



Human Capital Management 24-D Tax Update Overview

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Introduction

The Image/Upgrade Overview Document is intended to provide ctcLink users with a summary of the changes that will be made in the system as a result of the upcoming image or PeopleTools upgrade implementation. Oracle releases multiple PeopleSoft updates, called images, for each pillar every year. Each Image contains bug fixes and features that are important for PeopleSoft to work well. PeopleTools upgrades update the underlying framework of the system. There are minimal changes that are noticeable to the end users. Below is an overview of the changes that you can expect to see as part of this upgrade.

Payroll

Updated Federal / State Tax Table

Federal (State = \$U) - A new table entry effective-dated 01/01/2025 includes the increase in the Social Security taxable wage base from \$168,600 to \$176,100 for 2025. The Social Security tax rate on wages and tips remains unchanged at 6.2% for both employees and employers for 2025.

<https://www.ssa.gov/oact/cola/cbb.html>

Note: U.S. Federal withholding tax changes for wages paid on or after 01 January 2025 had not yet been published in time for delivery in Tax Update 24-D.

Once published, the 2025 U.S. Federal withholding tax changes will be delivered in Tax Update 25-A.

Arizona (AZ) - A new table entry effective-dated 01/01/2025 is delivered with the Arizona state minimum wage increase from \$14.35 to \$14.70 per hour. <https://www.azica.gov/labor-department>

California (CA) - A new table entry effective-dated 01/01/2025 is delivered with the California State Disability Insurance employee tax rate increase from 0.011000 to 0.012000.

<https://edd.ca.gov/en/payroll/taxes/tax-rated-employers>

Connecticut (CT) - A new table entry effective-dated 01/01/2025 is delivered with the Connecticut state minimum wage increase from \$15.69 to \$16.35 per hour.

https://portal.ct.gov/governor/news/press-releases/2024/09-2024/governor-lamont-announces-minimum-wage-will-increase-in-2025?language=en_US

Iowa (IA) - A new table entry effective-dated 01/01/2025 is delivered with Iowa state unemployment taxable wage base increase from \$38,200 to \$39,500 for 2025.

<https://workforce.iowa.gov/employers/unemployment-insurance/employer-handbook/unemployment-insurance-taxes>

Minnesota (MN) - A new table entry effective-dated 01/01/2025 is delivered with the Minnesota state minimum wage increase from \$10.85 to \$11.13 per hour.

<https://www.dli.mn.gov/minwage#:~:text=1%2C%202023,for%20other%20state%20minimum%20wages>

Missouri (MO) - A new table entry effective-dated 01/01/2025 is delivered with Missouri state unemployment taxable wage base decrease from \$10,000 to \$9,500 for 2025.

<https://labor.mo.gov/des/employers/tax-rates>

Montana (MT) - A new table entry effective-dated 01/01/2025 is delivered with the Montana state minimum wage increase from \$10.30 to \$10.55 per hour. <https://erd.dli.mt.gov/labor-standards/wage-and-hour-payment-act/state-minimum-wage>

Iowa Withholding Lock-In Letter

Tax Update 24-D modifies the respective processes and the Tax Data Component Interface to support the Iowa withholding lock-in letter functionality by adding three new fields to the Lock-In Letter Details section of the Iowa State Tax Data page.

Prior to the modifications, the dollar amount specified in Total Allowances could not be limited.

Navigation

NavBar > Menu > Payroll for North America > Employee Pay Data USA > Tax Information – State Tax Data

Image: State Tax Data, Lock-In Letter for IA before Tax Update 24-D is applied.

The screenshot displays the 'State Tax Data' interface for Iowa. The 'State Tax Data' tab is selected. The 'Effective Date' is 12/01/2024. The 'State Information' section shows the state as IA (Iowa) with the 'Resident' checkbox checked. The 'State Withholding Elements' section includes a dropdown for 'Special Withholding Tax Status' set to 'None', a 'Tax Status' of 'S' (Single, Married Filing Separately, or Qualifying Surviving Spouse), and 'Total Allowances' set to \$80. The 'Lock-In Letter Details' section is expanded, showing the 'Letter Received' checkbox checked and the 'Limit On Allowances' field set to 0.

Image: State Tax Data, Lock-In Letter for IA after Tax Update 24-D is applied.

