

Upcoming Payroll Reminders for Year End 2014 and New Year 2015

There are a number of upcoming events that may be of interest to employees as we approach the end of calendar year 2014 and begin the new calendar year 2015. The following are items for consideration:



Leave Year

The 2014 leave year ends January 10, 2015. The 2015 leave year includes 26 pay periods, beginning on January 11, 2015 and ending on January 9, 2016.

Calendar Tax Year

The 2015 taxable earnings year is from the pay period that began December 14, 2014 through the pay period ending December 12, 2015. Note that the pay period that began December 14, 2014 is part of the 2015 tax year.

Form W-2

Form W-2, Wage and Tax Statement, will be available for viewing and printing in Employee Express (EEX) at: www.employeeexpress.gov by January 9, 2015. In addition, hard copy Form W-2s will be mailed no later than January 31, 2015, for all employees who did not elect to turn off the hard copy Form W-2. Any corrections or changes to addresses should have been completed by December 12, 2014, to ensure receipt of hard copy Form W-2. The address may be verified by reviewing the latest electronic Earnings and Leave Statement in EEX.

Voluntary Tax Allotments

The amount of “estimated” tax deductions withheld through a Voluntary Tax Allotment will be reflected on the Form W-2 in Box 14 as item 8 - Estimated Local Tax. The amount was remitted to the locality on the employee’s behalf. Since the amount is only an estimate, the reconciliation will occur when the employee files an applicable tax return with the locality.

Form W-4

The Internal Revenue Service (IRS) requires that a Form W-4, Employee’s Withholding Allowance Certificate, claiming exemption from withholding is valid for only one calendar year. To continue to be exempt from withholding in 2015, the employee must complete a new Form W-4 claiming exempt status by February 17, 2015. If a new Form W-4 has not been entered in EEX between January 1 and February 17, 2015, your Federal tax withholding status will be changed to single and no withholding allowances in pay period ending February 21, 2015. If this applies to you and you do not file a new Form W-4, you will not be exempt from withholding in 2015.

State and Local Taxes

We encourage you to review your Earnings and Leave Statement to ensure taxes are being withheld for the correct state and/or locality. If taxes are being withheld for the incorrect state or locality, you should log into EEX at: www.employeeexpress.gov to correct it. If you are unable to correct this in EEX, you should contact the Payroll Team at the NASA Shared Services Center (NSSC).

Social Security Old-Age, Survivors, and Disability Insurance (OASDI) Tax

The 2015 Social Security wage base for OASDI has increased to \$118,500.00. There is no wage base limit for Medicare tax.

- For 2015, the Social Security and Medicare tax rates remain the same for all wages, at 6.2 percent and 1.45 percent respectively.
- Also, as of January 2013, individuals with earned income of more than \$200,000.00 pay an additional 0.9 percent in Medicare taxes.

Occupational Privilege Tax

Certain localities require that an Occupational Privilege Tax be taken from employees in their jurisdiction. The occupational privilege tax is levied when working within a specific district. While some localities withhold the tax in the first full pay period of the year, the actual deduction will depend on the locality's withholding requirements.

Combined Federal Campaign (CFC)

CFC deductions for the 2015 campaign year will begin on the pay period starting January 11, 2015 and will end on the pay period ending January 9, 2016.

FEDERAL BENEFITS INFORMATION

• Health Benefits

Coverage under a new health plan will be effective the first day of the pay period beginning on or after January 1, 2015. For NASA employees, this will be January 11, 2015 (pay period 1503). Enrollees will remain covered and receive the 2014 benefits of the old plan until coverage under the new plan becomes effective.

• Dental and Vision Benefits

Dental and vision coverage authorized in 2014 will continue without action by the employee. It should be noted, however, that some premiums changed for 2015. To view the new rates or to obtain more information, go to: www.benefeds.com.

• Thrift Savings Plan (TSP) – Traditional and Roth Contributions

The 2015 elective deferral limit for TSP contributions is increased to a maximum of \$18,000.00. All employee contributions, whether Regular TSP or Roth, are added together to determine if the elective IRS limit has been reached. The combined total of tax-deferred traditional and Roth after-tax contributions cannot exceed the elective deferral limit in any year. Please note that previously authorized biweekly contribution amounts or percentages will automatically carryover from 2014 into 2015 unless changed or canceled by the employee. Employees wishing to reach maximum contributions for 2015 should review and adjust deductions. Deductions may be changed at any time in EEX at: www.employeeexpress.gov by selecting the **Thrift Savings Plan/Roth** menu option.

Please note Federal Employees Retirement System (FERS) employees should take special care to ensure deductions are spread out over all 26 pay periods of the tax year. Reaching the \$18,000 maximum in any earlier pay period will result in forfeiture of matching funds the employee would otherwise receive.

• TSP Catch-up Contributions

TSP Catch-up Contributions authorized in 2014 ended at the end of pay period 1426 unless reauthorized by the employee for 2015 via EEX. TSP Catch-up Contributions entered into

Date of Issue: December 2014

EEX before December 1, 2014 will apply only to the 2014 tax year. TSP Catch-up Contributions are also subject to an annual limit established by IRS. For 2015, TSP Catch-up Contributions will be limited to a maximum of \$6,000.00. Employees wishing to reach maximum contributions for 2015 should review and adjust deductions at:

www.employeecexpress.gov.

- **Federal Employees Government Life Insurance (FEGLI)**

There are no changes to the FEGLI rates, which may be viewed at:

www.opm.gov/insure/life.

Payroll Schedule

To view a copy of the 2015 payroll schedule, please click [here](#).

Any questions concerning this notice, contact:

NSSC Customer Contact Center

1-877-677-2123 (1-877-NSSC123) or nssc-contactcenter@nasa.gov