

State of Collaboration

Check Reversal (AC 230) Workshop



NYS COMPTROLLER

THOMAS P. DiNAPOLI

AC-230

THE SALARY REVERSAL & EXCHANGE PROCESS

KEVIN CZMYR



NYS COMPTROLLER

THOMAS P. DiNAPOLI

What is an AC-230?

- Used to return salary checks for employees who have not earned their full salary due to:
 - Termination
 - Resignation
 - Death
- Full or partial refunds
- Required whenever a direct deposit reversal is requested (with exceptions)



AC-230 Form

- All requested information should be included on the form.
- The form can be found on the OSC website:
(https://www.osc.state.ny.us/payroll/files/ac230_13.xls)



AC-230 Form

- Should be submitted with a payroll check, certified check, or money order.
- OSC will not accept personal checks as payment.
- If the employee has direct deposit then a direct deposit reversal must be submitted.
(DDReturnsAndReversals@OSC.NY.GOV)



Filling Out the AC-230

- Use the current version of the AC-230.
- Use the check # of the actual paycheck when the overpayment in PayServ occurred.
- Always use the full NYS EMPLID
- Box 10 (Other Earnings) - Earn Codes with amounts being returned



Filling Out the AC-230

- Boxes 11-17 - found in Review Paycheck
- Agency Remarks –a brief description
- Always complete Signature boxes
- Box 18 –TOTAL gross being returned
- OSC will review prior to submission, if requested



When An AC-230 Can Be Done

- Employee is:
 - no longer active, **or**
 - active but no longer receiving pay, **or**
 - not entitled to all or part of their payroll check
 - On a leave
 - Went off the payroll mid pay period
- AC-230's should not be done on active employees receiving pay



Types of AC-230

- **Full Reversal** – overpaid, not due any of their paycheck
- **Full Reversal, unrecoverable deduction** – overpaid, not due any of their paycheck, has an unrecoverable deduction
- **Partial Reversal** – overpaid for part of the pay period, due a portion of their paycheck



What Can Be Recovered

- The State must recover all money associated with the payment (total gross of the overpayment must be recovered) Box 18.
- If OSC cannot recover the deduction from the vendor or because of a garnishment it is the employee's responsibility to return the deduction amount.
- Any deductions that are % based should be listed on the AC-230.
- A good reference to use for checking whether or not a deduction is % based or a flat rate is the "General Deduction Table" link or the "Create General Deductions" link in PayServ.



Recoverable Deductions

- Taxes
- Retirement
- SS/Med Deficiency
- Strike/Fine/
Unemployment Owed
- State/CUNY Health
Ins./Health Care Flex
Spending
- Parking/Maintenance/
Finger Prints/Union Ins.
- Union Dues
- Dependent Care
- Transit (GOER)
- Voluntary Contributions
- Loans
- SRA/TDA (403b)
- Deferred Comp
 - Closed accounts treated
as an unrecoverable
deduction



Unrecoverable Deductions

- Garnishments – All Types
- CUNY Transit Fees
 - 438
 - 439
 - 440
 - 441
- Credit Union
 - 757 Bronx & Child FCU
- Reference Payroll Bulletin #165



Full Reversal Deductions

Deductions				
Personalize Find View 8 First 1-9 of 9 Last				
Deduction Details 1 Deduction Details 2 Deduction Details 3				
Deduction Code	Description	Class	Amount	Calculated Base
416	Deferred Comp	After-Tax		
416	Deferred Comp	Before-Tax	14.84	
606	ERS Retirement Before Tax	Before-Tax	53.81	1,793.56
233	PEF Member	After-Tax	16.14	
344	Disability Insurance PEF	After-Tax	19.26	
345	Life Insurance PEF	After-Tax	4.74	
410	Health Care Spending Account	Before-Tax	4.16	
608	ERS Arrears Before Tax	Before-Tax	22.09	
HIBTRG	Regular Before Tax Health	Before-Tax	229.33	

Garnishments

Partial Reversal Deductions

Flat amount deductions should be left off the AC-230 if the earnings the employee is entitled to can support the deductions.

Deductions				
Personalize Find View 8 First 1-9 of 9 Last				
Deduction Details 1 Deduction Details 2 Deduction Details 3				
Deduction Code	Description	Class	Amount	Calculated Base
416	Deferred Comp	After-Tax		
416	Deferred Comp	Before-Tax	14.84	
606	ERS Retirement Before Tax	Before-Tax	53.81	1,793.56
233	PEF Member	After-Tax	16.14	
344	Disability Insurance PEF	After-Tax	19.26	
345	Life Insurance PEF	After-Tax	4.74	
410	Health Care Spending Account	Before-Tax	4.16	
608	ERS Arrears Before Tax	Before-Tax	22.09	
HIBTRG	Regular Before Tax Health	Before-Tax	229.33	

▶ Garnishments

Partial Reversal Deductions Cont.

Percentage based deductions must be included on the AC-230.

- 606 ERS Retirement
- 233 PEF Membership
- 416 Def Comp should be included but may be removed if account is inactive.

Deductions				
Personalize Find View 8 First 1-9 of 9 Last				
Deduction Details 1 Deduction Details 2 Deduction Details 3				
Deduction Code	Description	Class	Amount	Calculated Base
416	Deferred Comp	After-Tax		
416	Deferred Comp	Before-Tax	14.84	
606	ERS Retirement Before Tax	Before-Tax	53.81	1,793.56
233	PEF Member	After-Tax	16.14	
344	Disability Insurance PEF	After-Tax	19.26	
345	Life Insurance PEF	After-Tax	4.74	
410	Health Care Spending Account	Before-Tax	4.16	
608	ERS Arrears Before Tax	Before-Tax	22.09	
HIBTRG	Regular Before Tax Health	Before-Tax	229.33	

▶ Garnishments

Calculating Deferred Comp, SRA/TDA (403b)

- Any before-tax deductions being returned must first be subtracted from the calculated base.
- Once removed you then multiply by the percentage of the deduction.

