



BOB RILEY  
Governor

JAMES ALLEN MAIN  
Director of Finance

STATE OF ALABAMA  
DEPARTMENT OF FINANCE  
OFFICE OF THE STATE COMPTROLLER

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ROBERT L. CHILDREE  
State Comptroller

February 7, 2005

**MEMORANDUM**

TO: Chief Fiscal Officers

FROM: Robert L. Childree  
State Comptroller

SUBJECT: FICA on Taxable Fringe Benefits

In accordance with Federal regulations, the insurance premiums furnished to this office by the Retirement Systems of Alabama and the commuting use of State owned/leased vehicles, submitted by your agency and reported on the applicable employees' Form W-2, are taxable for social security purposes.

The employer's share of social security taxes for commuting use was charged to the accounting distribution provided by your agency. The employer's share of social security taxes calculated on the insurance premiums was charged to the accounting distribution on the applicable employee's last salary warrant in 2004.

On February 4, 2005, your agency's accounts were charged in CAS based on the above information to object code/sub-object code 0200 01. The posted journal vouchers are coded in the following format: JV 000 **FWXXXXXX**. The detail for your agency is attached and should be used to post this charge to your agency's internal accounting system.

If you have any further questions, please contact Cynthia Black at (334) 242-7080.

RLC:sh

Attachment