Federal Tax Data | **State Tax Data** | Local Tax Data

Person ID [REDACTED]

Tax Data [?] | 1 of 2 | View All

Company [REDACTED] | Effective Date 12/01/2024

State Information [?] | 1 of 1 | View All

*State IA Iowa
 Resident
 Non-Residency Statement Filed

UI Jurisdiction
 Exempt From SUT

State Withholding Elements [?]

*Special Withholding Tax Status None

*Tax Status S Single, Married Filing Separately, or Qualifying Surviving Spouse (identified as "Other" on Iowa Form IA-W4)

Withholding Allowances 0

Additional Amount \$0.00 Form IA W-4 line 7

Additional Percentage 0.000

Additional Allowances 0

Total Allowances \$80 Form IA W-4 line 6

Lock-In Details [?]

Letter Received

Tax Status S Single, Married Filing Separately, or Qualifying Surviving Spouse (identified as "Other" on Iowa Form IA-W4)

Additional Amount \$0.00

Limit on Total Allowances \$80

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[9.2 Entering U.S. Employee Tax Data](#)

Montana Withholding Tax

The Pay calculation processes have been updated to correctly round Montana withholding tax up to the nearest dollar in compliance with the Montana Withholding Tax Tables as published by the Montana Department of Revenue. https://mtrevenue.gov/wp-content/uploads/dlm_uploads/2023/11/Employer_and_Information_Agent_Guide.pdf

Prior to the modifications, Montana withholding tax was rounded using standard rounding rules.

Navigation

NavBar > Menu > Payroll for North America > Payroll Processing USA > Produce Payroll > Review Paycheck

Image: Review Paycheck, Taxes.

Paycheck Earnings | **Paycheck Taxes** | Paycheck Deductions

Empl ID [REDACTED] Name [REDACTED]
Company [REDACTED] Pay Group [REDACTED] Pay Period End 11/30/2024 Page 30 Line 1 Separate Check

Paycheck Information
Paycheck Status Calculated Paycheck Option Check
Issue Date 12/10/2024 Paycheck Number
 Off Cycle Reprint Adjustment Corrected Cashed

Paycheck Totals
Earnings [REDACTED]
Taxes [REDACTED]
Deductions [REDACTED]
Net Pay [REDACTED]

Taxes
Tax Details 1 | Tax Details 2 | Tax Tips |

Tax Entity	State	Resident	Locality	Locality Name	Tax Class	Taxable Gross	Tax Amount
US Federal					MED/EE	[REDACTED]	[REDACTED]
US Federal					Med/ER	[REDACTED]	[REDACTED]
US Federal					OASDI/EE	[REDACTED]	[REDACTED]
US Federal					OASDI/ER	[REDACTED]	[REDACTED]
US Federal					Withholding	[REDACTED]	[REDACTED]
State	MT				Unempl ER	[REDACTED]	[REDACTED]
State	MT	Y			Withholding	[REDACTED]	[REDACTED].00

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[Viewing Paycheck Details](#)

ESS Paychecks

The filter and information icons have been replaced by a date range section. From Date and To Date are populated with a default date range of 3 months based on the last issued check date. The employee will need to modify the dates and select Apply to view a different set of paychecks.

Navigation

HCM Employee Self Service (Homepage) > Payroll (Tile) > Paychecks (Tile)

Image: ESS Paychecks before Tax Update 24-D is applied.