Deductions				
Personalize Find View All First 1-6 of 6 Last				
Deduction Details 1 Deduction Details 2 Deduction Details 3				
Deduction Code	Description	Class	Amount	Calculated Base
416	Deferred Comp	After-Tax		
416	Deferred Comp	Before-Tax	52.61	
606	ERS Retirement Before Tax	Before-Tax	55.92	1,863.89
201	Civil Service Employees Assoc	After-Tax	28.69	
610	ERS Loans	After-Tax	64.00	
HIBTRG	Regular Before Tax Health	Before-Tax	54.19	

▶ Garnishments

Example

\$1863.89 (Calculated Base)

\$55.92 (606 ERS Retirement)

-\$54.19 (HIBTRG Regular Before Tax Health Ins.)

= \$1753.78

Def Comp rate on this employee is 3%

$\$1753.78 \times 3\% = \52.61

Deductions				
Personalize Find View All First 1-6 of 6 Last				
Deduction Details 1 Deduction Details 2 Deduction Details 3				
Deduction Code	Description	Class	Amount	Calculated Base
416	Deferred Comp	After-Tax		
416	Deferred Comp	Before-Tax	52.61	
606	ERS Retirement Before Tax	Before-Tax	55.92	1,863.89
201	Civil Service Employees Assoc	After-Tax	28.69	
610	ERS Loans	After-Tax	64.00	
HIBTRG	Regular Before Tax Health	Before-Tax	54.19	

► Garnishments

Calculating Deferred Comp, SRA/TDA (403b) on a Partial

- Employee is overpaid 6 days
- $\$1863.89 \times 0.6 \text{ (days)} = \1118.33
- HIBTRG is a flat rate deduction that can be left off the AC-230.
- We only need to factor in the 606 ERS deduction since this is percentage based and a before tax deduction.

Find the percentage retirement is calculated on. (3% in this case)

Calculate the retirement deduction ($\$1118.33 \times 3\% = \33.55)

- $\$1118.33 - \$33.55 = \$1084.78$
- $\$1084.78 \times 3\% = \32.54
- $\$32.54$ is the amount of the Def Comp to be recouped.

When Figuring Federal, State & Local Taxes

- Use a salary calculator such as [Paycheckcity.com](https://www.paycheckcity.com).
- Use the filing status and number of exemptions in effect when the original paycheck was issued.
- Consider before-tax and after-tax deductions



When Sending Net Letters

- Do not ask an employee to repay the **Gross** amount of the overpayment.
- Employee should only repay the **Net** of the overpayment
 - Unless it is a prior year AC-230
- Ask OSC to review AC-230 prior to sending out.



A Few Things To Remember

- When requesting a direct deposit reversal, an AC-230 must be submitted immediately.
- Any deductions that are percentage based should be listed on the AC-230.
- Flat amount deductions should be left off the AC-230 if the earnings the employee is entitled to can support the deductions.



A Few Things To Remember

- The **Net** amount, rather than the **Gross**, should be recovered from the employee when collecting overpayments.
- Unrecoverable deductions are owed to New York State by the employee.
- Money orders, certified checks or teller's checks are the preferred method of payment if the employee is not paying back with a payroll check or direct deposit reversal.



Questions

Email Us:

PayrollReversalAndExchange@osc.ny.gov



Completing a Partial Check Reversal

Jared Waldron, Laurie Leahey, and Kevin Czmyr



NYS COMPTROLLER

THOMAS P. DiNAPOLI

Partial Check Reversal

Today's Workshop

- Review two example reversals.
- Calculate overpayments using PayCheckCity.com
- Recreate the check.
- Calculate what the employee should have been paid.
- Calculate the overpayment.



Partial Reversal

Example 1

- The Payroll Department received notice that the employee went on LOA April 30, 2019
- Employee overpaid 7 days: 4/30/19 through 5/8/19
- 1st – determine what the employee should have been paid



Calculating Earnings

Earnings		Find View 1		First	1-3 of 3	Last
Begin Date:	04/25/2019	End Date:	05/08/2019	Addl Line Nbr:		Reason: None
Empl Record:	0	Benefit Record:	0	Additional Data		
Salaried		Hourly		Overtime		
Hours:	80.00	Hours:	0.00	Hours:	0.00	
Earnings:	2,469.37	Earnings:	0.00	Earnings:	0.00	
		Rate Code:		Rate Code:		

- Use Review Paycheck to calculate the gross the employee should have been paid
- Daily rate 246.94 * 3 = 740.82
- Entitled to 3 days of Regular Salary (RGS): \$740.82



Salaried	
Hours:	0.00
Earnings:	0.00

Hourly	
Hours:	0.00
Earnings:	0.00
Rate Code:	

Overtime	
Hours:	0.00
Earnings:	0.00
Rate Code:	

Rate Used: Hourly Rate

Shift: N/A

Shift Rate:

State: NY

Locality: P0001 NEW YORK

Other Earnings				
Other Earnings Details 1		Other Earnings Details 2		
Code	Description	Hours	Amount	Source
GEO	Geographic Pay		492.33	
LOC	Location Pay		115.75	
SWP	Salary Withholding Program	-8.00	-307.74	

- Entitled to 3 days of Geographic Pay (GEO) \$147.70
- Entitled to 3 days of Location Pay (LOC) \$34.73
- All Salary Withholding (SWP) should be taken -\$307.74

Begin Date: 04/22/2019 End Date: 04/24/2019 Addl Line Nbr: 2 Reason: None

Empl Record: 0 Benefit Record: 0

[Additional Data](#)

