

Memo

To: Board of Supervisors
From: Greg Higginbotham
cc:
Date: January 22, 2019
Re: 2018 Social Security Tax Refund –Harbour, Cannady, Hannan, O'Neal

For the tax year 2018, the Social Security Administration (SSA) originally set a maximum taxable earnings limit on social security tax at \$128,700. Later, the SSA lowered the 2018 limit to \$128,400. This new limit was never entered into the payroll system.

Madison County has three (3) employees who exceeded this limit and had excessive tax withholdings from their payroll. Refunds should be issued as follows:

- Norman Cannady - \$18.60
- Ed Hannan - \$18.60
- Staci O'Neal - \$18.60

The refunds for Mr. Cannady, Judge Hannan, and Judge O'Neal result entirely from the change made by the SSA.

Brad Harbour is also entitled a refund. Mr. Harbour's refund results from his payroll setup and the failure of the county to record the SSA change. Madison County has three (3) employee profiles for Mr. Harbour to correctly process his payroll for different job duties. Each profile is independent of each other, but at year-end, all profiles are manually combined, reviewed, and adjusted to the social security tax limit. This process has also occurred in past years. Consequently, Mr. Harbour is entitled to a refund in the amount below:

- Brad Harbour - \$2,174.61

Please authorize the refunds of social security tax as noted.