Deltek

Deltek Costpoint® Essentials and Costpoint Foundations

2018 Calendar Year End (CYE) and Affordable Care Act (ACA) Updates Regulatory Release Notes

Part 1 of 2

December 17, 2018

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Overview

These Deltek Essentials and Costpoint Foundations Regulatory Release Notes for Quarter 4 2018 provide information for calendar year end (CYE).

This is a pre-release document. The updates will be posted and live on or around December 14, 2018.

Updates and Enhancements

This section includes:

- Federal updates
- State updates

Federal Updates

Federal Tax Updates

The following are updates to federal taxes:

- **Social Security Limit:** $132,900
- **401(k) Deferral Limit:** $19,000
- **401(k) Wage Limit:** $280,000
- **Safe Harbor Affordability Rate:** 9.86%

W-2 Form and USERRA Make-Up Amounts for 2017

The following new Box 12 codes have been added for 2018 W-2 filing:

- **GG** — (money field) Income from qualified equity grants under section 83(i)
- **HH** — (money field) Aggregate deferrals under section 83(i) elections as of the close of the calendar year

This release updates the following Costpoint W-2 applications to support the new Box 12 codes.

- **Create Federal W-2 File (PRPW2F)**

  The application now has the ability to generate a Federal W-2 file with the new **GG** and **HH** Box 12 codes in corresponding fields of the RO and RU records. The new Box 12 codes are available in the following positions in the Federal W-2 file:

  - RO (Employee Optional) Record
    - **Positions 122 - 132** — GG (money field; Income from Qualified Equity Grants Under Section 83(i))
    - **Positions 133 - 143** — HH (money field; Aggregate Deferrals Under Section 83(i) Elections as of the Close of the Calendar Year)
  - RU (Total Option) Record
    - **Positions 160 - 174** — GG (money field; Income from Qualified Equity Grants Under Section 83(i))
    - **Positions 175 - 189** — HH (money field; Aggregate Deferrals Under Section 83(i) Elections as of the Close of the Calendar Year)

- **Manage W-2s (PRMW2)**

  The Manage W-2s screen now allows you to enter, or select from the lookup, the new **GG** and **HH** codes in the **Code** field of the Box 12 subtask.

  The lookup results of **Code** field now include codes for the USERRA make-up amounts for the 2017 tax year.

- **Print W-2s (PRRW2)** The application now has the ability to print W-2s with the new **GG** and **HH** Box 12 codes on the 2018 W-2 form.
- **Print W-2 Summary Report (PRRW2R)**

  The application now has the ability to print a W-2 Summary Report with the new **GG** and **HH** Box 12 codes.

Affordable Care Act (ACA) Form 1095-C

A specific format for the employee name and covered individuals name is now indicated on the 2018 Form 1095-C. The Print 1095-Cs screen now supports this update and uses the new name format when you print the 1095-C report.

The correct name format is “first name, middle initial, last name” for the following fields:

- Part 1, #1: Name of employee
- Part 3, (a): Name of covered individual(s)

Affordable Care Act Electronic Filing (Tax Year 2018)

For the tax year 2018, the namespaces of the Manifest and Data XML files were updated by replacing "ty2017" with "ty2018", for example, “urn:us:gov:treasury:irs:ext:aca:air:ty18”

Costpoint now supports this update and has the ability to generate XML files that will be valid for 2019 processing year submissions.

State Updates

Georgia G-1003 Electronic Filing

G-1003 is the Withholding Income Statement Transmittal form and the State of Georgia requires this form to be submitted in addition to the W-2 for the W-2 filing. The G-1003 should be submitted using the same option chosen for W-2. Since Costpoint’s W-2 file is applicable for the “Upload a File” method, then Costpoint users who generate W-2s for Georgia must also submit G-1003 through the “Upload a File” method. G-1003 using the “Upload a File” method must be in CSV file format, which is a different format from W-2.

Prior to this release, Costpoint did not create the G-1003 upload file. However, since the G-1003 file is also required when filing W-2s, this will now be automatically generated for Georgia through the Create State W-2 File screen.

Missouri W-2 Electronic Filing

Missouri's W-2 file specifications for EFW2 Format was updated for 2018. Both RE and RS records should now follow same record layout as *SSA Publication No. 42-007 EFW2 Tax Year 2018*. In addition to this, the RV record has been updated, and RF record is now included in the file.

The Create State W-2 File application was updated to comply with the 2018 W-2 reporting for the State of Missouri.

Oregon W-2 Electronic Filing

Statewide transit tax is now included in the annual filing requirement of Oregon. The Create State W-2 File screen now includes this tax in the RS and RV records of the generated W-2 file for Oregon.

The state transit tax information is in the following positions of the Oregon W-2 file.

- **RS record information**
  - Positions 348-358: Taxable wages for the statewide transit tax.
  - Positions 359-369: Amount withheld for the statewide transit tax.
- **RV record information**
  - Positions 40-54: Total amount of taxable wages for the transit tax.
  - Positions 55-69: Total amount of statewide transit tax withheld.

Pennsylvania W-2 Electronic Filing

The State of Pennsylvania's W-2 file specifications for EFW2 Format was updated for 2018. The following are the changes to the Pennsylvania W-2 file:

- RW, RO, RT, and RU records are not included.
- RV record is now required.
- Individual Taxpayer Identification Numbers (ITIN) will be accepted in the RS record for individuals who do not have a Social Security Number (SSN). However, since SSN is always available, then ITIN will never be used in the file.
- Foreign addresses are now accepted.

The Create State W-2 File screen now complies with the updated W-2 file specifications for the Pennsylvania.

