



deductioncd

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Deduction Code - HRS2400

Human Resources > Tables > Tax/Deductions > Deduction Code

This tab is used to establish and maintain deduction codes for your district. There are 21 predefined, abbreviated deduction codes that cannot be edited, but you can assign specific deductions to any of these abbreviated codes.

The two-character abbreviated code for the deduction is used when the calculations are run and when determining the appropriate object code for the deduction liability during the create general journal process. You must select from the standard list of abbreviated codes. If you do not use one of these options, the system will not accept the entry.

The short description is the description printed on the variable check stub and on the wage and earnings statement. It can be edited to reflect a specific deduction or company (e.g., LI - HMO Extra Life). The specific object code (e.g., 2153) assigned to each abbreviated code is combined with an organization code equal to the number in the Deduction Code field. This is true for all deductions except income tax which is always 2151.000.

The long description is the description printed on the deduction register. The long description is used for identification of the deduction on the page and can be used when printing payroll deduction checks through the system.

[Predefined abbreviated codes](#)

Predefined Abbreviated Deduction Codes


| Abbreviated Code | Description | Object Code | W-2 Box | W-2 Code |
|------------------|--------------------------------------|-------------|----------|--------------|
| A3 | 403b FICA Annuity (FICA Alternative) | 2159 | | |
| AC | TRS Health Insurance | 2153 | 12 14 | DD HEALTH |
| AN | Annuities | 2159 | 12 | E |
| CU | Credit union | 2154 | | |
| D1 | 457 deferred comp | 2159 | 12 | G |
| D2 | 457 deferred comp lump amount | 2159 | 12 | G |
| DC | Dependent child care | 2159 | 10 | |
| HI | Health insurance | 2153 | 14 | HEALTH |
| HS | Health savings account | 2159 | 12 | W |
| IR | Income replacement | 2159 | | |
| LI | Life insurance | 2153 | | |
| M1 | Miscellaneous 1 | 2159 | | |
| M2 | Miscellaneous 2 | 2159 | | |
| M3 | Miscellaneous 3 | 2159 | | |
| R1 | Roth 403b Annuities | 2159 | 12 | BB |
| R2 | Roth 457b Annuities | 2159 | 12 | EE |
| RI | Retiree TRS-Care surcharge | 2155 | | |

| Abbreviated Code | Description | Object Code | W-2 Box | W-2 Code |
|------------------|---------------------------------------|-------------|---------|----------|
| SB | Savings bond | 2159 | | |
| TC | Emplr contrib to whole life ins | 2153 | 12 | C |
| TI | Emplr contrib group ins over \$50,000 | 2153 | | |
| TR | TRS service buy back | 2159 | | |
| TS | TSTA dues | 2159 | | |
| UD | Union dues | 2159 | | |
| UF | United fund | 2159 | | |
| WH | Additional withholding | 2151 | 2 | |

/*Inline folded include*/

Set up deduction codes:

Click **+Add** to add a row.

| Field | Description |
|-------------------------|--|
| Deduction Code | Type a three-digit, locally assigned deduction code number (e.g., 000 - 999). |
| Long Description | Type the long name for the deduction code. |
| Abbrev Cd | <p>Click  to select an abbreviation code.</p> <p>If a D1 deduction code is added to the employee’s master deduction record, the system will calculate the amount to withhold based on the employee’s pay and the percentage in the 457 Deferred Compensation table. This amount is automatically entered in the Net Amount field of the employee’s master deduction record and is updated each time a payroll is processed for this employee.</p> <p>If a D2 deduction code is added to the employee’s master deduction record, the amount entered in the Net Amount field is the amount that the system deducts from the employee’s pay each time a payroll is processed. It is your responsibility to determine the Net Amount and enter it into the employee’s master deduction record.</p> <p>If a DC deduction code is added to the employee's master deduction record, the Cafe Flag field must be selected to record the amount as dependent care.</p> <p>If an AN deduction code is added to the employee's master deduction record, the Cafe Flag field cannot be selected.</p> <p>The HS abbreviation code should always be used for a Health Savings Account (HSA) deduction.</p> <p>One of the following abbreviation codes can be used for a Flexible Spending Arrangement (FSA) deduction: HI, M1, M2, or M3.</p> <p>The Cafe 125 field must be selected in order for the Health Savings Account (HSA) and Flexible Spending Arrangement (FSA) deductions to be tax sheltered.</p> |

Click **Save**.

Other functions and features:

 [Delete a row.](#)
Click to delete a row. The row is shaded red to indicate that it will be deleted when the record is saved.