

## Payroll Tax Deferral

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**Introduction** This guide provides information regarding the Payroll Tax Deferral announced in [ALCOAST 329/20](#) and referenced in [ALCOAST 013/21](#).

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**Background** On August 8, 2020, a Presidential Memorandum was signed to defer employees' OASDI deductions due to COVID-19. Per [ALCOAST 329/20](#), the employee portion of the Old Age, Survivors, and Disability Insurance (OASDI) segment of the Federal Insurance Contribution Act (FICA) tax will be deferred for the months of Sep, Oct, Nov, and Dec 2020. These deferred payments will be collected from paychecks issued in January-December 2021 per [ALCOAST 013/21](#).

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**Lump Sum Payback is NOT an Option** The guidance from the Internal Revenue Service (as modified by the Consolidated Appropriations Act, 2021) directs employers to withhold the 2020 deferred Social Security taxes evenly from wages between beginning January 1, 2021, and ending on December 31, 2021.

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**Collection Upon Separation** Per Chapter 11 of the CG Pay Manual, any portion of a debt (including this payroll tax deferral) remaining uncollected at the time of the member's separation must be collected from the member's final pay and allowances. This includes Discharges, Retirements and RELADs, including Reserve members on Active Duty Orders that require a RELAD.

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# Payroll Tax Deferral, Continued

## October Mid-Month Results

Since the programming change did not occur until early October, the mid-month October pay calculations credited the member back all of September OASDI (\$191.86) as well as half of October OASDI (\$95.93).

Calendar Information							
Calendar ID	CG ACT 2020M10M		Pay Group	USCG			
Segment Number	1		Version	1		Revision 1	
Gross Result Value	2,644.34	USD	Net Result Value	2,496.84	USD		
Earnings & Deductions							
<div style="display: flex; justify-content: space-between;"> <span>1-15 of 15</span> <span><a href="#">View 5</a></span> </div>							
<div style="display: flex; justify-content: space-between;"> <span>Element Results</span> <span>Components</span> <span>Retro Adjustments</span> <span>Deduction Arrears</span> <span>User Fields</span> </div>							
Element Type	Element Name	Amount	Description	Instance	Slice Begin Date	Slice End Date	Resolution Details
Deduction	MEDICARE EE	22.440000	Medicare Tax	1	10/01/2020	10/15/2020	<a href="#">Resolution Details</a>
Deduction	MEDICARE ER	22.440000	ER Medicare Tax	1	10/01/2020	10/15/2020	<a href="#">Resolution Details</a>
Deduction	OASDI EE	95.930000	OASDI Tax	1	10/01/2020	10/15/2020	<a href="#">Resolution Details</a>
Deduction	OASDI EE DEF	-95.930000	Deferred OASDI Tax	0	10/01/2020	10/15/2020	<a href="#">Resolution Details</a>
Deduction	OASDI EE DEF	-191.860000	Deferred OASDI Tax	1	10/01/2020	10/15/2020	<a href="#">Resolution Details</a>
Deduction	OASDI ER	95.930000	ER OASDI Tax	1	10/01/2020	10/15/2020	<a href="#">Resolution Details</a>

EARNINGS		TAXES		
Description	Current	Description	Current	YTD
BAH W/O DEPS	888.00	FICA-MEDICARE	22.44	401.04
BAS -ENL	186.36	FICA-OASDI	95.93	1714.78
BASIC PAY	1547.25	FICA-OASDI DEF	-287.79	-287.79
CLOTHING SMA	22.73	FITW	158.44	2801.56
<b>TOTAL:</b>	<b>2644.34</b>	<b>TOTAL:</b>	<b>-10.98</b>	<b>4629.59</b>

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# Payroll Tax Deferral, Continued

