Mendham Borough Board of Education Paystub Deduction Codes

SAVINGS: A public employees federal credit union. This is no longer handled as a deduction; instead the payments into the credit union are made as a direct deposit. This is an excellent way for employees to set aside money for the summer months.

REG. SALARY: Represents gross pay before deductions.

SALARY GUIDE PAY: Represents gross pay before deductions for teaching staff.

NET DIRECT DEPOSIT: Pay less deductions deposited into bank account on file.

ABSENCE PAY: Represents any deductions from pay for charge days, i.e., illness beyond available sick time, extra personal days.

TAX DEFERRED SER: One of several approved tax shelters.
USAA LIFE INS.
VALIC
LINCOLN INVSTMNT
LINCOLN NATIONAL
METL457
AXA EQUITABLE

FEDERAL TAX: Federal Income Tax computed based on number of exemptions claimed on W-4 form.

CONTRIBUTORY INS: The insurance portion of the Teachers' Pension and Annuity Fund and Public Employees' Retirement System pension plans. You are required to pay this portion for the first 12 months of membership in the pension. After that time, you may cancel your coverage. Members who pay for the contributory insurance receive a death benefit of 3-1/2 times current salary, those who only have the non-contributory portion receive only 1- ½ times current salary**. THIS IS CHEAP INSURANCE – THINK TWICE BEFORE DROPPING IT!**

BACK CONT. INS.: Pension enrollments may not be fully processed by the Division of Pensions & Benefits before first pay checks are issued. Once all forms are completed, back pension deductions are made until the pension obligation is satisfied.

STIPEND: Additional pay for board approved stipends is reflected here.

FICA: Social Security Tax.

UNION DUES: Union Dues

EMP BENEFIT CTB: For the 2014-2015 school year, all employees are in Year 4 of Chapter 78, P.L. 2011. Employees' contributions would be a percentage of the premiums for the medical and prescription coverage(s) selected. You can calculate what your contribution would if you selected different coverage options here: http://www.state.nj.us/treasury/pensions/hb-percentage14-ed.shtml

IMPUTED INCOME: Imputed income is the taxable value of the contributory and non-contributory component of the pension. The Internal Revenue Service classifies all life insurance coverage over $50,000 as a fringe benefit subject to taxation. The amount of life insurance is not taxable but rather the premium required to

pay for the life insurance coverage is taxable. The amount of this tax is based is a formula based on age and years of service.

UNEMPLOYMENT INS: New Jersey Unemployment Compensation. This deduction is required by law. It goes into a separate account to be paid out for Mendham Borough Unemployment claims only.

MEDICARE: Deduction required by law, regardless of age of employee and eligibility to receive Medicare. If you are working, you must pay this. This is the second half of the FICA requirement.

FAMILY LEANE INS: Family Leave Insurance – This program is financed by employee contributions. The state requires employers to deduct the contributions from employee wages. The taxable wage base for Family Leave Insurance benefits is the same as the taxable wage base for Unemployment and Temporary Disability Insurance. For additional information: www.nj.gov/labor

NJ STATE TAX: State of New Jersey Income Tax.

PENSION: Active contributing members are eligible to borrow up to one-half of their pension contributions twice per year. The Pension Bureau can advise you of the amount you can borrow and the repayment schedule. Repayments are made through a series of deductions from your pay. Forms and information are available in the business office.

BACK PENSION DED: Pension enrollments may not be fully processed by the Division of Pensions & Benefits before first pay checks are issued. Once all forms are completed, back pension deductions are made until the pension obligation is satisfied.

DCRP: The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage.

ARREARS: This deduction is used when an employee is buying back former service time into the current pension system.

FLEX PREM DISABI, FLEX PREM CANCER, FLEX LONG TERM C: Optional choices for disability insurance from AFLAC Refer to Annuity List for additional details or contact the business office.

GARNISHMENT: From time to time, an individual employee may have a situation where deductions from pay are ordered by the Court to satisfy arrears child support, legal or IRS issues. We always notify an employee before any deduction is made from his or her payroll check.