Salaried	
Hours:	0.00
Earnings:	0.00

Hourly	
Hours:	0.00
Earnings:	0.00
Rate Code:	

Overtime	
Hours:	0.00
Earnings:	0.00
Rate Code:	

Rate Used: Hourly Rate

Shift: N/A

Shift Rate:

State: NY

Locality: P0001

NEW YORK

Other Earnings				
Personalize Find View All First 1-2 of 2 Last				
Other Earnings Details 1		Other Earnings Details 2		
Code	Description	Hours	Amount	Source
RGP	Retro Geographic Pay		147.70	
RLP	Retro Location Pay		34.73	

- Employee is entitled to all of the retro pay from 4/22/19 – 4/24/19
- Retro Geographic Pay (RGP) \$147.70
- Retro Location Pay (RLP) \$34.73

Calculating Earnings

- (RGS) \$740.82
- (GEO) \$147.70
- (LOC) \$34.73
- (RGP) \$147.70
- (RLP) \$34.73
- (SWP) -\$307.74
- Gross of \$797.94 that the employee should have been paid
- Calculate using:
 - PayCheckCity.com
 - AC230 worksheet



Original Earnings

Paycheck Information				Paycheck Totals		
Paycheck Status:	Confirmed	Paycheck Option:	Check	Earnings:	2,952.14	
Issue Date:	05/23/2019	Check #:		Taxes:	752.47	
<input type="checkbox"/> Off Cycle	<input type="checkbox"/> Reprint	<input type="checkbox"/> Adjustment	<input type="checkbox"/> Corrected	<input type="checkbox"/> Cashed	Deductions:	132.85
				Net Pay:	2,066.82	

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	2952.14		2952.14
FED TAX			0.00
NYS TAX			0.00
FLI			0.00
LOCAL TAX			0.00
SS TAX (FICA) 6.2%			0.00
MEDICARE 1.45%			0.00
RETIREMENT			0.00
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
			0.00
			0.00
			0.00
			0.00
NET	2952.14	0.00	2952.14

Original Taxes

Locality Name	Tax Class	Taxable Gross	Tax Amount
	MED/EE	2,952.14	42.81
	Med/ER	2,952.14	42.81
	OASDI/EE	2,952.14	183.03
	OASDI/ER	2,952.14	183.03
	Withholding	2,819.29	268.93
	Withholding	2,952.14	153.30
NEW YORK	Withholding	2,952.14	104.40

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	2952.14		2952.14
FED TAX	268.93		268.93
NYS TAX	153.30		153.30
FLI			0.00
LOCAL TAX	104.40		104.40
SS TAX (FICA) 6.2%	183.03		183.03
MEDICARE 1.45%	42.81		42.81
RETIREMENT			0.00
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
			0.00
			0.00
			0.00
			0.00
NET	2199.67	0.00	2199.67

Original Deductions

Deductions				
Personalize Find View All First 1 of 1 Last				
Deduction Details 1 Deduction Details 2 Deduction Details 3				
Deduction Code	Description	Class	Amount	Calculated Base
606	ERS Retirement Before Tax	Before-Tax	132.85	2,952.14

	<u>ORIGINAL</u> <u>CHECK</u>	<u>SHOULD</u> <u>RECEIVE*</u>	<u>RETURN</u>
GROSS	2952.14		2952.14
FED TAX	268.93		268.93
NYS TAX	153.30		153.30
FLI			0.00
LOCAL TAX	104.40		104.40
SS TAX (FICA) 6.2%	183.03		183.03
MEDICARE 1.45%	42.81		42.81
RETIREMENT	132.85		132.85
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
NET	2066.82	0.00	2066.82

Original Net

Paycheck Information			
Paycheck Status:	Confirmed	Paycheck Option:	Check
Issue Date:	05/23/2019	Check #:	
<input type="checkbox"/> Off Cycle	<input type="checkbox"/> Reprint	<input type="checkbox"/> Adjustment	<input type="checkbox"/> Corrected <input type="checkbox"/> Cashed

Paycheck Totals	
Earnings:	2,952.14
Taxes:	752.47
Deductions:	132.85
Net Pay:	2,066.82

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	2952.14		2952.14
FED TAX	268.93		268.93
NYS TAX	153.30		153.30
FLI			0.00
LOCAL TAX	104.40		104.40
SS TAX (FICA) 6.2%	183.03		183.03
MEDICARE 1.45%	42.81		42.81
RETIREMENT	132.85		132.85
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
NET	2066.82	0.00	2066.82

Should Receive

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	2952.14	797.93	2154.21
FED TAX	268.93		268.93
NYS TAX	153.30		153.30
FLI			0.00
LOCAL TAX	104.40		104.40
SS TAX (FICA) 6.2%	183.03		183.03
MEDICARE 1.45%	42.81		42.81
RETIREMENT	132.85		132.85
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
NET	2066.82	797.93	1268.89

Tax Status

- Must know the employee's tax status to calculate the new withholding amounts
- Found in Update Employee Tax Data in PayServ:
 - Tax marital status
 - Withholding allowances
 - Additional amount



Federal Tax Data

- Tax Marital Status – Married
- Withholding Allowance – 0
- Additional Amount – 0

Tax Data		Find View All First 1 of 1 Last	
Company:	NYS	STATE OF NEW YORK	
*Effective Date:	04/23/2019		
Updated By:	Online Usr	Date Last Updated:	04/23/2019
Federal Withholding Elements			
*Special Withholding Tax Status:	None		
*Tax Marital Status:	Married	Married	
	<input type="checkbox"/> Check here and select Single status if married but withholding at single rate.		
Withholding Allowances:	0		
Additional Amount:	\$0.00		
Additional Percentage:	0.000		
*Earned Income Credit Status:	Not applicable		
	<input checked="" type="checkbox"/> Exempt from FUT		
▶ W-4 and W-5 Processing Status			
▶ Lock-In Letter Details			
▶ State Tax Options			
▶ Tax Treaty/Non-Resident Data			
▶ W2-Reporting			