**October End-Month Results**      The October end-month calendar deferred the OASDI tax for that pay period (\$95.93).

Calendar Information							
Calendar ID	CG ACT 2020M10E		Pay Group	USCG			
Segment Number	1		Version	1		Revision 1	
Gross Result Value	2,644.32	USD	Net Result Value	2,304.97	USD		
Earnings & Deductions							
<div style="display: flex; justify-content: space-between;"> <span>1-14 of 14</span> <span><a href="#">View 5</a></span> </div>							
<div style="display: flex; justify-content: space-between;"> <span>Element Results</span> <span>Components</span> <span>Retro Adjustments</span> <span>Deduction Arrears</span> <span>User Fields</span> </div>							
Element Type	Element Name	Amount	Description	Instance	Slice Begin Date	Slice End Date	Resolution Details
Deduction	MEDICARE EE	22.430000	Medicare Tax	1	10/16/2020	10/31/2020	<a href="#">Resolution Details</a>
Deduction	MEDICARE ER	22.430000	ER Medicare Tax	1	10/16/2020	10/31/2020	<a href="#">Resolution Details</a>
Deduction	OASDI EE	95.930000	OASDI Tax	1	10/16/2020	10/31/2020	<a href="#">Resolution Details</a>
Deduction	OASDI EE DEF	-95.930000	Deferred OASDI Tax	0	10/16/2020	10/31/2020	<a href="#">Resolution Details</a>
Deduction	OASDI ER	95.930000	ER OASDI Tax	1	10/16/2020	10/31/2020	<a href="#">Resolution Details</a>

EARNINGS		TAXES		
Description	Current	Description	Current	YTD
BAH W/O DEPS	888.00	FICA-MEDICARE	22.43	423.47
BAS -ENL	186.35	FICA-OASDI	95.93	1810.71
BASIC PAY	1547.25	FICA-OASDI DEF	-95.93	-383.72
CLOTHING SMA	22.72	FITW	158.44	2960.00
<b>TOTAL:</b>	<b>2644.32</b>	<b>TOTAL:</b>	<b>180.87</b>	<b>4810.46</b>

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## Payroll Tax Deferral, Continued

**Accumulators** The accumulators will keep track of how much has been deferred for the member and will match the year to date total on the Payslip.

Calendar Group Results	Earnings and Deductions	Accumulators	Supporting Elements		
Chadwick Boseman Employee		Empl ID 1234567	Empl Record 0		
Calendar Group ID C120101		202010 On-Cycle AD End Month			
<b>Calendar Information</b>					
Calendar ID <b>CG ACT 2020M10E</b>		Pay Group USCG			
Segment Number 1		Version 1 Revision 1			
Gross Result Value 2,644.32 USD		Net Result Value 2,304.97 USD			
<b>Accumulators</b>					
Accumulator Results		User Keys			
Period	Element Name	Amount	Description	From	Through
Year to Date	OASDI EE DEF_YTDA	-383.720000	Deferred OASDI Tax	01/01/2020	12/31/2020

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# Payroll Tax Deferral, Continued

## EABP for Payback of Tax Deferral

An EABP row was created to collect the Payroll Tax Deferral amount. Click on **OAS EE PBCK**.

**Element Assignment By Payee**  
 CHADWICK BOSEMAN ID 1234567 Empl Record 0

**Selection Criteria**

Category    
 Entry Type    
 As of Date    
 Element Name

**Assignments**

Element Name	Description	*Process Order	Begin Date	End Date	Active	Instance		
OAS EE PBCK	Payback OASDI EE Deferral Amt	999	01/01/2021	<input type="text"/> <input type="button" value="Q"/>	<input checked="" type="checkbox"/>	1	<input type="button" value="+"/>	<input type="button" value="-"/>
SAVINGS	Savings	999	04/01/2014	<input type="text"/> <input type="button" value="Q"/>	<input checked="" type="checkbox"/>	2	<input type="button" value="+"/>	<input type="button" value="-"/>

The balance to be collected will be shown in the **OASDI Deferral Balance** field.

