

TOPIC	PAYROLL	SUB-SECTION	20.20.10
SECTION	PROCESSING	ISSUANCE DATE	May 30, 2008
SUB-SECTION	DEDUCTIONS	REVISED -	2018

DEDUCTIONS

Deductions taken from individuals' pay may be either required or elected. Depending on the type of deduction, an individual's taxable wage base can be affected. Examples of deductions include insurance, deferred compensation, credit union savings account or loan payments, purchase of saving bonds, debt deductions such as garnishments, agency specific funds/clubs, cafeteria plan payments, and other types of payments.

ESTABLISHING DEDUCTION CODES

Deduction codes are set up in SPAHRS. Deduction codes may either be a statewide code such as the codes for state health and life insurance or an agency specific code such as an agency cafeteria plan or flower fund.

If an agency requires a code to be established or changed, submit a request to MMRS on the SPAHRS Deduction Code Change Request form. The link is: <http://www.dfa.ms.gov/dfa-offices/mmrs/mmrs-applications/spahrs/>

ENTERING EMPLOYEE DEDUCTIONS

Enter payroll deductions using codes on each individual's SPAHRS record. The effective date and end date established on the deduction record indicates when the deductions will take place. The payroll period and not the actual pay date govern the deduction date. For example, if the individual elects to end their specific deduction, select the last date of the pay period as the end date and not the actual pay date.

INSURANCE CODES

SPAHRS calculates the amount of the individual's state health and life insurance. The state health insurance premium is a flat rate based on the insurance plan chosen by the individual. The life insurance premium corresponds to the individual's salary. Agencies must enter and/or change insurance amounts for all agency specific insurances.

If the amount field is blank when adding a state health or life deduction code, the system will generate a message with the correct amount displayed. If there is a rate change for either the state health or life insurance deductions, the agency is not required to enter the new amount on each individual's record. The system automatically calculates the correct amounts. When an insurance record is modified, the deduction amount must be the current rate.

DEBT CODES

When adding a debt deduction, the following fields are required: the issuing agency or court, issuing agency's reference number, MAGIC vendor number indicating who will receive the payment, and the beginning balance and/or monthly deduction amount.

SPAHRS issues one warrant per agency for each vendor and provides a list of the payments by individual on the top portion of the warrant. If separate checks are desired, the single check indicator must be marked on the debt deduction screen.

SAVINGS BOND CODES

Agencies have the option to allow individuals to purchase saving bonds through payroll deductions.

MISC CODES

Enter any deduction other than insurance, debt or savings bond deductions in SPAHRS as a miscellaneous deduction. Examples of miscellaneous deductions include care flex, flower funds, credit unions etc.

**STATE OF MISSISSIPPI
DEPARTMENT OF FINANCE AND ADMINISTRATION**

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EXPENDITURE CODES

The payments generated from SPAHRS are automatically coded to the correct expenditure codes for payroll reporting. When deduction adjustments are made using the Adjust Pay Module of SPAHRS, the correct expenditure code will be adjusted.

REFERENCES

Refer to the data entry instructions provided in the SPAHRS manual. This manual is available at:
<http://www.mms.state.ms.us/imported/docs/lib/DFA/Training%20Materials/SPAHRS/Payroll/6311%20SPAHRS%20Maintain%20Employee%20Payroll%20Information.pdf>