State Tax Data

- Tax Marital Status – Married
- Withholding Allowance – 0
- Additional Amount – 0

Tax Data Find | View All First 1 of 1 Last

Company: NYS STATE OF NEW YORK Effective Date: 04/23/2019

State Information Find | View All First 1 of 1 Last

*State: NY New York
 Resident Non-Residency Statement Filed
 UI Jurisdiction Exempt From SUT

*SDI Status: Exempt *FLI Status: Not Applicable

State Withholding Elements

*Special Withholding Tax Status: None

*Tax Marital Status: M Married

Withholding Allowances: 0

Additional Amount: \$0.00

Additional Percentage: 0.000

Additional Allowances: 0

▶ Lock-In Letter Details

Local Tax Data

- Tax Marital Status – Married
- Withholding Allowance – 0
- Additional Amount – 0

Tax Data Find | View All First 1 of 1 Last

Company: NYS STATE OF NEW YORK Effective Date: 04/23/2019 + -

State Information Find | View All First 1 of 1 Last

State: NY + -

Local Information Find | View All First 1 of 1 Last

*Locality: P0001 x NEW YORK + -

Resident Other Work Locality:

Local Withholding Elements

Special Withholding Tax Status:	None
Tax Marital Status:	M Married
Local Withholding Allowances:	0
Additional Amount:	\$0.00
Additional Percentage:	0.000

Tax Status

Enter on the AC230 Worksheet

<u>AC230 WORKSHEET</u>			<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>		<u>TAX STATUS/ EXEMPTIONS</u>	
EMPL ID	N01234567	GROSS	2952.14		2952.14			
EMPL NAME	John Fishman	FED TAX	268.93		268.93	Verify Withholding Status & Exemptions	Fed= M0	
		NYS TAX	153.30		153.30		State= M0	
LOST TIME (days)	7	FLI			0.00		NYC= M0	
FROM DATE	4/30/2019	LOCAL TAX	104.40		104.40			
TO DATE	5/8/2019	SS TAX (FICA) 6.2%	183.03		183.03			
		MEDICARE 1.45%	42.81		42.81			
PAY GROUP	ILB	RETIREMENT	132.85		132.85			
PAGE #	646	RETIREMENT LOAN			0.00			
PAGE LINE #	4	HEALTH INS. (A/T)			0.00			
		HEALTH INS. (B/T)			0.00			
<u>REMARKS:</u>					0.00			
					0.00			
						0.00		
						0.00		
						0.00		
		NET	2066.82	0.00	2066.82	2066.82		

PayCheckCity



- Recreate the original paycheck
- Calculate what the employee should receive
- Determine what should be returned for the overpayment



Recreate Paycheck

- Calc Date/State/General Information

Select Calculation date and state	
Check Date	05/23/2019
State for withholding	New York

General Information	
Gross Pay	2952.14
Gross Pay Type	Pay Per Period
Gross Salary YTD	0
Pay Frequency	Bi-weekly
Federal Filing Status	Married
# of Federal Allowances	0
Additional Federal Withholding	0
Round Federal Withholding	<input type="radio"/> Yes <input checked="" type="radio"/> No
I am exempt from	<input type="checkbox"/> Federal Tax <input type="checkbox"/> FICA <input type="checkbox"/> Medicare

State and Local Information

State and Local Information	
New York SDI	<input type="radio"/> Yes <input checked="" type="radio"/> No
Total Allowances	<input type="text" value="0"/>
Additional Withholding - NYC	<input type="text" value="0.00"/>
Exempt State	<input type="radio"/> Yes <input checked="" type="radio"/> No
Total Allowances - NYC	<input type="text" value="0"/>
Additional Withholding - Yonkers	<input type="text" value="0.00"/>
Filing Status	<input type="text" value="Married"/> ▼
Additional State Withholding	<input type="text" value="0"/>
New York Family Leave Benefits	<input type="radio"/> Yes <input checked="" type="radio"/> No
We use addresses to accurately calculate in this locale. No information is stored. See privacy policy for more details.	
Work Address	<input type="text" value="39 Broadway"/>
Suite #	<input type="text"/>
City, Zip, Plus 4	<input type="text" value="New York"/> , NY <input type="text" value="100064"/>
Resident	<input checked="" type="radio"/> Resident <input type="radio"/> Nonresident
Exempt	<input type="radio"/> Yes <input checked="" type="radio"/> No

Voluntary Deduction Section

- 606 ERS Retirement Before Tax Deduction
- Percentage Based at 4.5%
- Retirement Plans in PayServ
- Before Tax Deduction on Federal Taxes only

Voluntary Deduction Section	
<input type="button" value="Add Deduction"/>	<input type="button" value="Remove Deduction"/>
Deduction #1 Name	<input type="text" value="606 Retirement"/>
Deduction #1 Amount	<input type="text" value="4.5"/>
Deduction #1 Type	<input type="text" value="% of Gross Pay"/> ▼
Ded. #1 Exempt from	<input checked="" type="checkbox"/> Federal <input type="checkbox"/> Fica <input type="checkbox"/> State <input type="checkbox"/> Local

Before Tax Deductions

To determine which taxes are Before Tax, look at the taxable gross on Review Paycheck.