Attention: For more information, please refer to the *2018 W-2 and 1099 Employer Withholding Reporting Instructions and Specifications Handbook*: https://www.revenue.pa.gov/GeneralTaxInformation/Tax%20Types%20and%20Information/EmployerWithholding/Documents/2018_w-2_and_1099_reporting_inst_and_specs.pdf

State Tax Updates

Note: This Costpoint release updates Manage State Taxes screen by adding the 2019 state unemployment limit, and by setting to zero the exemption amounts for Married, Single, and Other filing statuses. The allowances have been moved to Manage State Tax Withholding Adjustments application which now contains records for Personal Exemption type for applicable states.

The following are state tax changes effective January 1, 2019:

California

The State of California withholding tables for Method B exact calculations were updated for 2019. To support this change, Costpoint will now use the new tax tables of California in payroll.

The following are the updates to California tax tables:

- The annual standard deduction increases from $4,236 to **$4,401**.
- The low income exemption table has been updated for all filing statuses.
- The withholding tax rate table has been updated for all filing statuses.

- The annual exemption allowance for one increases from $125.40 to **$129.80**.

Attention: For more information, please refer to the following:

- **Method B:** https://home.deltek.com/sites/EPMO/PP/Integration/Regulatory/PRDs%20and%20Government%20Publications/Payroll_Taxes/State%20Publications/California/ExactCalc
- **Instructions:** https://home.deltek.com/sites/EPMO/PP/Integration/Regulatory/PRDs%20and%20Government%20Publications/Payroll_Taxes/State%20Publications/California/GeneralInstructions_California2019.pdf

Colorado

- The unemployment-taxable wage base increases from $12,600 to **$13,100**.

Iowa

- The annual withholding table has been updated.
- The standard deduction increases from $1,650 to **$1,690** a year, for employees who claim one or zero allowances, and from $4,060 to **$4,160** a year, for employees who claim more than one allowance.
- The unemployment-taxable wage base increases from $29,900 to **$30,600**.

Note: For more information, please refer to the *Iowa Individual Income Tax Withholding Formula*: https://tax.iowa.gov/sites/files/idr/documents/IA%20Withholding%20Formula%20and%20Instructions%20TY2019.pdf

Kentucky

The unemployment-taxable wage base increases from $10,200 to **$10,500**.

Missouri

The unemployment-taxable wage base decreases from $12,500 to **$12,000**.

Montana

- The unemployment-taxable wage base increases from $32,000 to **$33,000**.
- Married and Single exemption amounts have been set to **0.00**.

Nevada

The unemployment-taxable wage base increases from $30,500 to **$31,200**.

North Carolina

The unemployment-taxable wage base increases from $23,500 to **$24,300**.

Oklahoma

- Married and Single exemption amounts have been set to **0.00**.
- The unemployment-taxable wage base increases from $17,600 to **$18,100**.

Vermont

- Married and Single exemption amounts have been set to **0.00**.
- The unemployment-taxable wage base decreases from $17,600 to **$15,600**.

Washington

The unemployment-taxable wage base increases from $47,300 to **$49,800**.

Wyoming

The unemployment-taxable wage base increases from $24,700 to **$25,400**.

Known Issues

This section includes summaries of the issues that exist in this Costpoint release. These issues will be resolved in future releases.

Print 1095-Cs (HBR1095C)

Deltek Defect Tracking Number: 1040284

Description: The application truncates the employee's first and/or last name on the printed Form 1095-C if the first and/or last name exceed 10 characters.

Customers Impacted: This defect affects Costpoint users who print the 1095-C report for Affordable Care Act (ACA) compliance.

Workaround Before Fix: None.

Additional Notes: None.

Deltek Defect Tracking Number: 1040644

Description: The 1095-C report does not fit in preprinted forms if you are printing from an Edge browser.

Customers Impacted: This defect affects Costpoint users who print the 1095-C report from a Windows 10 Edge browser.

Workaround Before Fix: Print the report using Adobe Acrobat Reader DC or Google Chrome browser.

Additional Notes: None.

Deltek Defect Tracking Number: 1040631

Description: When you select portrait orientation for printing the report, the first and last name columns on the printed 1095-C does not support employees with three first names and/or three last names. The third first/last name does not display properly in the corresponding column.

Customers Impacted: This defect affects Costpoint users who print the 1095-C report for Affordable Care Act (ACA) compliance.

Workaround Before Fix: None.

Additional Notes: None.

Appendix A: For Additional Information

Deltek Support Center

The Deltek Support Center is a support Web site for Deltek customers who purchase an Ongoing Support Plan (OSP).

The following are some of the many options that the Deltek Support Center provides:

- Search for product documentation, such as release notes, install guides, technical information, online help topics, and white papers
- Ask questions, exchange ideas, and share knowledge with other Deltek customers through the Deltek Support Center Community
- Access Cloud-specific documents and forums
- Download the latest versions of your Deltek products
- Search Deltek's knowledge base
- Submit a support case and check on its progress
- Transfer requested files to a Customer Care analyst
- Subscribe to Deltek communications about your products and services
- Receive alerts of new Deltek releases and hot fixes
- Initiate a Chat to submit a question to a Customer Care analyst online

Attention: For more information regarding Deltek Support Center, refer to the online help available from the Web site.

Access Deltek Support Center

To access the Deltek Support Center:

1. Go to https://deltek.custhelp.com.
2. Enter your Deltek Support Center **Username** and **Password**.
3. Click **Login**.

Note: If you forget your username or password, you can click the **Need Help?** button on the login screen for help.

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