Fed Government Shutdown and Other Payroll Updates for December
Shirley Govindasamy, Payroll Manager, Human Resources

Another year is quickly drawing to a close and this means that we will be processing W2 information for release on the Garnet Gateway. We all remember the 16 day federal government shutdown in October, right? This will have an impact on tax filers who usually file their taxes in January. The government has informed us that they will not be processing any tax returns in January until they have updated all of their forms and tax tables. How long the delay will be is still in question and how it will affect those who file electronically is not known at this time.

December is a good time to decide if you want to make any changes to your Voluntary Salary Reduction Agreement (SRA). You can complete a new form and tell us that you want it to be in effect in January. Many of our employees change their federal and state tax exemptions at this time as well. You may have married in 2013, had a child in 2013, have a spouse who has returned to work or you have a child who can no longer be a dependent. It is a good time to take a look at what you claim for exemptions for federal and state tax to see if you are withholding too much tax or maybe not enough. While we cannot give you tax advice, we will suggest some resources that can guide you.

Tax forms and SRA forms are available on the Human Resources website under the Forms tab. You may print them off and bring then to the Payroll Office at 220 College Street.

When is the pay date, exactly?
Shirley Govindasamy, Payroll Manager, Human Resources

The pay date for bi-weekly paid employees is every other Thursday and for monthly paid staff and faculty it is the 2nd Thursday of each month. Some of you have told us that your pay is in your checking or savings account on Wednesday. This can happen if your bank posts the money when they receive the direct deposit file from TD Bank (Bates financial institution) on Wednesday. Bates has not changed its pay date; funds can be posted as late as the end of the work day on the pay Thursday, and is dependent upon the posting schedule of your bank. Please only contact the Payroll Office if your pay does not show up in your account by the end of the work day on Thursday. (Do not rely on your paycheck posting on Wednesday.)
How to Get a Tax Credit for Your Retirement Savings Contributions

Ken Emerson, Associate Director, HR

Did you know that if you contribute to the Bates 403(b) Retirement Plan that you may be eligible to receive a credit towards your 2013 taxes?

Eligibility and the amount of the credit depends on your filing status and your adjusted gross income. You may receive a credit of 10%, 20% or 50% of the first $2,000 you contributed to the 403(b) plan. The adjusted gross income limits by filing status are:

• Single, married filing separately, or qualifying widow(er), with income up to $29,500
• Head of Household, with income up to $44,250
• Married Filing Jointly, with income up to $59,000

To be eligible for the credit you must have been born before January 2, 1996, you cannot have been a full-time student during the calendar year and cannot be claimed as a dependent on another person’s return. If you received a distribution from your retirement plan within the last two years it may affect whether you can take the credit.

See IRS Form 8880, Credit for Qualified Retirement Savings Contributions, for instructions on how to take the credit or review IRS Publication 590, Individual Retirement Arrangements (IRAs), for more information.
2014 Retirement Contribution Limits – Are you saving enough to retire?

Ken Emerson, Associate Director, Human Resources

The maximum amount of contributions that you can make to TIAA-CREF in 2014 remains unchanged from 2013. You may contribute a maximum of $17,500 during 2014 and if you are over age 55 you can contribute an additional “catch-up” contribution of $5,500.

How can you find out if you are saving enough to meet your retirement goals? TIAA-CREF has many planning tools available on their website, http://www1.tiaa-cref.org/tcm/bates/saving/getting-started/index.htm or you could access the tools by logging in to your secure online account.

You may also speak with a TIAA-CREF Representative at their telephone counseling center:

1-800-842-2776

Monday – Friday 8:00 am – 10:00pm EST and Saturday from 9:00 am – 6:00 pm.

November Dates of Interest

Biweekly pay date, December 5
Monthly pay date, December 12
Biweekly pay date, December 19

“Death, taxes and childbirth! There's never any convenient time for any of them.”

- Margaret Mitchell, Gone with the Wind
Everybody Has a Story - And Every Story Matters.
By Amie Parker, Employment Manager, Human Resources

This month, I’m doing something a little different. Recently, I put out an appeal to my friends and colleagues to support a project in my child’s local school to help address the issue of child hunger. I was shocked by the diversity of responses that I received, including many which were based in misconceptions about poverty and hunger. I thought that December, a month in which we are often focused on supporting those less fortunate, would be a great time to speak to some of these issues.

I thought I’d share with you a few statistics about poverty and food insecurity in Maine*:

• One in every 8 Maine people lives below the “official” poverty line – $17,600 for a family of 3.
• One in 3 Maine people don’t have sufficient income to meet basic needs.
• Maine has among the highest rates of food insecurity in the nation, ranking 11th highest.
• Food insecurity in Maine is 43% higher than the average of other New England states.
• Maine’s basic Temporary Assistant for Needy Families benefit for a family of 3 is only $485 a month, for many this is the only cash income they receive. This basic benefit has not increased since 2001.

Meanwhile,

• Since 2001, the cost of heating our homes has nearly tripled.
• Gasoline prices have more than doubled since 2001.
• The cost of food in the USDA’s Thrifty Food Plan (the national standard for a nutritious low-cost diet) has climbed nearly 11% in the last year.
• A dramatic 43% more workers run out of unemployment benefits before they can find new work.

When I think about these issues in my community, there are a few facts that are non-negotiable:

• Many families are experiencing difficult economic times for the first time in their lives
• Children experience poverty and food insecurity through no fault of their own

We have a responsibility as members of this community to recognize that every individual has a story in our community, regardless of their economic position. And, most importantly, their story matters.

*Source: Maine Community Action Association

“There is no Them.
There are only facets of Us.”
- John Green