Taxes							
Tax Details 1		Tax Details 2		Tax Tips			
Tax Entity	State	Resident	Locality	Locality Name	Tax Class	Taxable Gross	Tax Amount
US Federal					MED/EE	2,952.14	42.81
US Federal					Med/ER	2,952.14	42.81
US Federal					OASDI/EE	2,952.14	183.03
US Federal					OASDI/ER	2,952.14	183.03
US Federal					Withholdng	2,819.29	268.93
State	NY	Y			Withholdng	2,952.14	153.30
State	NY	Y	P0001	NEW YORK	Withholdng	2,952.14	104.40

Review Results

- Click **CALCULATE**
 - Should match original paycheck
 - If not, click the back button and review for mistakes

Your Paycheck Results	
Bi-weekly Gross Pay	\$2,952.14
Federal Withholding	\$268.93
Social Security	\$183.03
Medicare	\$42.81
New York	\$153.30
FLI	\$0.00
SDI	\$0.00
City Tax	\$104.40
606 Retirement	\$132.85
Net Pay	
Net Pay	\$2,066.82

Calculate what Employee Should Receive

- Once everything matches, click the back button
- **Do not** click New Calculation
- Change gross pay to what the employee should have received:
 - \$797.93

General Information	
Gross Pay	<input type="text" value="797.93"/>
Gross Pay Type	<input type="text" value="Pay Per Period"/>
Gross Salary YTD	<input type="text" value="0"/>
Pay Frequency	<input type="text" value="Bi-weekly"/>

Pay Check City Results

We now know:

- Taxes
- Deductions
- Net

Your Paycheck Results	
Bi-weekly Gross Pay	\$797.93
Federal Withholding	\$30.82
Social Security	\$49.47
Medicare	\$11.57
New York	\$20.83
FLI	\$0.00
SDI	\$0.00
City Tax	\$15.30
606 Retirement	\$35.91
Net Pay	
Net Pay	\$634.03

Enter Results on Worksheet

Worksheet will calculate the returned amount:

- Due a net of \$634.03
- Owes a net of \$1,432.79

Your Paycheck Results	
Bi-weekly Gross Pay	\$797.93
Federal Withholding	\$30.82
Social Security	\$49.47
Medicare	\$11.57
New York	\$20.83
FLI	\$0.00
SDI	\$0.00
City Tax	\$15.30
606 Retirement	\$35.91
Net Pay	
Net Pay	\$634.03

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	2952.14	797.93	2154.21
FED TAX	268.93	30.82	238.11
NYS TAX	153.30	20.83	132.47
FLI			0.00
LOCAL TAX	104.40	15.30	89.10
SS TAX (FICA) 6.2%	183.03	49.47	133.56
MEDICARE 1.45%	42.81	11.57	31.24
RETIREMENT	132.85	35.91	96.94
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
			0.00
			0.00
			0.00
			0.00
NET	2066.82	634.03	1432.79

Complete AC230

18	Returned Amount (Amount employee not entitled to minus Unrecoverable amounts.)		2,154.21
		Code	Amount
19	Social Security Tax (OASD/VEE) (2011 & 2012 Rate=.042) (Prior to 2011 & Current Rate=.062)	OASDI	133.56
20a	Medicare Tax (MED/VEE) (.0145)	FICA	31.24
20b	Additional Medicare Tax (ADDL MED) (.09 of amount over \$200,000)	FICA	
21	Withholding Tax - Federal		238.11
22	Withholding Tax - State		132.47
23	Withholding Tax - NYC		89.10
24	Withholding Tax - Yonkers		
25	Retirement - Normal Contribution		96.94
26	Retirement - Loan		
27	State Health Insurance (A/T = Taxable)		
28	State Health Insurance (B/T=Non-Taxable)		
29	Other Health Insurance		
Enter other deductions below (code must be entered as numeric digits or letters as shown in Review Paycheck page).			
		Code	Amount
30	Description		
31	Description		
32	Description		
33	Description		
34	Description		
35	Description		
36	Total of Deductions Refunded (19 thru 35)		721.42
37	Refund amount less deductions refunded (18 minus 36)		1,432.79
38	Net Amount of Check being Returned		2,066.82
39	Balance Due to Employee (38 minus 37)		634.03

- Use Return Check Column to complete AC230.
- Everything should match.
- If getting check from employee request the exact net. Never request the gross.

	<u>ORIGINAL</u> <u>CHECK</u>	<u>SHOULD</u> <u>RECEIVE*</u>	<u>RETURN</u>
GROSS	2952.14	797.93	2154.21
FED TAX	268.93	30.82	238.11
NYS TAX	153.30	20.83	132.47
FLI			0.00
LOCAL TAX	104.40	15.30	89.10
SS TAX (FICA) 6.2%	183.03	49.47	133.56
MEDICARE 1.45%	42.81	11.57	31.24
RETIREMENT	132.85	35.91	96.94
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
			0.00
			0.00
			0.00
			0.00
			0.00
NET	2066.82	634.03	1432.79

Partial Reversal

Example 2

- The Payroll Department received notice that the employee went on LOA 7/3/19
- Employee overpaid 6 days 7/3/19 through 7/10/19
- Calculate 4 days employee should be paid



Calculating Earnings

Earnings		Find View All		First	1 of 1	Last
Begin Date:	06/27/2019	End Date:	07/10/2019	Addl Line Nbr:		Reason: None
Empl Record:	0	Benefit Record:	0	Additional Data		
Salaried		Hourly		Overtime		
Hours:	80.00	Hours:	0.00	Hours:	0.00	
Earnings:	1,728.95	Earnings:	0.00	Earnings:	0.00	
		Rate Code:		Rate Code:		

- This employee only has Regular Salary
- Daily rate $172.90 * 4 = 691.60$
- Entitled to 4 days of Regular Salary (RGS):
\$691.60



Enter Original Check Info

Use Review Paycheck to enter the original check information.

