

**Department of Personnel Administration
Memorandum**

TO: Personnel Management Liaisons (PML)

SUBJECT: Military Leave - Work Sheet Revision	REFERENCE NUMBER: 2007-040
DATE ISSUED: 12/13/07	SUPERSEDES:

This memorandum should be forwarded to:

**Personnel Officers
Personnel Transactions Supervisors**

FROM: Department of Personnel Administration
Classification and Compensation Division

CONTACT: Personnel Services Branch
(916) 323-3343
Fax: (916) 327-1886
Email: psb@dpa.ca.gov

Effective January 1, 2008 military leave payments issued by the State Controller's Office (SCO) will no longer be subject to Federal, State, Social Security, Medicare, and State Disability Insurance (SDI) taxes and will not be reported on the Form W-2, Wage and Tax Statement.

Attached is a revised [Military Leave Work Sheet](#) reflecting the January 1, 2008 withholding changes.

Note: The new Military Leave Work Sheet is only to be used for payments that will be issued on or after January 1, 2008. Employees should be aware military leave payments are considered income and are reported to the IRS. As such, employees are liable for this income and may be required to pay taxes on these payments when filing their tax returns.

Who needs to complete the revised Military Leave Work Sheet?

- Employees newly eligible to receive military leave pay.
- Employees deployed on a new military tour.
- Employees who wish to change their current Military Leave Work sheet information.

Does an employee who is currently on a military leave need to submit a new work sheet?

- No, the State Controller's Office will automatically compute the new adjusted net salary.

Payroll processing questions regarding military leave should be addressed to Dana Lyles with SCO at (916) 323-3081. For interpretation questions related to military leave, your designated headquarters personnel office staff should contact DPA's Personnel Services Branch.

PML 2007-040
12/13/07
Page 2

If the above link does not work you may access the information on DPA's website at www.dpa.ca.gov.

Human resources staff with questions regarding this update is directed to the DPA Personnel Services Branch at the contact information above. The revised [Military Leave Work Sheet](#) is attached.

/s/ Debbie Endsley

Debbie Endsley
Chief Deputy Director

Attachment

MILITARY LEAVE WORK SHEET

Page 1 of 2

This work sheet is to be completed by both the employee and his/her Personnel Office prior to reporting for military service. Items 1 through 8 are to be completed by the employee. Items 9 and 10 are to be completed by both the employee and the Personnel Office. Items 11 through 14 are to be completed by the Personnel Office only when the employee is eligible to receive the difference between his/her military pay, and his/her State pay. **Item 14 is to be completed if the employee resides in another state. Contact the State Controller's Office (SCO) for instructions for completing item 14.** A Savings Plus Qualified Military Service Loan Repayment Agreement must be completed if the employee has an outstanding Savings Plus loan. The employee should be apprised of and complete any additional documentation as a result of necessary discretionary deduction changes. A copy of the employee's military orders (or official military correspondence) **MUST** be attached.

1. NAME (Last, First, Initial)	2. SOCIAL SECURITY NUMBER	3. CIVIL SERVICE CLASS TITLE
4. MILITARY RANK	5. DATE MILITARY LEAVE BEGINS	DATE MILITARY LEAVE ENDS
6. IF YOU HAVE DIRECT DEPOSIT, DO YOU WISH TO CONTINUE? <input type="checkbox"/> YES <input type="checkbox"/> NO (If NO, submit STD Form 699 to cancel) <input type="checkbox"/> N/A		
7. I ELECT PAYMENT OF LEAVE CREDITS (other than sick leave) <input type="checkbox"/> YES (If YES, please explain.) <input type="checkbox"/> NO _____		8. FORWARD MY WARRANT TO: _____ _____ _____

9. MAINTAIN THE FOLLOWING STATE PAYROLL DEDUCTIONS:

These deductions will be maintained automatically when you are eligible to receive the difference between military pay and State pay, even if your military pay is more than your State pay. If ineligible for "difference" pay, you may elect to maintain your health, dental, or vision plans through direct pay at your cost.

I ELECT TO MAINTAIN MY BENEFITS THROUGH DIRECT PAY: YES NO

Employee

Check those deduction(s) below you wish maintained.

Personnel Office

Complete all deduction organization codes and amounts below as requested by the employee or his/her designee.

√	DEDUCTION	DEDUCTION ORGANIZATION CODE	DEDUCTION AMOUNT
	Health Benefits		
	Dental		
	Vision		

10. DISCRETIONARY STATE PAYROLL DEDUCTIONS:

Employee

Check those deduction(s) below you wish maintained, providing there are sufficient funds. If not checked, deductions will not be withheld or if there are insufficient funds, it is the employee's responsibility to make the appropriate arrangements. Otherwise the deductions will not be made while on leave status. You may also want to contact the companies you have a credit obligation with and ask for a copy of the company's policy for the Soldier's and Sailor's Relief Act.

Personnel Office

Complete all deduction organization codes and amounts below as requested by the employee or his/her designee.

√	DEDUCTION	DEDUCTION ORGANIZATION CODE	DEDUCTION AMOUNT
	FlexElect		
	United Way		
	Long Term Disability Insurance		
	Parking		
	Union Dues		
	Union-Offered Insurance		
	Credit Union Deductions		
	Spousal/Child Support		
	Other (List)		

NOTE: The employee is responsible for contacting the appropriate source for any changes to their discretionary deductions.

MILITARY LEAVE WORK SHEET

Page 2 of 2

11. MILITARY GROSS PAY: BASE PAY _____	12. CURRENT STATE GROSS SALARY: _____ 13. PAY DIFFERENCE AMOUNT: _____ (State gross salary minus military gross pay.) 14. ESTIMATED MANDATORY DEDUCTIONS: _____ (Only complete if employee resides outside of California, contact the SCO for completion instructions.) Estimated State Taxes (_____ %) _____ State: _____
	ADJUSTED NET STATE SALARY: _____

I understand the provisions afforded me under the Military Leave Program. I further understand that it is my responsibility to document/estimate my military pay for purposes of determining my adjusted net State pay; and that I am responsible for returning to the State of California any overpayments made to me due to this estimate.

NOTE: An employee receiving compensation pursuant to Sections 12302 and 12304 of Title 10 of the United States Code who does not reinstate to State service following active duty, shall have the compensation treated as a loan payable with interest at the rate earned on the pooled Money Investment Account.



SIGNATURE

DATE

POWER OF ATTORNEY

NAME PRINTED

ADDRESS

TELEPHONE/AREA CODE

RELATIONSHIP

PRIVACY NOTICE: The Information Practices Act of 1977 (CC 1798.17) and the Federal Privacy Act of 1974 require that this notice be provided when collecting personal information from individuals. Providing the social security number is voluntary and is being requested for identification purposes only. The processing of this document may be hampered if you do not supply your social security number.

COPIES FOR: Employee
Department
State Controller's Office