click ![Generate Report]

15.____ View **W2 Report** check for any errors on the report. If errors are discovered, check employees that had exception processing during the quarter such as voided checks, error adjustments, or manual changes in **Core > Adjustments**. The **Audit Trail report** can be useful in identifying these problems Clean up errors and re-run **W2 Report and Submission.**

16.____ Balance the Federal Total gross amount on the **W2 Report** with **Pay Reports** for the quarter.
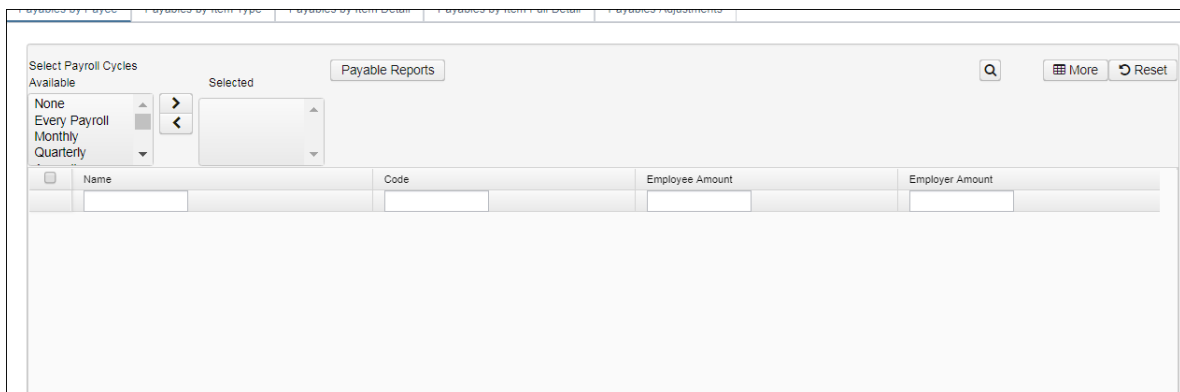
- Federal Total Gross on W2 Report minus Insurance minus Medicare Pickup = Quarter Report>Totals Summary>YTD Total Gross

NOTE: These amounts may not balance due to the way **W2 Report** handles certain amounts.

Items that affect balancing between W2 Report and Quarter Report:
    Dependent care benefits over limit ($5,000.00/or married filing separate $2,500.00)
    Fringe Benefits
    Medicare pickup amounts
    Taxable third party sick pay
    Use of company vehicle
    Employee expense reimbursements paid through warrant

17.____ Go to **Processing/Outstanding Payables** and verify that there are no outstanding Payroll Item amounts

18. ____ Complete and file any required quarter-end or year-end submission forms (Federal, State, and Cities).
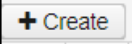
19. ____ For city withholdings, take the total gross times the percentage to be sure the tax withheld and submitted are correct.

 NOTE: Mobile employees could cause discrepancies. Multiple tax rates for the same city can also cause discrepancies.

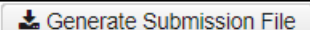**20. ____** Go to **Reports/ODJFS Report**

- **Year -** Defaulted to current year
- **Quarter -** Defaulted to current quarter
- **Sort By -** choose sorting option from dropdown
- Click [⬇ Generate Report]

21. ____ Check all totals (wages and weeks) carefully for accuracy. If necessary, adjustments can be made in **Core/Adjustments**

- Go to **Core/Adjustments**
- Click [+ Create]
- Find the employee by typing in a few characters of first or last name or id
- Under Type choose from the dropdown ODJFS Weeks or ODJFS Total Gross
- Enter or choose from the calendar a Transaction Date
- Enter in the number of weeks/wages needed in the Amount field
- A Description can be entered if desired
- Click [✔ Save]

NOTE: If a terminated employee is still showing weeks, check that they have a calendar stop date on their compensation screens.

