

IRS Limits – Create IRS mandate withholding and exemption

PA30

- Purpose** Use this procedure when it is necessary to override the value of the employee’s exemptions due to the IRS mandating a specific withholding status and exemption for an employee.
- Trigger** Perform this procedure when an IRS mandate has been received for an employee.
- Prerequisites** The IRS has mandated a specific withholding status and exemption for an employee.
- End User Roles** In order to perform this transaction you must be assigned the following role:
Payroll Processor, Financial Processor, Personnel Administration Processor

Change History	
Date	Change Description
05/15/2013	User procedure created

Menu Path Human Resources → Personnel Management → Administration → HR Master Data → Maintain

Transaction Code PA30

Helpful Hints	None
----------------------	------

The system may display three types of messages at various points in the process. The messages you see may differ from those shown on screen shots in this procedure. The types of messages and responses are shown below:

Message Type	Description
Error 	Example:  Make an entry in all required fields. Action: Fix the problem(s) and then click  (Enter) to validate and proceed.
Warning 	Example:  Record valid from xx/xx/xxxx to 12/31/9999 delimited at end. Action: If an action is required, perform the action. Otherwise, click  (Enter) to validate and proceed.
Confirmation  or 	Example:  Save your entries. Action: Perform the required action to proceed.

Scenario

The IRS mandates an employee use a status of **single with zero exemptions**. You will need to create the *IRS Limits USA (0161)* infotype for this employee.

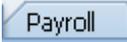
Procedure

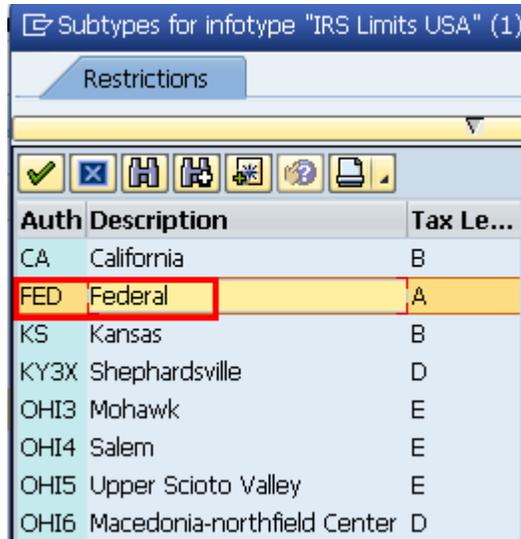
1. Start the transaction using the above menu path or transaction code **PA30**.

2. Complete the following fields:

R=Required Entry O=Optional Entry C=Conditional Entry		
Field Name	R/O/C	Description
Personnel no.	R	The employee's unique identifying number. Example: 40000225

3. Click  (Enter) to validate the information.

4. Click the  tab to select.
5. Click the box to the left of  to select.
6. Click  (Click) to create a new record.
7. Double click **Federal** from the *Subtypes for infotype "IRS Limits USA"*



Auth	Description	Tax Le...
CA	California	B
FED	Federal	A
KS	Kansas	B
KY3X	Shephardsville	D
OHI3	Mohawk	E
OHI4	Salem	E
OHI5	Upper Scioto Valley	E
OHI6	Macedonia-northfield Center	D

Title: IRS Limits – Create IRS mandate withholding status and exemption

8. Complete the following fields:

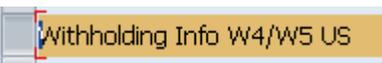
R=Required Entry O=Optional Entry C=Conditional Entry		
Field Name	R/O/C	Description
Start Date	R	The date on which the record is to begin.  Enter the first actual check date the mandate is to be in force.. Example: 7/10/2013
Filing Status	R	This is the status mandated by IRS. Example: 01 - Single
Number of Allowances	R	The number of dependents claimed for tax filing purposes.  Enter the amount mandated by the IRS. Example: 01

 When an *IRS Limits USA (0161)* exists, HRMS will use either the *IRS Limits USA (0161)* infotype, or the employee's *Withholding Info W4/W5 (0210)* infotype exemptions, whichever is more favorable to the IRS.

9. Click  (Enter) to validate entries.

 If you receive the *Display Notifications Warning*, click enter on your keyboard or click  to move forward.

10. Click  (Save) to save your entries.

11. Click the box to the left of  to select.

12. Click  (Display) to view the *Withholding Info W4/W5 Infotype*.

Title: IRS Limits – Create IRS mandate withholding status and exemption

Personnel No. 40000225 Name RUTKOWSKI WESLEY

PersArea 5400 Employment Security Dept EEGroup 0 Permanent

PSubarea 00PT Agencywide EESubgroup 01 Monthly(M) OT Exe... Status Active

Start 07/25/2008 to 12/31/9999 Chg. 07/30/2008 TRANSP

Status

Tax authority FED Federal Tax level A Federal

Filing Status 02 Married

Exemptions

Allowances 2

Tax Exempt Ind. Not exempt IRS mandates

Withholding adjustments

Add.withholding 50.00 USD Non-resident tax calculation

Default formula 01 PCT MTHD-RES. U Alternative formula

W-5 filing status

EIC status 0 Not applicable

Additional Information

Check here if the last name differs from that shown on the Social Security card

Overrides (from Infotype 0234)

From date	End Date	Supplemental method	Tax override	Empl. Override Group
06/01/2006	12/31/9999		0.00	0104

13. Verify that the **IRS mandates** box is checked.

Results

You have successfully created the *IRS Limits USA (0161)* infotype for your employee.