

Vision HotFix Notes

Released: December 27, 2013

Release Name: HotFix #068

2013 Year-End Regulatory Updates

For this release, the primary changes are regulatory-related for Vision 6.1 (SP4). All changes are effective as of January 1, 2014, unless otherwise noted. The updates in this section include:

- Federal Updates
- State Updates
- 1099-MISC Form and 1099 Electronic Filing updates
- Files Updated

Federal Updates

Federal Deferred Compensation and Social Security

The following are the federal taxes for 2014. Changes are in **bold**.

Social Security Withholding

- Social Security Employee Percent: 6.20%
- Social Security Employer Percent: 6.20%
- Social Security Wage Base: **\$117,000**

Medicare Withholding

- Medicare Limit: No limit
- Medicare Employee Percent: 1.45%. Effective 2013, the Medicare tax on employee wages greater than \$200,000 is 2.35%.
- Medicare Employer Percent: 1.45%

401(k), 403(b) Limits

- 401(k) Contribution Limit: \$17,500
- 401(k) Wage Limit: **\$260,000**
- Catch-Up Contribution Limit: \$5,500

Federal Tax Withholding

- 2014 Allowance Amount: **\$3,950**
- 2014 Supplemental Flat Tax Rate for Wages Greater than \$1 Million: The mandatory flat-rate withholding remains at 39.6% for supplemental wages greater than \$1 million.



The rate for optional flat-rate withholding on supplemental wage payments remains at 25 percent.

- 2014 Nonresident Alien Tax Withholding: **\$2,250**

Federal Electronic File Update (Federal Mag Media)

These are the changes in federal magnetic media for 2013 W-2s.

Specifications for Filing Forms W-2 Electronically (EFW2)

Record Changes

- **Section 4.6 RE Record – Employer Record:** The following fields have been added:
 - Employer Contact Name (positions 222–248)
 - Employer Contact Phone Number (positions 249–263)
 - Employer Contact Phone Extension (positions 264–268)
 - Employer Contact Fax Number (positions 269–278)
 - Employer Contact E-Mail/Internet (positions 279–318)

Other Changes

- **Section 4.5 RA Record – Submitter Record:** New specifications have been added to the **Contact E-Mail/Internet** (positions 446–485) field.
- **Section 4.6 RE Record – Employer Record:** The **Other EIN** (positions 31–39) is now applicable to all tax jurisdiction codes.
- **Section 7.3 Data Requirements:** Data requirements for submitting files have changed. Social Security prefers delimited files.

State Updates

State Electronic Filing

These are the changes due to EFW2 updates:

- The following fields are added to the RE Record:
 - Employer Contact Name (RE Record POS 222–248)
 - Employer Contact Phone Number (RE Record POS 249–263)

- Employer Contact Phone Extension (RE Record POS 264–268)
- Employer Contact Fax Number (RE Record POS 269–278)
- Employer Contact E-Mail/Internet (RE Record POS 279–318)
- New specifications have been added to the **Contact E-Mail/Internet** (RA Record POS 446–485) field.
- The **Other EIN** (RE Record POS 31–39) is now applicable to all tax jurisdiction codes.
- Data requirements for submitting files have changed. Social Security prefers delimited files.

The following is a list of states using standard EFW2 for RA and RE records:

- Arkansas
- Arizona
- Colorado
- Connecticut
- District of Columbia
- Delaware
- Georgia
- Idaho
- Illinois
- Indiana
- Kansas
- Kentucky
- Louisiana
- Maryland (RA only)
- Maine
- Michigan
- Minnesota
- Missouri
- Mississippi
- Montana
- North Carolina

- North Dakota
- Nebraska
- New Jersey
- New Mexico
- Ohio
- Oregon
- Pennsylvania (RA only)
- Puerto Rico
- Rhode Island
- South Carolina
- Utah
- Virginia
- Vermont
- Wisconsin
- West Virginia

California

California has released income tax withholding tables for Method B, the Exact Calculation Method, and instructions for Method B, effective for 2014. The annual standard deduction increases from \$3,841 to **\$3,906**.

Connecticut

The following are the updates for Connecticut:

- Updated the Personal Exemption table for filing status **F**
- Updated the Personal Tax Credit table for filing status **F**

Delaware

The income tax rate for earnings of more than \$60,000 decreases from 6.75% to **6.6%**. The rate replaces the previously announced rate, which had been scheduled to fall to 5.95%.

Idaho

Existing split-monthly filers will change to a semimonthly filing frequency, paying income tax withholding twice a month. Existing split-monthly filers (filing cycle = B) are no longer required to include payments made from January 1, 2014 to January 15, 2014 with the RV Record. Instead, payments made from January 1, 2013 to January 15, 2013 will be reported in RV Record Positions 65–75 (the amount for this period was included in your 2012 submission).

We updated Vision RS Record Positions 248–267 and RV Record Positions 16–24 and 54–97 to accommodate this change.

Kansas

Kansas has updated its withholding rates from 3% to **2.7%** (for wages over \$3,000 but not over \$18,000) and from 4.9% to **4.8%** (for wages over \$18,000).

