

Deltek Costpoint® 7.1.1

**2016 Calendar Year End (CYE) Regulatory
Updates (Parts 1 and 2 of 2, Combined)
Release Notes**

December 29, 2016

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Overview

These Deltek Costpoint Regulatory Release Notes for Quarter 4 2016 provide information for calendar year end (CYE).



The Costpoint 7.1.1 CYE 2016 Regulatory Updates is deployed in **two parts**. The first part which contained the initial CYE 2016 regulatory updates was released on December 12, 2016.

This release, named **Costpoint 7.1.1 CYE 2016 Regulatory Updates (Parts 1 and 2 of 2, Combined)**, contains **all** of the CYE 2016 regulatory updates including the updates from Part 1 of the release.

Installation Prerequisites

Ensure the following are installed and operational:

- Costpoint Version 7.1.1
- Costpoint 7.1.1 PATCH3003, PATCH3036, PATCH3053, PATCH3092, PATCH3094, PATCH3109, and PATCH3126.

Custom Programs



If your Costpoint system is customized, do **NOT** install this update without first contacting your Account Manager at 1.800.456.2009. Custom work must be upgraded to be compatible with each new release. Deltek does customization on a request-only basis. Depending on the scope of the upgrade and current work backlogs, modifications may not be available for 60 to 90 days. If you do not have a specific Ongoing Support Plan for your custom work, there is a charge for the upgrade programming.

For Additional Information

Customer Care Connect Site

The Deltek Customer Care Connect site 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 Customer Care Connect site provides:

- Download the latest versions of your Deltek products
- Search Deltek's knowledge base
- Display or download product information, such as release notes, user guides, technical information, and white papers
- Submit a support case and check on its progress
- Transfer requested files to a Customer Care analyst
- Use Quick Chat to submit a question to a Customer Care analyst online
- Ask questions, exchange ideas, and share knowledge with other Deltek customers through the Deltek Connect Customer Forums
- Subscribe to Deltek communications about your products and services
- Receive alerts of new Deltek releases and hot fixes



For more information regarding Deltek Customer Care Connect, refer to the online help available from the Web site.

Access Customer Care Connect

To access the Customer Care Connect site, complete the following steps:

1. Go to <https://deltek.custhelp.com>.
2. Enter your Customer Care Connect **Username** and **Password**.
3. Click **Log In**.



If you forget your username or password, you can click the **Account Assistance** button on the login screen for help.

Updates and Enhancements

This section includes:

- Federal updates
- State updates

Federal Updates

Federal Tax Updates

The following are updates to Federal taxes:

- **Federal Poverty Level:** 11,880.00
- **Safe Harbor Affordability Rate:** 0.0966
- **Social Security Limit:** 127,200.00
- **401(k) Wage Limit:** 270,000.00
- The Married and Single percentage method withholding tables were updated. The Nonresident Alien Adjustment amount increases from \$2,250.00 to **\$2,300.00**.

Federal and State Electronic Filing (EFW2)

The RE Employer Record (position 174) **Kind of Employer** field descriptions have been modified. The value set remains the same.

For more information, see: Social Security Administration Publication No. 42-007:

<http://www.socialsecurity.gov/employer/efw/16efw2.pdf#zoom=100>

FUTA Credit Reduction

Employers in two jurisdictions are to pay higher payroll costs for 2016 because of Federal Unemployment Tax Act credit reductions, down from four jurisdictions in 2015. The following table provides the corresponding 2016 FUTA Credit Reduction percentage for each state:

State	2016 FUTA Credit Reduction
California	1.8%
Virgin Islands	1.8%

W-2 Form and USERRA make-up amounts for 2015

Costpoint now includes the ability to report USERRA make-up amounts for 2015. On the Manage W-2s screen, the Box 12 subtask now contains the additional Lookup codes for USERRA 2015.

State Updates

Ohio Form W-2 to Include School-District Code

Employers should include a school district's name and four-digit identification number with the school district income tax withheld on employees' Forms W-2, Wage and Tax Statement.

Starting with tax year 2016 forms issued in 2017, the school district's name and number should be entered in box 20 of Form W-2 to avoid confusion of school district income taxes with the city income taxes that also appear on the form.

Although there was a discrepancy in how the text and example in the guidance ordered the district name and identification number, the order in which they appear on the form does not matter.

To comply with this, Costpoint now includes the following updates:

- **Locality Name** ([Manage Local Taxes] Locality description) shall be printed in Box 20 for Ohio's City Income Tax.
- **School District Code** ([Manage Local Taxes] City/County/School/PSD Code) and **Locality Name** ([Manage Local Taxes] Locality description) shall be printed in Box 20 for Ohio's School District Income Tax.

Oklahoma W-2 Electronic Filing

Oklahoma employers should file state copies of Form W-2, Wage and Tax Statement, with annual reconciliation returns by Feb. 28, starting with tax year 2016 forms filed in 2017.

Employers should follow federal requirements to determine how to submit and format forms. Under federal requirements, employers filing at least 250 forms must file electronically.

