



STATE OF ALABAMA
DEPARTMENT OF FINANCE
OFFICE OF THE STATE COMPTROLLER

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August 5, 2014

MEMORANDUM

TO: CHIEF ACCOUNTANTS, PAYROLL,
AND PERSONNEL OFFICERS

FROM: Mr. Thomas L. White, Jr.
State Comptroller

SUBJECT: State Employee Bonus

Act #2014-351 provides for payment of an employee bonus to “all state employees who are listed in the classified and unclassified service of the state as defined in Section 36-26-10, Code of Alabama 1975, all other state employees and hourly employees of the state...all legislative personnel, officers and employees...and all employees of the county health departments who are employed subject to the state Merit System.” Specifically excluded from receiving the bonus by provisions of this act are any Merit System employee or hourly employee whose service or rate of pay is covered by a labor contract or agreement, legislators, and certain other elected officials. The gross amount of the employee bonus is \$400.00. All full-time and part-time state employees are eligible for the entire bonus amount (no proration for length of service).

Important Dates:

1. Individual must be employed on October 1, 2014 and continuously thereafter through November 30, 2014 to be eligible for the bonus.
2. Employees who separate from service between October 1, 2014 and November 30, 2014 **are not** entitled to the bonus.
3. Qualifying employees on Leave without Pay, who are not separated from state service during the eligibility period, **are** eligible for the bonus.

Taxes and Withholding:

1. Federal tax flat rate 25 percent.
2. State tax flat rate 5 percent.
3. FICA and/or Medicare same as regular pay.
4. No retirement contribution will be withheld.

A listing of eligible employees in your agency will be available for review on the Comptroller's website under GHRS reports at a later date. Specific guidance regarding required agency action will be provided at that time.

Semi-monthly arrears employees will be paid December 1, 2014. Semi-monthly current employees will be paid December 15, 2014. All bonus payments will be included in each employee's regular pay.

If you have any questions, please contact GHRS Hotline at (334) 242-2188.