Student Tax Setup

State Unemployment Setup

An employee whose primary relationship with the institution is student is exempt from reporting of wages to the Georgia Department of Labor. This includes summer employment when the student worker may be in a non-student Pay Group such as xxC. While the student may become subject to Medicare and Georgia Defined Contribution Plan (GDCP) during summer if they are not enrolled at least half-time, the student is still not subject to reporting earnings to the Georgia Department of Labor.

<table>
<thead>
<tr>
<th>STEP 1</th>
<th>Navigate to State Tax Data page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Navigator &gt; Payroll for North America &gt; Employee Pay Data &gt; Tax Information &gt; Update Employee Tax Data &gt; State Tax Data page.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>STEP 2</th>
<th>Check student worker as “Exempt from SUT”</th>
</tr>
</thead>
<tbody>
<tr>
<td>When hiring or rehiring a student worker the “Exempt From SUT” box should be checked on the student’s State Tax Data page. See screen shot below.</td>
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</tr>
</tbody>
</table>
Payroll has two queries payroll practitioners can run to identify employees regarding the “Exempt From SUT” status:

1. **BOR_PY_STATE_SUI**
2. **BOR_PY_STUDENT_WITH_SUI**

**BOR_PY_STATE_SUI**

This query returns all employees who have the “Exempt From SUT” flag checked as well as his/her current Pay Group. The practitioner can download this query into Excel and filter to identify employees NOT in a student paygroup (xxG, xxT, xxV, xxW). Research will need to be completed to determine if the employee should or should not be subject to reporting wages to the Georgia Department of Labor and any required updates entered.

**BOR_PY_STUDENT_WITH_SUI**

This query is to be used in conjunction with BOR_PY_STATE_SUI query. This query is looking at the same information, just from a different perspective. This query is looking at all student pay groups (xxG, xxT, xxV, xxW) and the SUT status. An employee with “N” in the SUT Exempt column does not have the Exempt from SUT box checked on the State Tax page and wages will be reported to Georgia Department of Labor. Research will need to be completed to determine if the employee should or should not be subject to reporting wages to the Georgia Department of Labor and any required updates entered.

**FICA Setup**

An employee whose primary relationship with the institution is student is generally exempt from Federal Insurance Contributions Act (FICA) (social security and Medicare) when working for the institution in which his/she is attending classes. The exception to the exemption is if the student has a break of longer than five weeks between active enrollment in classes. Many times a student will not take classes during the summer months but is still working for the institution. In this case, the student becomes subject to Medicare and enrolled in GDCP.
**STEP 1**  
**Navigate to Payroll page**

Navigator > Workforce Administration > Job Information > Job Data > Payroll page

**STEP 2**  
**Check student worker as “Exempt” in Job Data box**

When hiring or rehiring a student worker the FICA status on the Payroll page in Job Data box should “Exempt”. See screenshot on the next page.

Payroll has a query that payroll practitioners can run to identify employees in a student Pay Group whose FICA status in not equal to “E”- Exempt.

**BOR_PY_FICA_STATUS_DETAIL**

This query will return only the employee identification and record numbers of employees in a student Pay Group (xxG, xxT, xxV, xxW) whose FICA status is Subject or Medicare Only. Research will need to be completed to determine if the employee should be subject to FICA (social security and Medicare) or Medicare Only (Medicare and GDCP) and any required updates entered.