22.____ When all data is correct, run Report/ODJFS Report again and select. [⬇ Generate Submission File]

NOTE: Save the file to your desktop or a folder of your choosing, rename it to include the district name at the beginning, and then securely upload these files to the ShareBase link that HCC will provide to you**. HCC will send the email with the link information, similar to what has been sent for prior quarter ends.**

23.____OAPSE Report – If your district has OAPSE as a union, there is a report available that will pull the data OAPSE requests at the beginning of the year. If you don't not already have this report, please submit a Helpdesk ticket and a finance team member will add the report to your report manager.

W2 Processing

24. ____ Using the **Core/Adjustments** option make any necessary changes to the **YTD gross, YTD taxable gross**, on the 001 Federal Payroll Items for the W2 forms. Sources of these changes may be fringe benefits, life insurance costs, adoption assistance, third party pay, or a leased vehicle. See supporting documents for details.

25. _____ If an employee has reportable dependent care information that needs to appear in Box 10 of the W2 form, there are two ways of reporting:

If the **Dependent Care Payroll Item** has been used during normal payroll processing no further action is necessary.

OR:

If not entered with payroll during the year, enter the Dependent Care amount by going to Core -> Adjustments.

- Click **+ Create**
- Find the **Employee** by typing in a few characters of the first or last name or id
- Under **Payroll Item** from the dropdown, choose **Federal Tax, Code:001**
- Under **Type**, choose **Dependent Care**
- Enter or choose a **Transaction Date** from the calendar
- Enter in the **Amount** for Dependent Care
- A **Description** can be added if desired
- Click **✔ Save**

NOTE: Questions on whether the dependent care is reportable or not should be directed to your district legal adviser.

26. _____ If you are notified of any **Third Party Sick Pay,** and it is **taxable,** you will need to enter the appropriate Adjustments for Total Gross and Taxable gross**.**

- Go to **Core/Adjustments**
- Find the **Employee**
- Choose the **Payroll Item** from the dropdown
- Choose the **Type -Total Gross**
- Enter or choose a **Transaction Date**
- Enter in the **Amount** of the Third party Pay
- A **Description** can be added (optional)
- Click **Save**
- Follow the same steps as above for the **Taxable Gross**

NOTE: These adjustments will need to be made on the 001, 002, city (if honored), OSDI and Medicare records accordingly. See Third Party Document**.**

If **Medicare tax** was not withheld by the Third Party vendor, then an **Adjustments** journal entry for **Medicare-Amount Withheld** will need to be processed. The board will pay the employee and employer amount and can ask the employee for reimbursement, if desired.

27. _____ If **Third Party payment** is **not taxable** you will need to do the following:

- Go to **Core/Adjustments**

- Select **"+Create"**
- Find the **Employee**
- Choose the **Payroll Item** from the dropdown
- Choose the **Type-Third Party Pay**
- Enter or chose a **Transaction Date**
- Enter in the **Amount** of the non-taxable Third party Pay
- A **Description** can be added (optional)
- Click **Save**

   NOTE: This information will go on the W2 in Box 12 as a Code J.

28.____Fringe Benefits – If district desires amounts paid through warrant to appear on the W2 form as wages.

- Go to **Core>Adjustments**
- Click **Create**
- Enter the **employee name** or ID
- Under the **payroll item drop down** and choose **Federal**
- Under **type** choose **Fringe Benefits**
- Enter in **a transaction date** within the current posting period
- Enter the **amount** of the fringe benefit
- **Description** can be entered (optional)
- Click **Save**

29.____Taxable Benefits - If the 'Non-cash Taxable Benefit' pay type was **NOT** used during payroll processing, an Adjustment entry is needed using the Taxable Benefits. This will update the Total and Applicable Gross totals on the Federal and State records during W2 Report.