Kentucky

- The standard deduction increases from \$2,360 to **\$2,400**.
- The tax credit decreases from \$20 to **\$10**.

Maine

The following are updated:

- Withholding Table
- Withholding Allowance Amount
- Nonresident Alien Adjustment Amount

Maryland

The **Central Registration Number** required in RE Record POS 222–229 has been rescinded. The Social Security Administration has added five new fields in the RE Record, resulting in the overlapping of information.

Local income tax withholding rates change for these counties:

- Caroline — rate increases from 2.63% to **2.73%**
- Carroll — rate decreases from 3.05% to **3.04%**
- Charles — rate increases from 2.90% to **3.03%**

Massachusetts

Massachusetts has updated its state electronic filing. The following fields are added to Section 4.6 RE Record – Employer Record:

- Tax Jurisdiction Code (position 220)
- Third Party Sick Pay Indicator (position 221)
- Employer Contact Name (positions 222–248)
- Employer Contact Phone Number (positions 249–263)
- Employer Contact Phone Extension (positions 264–268)
- Employer Contact Fax Number (positions 269–278)
- Employer Contact E-Mail/Internet (positions 279–318)

Minnesota

The withholding allowance increases from \$3,900 to **\$3,950**.

New Jersey

Test/Production Indicator is now reported in RS Record POS 5–9, with a default value of “P.”

New Mexico

- One allowance amount increases from \$3,900 to **\$3,950**.
- Tables for percentage method of withholding are updated for Single and Married filing statuses.

New York

- The Single Deduction Allowance Amount increases from \$7,150 to **\$7,250**.
- The Married Deduction Allowance Amount increases from \$7,650 to **\$7,750**.
- The Single annual tax rate schedule table changes.
- The Married annual tax rate schedule table changes.
- Adjustment for difference between federal and New York exemption allowances increases from \$2,800 to **\$2,900**.
- The Supplemental Tax Rate (bonus) is **9.62%**.

North Carolina

North Carolina has updated its income tax rates to a flat 5.8%. This flat rate replaces a three-bracket structure that had rates of 6%, 7%, and 7.75%.

Rhode Island

- The annual tax table has changed for all filing statuses.
- The threshold for the 0.00 allowance amount increases from \$202,950 to **\$211,300**.

1099-MISC Form

The 1099-MISC Form is updated to realign the following fields:

- Recipient's Name
- Street Address
- City, State, and Zip

Two new fields are also added:

- Box 11 — Foreign Tax Paid
- Box 12 — Foreign country or US possession

1099 Electronic Filing

The **Type of TIN** field (position 11 of the Payee B Record) is now required.

To accommodate this change, Vision added the **Type of TIN** field on the Accounting tab of Vendor Info Center, and included this field in the 1099 Electronic File.

Files Updated

Vision Version 6.1 (SP4)

aprptForm1099.rdl

aprptForm1099Custom.rdl

Deltek.Vision.APForm1099.Client.dll

Deltek.Vision.APForm1099.Server.dll

Deltek.Vision.PayrollBO.Server.dll

Deltek.Vision.VendorInfoCenter.Client.dll

Deltek.Vision.W2Form.Client.dll

Deltek.Vision.W2Form.Server.dll

Software Issues Resolved (1)

Human Resources

Payroll

Form W-2 Processing

Deltek Defect Tracking Number:402374

Description: When you generated W-2s for employees who have wages of more than \$200,000, the following warning message was displayed: "The Medicare amount withheld for employee <number> does not equal the expected amount based on the employee's Medicare wages. This difference should be investigated."

Customers Impacted: This defect applies to 2013 W-2s only, and affects Payroll users.

Workaround Before Fix: None.

Additional Notes: None.

Files Updated

Deltek.Vision.W2Form.Server.dll

Other Applications Affected

System File Dependencies

More information about this release is on the following page.

Custom Programs Affected:

Sometimes a hot fix can cause custom programs and reports to stop working as expected. Before applying this hot fix, consider whether you have any custom programs or reports in the application area affected by the hot fix. If so, contact Deltek support at <http://support.deltek.com> before you install the hot fix.

To Download the HotFix:

1. From Internet Explorer, go to <https://dsm.deltek.com>.
2. Click **Run Deltek Software Manager**.
3. Log in using your Deltek Customer Care Connect credentials.
4. In the left pane of the Deltek Software Manager, expand your Deltek product.
5. Expand the Hotfix folder for your product, and select the hotfix to download.
6. Click **Download** at the bottom of the screen.

To Install the HotFix:

Run the executable (.exe) file only on your application server, unless additional tiers are specifically noted in the defect descriptions above.<?xml:namespace prefix = o ns = "urn:schemas-microsoft-com:office:office" />

To Check to See if the HotFix is Installed:

1. Click **Help > About** from the Vision toolbar.
2. Click the **Details** button on the **About Deltek Vision** dialog box.

More Information:

If you have any questions, please contact Deltek support at <https://support.deltek.com>.