Office of State Uniform Payroll

**Procedure Title:** Deceased Employee Final Payment  
**Revision Date:** 11/20/2015  
**Issue Date:** 12/03/2013  
**Unit:** Wage and Tax Administration  
**Page Number:** 1 of 3  
**Contact:** _DOA-OSUP-WTA@la.gov_

1. Notify OSUP upon the death of an employee as soon as possible.
2. Refer to OSUP Direct Deposit (EFT) Bank Reversal Procedures, if a deceased employee has a payment sent via direct deposit (EFT) after their separation/date of death.
3. Follow LaGov HCM On-line Help Deceased Employee's Final Payments (YOD/YAD) for instructions on processing the final payment.
4. Change the payee’s name. The final payment may be payable to the deceased employee’s surviving spouse or major child. In the event the deceased employee leaves no surviving spouse or major child, the check should be payable to Estate of (deceased employee’s name). Note: Act 24 of the 2005 Legislative Session eliminated the $6,000 gross limit to a single payee.
5. Change the payment method to check. Delimit active “Other Bank” records. If it is necessary to process an off-cycle payment, contact the LaGov HCM Help Desk for assistance in creating an IT9 bank details record for the pay period already processed.
6. Notify OSUP when the payment is entered into the LaGov HCM system. OSUP will pull the check, verify for correct taxing then forward the check to the agency.

Upon the release of a deceased employee’s final check, the following forms must be completed. These forms, along with copy of the check, must be forwarded to OSUP. The agency must also notify the Louisiana Department of Revenue within 10 days of the release of funds payable to the surviving spouse or major child (R.S.9:1515).

Louisiana Department of Revenue  
Inheritance, Gift, and Estate Transfer Taxes Section  
P.O. Box 201  
Baton Rouge, LA 70821-0201

See below for the forms needed by OSUP and Department of Revenue:

**Payments made to the surviving spouse or major child:**
All of the forms below must be completed with the payee’s name and Social Security number to ensure correct reporting. (Links to the IRS and OSUP websites have been provided for Form W-9 and the Form 1099 Request. See exhibit A and exhibit B for samples of the affidavit and release forms.)

<table>
<thead>
<tr>
<th>Forms</th>
<th>Copies Must Be Sent To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Form W-9 (Taxpayer Identification Number &amp; Certification)</td>
<td>OSUP</td>
</tr>
<tr>
<td>Form 1099 Request (OSUP/F20)</td>
<td>OSUP</td>
</tr>
<tr>
<td>Affidavit (sample, exhibit A)</td>
<td>OSUP &amp; Revenue</td>
</tr>
<tr>
<td>Release (sample, exhibit B)</td>
<td>OSUP &amp; Revenue</td>
</tr>
</tbody>
</table>
Payments made to the Estate of deceased employee:
All of the forms below must be completed with “Estate of (deceased employee’s name)” and the deceased employee’s Social Security number or the estate’s tax identification number. (Links to IRS and OSUP websites have been provided for Form W-9 and the Form 1099 Request. See exhibit B for sample of the release form.)

**Forms:**

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<td>Release (sample, exhibit B)</td>
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See below for:

Affidavit (sample, exhibit A)
Release (sample, exhibit B)
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Agency is notified of employee’s death

Notify OSUP’s WTA Unit of the employee’s death immediately and process the separation action for the employee. **Note:** If final payment is not processed immediately, the record should be locked each pay period until final pay is processed.

The following steps must be completed to process a deceased employee’s final payment if the date of death occurred in the current pay period and payroll has not yet processed.

**IT 0001 - Organizational Assignment**
Tax model must be changed to YOD (Year of Death) or YAD (Year After Death) to reflect the year in which the final payment is processed. Refer to LaGov HCM On-Line Help “Deceased Employees Final Payment” for additional instructions.

**IT 0009 - Bank Details**
The payment method must be changed to “check” effective for the pay period in which the final payment is processed. **Note:** Payment method for “Main bank” must be changed to check. All “Other Bank” records must be delimited. The final payment must be made payable to a Surviving Spouse, Major Child/Children, or to the Estate of the deceased employee.

The agency must email the WTA Unit to indicate whether the payment will run through regular payroll or process as an off-cycle. OSUP will forward the check to the agency after validating the payment and tax information.

Prior to releasing the check, the forms listed below must be completed by the agency and the beneficiary of the payment. Copies of the completed forms must be forwarded to OSUP and The LA Department of Revenue (if applicable), as indicated below, within 10 days after the release of the check.

**Payments made to a Spouse or Major Child/Children**
IRS Form W-9 (Taxpayer ID & Certification) - OSUP
Form 1099 Request (OSUP/F20) - OSUP
Affidavit - OSUP & Revenue
Release - OSUP & Revenue

**Payments made to the Estate of the deceased**
IRS Form W-9 (Taxpayer ID & Certification) - OSUP
Form 1099 Request (OSUP/F20) - OSUP
Release - OSUP

Agency can release check once the applicable paperwork is completed.

Reversal process (BFA Unit)
SAMPLE AFFIDAVIT FOR DECEASED WAGES
BEING PAID UNDER LA R.S. 9:1515

Name of deceased employee: ____________________________________

Amount of check paid        Gross: $  _______________  Net: $  ____________

Name of Payee: _______________________________________________

***FORWARD AFFIDAVIT AND A COPY OF THE RELEASE DOCUMENT TO THE
INHERITANCE SECTION OF THE DEPARTMENTOF REVENUE WITHIN TEN
CALENDAR DAYS OF THE RELEASE OF THE FUNDS

Louisiana Department of Revenue
Inheritance, Gift, and Estate Transfer Taxes Section
P. O. Box 201
Baton Rouge, LA 70821-0201
SAMPLE RELEASE DOCUMENT FOR DECEASED WAGES
BEING PAID UNDER LA R.S. 9:1515

Name of deceased employee: ______________________________

Address of deceased employee: ______________________________

Date and Place of death of deceased employee: __________ (Date) __________ (Place of Death)

Relationship of payee to deceased employee: ____________________________
(Surviving Spouse or if no Surviving Spouse, Adult child of deceased employee are the only acceptable payees under statute.)

Name and Address of surviving spouse, or children, if any, of deceased employee:
Add additional lines as needed.

_________________________________________  _______________________________________
(Name of Surviving Spouse or Child)  (Address of Surviving Spouse or Child)

_________________________________________  _______________________________________
(Name of Surviving Spouse or Child)  (Address of Surviving Spouse or Child)

_________________________________________  _______________________________________
(Name of Surviving Spouse or Child)  (Address of Surviving Spouse or Child)

_________________________________________  _______________________________________
(Name of Surviving Spouse or Child)  (Address of Surviving Spouse or Child)

(Witness 1) ___________________________ (Date) ___________________________ (Witness 2) ___________________________ (Date) ___________________________

I, ___________________________ have received check no. __________ in the gross amount of ___________________________

$ __________ , net amount of $ __________ , on behalf of ___________________________

on ___________________________.

(Date of Receipt)

_________________________________________  _______________________________________
(Signature of Payee)  (Date)