SHARP Customer Service Center

- SHARP Messages -

SHARP Message #591

DATE:	7/30/04
AUTHOR:	
SUBJECT:	Taxable Group Life Insurance Corrections

MESSAGE TEXT:

Taxable Group Life Insurance Corrections

As indicated in the June 30, 2004 message distributed to subscribers of the SHARP Infolist (available at the following link:
www.da.state.ks.us/sharp/documents/590.htm), the Division of Accounts and Reports will be initiating paycheck adjustment requests to correct the paychecks that incorrectly had a Taxable Group Term Life amount on the July 2nd paydate (on-cycle for the period ending 6/19/04 and 'A' off-cycle processed on Monday, 6/28).

Due to the volume of paychecks requiring adjustment, the processing will be divided into 2 groups. Paycheck adjustments for employee IDs ending in '0' through '4' will process in the run 'B' off-cycle scheduled for Wednesday, July 14th. Paycheck adjustments for employee IDs ending in '5'
through '9' will process in the run 'C' off-cycle scheduled for Monday, July 19th.

The paycheck adjustment process will result in the refund of any over-withholding of OASDI, Medicare, federal withholding tax and/or state withholding tax which may have occurred due to the erroneous taxable group term life amount. The total amount of the refund for most employees is anticipated to be less than $5.00.

Agencies should not process any transactions in these off-cycles for those employee records that were impacted with the incorrect Taxable Group Term Life Insurance. The Division of Accounts and Reports will be manually fixing any transactions that cannot be corrected using the automated paycheck adjustment process (ie., paychecks which contain earnings codes 'P1P', 'P2P', 'P3P', 'S3P' or 'ADV'). No action is required by agencies to initiate the adjustment process for these paychecks. However, agencies should review their adjustments after the off-cycle transactions have processed to ensure that there were no other problems.

Please advise employees in your agency that were impacted by the problem to anticipate a refund as a result of the adjustment. The payment method for the refund will be the same as the payment method used for the employee's regular pay. Refund payments resulting from adjustments processed on Wednesday, July 14th will be dated Monday, July 19th. Refund payments resulting from adjustments processed on Monday, July 19th will be dated Thursday, July 22, 2004.

We apologize for any inconvenience caused by this problem and appreciate your patience and understanding as we

work to resolve the errors.

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