State of Louisiana
DIVISION OF ADMINISTRATION

OFFICE OF STATEWIDE REPORTING AND ACCOUNTING POLICY

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November 29, 2001

M E M O R A N D U M OSRAP 02-16

TO: Fiscal Officers
               All ISIS Agencies

FROM: F. Howard Karlton, CPA, CGFM
               Director

SUBJECT: Recent AFS Changes

This weekend, two changes to AFS were moved into production. The first change was to allow the addition of object code 3652 Miscellaneous Charges – Governmental Payments. This new object is currently on the object table for fiscal year 2001 and 2002. The addition of this new object code enables AFS to produce 1099-Gs directly from the 1099 table. Agencies may now begin processing journal entries to move effected charges to this object code. Your journal entries must be accepted by 1/4/02, against fiscal months 06 02 or less, for the 1099 table to generate correctly. Otherwise, entries must be manually entered against the 1099 and 99TX tables.

3652 – Miscellaneous Charges-Governmental Payments. Payments of taxable grants to provide subsidized energy financing or grants for projects designed to conserve or produce energy, but only with respect to section 308 property or dwelling unit located in the United States. Also, for payment of other taxable grants of $600 or more.

The second change was to allow the use of a decimal in the backup withholding rate field of the AFS SOPT table. Effective August 7, 2001 the IRS changed the backup withholding rate from 31 to 30.5 percent. Unfortunately, AFS was not designed to accept a decimal in this field. That has been changed and the new withholding rate has been entered on SOPT.   No further action is needed on the part of the agencies. AFS will deduct 30.5% from subsequent reportable payments to vendors subject to backup withholding. No backup withholding was withheld using the incorrect rate prior to the change taking effect in AFS.

Should you have any questions, please contact the OSRAP Help Desk at (225) 342-1097. All OSRAP memos are available at http://www.state.la.us/OSRAP/index.htm.

FHK: rtj

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