

ADP 260-E Program

Explanation of Best Practices

Exclusively Prepared for CC Economic
Development Group

October 18, 2023

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Agenda

- Introduction
- 260-E program – best practices guide with Documentation Examples
- Common Mistakes and How to Avoid
- Q&A and Feedback

Introduction

Who We Are

At ADP, what we do is about people. Although we have a strong history of providing solutions for human resource challenges, we strive to do more than that. We challenge ourselves to anticipate, think forward and take action in a way that empowers us to shape the changing world of work.

For over 70 years, we've led the way in defining the future of business solutions. ADP is proud to be named to FORTUNE Magazine's "World's Most Admired Companies®" list for 14 consecutive years*.

We are a comprehensive global provider of cloud-based human capital management (HCM) solutions that unite HR, payroll, talent, time, tax and benefits administration, and a leader in business outsourcing services, analytics and compliance expertise. Our unmatched experience, deep insights and cutting-edge technology have transformed human resources from a back-office administrative function to a strategic business advantage.



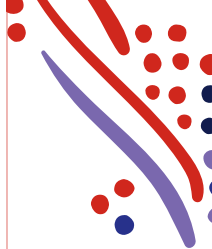
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Step by Step Guide

1) Use ADP reporting to pull report including eligible employee's name, pay period, gross wage, or any other relevant information.

Company Code	Payroll Name	File Number (Pay Statements)	Gross Pay
Q&7	Albright, Anthony	000100	15,581.50
Q&7	Anderson, Todd	000059	6,866.94
Q&7	Berry, Lawrence	000051	7,715.54
Q&7	Bethany, Beth	000074	6,708.90
Q&7	Beyer, Laura A	000052	7,956.25
Q&7	Biggins, Peter A	000053	9,834.09
Q&7	Bonner, Edward J	000054	14,088.21
Q&7	Buckshaw, Lisa	000103	4,538.46
Q&7	Byrnes, Ronald A	000055	0.00
Q&7	Byrone, Richard	000056	0.00
Q&7	Cecchetti, David	000057	8,855.06
Q&7	Cody, Timothy D	000061	4,424.64
Q&7	Coffey, Philip M	000062	2,706.48
Q&7	Cole, Dale G	000063	97.84

Step by Step Guide



2) Use this information to complete spreadsheet in order to calculate diversion amount for that month (Exhibit 1)

260E New Jobs Training Program Withholding Credit Worksheet

Please submit each contract's withholding on separate forms

Company Name:	Reporting Period Start Date	6/1/2020
(Community College Name Here) CC Project Number:		
Contract/Certificate Number: Enter the certificate number here	Reporting Period End Date	6/30/2020
Number of 1.5% (NJC Only) Positions Allowed:		
Number of 3.0% (NJC and SJC) Positions Allowed:	# of Employees	2

#	Employee Name / Employee Number	Position Title	Gross Wages	260E Credit (NJC) %	Supplemental Jobs Credit (SJC) %	260E Credit (NJC) \$	Supplemental Jobs Credit (SJC) \$	Total Withholding Tax Credits
001	Ryan Peyton	Laborer	15,000.00	1.5%	1.5%	225.00	225.00	450.00
002	Katie Nielsen	Foreman	25,000.00	1.5%	1.5%	375.00	375.00	750.00
003				1.5%		-	-	-
004				1.5%		-	-	-
005				1.5%		-	-	-
006				1.5%		-	-	-
007				1.5%		-	-	-
008				1.5%		-	-	-
009				1.5%		-	-	-

Step by Step Guide

3) Send the Spreadsheet (along with check for the diversion amount) to the local Community College.

Step by Step Guide

4) Report the Diversion Amount to ADP by filling out and submitting a Tax Diversion Sheet (Exhibit 2**) to adp.jobcredit.request@adp.com ****Important - I've seen a few different forms used but this is the correct one. Using an incorrect version may lead to delays/incorrect reporting.**

Job Tax Credit Submission Form

Revised November 11, 2016



Branch / Company Code	State	Withholding Number	Credit Name <small>(Type of credit)</small>	Credit Amount	Certificate Number <small>(For example, Iowa)</small>	When to Apply Credit <small>(payroll period, filing period, quarter, etc.)</small>
62/XXX	IA	429999999001	INJT 1	\$10,000	7229999999	6/2020
/				\$		
/				\$		
/				\$		

* Excess credit amounts will be applied to your company's other branch / company code(s).