**Element Assignment By Payee**

**Element Detail**  
 Employee ID 1234567 Empl Record 0 Name CHADWICK BOSEMAN  
 Element Name OAS EE PBCK Payback OASDI EE Deferral Amt Instance 1

**Assignment Process Detail**

Assignment Is Active Currency Code USD US Dollar  
 \*Process Order 999 \*Begin Date 01/01/2021 End Date   
 Recipient Tag 0  
 Allow Batch Update of End Date Updated in Payroll Run

**Calculation Information**

Calculation Rule Amount  
 Amount   
 Amount Element   
 Amount Value

**OASDI EE DEFERRAL PAYBACK**

\*OASDI DEFERRAL BALANCE 1178.640000

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# Payroll Tax Deferral, Continued

## Pay Calculation Results for Payback of Tax Deferral

The Payback amount will show up as a deduction each pay period until paid in full.

Calendar Information

Calendar ID CG ACT 2021M01M Pay Group USCG  
 Segment Number 1 Version 1 Revision 1  
 Gross Result Value 3,719.78 USD Net Result Value 2,913.29 USD

Earnings & Deductions

Element Type	Element Name	Amount	Description	Instance	Slice Begin Date	Slice End Date	Resolution Details
Deduction	MEDICARE ER	35.490000	ER Medicare Tax	1	01/01/2021	01/15/2021	Resolution Details
Deduction	OAS EE PBCK	49.120000	Payback OASDI EE Deferral Amt	1	01/01/2021	01/15/2021	Resolution Details
Deduction	FWT	292.800000	FIT Withholding	0	01/01/2021	01/15/2021	Resolution Details
Deduction	MEDICARE EE	35.490000	Medicare Tax	1	01/01/2021	01/15/2021	Resolution Details
Deduction	OASDI ER	151.750000	ER OASDI Tax	1	01/01/2021	01/15/2021	Resolution Details

## Accumulators for Payback of Tax Deferral

Two Accumulators will display as Custom Periods. The **CG AC OAS DEF BAL** will show the remaining balance of the Payroll Tax Deferral. The **CG AC OAS PBCK BAL** will show how much has been paid towards the balance thus far. If you add the two amounts, they will equal what was shown in the EABP ( $\$1129.52 + \$49.12 = \$1178.64$ ).

Accumulators

Period	Element Name	Amount	Description	From	Through
Custom Period	CG AC MEDICAR PRMM	35.490000	MEDICARE Previous Month	01/01/2004	
Custom Period	CG AC MGIB BAL	1200.000000	MGIB Basic Balance	01/01/2004	
Custom Period	CG AC OAS DEF BAL	1129.520000	OAS Deferral Remaining Balance	01/01/2021	
Custom Period	CG AC OAS PBCK BAL	49.120000	OASDI Deferral Paid Balance	01/01/2021	
Custom Period	CG AC OASDI PRMM	151.750000	OASDI Previous Month	01/01/2004	

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## Payroll Tax Deferral, Continued

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**Payslip for  
Payback of Tax  
Deferral**

The Payslip will show the payback amount and provide the remaining balance in the remarks.

January Mid-Month:

TAXES		
<u>Description</u>	<u>Current</u>	<u>YTD</u>
FICA-MEDICARE	35.49	35.49
FICA-OASDI	151.75	151.75
FICA-OASDI PYBK	49.12	49.12
FITW	292.80	292.80
<b>TOTAL:</b>	<b>529.16</b>	<b>529.16</b>

<b>REMARKS:</b> -- TSP TRADITIONAL ELECTION: 6 % BASIC PAY, 0 % SPECIAL PAY, 0 % BONUS, 0 % INCENTIVE PAY. -- YTD TSP TRADITIONAL CONTRIBUTION IS \$146.85. -- OASDI DEF PAY STATUS: TOTAL OASDI DEFERRED AMOUNT 1178.64; OASDI DEFERRED AMOUNT COLLECTED THIS PAY PERIOD 49.12. BALANCE DUE 1129.52.
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