- There are several examples of this located on the SSDT Wiki at https://mcoecn.atlassian.net/wiki/spaces/SMT/pages/4853679/Reimbursable+Employee+Expenses

30.____Employer Health Coverage Costs. If all Payroll Item Configuration screens for Health Insurance have Employer Health Coverage checkboxes marked and both Employee and/or Employer amount(s) are tracked on the system, nothing further is required. **NOTE:** *This can also be used to update employees who paid the district directly rather than having it payroll deducted.*
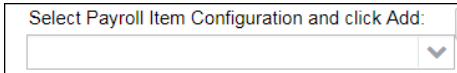
- If individuals need updated:
- Go to **Core>Adjustments**
- Click **Create**
- Enter **employee name** or ID
- **Payroll Item** = Federal
- **Type** = Health Insurance
- **Transaction Date** = Any date in open posting period (12/31/XX recommended)
- **Amount** = Amount needing to be added to arrive at the total amount needing to report

Note: The adjustment for Health Insurance does NOT override the amount, it will add or subtract to the existing total. Only enter the amount NOT tracked in USPS system using the Federal Tax Payroll Item.

31.____ Enter any Vehicle Lease information

- Go to **Core/Adjustments**
- Click **Create**
- Find the **Employee**
- **Payroll Item** = Federal
- **Type** = Vehicle Lease
- **Transaction Date** = Any within current posting period
- Enter in the Amount of the Vehicle Lease
- A Description can be added (optional)
- Click Save

32.____ Creating W-2 Report - Go to Reports > W2 Reports > W2 Report and Submission

- **Output Type - Report** is defaulted
- **Format -** Choose the format type you want from the dropdown option
- **Report Title - W2 Report is the default.** This can be changed if desired
- **Federal ID Number -** Should be defaulted from data in **Organization**. Check for accuracy
- **State Id Number -** Should be defaulted from data in **Organization**. Check for accuracy
- **Kind of Employer - S-State and Local Government Employer is default.** Can be changed through dropdown option.
- **Sort Options -** Choose from the dropdown option how you wish to sort your report
- **Report for Year - Current calendar year is defaulted.** Can be changed if desired
- **Include Fringe Benefits in Box 14? -** If you wish to have specific Payroll Item appear in Box 14 check this box and then type the name or code of the Payroll Item code in this box, click on the Payroll Item, and then click **Add**.

  Select Payroll Item Configuration and click Add:

- Click ⬇ Generate Report

NOTE: There is an option available to process the report for selected employees if desired:

Select Individual Employees? (Leave empty to select all Employees)
Select Employee and click Add: Add
Selected Employees:

Number	Name	Remove

You can type a few characters of employees first or last name or ID in the and then click on that employee and click **Add**.
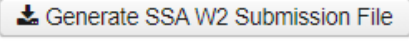
Select Employee and click Add:

A **W2 Report** will be created.

33.____ View the **W2 Report** and verify the data. Make changes to the data, if necessary, and rerun the **W2 Report** again. This program can be run as many times as needed until all data is correct**.**

<mark>**PLEASE HAVE ALL FILES UPLOADED TO SHAREBASE BY JANUARY 17, 2025**</mark>

34._____ **Creating a W2 Tape file** - Under the **W2 Reports** >**W2 Report and Submission > W2 Report Options tab**.
NOTE: *Under System – Configuration – W2 Configuration, the "District will submit own W2's" box should NOT be checked.*

Select the "Submission" button, fill in the required information indicated by red boxes. Select the [± Generate SSA W2 Submission File] to create the W2TAPE.TXT file. This needs to be uploaded into ShareBase in the "W2 Tape Files".
Please rename the file to include the district name in the beginning before uploading the file using the ShareBase link provided by HCC.

35.____ **Creating a W2 Ohio State submission file(s)-**In **Reports > W2 Reports > W2 Report and Submission->W2 State Options** tab
NOTE: Under System – Configuration – W2 Configuration, the "District will submit own W2's" box should NOT be checked.
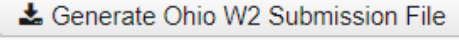
- Ohio is selected by default
- Populate the **Contact Name, Contact Phone Number** and **Contact Email Address fields.**
- Click [± Generate Ohio W2 Submission File]
- This will produce a file called **W2OH.TXT** which will need to be uploaded into the **ShareBase** link for **'W2 Ohio Files'** reporting. Please rename the file to include the district name in the beginning before uploading to ShareBase.