Michigan

Credit Amount	NJTP Agreement ID	Community College Name	# of Employees in Qualified New Jobs
\$			
\$			
\$			

Georgia

Valid Georgia Zip Code

South Carolina - This worksheet is required for each project that is claiming a credit, and each project must be listed separately.

Job Development Credit					
Project Number	#EZ	#EZ	#EZ	#EZ	Grand total
Allowable %	%	%	%	%	
Maximum Credit	\$	\$	\$	\$	\$
Allowable Credit	\$	\$	\$	\$	\$
State Rural Infrastructure	\$	\$	\$	\$	\$
New Jobs & Capital Investments (Plastics & Rubber Manufacturers)	\$	\$	\$	\$	\$
Retraining Credit					
Project Number	#TR	#TR	#TR	#TR	\$
Allowable Credit	\$	\$	\$	\$	\$

Authorization

As an authorized representative of each company identified above, I hereby authorize and direct ADP to apply the credit amount(s) by the branch company code(s) noted above, as a tax diversion with the accompanying tax agency. Each company identified above has entered into an agreement with the tax agency, which allows the application of this credit. I understand and assume responsibility for any resulting penalties, interest, and/or adverse effects to my standing



Step by Step Guide

5) ADP will send confirmation of receipt (Exhibit 3), usually within 48 hours. As long as the email is sent and credit is processed BEFORE the internal release date, ADP will credit the diversion amount back to the client.

AUTOMATIC DATA PROCESSING
TAX FILING SERVICE
100 NORTHWEST POINT BOULEVARD
ELK GROVE VILLAGE, IL 60007



Invoice Date: 04-14-2020

Invoice



INC

Invoice #: 3748039-00
Br/Co: [REDACTED]
Balance: 2,167.54 CR
Balance Due Date: 04-14-2020



ADP will credit your bank account on file on 04-14-2020 for the amount displayed in the balance due field.

Check Date	Br/Co	Description	Reason	Amount	Comment
03-31-2020	[REDACTED]	IA-SIT	D8	2,167.54 CR	
			Adjustment Sub-Total	2,167.54 CR	
			Invoice Total	2,167.54 CR	
04-14-2020			Balance Due	2,167.54 CR	

If you have any questions regarding this invoice, please contact your ADP representative/payroll center.

Reason Descriptions:

D8 A Job Tax Credit (JTC) for the referenced jurisdiction has been applied or a reversing adjustment processed due to missing/incomplete information provided on the Absolution letter we received.

4901001000235



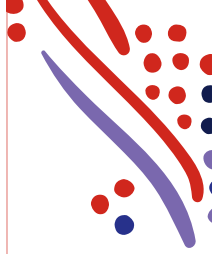
Step by Step Guide

If steps 1-5 haven't been completed before the ADP Internal Release Date, step 6 and 7 will be necessary:

6) The employer will login to Iowa's GovConnect Website www.govconnect.iowa.gov to retrieve the proof of Amendment to send to Community College

7) The State of Iowa will then cut and send the refund check directly to the employer (Typically 8 weeks to 6 months)

Step by Step Guide



Important notes:

The most common reason for a hold up in processing is trying to submit multiple time periods on a single form, multiple company codes on a single form, or not filing for the credit based on your frequency of tax payments. Pay special attention to the certificate numbers, withholding numbers, and when to apply credit. *****File MONTHLY – by filing monthly you will avoid having to do amendments** so long as you request the Tax Diversion Sheet before ADP's internal release date. We recommend monthly to avoid issues.

We've been asked to send payments directly to the community colleges on the employer's behalf, but do not have this available as a service. Employer is required to send the check directly to the CC.

All necessary reporting is available through ADP's most basic payroll option and doesn't require purchasing specific 260-E software. If they use the attached documents and follow the steps above, there should be very little errors and the process will flow smoothly.

Monthly and Quarterly e-file tax information is available to the clients at any time via their ADP system. Once ADP receives the amendment, the client will get a link to track the refund/period via a link that will be provided.

Step by Step Guide

Any client with 150 or more employees has transitioned to a “dedicated ADP” person for any and all payroll concerns (including 260-E). If there is a company that doesn’t know who their dedicated representative is, they can contact me ryan.peyton@adp.com and I will get them their rep’s name.

Any clients with less than 150 employees can use their main service team as a resource.