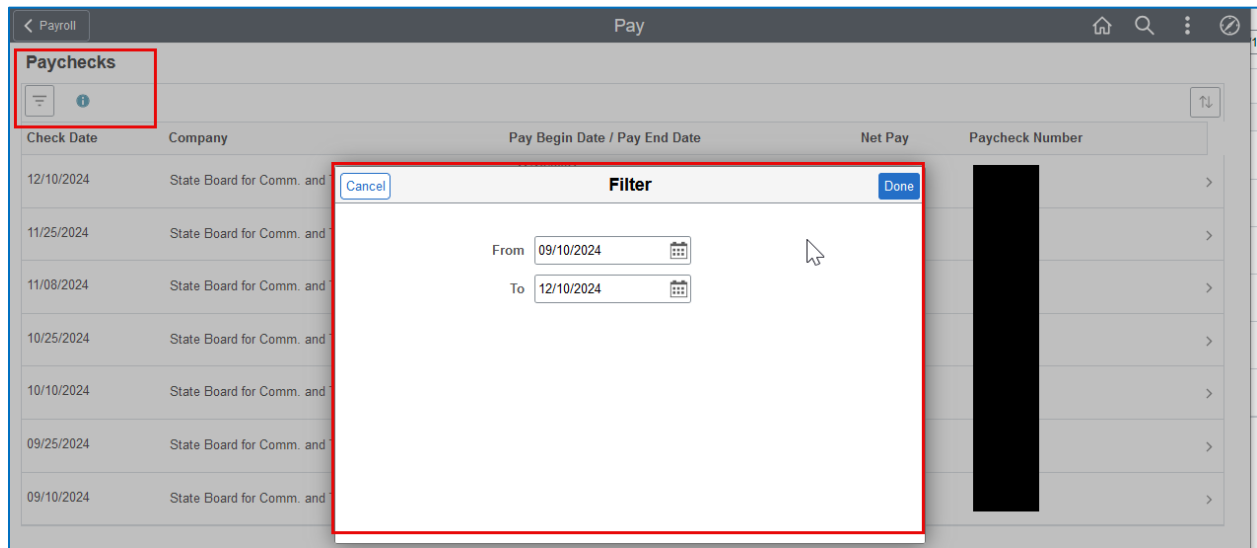
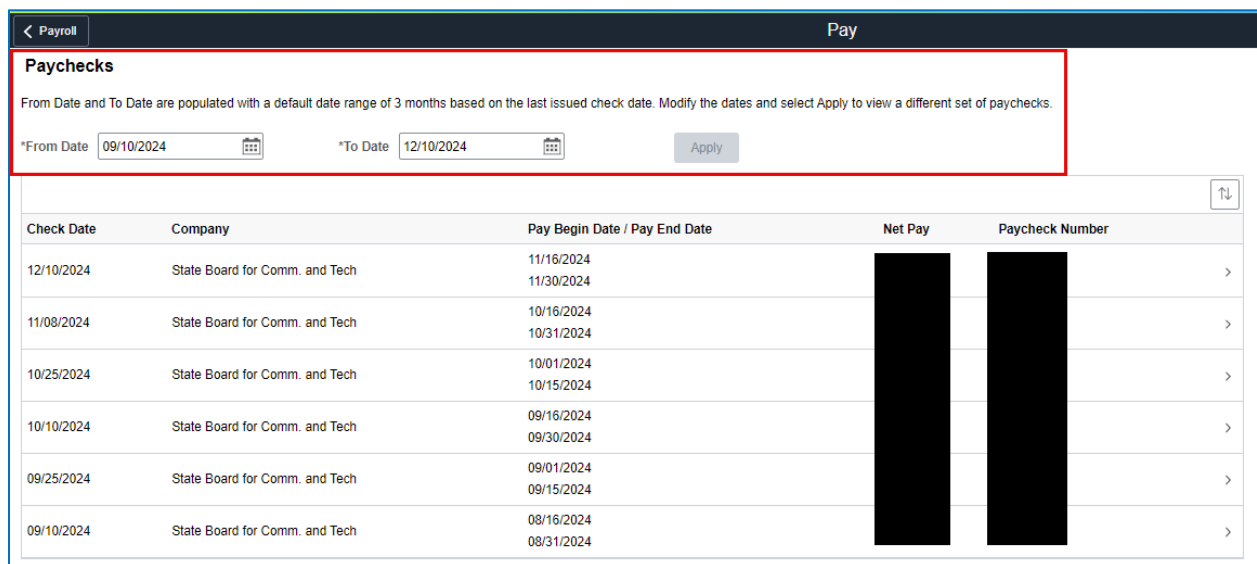


Image: ESS Paychecks after Tax Update 24-D is applied.



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[ESS Viewing Pay History](#)