Attention: If you file **Kentucky, Indiana, RITA,** or **Cities** electronically please take the following steps before proceeding to the creation of those files.
1. Ensure you have a Business Service Online (BSO) account through SSA.gov/employer. If you do not have one, please create one at ssa.gov/employer.
2. In USPS - Go to System → Configuration → W2 Configuration and fill in all data.
   a. Submitter EIN = District EIN
   b. Submitter User ID = BSO User ID
   c. Be sure to **check** the box at the top "District Will Submit Own W-2's"
   d. Click Save

36._____Creating W2 Other State submission file(s) – In **Reports > W2 Reports > W2 Report and Submission > W2 State Options** tab

- Ensure that under **System – Configuration – W2 Configuration** the "**District will submit own W2's**" box is checked before running Other State files.
- Select the State you wish to generate a file for
- Populate the **Contract Name, Contact Phone Number, Contact Email Address, Submitter EIN,** and **Submitter User ID** (BSO User ID)

Last Updated: 12/3/2024 9:53:28 AM

- Click **Generate "state" W2 Submission File**
- **This file is ready for you to submit to the appropriate state.** *You do not need to upload this file to ShareBase as it already has the required headers.*

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NOTE Each State record has different setup options. Populate accordingly.

<u>**Kentucky:**</u> Use Kentucky Online Gateway. The only time you would need to request an EFW2 format upload file for Kentucky would be if you had 26 or more employees to report. Paper submission is by form K-5 online entry (for less than 26 employees), then printing and mailing. Kentucky does not accept paper copies of actual W2 forms. You can even submit the K-5 electronic filing if you have under 26 employees. Kentucky Online Gateway phone is (502) 564-7287.

<u>Withholding Statement Filing Options</u>
EFW2 electronic file – by web filing or on CD
Publication 1220 electronic file – on CD only
Form K-5 – online filing (complete and submit online)
Form K-5 – online fill-in form (complete, print, and mail to DOR) (can't exceed 25 withholding statements)

Anything fewer than 26 should be entered online through the Kentucky Online Gateway. If 26 or more, you can upload the EFW2 format file or enter online and click submit electronically.

<u>**Indiana:**</u> Indiana requirements include: A Payroll Item Configuration City Tax record for the **county tax record** and a Payee address with IN as the state. A County Code needs to be entered in Code 1 of the **county tax record**. The Payroll Item record for your employees for Indiana County tax will need to have a Deduction Type of "R" for Residence and the Indiana code in the Indiana W2 Instructions, Appendix A. The Indiana Code will need to be put in the Payroll Item Code 1 field.
The codes are currently 01 – 92. If using 1 – 9, it must be entered as 01, 02, 03, 04, 05, 06, 07, 08, 09.
       The website for the County Codes is below, Page 36:
       https://www.in.gov/dor/files/w-2book.pdf
Indiana can be submitted online through the INTIME system, possibly on paper, or electronic file submission. For Medicare and Non-Medicare employees combined, the INTIME system will reject the file. You should call State of Indiana at (317) 233-5656, if you have any questions regarding filing.

</div>

37. ____ **Creating a W2RITA submission file -** In **Reports > W2 Reports > W2 Report and Submission->Submission**

- Ensure that under **System – Configuration – W2 Configuration** the "**District will submit own W2's**" box is checked before running the RITA file.
- Click **⬇ Generate RITA W2 Submission File**
- This will create a file called **W2MSRITA.txt**, **this file is ready for you to upload to RITA at your convenience.**
- *You do not need to upload this file to ShareBase*

<div style="border: 1px solid blue;">

Electronic filing is required for 250 or more employees. For under 250 employees, electronic or paper submission. *Most districts perform paper or online submissions for their RITA filings.*

</div>

Step 38 below is only required if a city requires an electronic submission of the W2. If you will be using the CYE State & Local Wage Report for all Cities, you may skip step 36.

