Address Changes

- **Deadline is 1/08/16.** We ask that employee’s change their own address by logging onto the U@Penn website at [www.upenn.edu/u@penn](http://www.upenn.edu/u@penn) and click on the My Profile link in the Personal Resources, Health and Welfare section in the left hand column.

- Alternatively, your employees may contact their Business Administrator and request that the BA make the appropriate address change in the payroll system.

- W2 forms are sent to the permanent address listed in the Payroll system. If not available, the current address is used.
Overpayments

- All overpayment must be communicated to the payroll office by December 22nd and must be paid in full and remitted to the payroll office by **January 4th, 2016**.

- If an employee is writing a check it must be for the full amount of the overpayment. No partial payments will be accepted. Please make payment payable to The Trustee’s of the University of Pennsylvania.

- Overpayments reported to the payroll office after the deadline of 12/22/15 and repaid in the following year will be considered “prior year” overpayments and will have further tax implications to the employee.
Accelerated Payroll Schedule

- Due to the Thanksgiving Holiday, the payroll for week ending 11/22 will run on Friday 11/20 at 3 pm.
- The December payroll schedules are posted on the Penn Portal and will be posted on the UMIS banner page by the end of November.
- Schedules will also be posted in the Bottom Line and a Payroll list serve email will be out shortly.
Off Cycle Payments

- As we all prepare to leave for winter break the Payroll Office will strive to process all OCP requests received within a 2 day window.
- We will continue to accept OCP requests through 5:00 on 12/18/15.
- If an individual has direct deposit, the off cycle payment will be deposited to that account. Otherwise, the payments will go to the existing individual’s ADP’s Aline Card or a new Aline Card account will be established if necessary.
January 2016 Payroll

- Please note that the 1/01/16 payroll will run on Monday 12/28/15 with a issue date of 12/31/15.
- All time must be entered into the payroll system by Monday 12/28/15 at 3:00.
- The first payroll of 2016 (week ending 1/3/16) will run on Tuesday January 5th at 3 pm.
- Weekly payrolls from pay period ending 1/3/16 through 1/17/16 will run on Tuesday’s at 3 pm due to end of year processing and MLK Holiday. We will resume payroll processing on Monday’s starting 1/25/16.
W-2 Reporting Reminders

**Foreign National Social Security Numbers**
If an individual was issued a temporary Social Security number from the University of Pennsylvania upon hire and has now been assigned a valid Social Security number, they must provide Human Resources with this updated information as soon as possible.

**Cost of employer-provided health coverage**
Employers will have to report the total cost of employer-provided health coverage on employees’ Forms W-2 in Box 12 using code DD. This will include both the employer and employee share of the costs, based upon the months of coverage during 2015.
2016

Reported changes

- **Social Security Wage Base** – The 2016 social security wage base will remain the same at $118,500.
- **Medicare tax rate** – The employee Medicare surcharge will remain the same at 2.35% on wages earned over $200,000.
- **403 (b) & 457(b)** - The limitation on the exclusion for elective deferrals under §402(g)(1) (e.g., §401(k) and §403(b) plans) will remain the same at $18,000. The Catch-up contribution limit stays at $6,000.00.
- **Foreign earned income exclusion** - For 2016, the maximum foreign earned income exclusion amount under IRC §911(b)(2)(D)(i) increases to $101,300.00 ($100,800.00 in 2015).
- **Treaty exemptions** Treaty exemptions are granted on a calendar year basis and must be renewed each calendar year. Eligible employees must visit the Tax Office by Jan.20, 2016.
- **Supplemental Pay Withholding** - Withholding on payments less than $1 million in a calendar year will remain at 25%; withholding on payments in excess of $1 million in a calendar year will remain at 39.6%.
- **Flexible Spending Account** – Employee For plan years beginning in 2016, the dollar limitation under §125(i) on voluntary employee salary reductions for contributions to health flexible spending arrangements (FSAs) is $2,550.
- Dependent Care accounts will be repealed. Tax credit will take its place.
- **Educational Assistance** – Section 127 of the IRS code that allows an employer to reimburse an employee for graduate tuition benefits on a tax-free basis up to $5,250 is still under review.
- **Qualified Transportation Fringes** - Employer-provided "qualified transportation fringe benefits" for 2016 are as follows: $255 per month for "qualified parking" (increased from 2015), and $130 per month for "transportation in a commuter highway vehicle and any transit pass" (also unchanged).
Tax Fraud

- Several members of the Penn community recently reported to the Division of Public Safety that fraudulent tax returns were filed in their name. Investigations to date have shown no data breach at Penn or the Health system. These events may reflect a broader national trend, potentially linked to the large spike in data breaches over the last two years. (see http://www.washingtonpost.com/news/get-there/wp/2015/03/12/senate-finance-committee-to-hold-a-hearing-on-tax-fraud/).

- If you find that you are a victim of tax fraud, please visit Penn Privacy page at http://www.upenn.edu/oacp/privacy/penndata/tax-fraud.html
Paperless W-2s

Benefits of E-W2s

- Access to W-2 forms 24/7 for Active and Term EEs
- Access to your W-2 much earlier than USPS
- No possibility of lost, stolen, or misplaced forms by Employee or USPS
- Low risk of identity thief from mailing of personal information
- Ability to print as many as desired
- Ability to upload directly into tax software
- Ability to access your information from anywhere via a secure location
- Supports Penn Green Campus Partnership
- To opt-out, please visit Tax & International Operations/Payroll Tax/W-2 Services
PAYROLL COVERAGE FOR WINTER BREAK

- The Payroll and Tax Office will be staffed over the Winter Break (12/28 and 12/29) during the hours of 8:00 am to 12:00 pm to take phone calls and respond to emails only. There will be no window hours.
Accounts Payable
2015 Year-End Deadlines

Wednesday, December 9, 2015, 5:00 p.m.
■ PDA Forms
■ Request Final Closing of PO’s
■ Requests to correct and reverse receipts

Wednesday, December 16, 2015, 5:00 p.m.
■ PO Invoices

Thursday, December 17, 2015, 5:00 p.m.
■ Will Calls
Accounts Payable
2015 Year-End Deadlines

Wednesday, January 6, 2016, 5:00 p.m. - Deadline for Manual 1099’s that need to be issued for 2015

- Submit 1099 manual spreadsheet and W9’s to AP for payments made outside of BEN Financials for 2015 (for payments >600)
- Print spreadsheet and attach W9’s (send to AP)
- Email Spreadsheet to joycers@upenn.edu
AP Coverage for Winter Break

The AP office will be staffed over the Winter Break (12/30 and 12/31 during the hours of 8:00 am to 12:00 pm to take phone calls and respond to emails only. There will be no AP window hours.