

# Deltek Costpoint® 7.1.1

2016 Calendar Year End (CYE) Regulatory  
Updates (Part 1 of 2)

Release Notes

December 12, 2016

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This edition published December 2016.

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# Contents

- Overview ..... 1
- Installation Prerequisites ..... 2
  - Custom Programs ..... 2
- For Additional Information ..... 3
  - Customer Care Connect Site ..... 3
- Updates and Enhancements ..... 4
  - Federal Updates ..... 4
  - State Updates ..... 4
  - State Tax Updates ..... 5

## Overview

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

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The Costpoint 7.1.1 CYE 2016 Regulatory Updates will be deployed in **two releases**. The second CYE release will also include **all** the updates from this initial release. Please expect the second release of the CYE 2016 Regulatory update to be available for download on December 29, 2016 with the release name, **Costpoint 7.1.1 CYE 2016 Regulatory Updates Parts 1 and 2 of 2, Combined**.

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## Installation Prerequisites

Ensure the following are installed and operational:

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

## Custom Programs

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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.

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## 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.

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### 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.

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## 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

#### 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>

#### 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.

## State Tax Updates

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

### 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**.

### 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. (PBI 721867)

### 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](http://www.revenue.state.mn.us/Forms_and_Instructions/wh_formula_17.pdf)

### 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](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 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**.

## North Carolina

The state standard deduction amount increases to **\$8,750** for tax year 2017.

## 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.

## Pennsylvania

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

## 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**.
- The tables were updated for the first time in 25 years in response to problems caused by overwithholding. In 2015, \$1.5 billion in state income tax was overwithheld.

For more information, see the *Formula for Computing South Carolina Withholding Tax*: [https://dor.sc.gov/forms-site/Forms/WH1603F\\_2017.pdf](https://dor.sc.gov/forms-site/Forms/WH1603F_2017.pdf)

## 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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