38.____   Creating a City submission file - in **Reports > W2 Reports > W2Report and Submission**

 Ensure that under System – Configuration – W2 Configuration the "District will submit own W2's" box is checked before running any City files.

Click the **W2 City Options** tab. *<u>A separate file will need to be created for each city</u>*. You will need to select the Tax Entity Code from the dropdown menu.

This will produce is a file called **W2CITY.TXT** which will need to be uploaded to the **ShareBase** link that HCC will provide to you for city reporting. Please rename the file to include the district name in the beginning before uploading to ShareBase. City of Cincinnati is required to be an electronic submission for 100 or more employees.
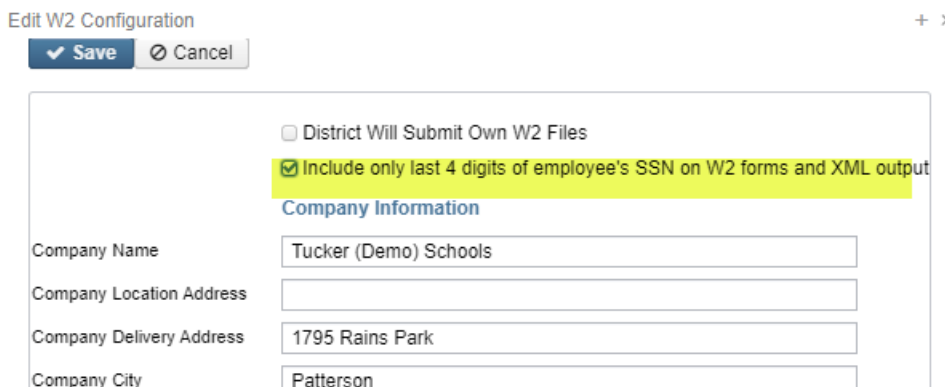
Regarding generating City W-2 files, the "Include City Name" box should be checked for Fairfield. The "Include City Name" box should NOT be checked for Cincinnati, Forest Park, Norwood, Madeira, Deer Park, Mt. Orab or Mason.

The "Include Amounts for All Cities" box should always be checked.

<u>*Attention*</u>**:** At this point, if you had to create files for Kentucky, Indiana, RITA, or Cities please navigate back to System → Configuration → W2 Configuration and **uncheck** the "District Will Submit Own W-2s" box to ensure proper setup for SSA and Ohio file creation for next year.

39.____Truncate SSN Option (Recommended). You now have the option to truncate the SSN on the printed W-2 if desired.

- Go to **System > Configuration > W2 Configuration**
- Check the "Include only last 4 digits of employee's SSN on W2 forms and XML"

Last Updated: 12/3/2024 9:53:28 AM

40.____Creating the W-2 Print File. This will create a PDF report of your W-2's to be printed on your pressure seal forms and distributed to your employees. **PRINTING TIP: When printing the W-2's, select the "Choose paper source by PDF page size" option on the print screen.**

- Go to **Reports > W2 Reports > W2 Mailable Forms**.
- **Report Title** = Defaults to W2 Report - Can be changed if desired
- **Federal ID Number** = Defaults to Federal EIN number in Core>Organization. Check for accuracy.
- **State ID Number** = Defaults to State EIN number in Core>Organization. Check for accuracy.
- **Kind of Employer** = Defaults to S, State and Local Government Employer. Can be changed through drop down option.
- **Sort Options** = Choose from the drop down option how the report should be sorted.
- **Report for Year** = 2024
- **Employer Name** = Defaults to Name in Core>Organization. Check for accuracy.
- **Employer Address first line** = Defaults to Street 1 in Core>Organization. Check for accuracy.
- **Employer Address second line** = Defaults to Street 2 in Core>Organization. Check for accuracy.
- **Employer City** = Defaults to City in Core>Organization. Check for accuracy.
- **Employer State** = Defaults to State in Core>Organization. Check for accuracy.
- **Employer Zip Code** = Defaults to Postal Code in Core>Organization. Check for accuracy.
- **Show Building/Department Code** = Check the box if you want the Building & Department code to be printed on the W2.
- **Include Fringe Benefits in Box 14?** = Check the box so these are included on W2. (See note below regarding the maximum items.)
- **Select Payroll Items to print in box 14** = Click Add to select payroll item(s) to print on W2.
- Select Individual Employees? = Leave blank
- Select Pay Groups = Leave blank
- Click **Generate Mailable Forms** ⬇ Generate Mailable Forms
- A message will appear:

  ✔ Info - Job started to generate W2 Forms. Generated Forms can be found in the W2 Form Output Files View

- A box in the upper left corner will display the status of the job.
- Once the job is completed, you can locate the file under **W2 Reports > W2 Form Output Files**. It will be a zip file called W2 Forms mailable.zip

NOTE: A maximum of 3 selected items will print in box 14, but you can enter more than 3 items when running the file (employees will not always have every item selected). Vehicle Lease will always appear first in Box 14 and then 2 other items. Leave empty to not include specific payroll items in box 14.

NOTE: There is an option available to process the report for selected employees if desired:

Select Individual Employees? (Leave empty to select all Employees)

Select Employee and click Add: Add

[dropdown]

Selected Employees:

Number	Name	Remove

You can type a few characters of employees first or last name or ID in the and then click on that employee and click **Add**.

Select Employee and click Add:

[dropdown]

NOTE: If employees have more than two state, city, or OSDI tax records, the extra W-2 form necessary to accommodate this information will print on the W-2 immediately following the employee's primary W-2.

PRINTING TIP: When printing the W-2's, select the "Choose paper source by PDF page size" option on the print screen.

Page Sizing & Handling ⓘ

Size	Poster	Multiple	Booklet

○ Fit   ○ Actual size
○ Shrink oversized pages ○ Custom Scale: 100 %
☑ Choose paper source by PDF page size ←

41.____Archive W2 Mailable Forms – Go to Reports – W2 Reports – W2 Form Output Files

- Once you have printed your W2 Mailable Forms click on the Archive button
  [icons] to send the file to the File Archive – Calendar Year Reports

42.____ Create Print File for Employer Copy of W-2's, if desired. Go to **Reports – W2 Reports – W2 Report and Submission.** Please also ensure that you use the same SORT options as you did on the mailable forms. This will ensure that the control numbers match.

- **Output Type** = Forms
- **Forms Title** = Defaults to W2 Form Data. Can be changed if desired.
- **Federal ID Number** = Defaults to Federal EIN number in Core>Organization. Check for accuracy.
- **State ID Number** = Defaults to State EIN number in Core>Organization. Check for accuracy.
- **Kind of Employer** = Defaults to S, State and Local Government Employer. Can be changed through drop down option.

- **Sort Options** = Choose from the drop down option how the report should be sorted. Usually Employee Name. Use caution to use the same sort options as you did for the Mailable Forms.
- **Report for Year** = YYYY
- **Employer Name** = Defaults to Name in Core>Organization. Check for accuracy.
- **Employer Address first line** = Defaults to Street 1 in Core>Organization. Check for accuracy.
- **Employer Address second line** = Defaults to Street 2 in Core>Organization. Check for accuracy.
- **Employer City** = Defaults to City in Core>Organization. Check for accuracy.
- **Employer State** = Defaults to State in Core>Organization. Check for accuracy
- **Include Fringe Benefits in Box 14?** = Check the box so these are included on W2. Use caution to select the same options as you did for the Mailable forms.
- **Select Payroll Items to print in box 14** = Click Add to select payroll item(s) to print on W2. Use caution to select the same item(s), in the same order as you did for the Mailable forms.
- **Select Individual Employees?** = Leave blank
- **Select Pay Groups** = Leave blank
- Select **Generate W2 Forms**.
- An informational message will be displayed.

  > ⓘ • Info - Job started to generate W2 Forms. Generated Forms can be found in the W2 Form Output Files View.

