What's New?

- Prepaid Expenses
- New ABS Staff
- Purchasing Card Reminder
- Concur Invoice
- Question of the Month

PREPAID EXPENSES

The threshold for booking prepaid expenses in FY16 is $1,000. Invoices for June through December 2015 have been reviewed and prepaid expenses were posted in January month-end close reports with journal reference JF001912.

NEW ABS STAFF

ABS is happy to announce that Gale Bettencourt has accepted our offer to become the new director of Payroll Services. Gale has worked in ABS for the past two-and-a-half years as a senior analyst and has worked closely with the Payroll Department during
that time. We’re excited for her role in the new position and are grateful for all those involved in the hiring/interviewing process. Congratulations Gale! You can contact Gale directly at gbettencourt@usfca.edu or extension 2575.

PURCHASING CARD REMINDER

The end of the fiscal year is right around the corner, so please make sure that all expenses are submitted in a timely manner. Any overdue purchasing card expenses may result in an immediate suspension of the related card.

Any outstanding purchasing card expenses that are not submitted by May 31 will be added to taxable wages of the cardholder. If you have any questions or need assistance, please contact Morgan Maich at mrmaich@usfca.edu.

CONCUR INVOICE

Please help ABS get payments out faster by searching for your vendor or payee in Concur Invoice before requesting a new vendor to be created.

QUESTION OF THE MONTH

Did you know that payments made to an out-of-state resident for services that exceed $1,500 per year are subject to 7 percent California income tax withholding?

This includes payments to independent contractors, speakers, entertainers, honorariums, and businesses that do not have a California presence. For more information please email Dawn Mayer at dgmayer@usfca.edu.
We would like to clarify the Question of the Month section of our March 2016 ABS Newsletter, which was distributed yesterday.

The original question stated:

"Did you know that payments made to an out-of-state resident for services that exceed $1,500 per year are subject to 7 percent California income tax withholding?

This includes payments to independent contractors, speakers, entertainers, honorariums, and businesses that do not have a California presence."

Only non-wage payments to service providers (such as payments to independent contractors, speakers, entertainers, honorariums, etc.) for service performed within the state of California and exceed $1,500 in total for the calendar year in question are subject to 7 percent withholding pursuant to California Revenue and Tax Code Section 18662. Withholding is required on applicable payments not only to individuals, but also to business entities (including corporations, partnerships, and LLCs) that do not have a permanent place of business in California or that have not registered with the California secretary of state to do business within the state of California. California Form 590 (Withholding Exemption Certificate) should be collected from any out-of-state service provider performing services within California to determine whether an exemption applies.

If you have any questions or require any clarifications, please contact Dominic Daher, director of internal audit and tax compliance,
ddaher@usfca.edu, or Dawn Mayer, associate director of tax compliance, dgmayer@usfca.edu, in the Office of Internal Audit and Tax Compliance.