

California State University, Long Beach Foundation

DATE: December 01, 2009

Code: PY 10 - 01

TO: Foundation Employees

FROM: John Taylor, Payroll Manager



SUBJECT: Year End Information and 2010 Wage Bases & Tax Rates

Form W-4, Employee's Withholding Allowance Certificate, (Federal Income Taxes)

A Form W-4, in which the employee is claiming exemption from withholding is valid for only one calendar year ending December 31* each year. W-4 Forms that do not claim exemption from federal income tax withholding remain valid until a new W-4 Form is received by the Foundation. If you have claimed exempt status for federal income withholding on your 2009 W-4, you must file a new W-4 for 2010 by February 15, 2010. Effective February 16, 2010, employees who claimed exemption in 2009 and have not submitted a 2010 W-4 Form will have federal income tax withheld as if they are single, with zero withholding allowances regardless of actual marital status or number of dependents.

Social Security Information

Please verify your name and address on your most recent pay stub. Also, please compare your name on your pay stub with your name on your current Social Security card. The two names must match exactly. Please submit an Address and/or Name Change Form, if necessary. Form W-2's for 2009 will be mailed to all employees by January 31, 2010 to the address on record. If your name and social security number on our payroll records do not match Social Security Administration (SSA) records, your earnings may not be credited with the SSA. If earnings are not credited it can affect future eligibility for and amounts paid under the Social SSA's retirement, disability and survivors program.

Form W-5, Earned Income Credit Advance Payment Certificate

You may be eligible to receive the Earned Income Tax Credit (EITC) from the Federal Government depending on your annual earnings. The EITC is a refundable Federal Income Tax Credit for low-income working individuals and families. The EITC has no effect on certain welfare benefits. In most cases, EITC payments will not be used to determine eligibility for payments to provide temporary assistance for needy families, medicaid, supplemental security income, food stamps or low-income housing. Even if you do not owe federal taxes, you must file a tax return to receive the EITC. Be sure to fill out the EITC Form in the federal income tax return booklet. For information regarding your eligibility to receive the EITC, including information on how to obtain their Notice 797 or Form W-5, or any other necessary form and instructions, contact the Internal Revenue Service by calling 1-800-839-4676 or through its web site at www.irs.gov.

Policy for Duplicate Form W-2 Requests

To request a duplicate copy of Form W-2 or to forward the original Form W-2 to a new address, please complete a *Request for IRS Form* and submit it to the Foundation Payroll Department. All requests to forward and all requests received with a mailing address different than the current Foundation Payroll records will require all Address and/or Name Change Form. Requests for Form W-2's may only be requested by the Foundation employee and must include an original signature. Please wait until March 1, 2010 to submit requests for duplicate 2009 Form W-2's. The nominal fee for a duplicate copy of Form W-2 is \$10 payable by cash or credit card at the Foundation cashier's window prior to or at the time of receiving the duplicate W-2. W-2 Forms are mailed within 5 business days of receipt of the request. IRS Form 4506, Request for Copy of Tax Return, may be helpful to obtain a copy of a tax return including attachments (Form W-2, etc.) You may also contact the SSA at www.ssa.gov for copies of W-2 Forms for prior years.

Forms and Rates

Address and/or Name Change Forms and Request for IRS Form W-2's may be obtained at the Foundation front desk or at www.foundation.csulb.edu/forms. All IRS forms may be obtained at the IRS website www.irs.gov. Wage base and tax rate changes for 2010 are listed on the reverse side of this memo. If you have any further questions, please do not hesitate to contact me at 985-5878 or Lana Pinsky, Payroll Supervisor, at 985-8487.

The following are the wage bases and tax rates for 2009 and 2010:

	2009	2010
Social Security Withholding	Social Security Withholding is calculated on wages up to \$106,800 at 6.2%, to a maximum withholding of \$6,621.60	Social Security Withholding is calculated on wages up to \$106,800 at 6.2%, to a maximum withholding of \$6,621.60
Medicare Tax	Medicare tax is calculated at 1.45% of gross wages	Medicare tax is calculated at 1.45% of gross wages
California State Disability Insurance	SDI tax is calculated on wages up to \$90,669 at 1.1%, to a limit of \$997.36	SDI tax is calculated on wages up to \$93,316 at 1.1%, to a limit of \$1,026.48
Minimum Wage	California: \$8.00 per hour	California: \$8.00 per hour