-
- Once the job has completed, go to **Reports>W2 Reports>W2 Form Output Files** and click the download option. This will save the file to your computer. This can be printed if desired but is not required.
- Go to **Reports>W2 Reports>W2 Form Output Files** and select the **Archive** option. This will remove the file from the W2 Form Output files grid and place it in the **Payroll Archive>YYYY-Calendar year Reports.**

43.____Optional OnBase Archival – If desired you can have your W-2's archived in OnBase as a backup.

- In USPS, go to **Reports - W2 Reports - W2 Report and Submission**
  - Or you may use the file created in Step 41 above.
  - If using this file, skip to uploading the file into ShareBase.
- Select the "**Forms**" option (this is an 8.5 x 11 size form)
- **Ensure that you select the same sort options and box 14 options as you did for your printable forms** (so that the archived forms are the same as the mailed forms)
- Then click **Generate W2 Forms**
- This will schedule a job. Once the forms are ready, you can locate the file under **Reports - W2 Reports - W2 Form Output Files**.
- From here you can download the file and upload it to the ShareBase link provided.
- After the file is uploaded, please submit a ticket to OnBase at onbasesupport@mail.hccanet.org letting them know that the file is in ShareBase and you would like your W2's loaded into OnBase.

44.____Create W2 forms for ESS (if applicable) **– W2 Reports – W2 Archive Individual Form.**
This file should be created after the user has verified that they have finalized W2 processing. Please also ensure that you use the same SORT options as you did on the mailable forms. This will ensure that the control numbers match. Using the Save & Recall option is recommended.

- **Federal ID Number** = Defaults to Federal EIN number in Core>Organization. Check for accuracy.
- **State ID Number** = Defaults to State EIN number in Core>Organization. Check for accuracy.
- **Kind of Employer** = Defaults to S, State and Local Government Employer. Can be changed through drop down option.
- **Sort Options** = Choose from the drop down option how the report should be sorted, should be the same as the mailable forms.
- **Report for Year** = 2023
- **Employer Name** = Defaults to Name in Core>Organization. Check for accuracy.
- **Employer Address first line** = Defaults to Street 1 in Core>Organization. Check for accuracy.
- **Employer Address second line** = Defaults to Street 2 in Core>Organization. Check for accuracy.
- **Employer City** = Defaults to City in Core>Organization. Check for accuracy.
- **Employer State** = Defaults to State in Core>Organization. Check for accuracy.
- **Employer Zip Code** = Defaults to Postal Code in Core>Organization. Check for accuracy.
- **Include Fringe Benefits in Box 14?** = Check the box so these are included on W2. Should be the same options selected when running the mailable forms.
- **Select Payroll Items to print in box 14** = Click Add to select payroll item(s) to print on W2. Should be the same options selected when running the mailable forms.
- **Schedule Date and Time –** Click on the calendar icon to select the date and time for this job to run.

Schedule Date and Time * 📅 12/6/22 08:54 AM

Schedule Job

- **Schedule Job –** A message will appear stating the job was scheduled correctly.
- Once the job has completed, the file will be in **Utilities > File Archive > W2 Archive.** If an employee uses Kiosk to view or print their W2, it will pull from this file.

45.____ **Run the CYE State and Local Wage Report** – This will generate a report for all Other States, Cities, and OSDI payroll items. It includes the Employee Name, Address, SSN, Total and Taxable Gross for the Payroll item and the amount withheld. This report can be used when filing the city annual reconciliations in place of sending copies of W-2s. The report also replaces the old DUCK reports. **Note:** December must be current in order for the report to pull the correct amounts. **NC1 Note**: If you manually posted NC1 amounts by using adjustments (rather than running through payroll) and the City is set up to tax non-cash earnings, the adjustments will not be added to the taxable amount on the State & Local Wage report.

46.____ Inform HCC that all of the steps have been completed so we can verify the necessary files have been loaded into ShareBase. **Please have all files submitted to HCC by January 17, 2025.**

47.____ If you need an electronic submission file for a City, please create a separate HelpDesk ticket requesting the electronic file to be created.

