

PAYSTUB CHANGES FOR 2024

In January 2024, LACERA is updating the monthly paystub to include information requested on the most recent versions of the federal and state tax withholding forms used by retired members and to be consistent with information provided on paystubs by other California employers. Here's what to expect:

- Everyone will see new fields and field headers on the paystub.
- You will see a new Payee ID field. (This number is the last four characters of your LACERA-assigned ID, not your County ID or Social Security number. Displaying only the last four characters helps protect your data security in case an unauthorized person views your paystub.)
- In the Federal Withholding section, you will see a field header change from Additional Withheld to Additional, but no changes in the displayed amount.
- If you based your federal tax withholding on a 2022 or later version of W-4P and had amounts for the following steps, you will see those amounts on your paystub.
 - Additional income in Step 2 will be included in the paystub Other Income field
 - Claimed tax credit amounts for Step 3 will be included in the paystub Credits field
 - Additional income for Step 4(a) will be included in the paystub Other Income field
 - Claimed deductions amount for Step 4(b) will be included in the paystub Deductions field
- If you based your federal tax withholding on a 2022 or later version of W-4P but did not have amounts for any of the form steps listed above, you will see the new fields on the paystub but no amounts.
- If your federal withholding is based on a 2021 or older version of the W-4P, you will see new federal withholding election fields on your paystub but no amounts, since they do not apply.
- If you elected not to have federal income tax withheld (regardless of the W-4P version), you will see the new federal withholding election fields on your paystub but no amounts.
- In the California State Withholding section, you will see the field header change from Additional Withheld to Addtnl/ Desig., but no changes in the displayed amount.

SECTION 1 Statement of Earnings and Deductions

1. **Payee's LACERA ID (adding for 2024):** Unique identification number assigned to the account holder by LACERA. This is different than a County employee number or Social Security number.
2. **Reference No.:** Reference number assigned to the payment.
3. **Payment Type:** The retirement benefit type, such as service or disability.
4. **Total Gross YTD:** Total year-to-date gross amount paid for the Payment Type. The gross distribution amount on the 1099-R form is based on the amounts from this field.
5. **Total Taxable YTD:** Total year-to-date taxable amount for the Payment Type. The taxable amount on the 1099-R form is based on the amounts from this field.
6. **Total Non-Taxable YTD:** Total year-to-date nontaxable amount for the Payment Type. For retirement benefit types other than service-connected disability, the amount represents the recovered after-tax contributions component of the payment. The employee contributions amount on the 1099-R form (currently Box 5) is based on the amounts from this field.

SECTION 2 Federal Withholding

7. **Tax Withholding Status:** The marital status indicated on the W-4P form or assigned by default if no valid W-4P election was made. The marital status shows as “Exempt” if an election was made on W-4P to have no federal income tax withheld.
8. **Exemptions:** The number of personal allowances claimed on a 2021 or older W-4P or assigned by default if no valid W-4P election was made. Allowances only apply to tax withholding that is still based on a 2021 or older W-4P, so the field is blank if the withholding is based on a 2022 or later W-4P.
9. **Additional (field title changing for 2024):** The additional or extra withholding amount requested on W-4P. The amount is from Step 4(c) on a 2022 or later W-4P or Line 3 on a 2021 or older W-4P.
10. **Other Income (adding for 2024):** The total of the additional taxable income provided in Steps 2 and 4(a) on a 2022 or later W-4P.
11. **Credits (adding for 2024):** The total of the tax credits for children, other dependents, and other credits claimed in Step 3 on a 2022 or later W-4P.
12. **Deductions (adding for 2024):** The alternative deductions amount provided in Step 4(b) on a 2022 or later W-4P.

SECTION 3 California Withholding

13. **Tax Withholding Status:** The marital status indicated on the DE 4P form or assigned by default if no valid DE 4P election was made. The marital status shows as “Exempt” if an election was made on DE 4P to have no California income tax withheld or if no California income tax was withheld by default for a non-California resident.
14. **Exemptions:** The number of regular withholding allowances claimed on Line 2a on DE 4P or assigned by default if no valid DE 4P election was made.
15. **Addtnl/Desig. (field title changing for 2024):** Abbreviation for Additional/Designated. The amount in the field is either the additional withholding amount requested on Line 3 on DE 4P or the designated amount requested on Line 4 on DE 4P.

SECTION 4 Total Allowances, Deductions, and Net Pay

16. **Allowances:** Itemized list of payment components (such as recovered member contributions or cost-of-living (COLA)) that determine the gross payment amount. Also includes subsidies such as Medicare Part B premium reimbursements, which impact the net payment amount but not the gross. Visit lacera.com > Retirees and Families > Retirement Payments > Reading Your Paystub for a full list of allowances and codes.
17. **Deductions:** Itemized list of payment deductions such as those for federal/state income tax withholding or insurance premiums. The deduction amounts impact the net payment amount.
18. **Total Allowances:** Total of the payment components that determine the gross payment amount.
19. **Total Deductions:** Total of the payment deductions.
20. **Net Pay:** Total Allowances less the Total Deductions.

