

LCTCS CENTRALIZED PEOPLESOFT PAYROLL MEMORANDUM

2003-01

TO: All Employees of Louisiana Community & Technical College System
Office, La. Delta Community College, Louisiana Technical College, Nunez
Community College, River Parishes Community College, and South
Louisiana Community College

FROM: Lura A. Kamiya
LCTCS Human Resources Director

DATE: January 10, 2003

RE: Beginning the New Year

New Federal and State Tax Rates Applied – Net Pay May Change

You may notice a difference in the net amount of your first payroll check for 2003. Federal and state tax updates have been applied to PeopleSoft and are reflected in your January 10, 2003 paycheck.

The Federal withholding allowance amount for a biweekly payroll period has increased to \$117.31 for 2003. The Social Security wage base for 2003 has increased to \$87,000. The maximum Social Security Tax withheld from each employee and matched by the employer has increased to \$5,394.00. As usual, there is no wage base limit for Medicare tax. The tax rate remains at 6.2% for Social Security and 1.45% for Medicare tax for 2003.

The Stelly Plan for state tax revisions goes into effect as of January 1, 2003, and as a result, some of you may see changes in your state tax rates.

Review of W-4 Elections

You may want to take some time and review whether you wish to make an election change in your W-4 federal tax withholding form. Forms can be changes through your local human resources office.

The IRS Withholding Calculator helps figure out proper withholding for Form W-4. This is available on the internet at www.irs.gov/individuals/article/0,,id=96196,00.html

IRS Publication 919, "How Do I Adjust My Tax Withholding?" is similar to the online withholding calculator but can be printed. This publication is also available by calling 1-800-TAX-FORM (1-800-829-3676) and requesting the publication by number. It can be accessed online at: www.irs.gov/pub/irs-pdf/p919.pdf

Leave Balance Carryover

All necessary tables were not updated in time for leave balances to be carried over, therefore the leave information showing on the January 10, 2003 paycheck/advice is not accurate. This issue is being worked on presently and will be fixed. Balances through the end of 2002 are available in the system and can be accessed through your local human resources office.

Issuing of W-2s

Deadline for issuance of W-2s is January 31, 2003. We do not currently foresee any problem meeting that deadline. W-2s will be mailed to the address on record in the payroll system. Please verify your address from your pay advice/stub and work with your local human resources office to input corrections in your mailing address.