ESS Paycheck Modeler

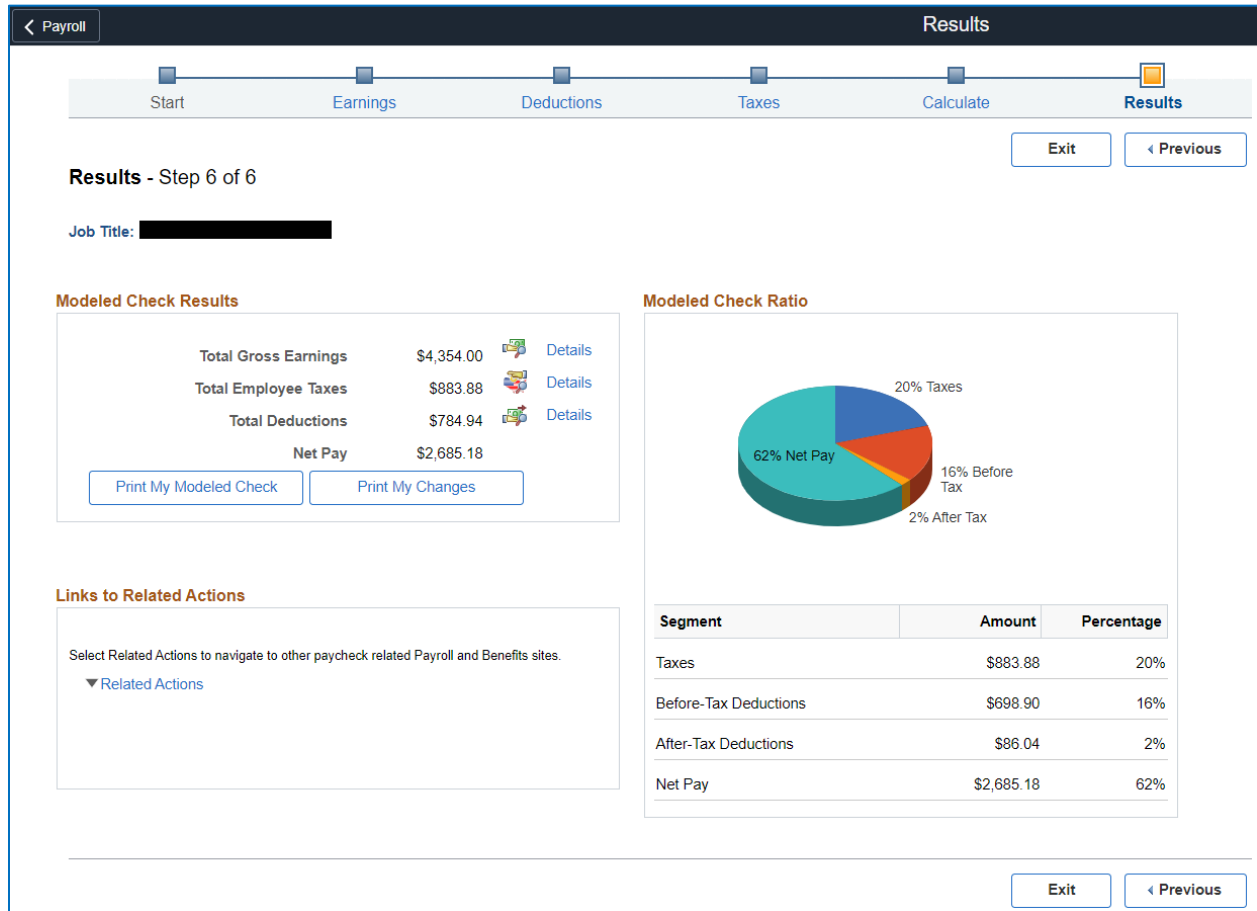
Paycheck Modeler accommodates Federal Tax Form Version "W-4 - 2020 or Later" only. Changes have been made to remove a validation that does not apply to this Federal Tax Form Version.

Prior to this fix, a validation was triggered in the Paycheck Modeler for Federal Tax Form Version "W-4 - 2019 or Earlier."

Navigation

HCM Employee Self Service (Homepage) > Payroll (Tile) > Paycheck Modeler (Tile)

Image: Paycheck Modeler, Results.



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[9.2 ESS Paycheck Modeler \(Fluid\)](#)

2024 W-2/W-2C Form and File Functionality Changes

Multiple product updates have been delivered to support U.S. Form W-2 and W-2C processing for tax year 2024:

- A full set of Tax Form Print Parameters effective 1/1/2024 has been delivered.
- The Tax Form Definitions table for 2024 W-2 has been updated.
- 2024 PDF templates for W-2 and W-2C year-end forms produced with XMLP/BI Publisher have been delivered.
- 2024 Data Source and Report Definitions for the templates listed above are also delivered.
- The processes that produce the Federal file in the EFW2 format for electronic filing are redelivered with modifications to comply with the 2024 revision of SSA Publication EFW2, Specifications for Filing Forms W-2 Electronically. This publication is available on the Social Security Administration website: <https://www.ssa.gov/employer/efw/24efw2.pdf#zoom=100>

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