



**State Auditor
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E-Update

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1. Notice: 2018 CTAS Payroll Tax Tables

This week the Internal Revenue Service released a statement on upcoming changes to the tax law which will affect employers and payroll service providers. Since this will impact many CTAS users, we want to share that information with you. From the statement:

“The IRS is working to develop withholding guidance to implement the tax reform bill signed into law on December 22. We anticipate issuing the initial withholding guidance in January, and employers and payroll service providers will be encouraged to implement the changes in February. The IRS emphasizes this information will be designed to work with the existing Forms W-4 that employees have already filed, and no further action by taxpayers is needed at this time. ... (E)mployers and payroll service providers should continue to use the existing 2017 withholding tables and systems.”

The first release of the 2018 CTAS Tax Tables contain both the 2017 Federal Income tax tables as recommended by the IRS and the Minnesota Tax Tables for 2017. The Tax Tables can be found at:

<http://www.osa.state.mn.us/default.aspx?page=ctas>.

Currently, you can either download the tables in Adobe Acrobat format (.pdf) and manually input them or download them as in an XML format (.xml) and import them into your program using the “Import from file” button in CTAS. The “Import from OSA” feature of the program is not currently available, but should be available by 12 pm on Tuesday, January 2, 2018.

CTAS users will be notified and instructions will be provided when the updated 2018 Tax Tables are released. To read the full statement from the IRS, go to:

<https://www.irs.gov/newsroom/irs-statement-withholding-for-2018>.

2. Released: City Finances Report

The OSA has released the Minnesota City Finances Report. The report summarizes, through data tables, charts and graphs, the financial operations of 850 Minnesota cities for calendar year 2016. To view the complete Report, which includes an Executive Summary, graphs, and tables, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20171227.000>.

3. Updated: Key Reporting Requirements Calendar for Relief Associations

The updated Key Reporting Requirements calendar is now available on the OSA website. The calendar lists each reporting form that volunteer fire relief associations must submit to the OSA, and additional required State reporting. Links to the forms and their applicable due dates are also provided.

The calendar can be found under the heading “Resources for Completing Forms” at:

<http://www.auditor.state.mn.us/default.aspx?page=20070105.001>.

4. Available: Information for New Relief Association Trustees

Many volunteer fire relief associations will be holding their annual meeting and elections soon. The OSA makes available a one-page document that provides links to resources available on our website. These resources are intended to help individuals who are elected to a relief association’s board of trustees be successful in their new positions.

The informational document can be viewed at:

<http://www.auditor.state.mn.us/Other/pensionDocs/InfoforNewTrustees.pdf>.

The OSA also provides contact information, including phone numbers, e-mail addresses, and websites, for many of the government offices and agencies with which relief associations interact.

The helpful contact information can be found at:

http://www.auditor.state.mn.us/Other/pensionDocs/HelpfulContactInformation_121817.pdf.

5. Avoiding Pitfalls: Salary Adjustments

When considering salary adjustments as a way to economize, local officials need to consider statutes that may prescribe how salaries of certain officials need to be set. Statutes vary for different local units of government and for different officials.

For example, changes in most city council members' salaries may not take effect until after the next municipal election. However, city council members may temporarily reduce their own salaries before the next municipal election by enacting an ordinance that will be in effect for 12 months, unless the ordinance specifies a different time period. *See* [Minn. Stat. § 415.11](#).

As with other important decisions that have legal ramifications, local officials considering compensation changes should consult with their legal advisors.

If you are interested in signing up to receive an e-mail version of the E-Update regularly, send an e-mail with your contact information to Jim.Levi@osa.state.mn.us

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