<u>AC230 WORKSHEET</u>			<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
EMPL ID	N01234567	GROSS	1728.95	691.60	1037.35
EMPL NAME	Mike Gordon	FED TAX	67.60		67.60
		NYS TAX	47.78		47.78
LOST TIME (days)	6	FLI			0.00
FROM DATE	7/3/2019	LOCAL TAX			0.00
TO DATE	7/10/2019	SS TAX (FICA) 6.2%	96.47		96.47
		MEDICARE 1.45%	22.57		22.57
PAY GROUP	AL4	RETIREMENT			0.00
PAGE #	14	RETIREMENT LOAN			0.00
PAGE LINE #	7	HEALTH INS. (A/T)			0.00
		HEALTH INS. (B/T)	173.05		173.05
<u>REMARKS:</u>		416 Deferred Comp	264.50		264.50
		201 Dues	27.99		27.99
		305 CSEA Life Ins	25.40		25.40
					0.00
					0.00
		NET	1003.59	691.60	311.99

Federal Tax Data

- Tax Marital Status – Married
- Withholding Allowance – 1
- Additional Amount – 0

Tax Data		Find View All First 1 of 1 Last	
Company:	NYS	STATE OF NEW YORK	+ -
*Effective Date:	12/18/2001		
Updated By:	System	Date Last Updated:	01/09/2019
Federal Withholding Elements			
*Special Withholding Tax Status:	None		
*Tax Marital Status:	Married	Married	
	<input type="checkbox"/> Check here and select Single status if married but withholding at single rate.		
Withholding Allowances:	1		
Additional Amount:	\$0.00		
Additional Percentage:	0.000		
*Earned Income Credit Status:	Not applicable		
	<input checked="" type="checkbox"/> Exempt from FUT		

State Tax Data

- Tax Marital Status – Married
- Withholding Allowance – 1
- Additional Amount – 0

Tax Data		Find View All	First	1 of 1	Last
Company:	NYS STATE OF NEW YORK	Effective Date:	12/18/2001		
State Information		Find View All	First	1 of 1	Last
*State:	NY New York				
<input checked="" type="checkbox"/> Resident	<input checked="" type="checkbox"/> UI Jurisdiction				
<input type="checkbox"/> Non-Residency Statement Filed	<input checked="" type="checkbox"/> Exempt From SUT				
*SDI Status:	Exempt	*FLI Status:	Not Applicable		
State Withholding Elements					
*Special Withholding Tax Status:	None				
*Tax Marital Status:	M Married				
Withholding Allowances:	1				
Additional Amount:	\$0.00				
Additional Percentage:	0.000				
Additional Allowances:	0				
▶ Lock-In Letter Details					

Local Tax Data

- No local taxes withheld

Tax Data		Find View All First 1 of 1 Last
Company:	NYS STATE OF NEW YORK	Effective Date: 12/18/2001
State Information		Find View All First 1 of 1 Last
State:	NY	
Local Information		Find View All First 1 of 1 Last
*Locality:	<input type="text"/>	
<input checked="" type="checkbox"/> Resident	Other Work Locality:	<input type="text"/>
Local Withholding Elements		
Special Withholding Tax Status:	<input type="text" value="None"/>	
Tax Marital Status:	<input type="text"/>	<input type="text"/>
Local Withholding Allowances:	<input type="text" value="0"/>	
Additional Amount:	<input type="text" value="\$0.00"/>	
Additional Percentage:	<input type="text" value="0.000"/>	

Tax Status

Enter this information on the AC230 Worksheet

AC230 WORKSHEET			<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>			<u>TAX STATUS/ EXEMPTIONS</u>
EMPL ID	N01234567	GROSS	1728.95	691.60	1037.35			
EMPL NAME	Mike Gordon	FED TAX	67.60		67.60	Verify Withholding Status & Exemptions	Fed=	M1
		NYS TAX	47.78		47.78		State=	M1
LOST TIME (days)	6	FLI			0.00		NYC=	
FROM DATE	7/3/2019	LOCAL TAX			0.00			
TO DATE	7/10/2019	SS TAX (FICA) 6.2%	96.47		96.47			
		MEDICARE 1.45%	22.57		22.57			
PAY GROUP	AL4	RETIREMENT			0.00			
PAGE #	14	RETIREMENT LOAN			0.00			
PAGE LINE #	7	HEALTH INS. (A/T)			0.00			
		HEALTH INS. (B/T)	173.05		173.05			
REMARKS:		416 Deferred Comp	264.50		264.50			
		201 Dues	27.99		27.99			
		305 CSEA Life Ins	25.40		25.40			
					0.00			
					0.00			
			NET	1003.59	691.60	311.99	311.99	

*Calculate the tax and deductions for the "Should Receive" column by using PaycheckCity.com or a similar paycheck calculation tool.

Recreate Paycheck

Calc Date/State/General Information

Select Calculation date and state	
Check Date	<input type="text" value="07/24/2019"/>
State for withholding	<input type="text" value="New York"/>
General Information	
Gross Pay	<input type="text" value="1728.95"/>
Gross Pay Type	<input type="text" value="Pay Per Period"/>
Gross Salary YTD	<input type="text" value="0"/>
Pay Frequency	<input type="text" value="Bi-weekly"/>
Federal Filing Status	<input type="text" value="Married"/>
# of Federal Allowances	<input type="text" value="1"/>
Additional Federal Withholding	<input type="text" value="0"/>
Round Federal Withholding	<input type="radio"/> Yes <input checked="" type="radio"/> No
I am exempt from	<input type="checkbox"/> Federal Tax <input type="checkbox"/> FICA <input type="checkbox"/> Medicare

