

SAN MATEO COUNTY OFFICE OF EDUCATION

REFERENCE GUIDE FOR REPORTING DECEASED EMPLOYEE WAGES

The following serves as guidance for the payment of earnings, including but not limited to accrued wages, vacation payout, retro and reissue of an uncashed paycheck, to a deceased employee. For payments made in the same year the employee dies or if the payment is made in a subsequent year.

	Payment in the Calendar Year of Death to Beneficiary/Estate	Payment after Calendar Year of Death to Beneficiary/Estate
Method of Payment	<u>Payroll</u> • Use AddonID DPAY for Creditable Earnings. • Use AddonID DPAY9 for non-creditable Earnings Contact COE Payroll Auditor for assistance.	<u>Accounts Payable</u> • Code to Fund 01, Object 9589 • Check the 1099 Box and select MISC-3 • Prepare journal to debit salary account and credit Fund 01 Object 9589
Reportable to CalPERS/CalSTRS	Yes	Yes
Subject to Federal and State Income Tax Withholding (FIT & SIT)	No	No
Subject to Social Security Withholding (FICA/OASDI)	Yes, if applicable	No
Subject to Medicare Withholding (MEDI)	Yes	No
Subject to State Disability Insurance Withholding (SDI)	Yes, if applicable	No
Subject to State Unemployment Insurance Withholding (SUI)	Yes	No
Reportable to <u>deceased employee</u> on IRS Form W-2, <i>Wage and Tax Statement</i>	Yes • Box 3 FICA Gross • Box 5 Medicare Gross • Box 14 SDI	No
Reportable on IRS Form 1099-MISC, <i>Miscellaneous Income to Beneficiary/Estate</i>	Yes Report in Box 3 Other Income <u>OBTAIN IRS FORM W-9 FROM BENEFICIARY/ESTATE</u>	Yes Report in Box 3 Other Income <u>OBTAIN IRS FORM W-9 FROM BENEFICIARY/ESTATE</u>

Procedure for notifying retirement agency (if applicable):

CalPERS

- District submits form *BSD-738 Report of Separation for Death*
- Survivor must call PERS at (888) 225-7377

CalSTRS

- Survivor must call STRS at (800) 228-5453

For questions or assistance call (650) 802-5678 or submit a Help Desk Ticket to help@smcoe.k12.ca.us.