

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: January 4, 2006
TO: All Agencies and Campuses in the Uniform State Payroll System

FROM: JOHN R. HARRIGAN, Chief
Personnel/Payroll Services Division

RE: **PAYROLL PROCEDURES MANUAL –DECEMBER REVISION # 12 - 05**

The Internet versions of the Payroll Procedures Manual (PPM) have been updated and replaced with the current PDF versions dated December 2005. The manual can be obtained by accessing the State Controller's Office public web site at: <http://www.sco.ca.gov/ppsd/ppm/index.shtml>.

Once the PPM is accessed on the web site, there are three versions:

- The complete manual,
- A manual without attachments, and
- A file of attachments only.

After choosing one of the three versions, a single click at the cover page has a link to the Table of Contents or a preferred section. The links have partially eliminated the use of the scroll or find feature.

If you experience difficulty opening any of the above versions of the PPM, you may need to download the PDF file directly to your computer. The instructions for downloading any one of the three versions from the SCO web site may be found on the PPM web page <http://www.sco.ca.gov/ppsd/ppm/index.shtml>.

There are two links on the front cover of the PPM that provide instructions for using the Automated List Management System – Majordomo. The first link, <http://www.sco.ca.gov/ppsd/scoltrs/listserv.pdf> “How To”, provides instructions for subscribing/un-subscribing to one of the nine distribution lists. The second link, “To Subscribe/Unsubscribe”, provides an e-mail note addressed to Majordomo@srv1.sco.ca.gov for making your request.

Vertical revision bars in the right margins indicate additions, deletions, or changes. Revision bars are not inserted for format and minor grammatical changes. Section/subsection numbers and brief summaries of the revisions are provided below:

Section H: 102 - New York Flat Rate Tax – Revised.
108 - Federal Withholding Tax Formula revised for 2006
111 - California Personal Income Tax Formula revised for 2006
118 - New York Personal Income Tax Withholding Formula revised for 2006
151 - Advance EIC Eligibility – Revised.
158 - Advanced EIC Formulas revised for 2006
256, 275 - Social Security Contribution Rate/Limitation on Deductions – Revised.
316 - Computation – Federal Tax Levy code, Standard Deduction revised for 2006

- Section N: 129.1.1 & 129.2.2 - FMV & FSMR Cents –Per mile rate revised for 2006.
130.2.2 - Federal Standard Mileage Rate revised for 2006
147.2.2 - Moving /Relocation Mileage revised for 2006
161 - Transportation Subsidies - Revised
161.1 - Federal Exclusion Rates revised for 2006
171 – Moving Expenses - Withholding Requirements Federal Income Tax and the New York Rate - Revised.
172 - Std. 675, Federal Income Tax applicable Percentage of the gross amount in Column 6 - Revised.

If you have any comments/suggestions or questions that would benefit the PPM, please contact Terri Yarbrough at (916) 322-1245 or via email at tyarbrough@sco.ca.gov.

JRH:TY:CSS