State and Local Information

State and Local Information	
New York SDI	<input type="radio"/> Yes <input checked="" type="radio"/> No
Total Allowances	<input type="text" value="1"/>
Additional Withholding - NYC	<input type="text" value="0.00"/>
Exempt State	<input type="radio"/> Yes <input checked="" type="radio"/> No
Total Allowances - NYC	<input type="text" value="0"/>
Additional Withholding - Yonkers	<input type="text" value="0.00"/>
Filing Status	<input type="text" value="Married"/> ▼
Additional State Withholding	<input type="text" value="0"/>
New York Family Leave Benefits	<input type="radio"/> Yes <input checked="" type="radio"/> No
We use addresses to accurately calculate in this locale. No information is stored. See privacy policy for more details.	
Work Address	<input type="text"/>
Suite #	<input type="text"/>
City, Zip, Plus 4	<input type="text"/> , NY <input type="text"/> <input type="text"/>
Resident	<input checked="" type="radio"/> Resident <input type="radio"/> Nonresident
Exempt	<input type="radio"/> Yes <input checked="" type="radio"/> No

Voluntary Deduction Section

- 201 Civil Service Employee Assoc
- Flat Rate Deduction \$27.99
- After-Tax

Deduction #1 Name

201 Dues

Deduction #1 Amount

27.99

Deduction #1 Type

\$ Fixed Amount x ▼

Ded. #1 Exempt from

Federal Fica State Local

Voluntary Deduction Section

- 305 CSEA Regular Life Insurance
- Flat Rate Deduction \$25.40
- After-Tax

Deduction #2 Name

305 Life Ins

Deduction #2 Amount

25.40

Deduction #2 Type

\$ Fixed Amount x ▼

Ded. #2 Exempt from

Federal Fica State Local

Voluntary Deduction Section

- HIBTRG Regular Before Tax Health
- Flat Rate Deduction \$173.05
- Before-Tax (Federal, FICA, State, Local)

Deduction #3 Name	HIBTRG
Deduction #3 Amount	173.05
Deduction #3 Type	\$ Fixed Amount
Ded. #3 Exempt from	<input checked="" type="checkbox"/> Federal <input checked="" type="checkbox"/> Fica <input checked="" type="checkbox"/> State <input checked="" type="checkbox"/> Local

Voluntary Deduction Section

- 416 Deferred Comp
- Percentage Based Deduction at 17%
- The percentage can be found in the Savings Plan Page
- Find the percent of the gross minus any other Before-Tax deductions
- $\$1,728.95(\text{Gross}) - \$173.05(\text{HIBTRG}) = \$1,555.90$
- $\$1,555.90 * 17\% = \264.50



Voluntary Deduction Section

- 416 Deferred Comp (continued)
- Before-Tax Deduction (Federal, State, Local)
- Needs to be entered as a flat rate

Deduction #4 Name	<input type="text" value="416 Deferred Comp"/>
Deduction #4 Amount	<input type="text" value="264.50"/>
Deduction #4 Type	<input type="text" value="\$ Fixed Amount"/> ▼
Ded. #4 Exempt from	<input checked="" type="checkbox"/> Federal <input type="checkbox"/> Fica <input checked="" type="checkbox"/> State <input checked="" type="checkbox"/> Local

Review Results

Everything should match.

Paycheck Information				Paycheck Totals	
Paycheck Status:	Confirmed	Paycheck Option:	Advice	Earnings:	1,728.95
Issue Date:	07/24/2019	Check #:		Taxes:	234.42
<input type="checkbox"/> Off Cycle	<input type="checkbox"/> Reprint	<input type="checkbox"/> Adjustment	<input type="checkbox"/> Corrected	Deductions:	490.94
			<input type="checkbox"/> Cashed	Net Pay:	1,003.59

Your Paycheck Results	
Bi-weekly Gross Pay	\$1,728.95
Federal Withholding	\$67.60
Social Security	\$96.47
Medicare	\$22.56
New York	\$47.78
FLI	\$0.00
SDI	\$0.00
HIBTRG	\$173.05
201 Dues	\$27.99
305 Life Ins	\$25.40
416 Deferred Comp	\$264.50
Net Pay	
Net Pay	\$1,003.60

Calculate What Employee Should Receive

- Once everything matches, click the back button.
- Change gross pay to what the employee should have received:
 - \$691.60

General Information	
Gross Pay	<input type="text" value="691.60"/>
Gross Pay Type	<input type="text" value="Pay Per Period"/>
Gross Salary YTD	<input type="text" value="0"/>
Pay Frequency	<input type="text" value="Bi weekly"/>

Calculate What Employee Should Receive Continued

- We also need to change the Deferred Comp
- $\$691.60(\text{Gross}) - \$173.05(\text{HIBTRG}) = \518.55
- $\$518.55 * 17\% = \88.15

Deduction #4 Name

416 Deferred Comp

Deduction #4 Amount

88.15

Deduction #4 Type

\$ Fixed Amount

Ded. #4 Exempt from

Federal Fica State Local

Enter Results to Worksheet

- The results can be copied over to the AC230 Worksheet
- Due a net of \$333.89
- Owes a net of \$669.70

Your Paycheck Results	
Bi-weekly Gross Pay	\$691.60
Federal Withholding	\$0.00
Social Security	\$32.15
Medicare	\$7.52
New York	\$3.45
FLI	\$0.00
SDI	\$0.00
HIBTRG	\$173.05
201 Dues	\$27.99
305 Life Ins	\$25.40
416 Deferred Comp	\$88.15
Net Pay	
Net Pay	\$333.89

	<u>ORIGINAL</u> <u>CHECK</u>	<u>SHOULD</u> <u>RECEIVE*</u>	<u>RETURN</u>
GROSS	1728.95	691.60	1037.35
FED TAX	67.60	0.00	67.60
NYS TAX	47.78	3.45	44.33
FLI			0.00
LOCAL TAX			0.00
SS TAX (FICA) 6.2%	96.47	32.15	64.32
MEDICARE 1.45%	22.57	7.52	15.05
RETIREMENT			0.00
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)	173.05	173.05	0.00
416 Deferred Comp	264.50	88.15	176.35
201 Dues	27.99	27.99	0.00
305 CSEA Life Ins	25.40	25.40	0.00
			0.00
			0.00
NET	1003.59	333.89	669.70

Complete AC230

- Use Return Check Column to complete AC230.
- Everything should match.
- If getting check from employee request the exact net. Never the Gross.