Employers should file annual reconciliation returns with Oklahoma starting with tax year 2016 forms. The law (H.B. 2775) left whether to require additional information from employers open to the Tax Commission.

Rhode Island W-2 Electronic Filing

The state of Rhode Island now uses the standard EFW2 format for all records. The state specific format was replaced with the standard EFW2 for RT and RF records.

State Tax Updates

The following are state tax changes effective January 1, 2017:

Alaska

The unemployment-taxable wage base increases from \$39,700 to **\$39,800**.

California

- The annual standard deduction increases from 4,044 to **\$4,129**.
- 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 119.90 to **122.10**.

Colorado

The unemployment-taxable wage base increases from \$12,200 to **\$12,500**.

Hawaii

The unemployment-taxable wage base increases from \$42,200 to **\$44,000**.

Idaho

The unemployment-taxable wage base increases from \$37,200 to **\$37,800**.

Iowa

The unemployment-taxable wage base increases from \$28,300 to **\$29,300**.

Kentucky

- The unemployment-taxable wage base increases from \$10,200 to **\$10,500**.
- The standard deduction increases from \$2,460 to **\$2,480**. The standard deduction is used in the computer formula for determining state withholding. The 2017 computer formula has not been released, but the standard deduction was the only change made to the 2016 formula.

Minnesota

- Withholding tables for Single and Married was updated.
For more information, please see the *Computer Formula* on the Minnesota Department of Revenue website:
http://www.revenue.state.mn.us/Forms_and_Instructions/wh_formula_17.pdf
- The unemployment-taxable wage base increases from \$31,000 to **\$32,000**.

Montana

The unemployment-taxable wage base increases from \$30,500 to **\$31,400**.

Nebraska

- Withholding allowance increases from 1,900 to **1,960**.
- Withholding tables for Single and Married have been updated.

For more information, please see: http://www.revenue.nebraska.gov/circ-en/2017/2017cir-en_whole.pdf.

Nevada

The unemployment-taxable wage base increases from \$28,200 to **\$29,500**.

New York

- The Married deduction allowance amount increases from 7,900 to **7,950**.
- The Married and Single annual tax rate schedule table have changed.

New Jersey

New Jersey's unemployment-taxable wage base and its wage base for temporary disability insurance each increases from \$32,600 to **\$33,500**.

New Mexico

- The unemployment-taxable wage base increases from \$24,100 to **\$24,300**.
- The annual withholding tables for Single and Married were updated.

For more information, refer to: <http://realfile.tax.newmexico.gov/FYI-104%20-%20New%20Mexico%20Withholding%20Tax.pdf>

North Carolina

- The state standard deduction amount increases to **\$8,750** for tax year 2017.
- The unemployment-taxable wage base increases from \$22,300 to **\$23,100**.
- The flat withholding rate decreases from 5.85 percent to **5.599 percent**.
- Standard deduction amounts have been updated.

For more information, refer to: http://dornc.com/downloads/nc30_2017.pdf.

North Dakota

The unemployment-taxable wage base decreases from \$37,200 to **\$35,100**.

Oklahoma

- The unemployment-taxable wage base increases from \$17,500 to **\$17,700**. These numbers are expected to be in effect for 2017, but the commission might update the numbers when the 2017 wage base and rates are published on its website.
- The annual withholding tables for Single and Married have been updated.

For more information, refer to: <https://www.ok.gov/tax/documents/2017WHTables.pdf>.

Oregon

The unemployment-taxable wage base increases from \$36,900 to **\$38,400**.

Pennsylvania

The unemployment-taxable wage base increases from \$9,500 to **\$9,750**.

Puerto Rico

Special deductions for certain individuals are no longer included in the withholding calculation.

For more information, refer to:

http://www.hacienda.gobierno.pr/sites/default/files/tablas_retencion_2017_2.pdf.

Rhode Island

- The standard unemployment-taxable wage base is increases from \$22,000 to **\$22,400**.
- The annual withholding table for all filing statuses has been updated.
- The threshold for 0.00 allowance amount increases to **217,350.00**.

For more information, refer to:

<http://www.tax.ri.gov/forms/2017/Withholding/2017%20Withholding%20Tax%20Booklet.pdf>.

South Carolina

- The annual allowance increases from \$2,300 to **\$2,370**.
- The maximum standard deduction increases from \$2,600 to **\$2,860**. As with earlier tables, however, the standard deduction is determined by a percentage of wages and whether an exemption is claimed.

- The new tables and withholding formula also reflect a change in tax brackets, and the decrease of the lowest bracket's tax rate from 2 percent to **1.7 percent**.

For more information, refer to the *Formula for Computing South Carolina Withholding Tax*:
https://dor.sc.gov/forms-site/Forms/WH1603F_2017.pdf.

Utah

The unemployment-taxable wage base increases from \$32,200 to **\$33,100**.

Vermont


The unemployment-taxable wage base increases from \$16,800 to **\$17,300**.

Washington

The unemployment-taxable wage base increases from \$44,000 to **\$45,000**.

Wyoming

The unemployment-taxable wage base decreases from \$25,500 to **\$25,400**.



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