48.____Close the December Posting Period – The timing of this may vary by district. However, it should be closed as soon as possible so that the CYE reports can be generated and saved to the File Archive under 2023 – Calendar Year End.

HCC submits your W2 Federal file and Ohio W2 files. Upon request, HCC will take the City files and put them on a CD for you. You will need to print out your W2s for your employees and distribute those to your employees.

You have completed the USPS Calendar Year End Closing procedures!

 All of us at HCC wish you a very Happy Holiday & New Year!

Entering a helpdesk ticket by emailing us at financesupport@hccanet.org is the best way to reach us.

Finance Team Main Line	513-728-7999
Rhonda Burkhart	513-728-7960
Tonya Chase	513-728-7935
Sandra Griscom	614-325-6606

HCC will be closed on the following dates:
- ❖ December 25 and 26, 2024
- ❖ January 1 and 2, 2025

**Other useful information:**

The W2 Box 12 codes are:

- A — Uncollected Social Security or RRTA tax on tips. Include this tax on Form 1040 Schedule 4 line 58.
- B — Uncollected Medicare tax on tips. Include this tax on Form 1040 Schedule 4 line 58.
- C — Taxable costs of group-term life insurance over $50,000 (included in W-2 boxes 1,3 (up to Social Security wages base), and box 5.
- D — Elective deferral under a 401(k) cash or arrangement plan. This includes a SIMPLE 401(k) arrangement.
- E — Elective deferrals under a Section 403(b) salary reduction agreement.
- F — Elective deferrals under a Section 408(k)(6) salary reduction SEP.
- G — Elective deferrals and employer contributions (including non-elective deferrals) to a Section 457(b) deferred compensation plan.
- H — Elective deferrals to a Section 501(c)(18)(D) tax-exempt organization plan.
- J — Nontaxable sick pay (information only, not included in W-2 boxes 1, 3, or 5).
- K — 20% excise tax on excess golden parachute payments.
- L — Substantiated employee business expense reimbursements (nontaxable).
- M — Uncollected Social Security or RRTA tax on taxable cost of group-term life insurance over $50,000 (former employees only).
- N — Uncollected Medicare tax on taxable cost of group-term life insurance over $50,000 (former employees only).
- P — Excludable moving expense reimbursements paid directly to a member of the U.S. Armed Forces. (not included in Boxes 1, 3, or 5)
- Q — **Nontaxable combat pay**. See the instructions for Form 1040 or Form 1040A for details on reporting this amount.
- R — Employer contributions to your Archer medical savings account (MSA). Report on Form 8853:, _Archer MSAs and Long-Term Care Insurance Contracts_.
- S — Employee salary reduction contributions under a Section 408(p) SIMPLE. (Not included in Box 1).
- T — Adoption benefits (not included in Box 1). Complete Form 8839:, _Qualified Adoption Expenses_, to compute any taxable and nontaxable amounts.
- V — Income from exercise of non-statutory **stock option(s**) (included in Boxes 1, 3 (up to Social Security wage base), and 5). See Publication 525, Taxable and Nontaxable Income, for reporting requirements.
- W — Employer contributions (including amounts the employee elected to contribute using a Section 125 cafeteria plan) to your health savings account (HSA).
- Y — Deferrals under a Section 409A nonqualified deferred compensation plan.
- Z — Income under a nonqualified deferred compensation plan that fails to satisfy Section 409A. This amount is also included in Box 1 and is subject to an additional 20% tax plus interest. See Form 1040 instructions for more information.

- AA — Designated Roth contribution under a 401(k) plan.
- BB — Designated Roth contributions under a 403(b) plan.
- CC — For employer use only.
- DD — Cost of employer-sponsored health coverage.
- EE — Designated Roth contributions under a governmental 457(b) plan. This amount doesn't apply to contributions under a tax-exempt organization Section 457(b) plan.
- FF — Permitted benefits under a qualified small employer health reimbursement arrangement.
- GG — Income from qualified equity grants under section 83(i).
- HH — Aggregate deferrals under section 83(i) elections as of the close of the calendar year.