18	Returned Amount (Amount employee not entitled to minus Unrecoverable amounts.)		1,037.35
Code			
Amount			
19	Social Security Tax (OASDI/EE) (2011 & 2012 Rates=.042) (Prior to 2011 & Current Rates=.062)	OASDI	64.32
20a	Medicare Tax (MED/EE) (.0145)	FICA	15.05
20b	Additional Medicare Tax (ADDL MED) (.03 of amount over \$200,000)	FICA	
21	Withholding Tax - Federal		67.60
22	Withholding Tax - State		44.33
23	Withholding Tax - NYC		
24	Withholding Tax - Yonkers		
25	Retirement - Normal Contribution		
26	Retirement - Loan		
27	State Health Insurance (A/T = Taxable)		
28	State Health Insurance (B/T=Non-Taxable)		
29	Other Health Insurance		
Enter other deductions below (code must be entered as numeric digits or letters as shown in Review Paycheck page).			
Code			
Amount			
30	Description	416	176.35
31	Description		
32	Description		
33	Description		
34	Description		
35	Description		
36	Total of Deductions Refunded (19 thru 35)		367.65
37	Refund amount less deductions refunded (18 minus 36)		669.70
38	Net Amount of Check being Returned		1,003.59
39	Balance Due to Employee (38 minus 37)		333.89

	<u>ORIGINAL CHECK*</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	1728.95	691.60	1037.35
FED TAX	67.60	0.00	67.60
NYS TAX	47.78	3.45	44.33
FLI			0.00
LOCAL TAX			0.00
SS TAX (FICA) 6.2%	96.47	32.15	64.32
MEDICARE 1.45%	22.57	7.52	15.05
RETIREMENT			0.00
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)	173.05	173.05	0.00
416 Deferred Comp	264.50	88.15	176.35
201 Dues	27.99	27.99	0.00
305 CSEA Life Ins	25.40	25.40	0.00
			0.00
			0.00
NET	1003.59	333.89	669.70

Questions

????



Practice Examples

Using PayCheckCity.com

- Recreate the original paycheck
- Determine what the employee should have been paid
- Determine what the employee was overpaid
- Enter the information into the AC230 Worksheet



Resources

Websites/Worksheets

- [Paycheckcity.com](https://www.paycheckcity.com)
- [Blank AC-230](#)
- [Blank AC-230 Worksheet](#)



Contact Information

AC-230 Unit

- PayrollReversalandExchang@osc.ny.gov
- Jared Waldron
518-474-4775 jwaldron@osc.ny.gov
- Kevin Czmyr
518-402-4317 kczmyr@osc.ny.gov
- Laurie Leahey
518-402-2413 lleahey@osc.ny.gov



Example 1 Answer

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	2232.44	446.48	1785.96
FED TAX	273.04	23.27	249.77
NYS TAX	106.56	4.31	102.25
FLI			0.00
LOCAL TAX			0.00
SS TAX (FICA) 6.2%	135.05	24.32	110.73
MEDICARE 1.45%	31.59	5.69	25.90
RETIREMENT	66.97	13.39	53.58
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)	54.19	54.19	0.00
233 PEF DUES	20.09	4.02	16.07
			0.00
			0.00
			0.00
			0.00
NET	1544.95	317.29	1227.66

Example 2 Answer

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	2419.91	1693.93	725.98
FED TAX	291.42	151.26	140.16
NYS TAX	107.59	62.50	45.09
FLI	3.70	2.25	1.45
LOCAL TAX			0.00
SS TAX (FICA) 6.2%	136.08	91.07	45.01
MEDICARE 1.45%	31.82	21.30	10.52
RETIREMENT			0.00
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)	225.09	225.09	0.00
222 UUP DUES	24.20	16.94	7.26
429 SUNY PARKING	27.92	27.92	0.00
			0.00
			0.00
			0.00
NET	1572.09	1095.60	476.49

Example 3 Answer

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	1339.82	669.91	669.91
FED TAX	123.70	45.72	77.98
NYS TAX	48.35	11.45	36.90
FLI			0.00
LOCAL TAX	33.73	8.51	25.22
SS TAX (FICA) 6.2%	79.32	37.78	41.54
MEDICARE 1.45%	18.55	8.84	9.71
RETIREMENT	40.19	20.10	20.09
RETIREMENT LOAN			0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)			0.00
259 DC37 Dues	26.60	26.60	0.00
400 CUNY 403(b)	123.91	58.93	64.98
438 CUNY Transit	60.50	60.50	0.00
440 CUNY Transit	1.77	1.77	0.00
			0.00
NET	783.20	389.71	393.49

Example 4 Answer

	<u>ORIGINAL CHECK</u>	<u>SHOULD RECEIVE*</u>	<u>RETURN</u>
GROSS	1863.89	559.17	1304.72
FED TAX	182.82	32.74	150.08
NYS TAX	80.40	8.23	72.17
FLI			0.00
LOCAL TAX			0.00
SS TAX (FICA) 6.2%	112.20	31.31	80.89
MEDICARE 1.45%	26.24	7.32	18.92
RETIREMENT	55.92	16.78	39.14
RETIREMENT LOAN	64.00	64.00	0.00
HEALTH INS. (A/T)			0.00
HEALTH INS. (B/T)	54.19	54.19	0.00
416 Deferred Comp	52.61	14.65	37.96
201 CSEA Dues	28.69	28.69	0.00
			0.00
			0.00
			0.00
NET	1206.82	301.26	905.56