

As many of you are aware, according to the One Big Beautiful Bill ("OBBBA"), employees will no longer pay federal income tax on qualified tips and overtime premium up to the IRS limit. This will impact your employees' 2025 taxable earnings as well as 2026. For 2025 year-end reporting, the IRS and Department of Labor are accepting **a reasonable calculation method** to estimate employees' overtime and tips and will not be assessing penalties for employers. (<https://www.irs.gov/pub/irs-drop/n-25-62.pdf>) CTR will be creating a memo earning that will capture the estimated overtime premium. This amount will be reported in Box 14 of the W-2 and will be labeled Est OT Premium. **If you prefer to opt out from including this information on your employee's W2s, you must contact your support representative before the final payroll of the year.** In addition, a client level report will be added detailing employee OT and Tips for 2025.

CTR will be creating 2 custom accumulators for the OT portion of the report. The **OBBBA Hours worked** accumulator should be comprised of actual worked hours including overtime, in accordance with the OBBBA. The OBBBA Regular Earnings accumulator should be comprised of actual worked hours **excluding** overtime.

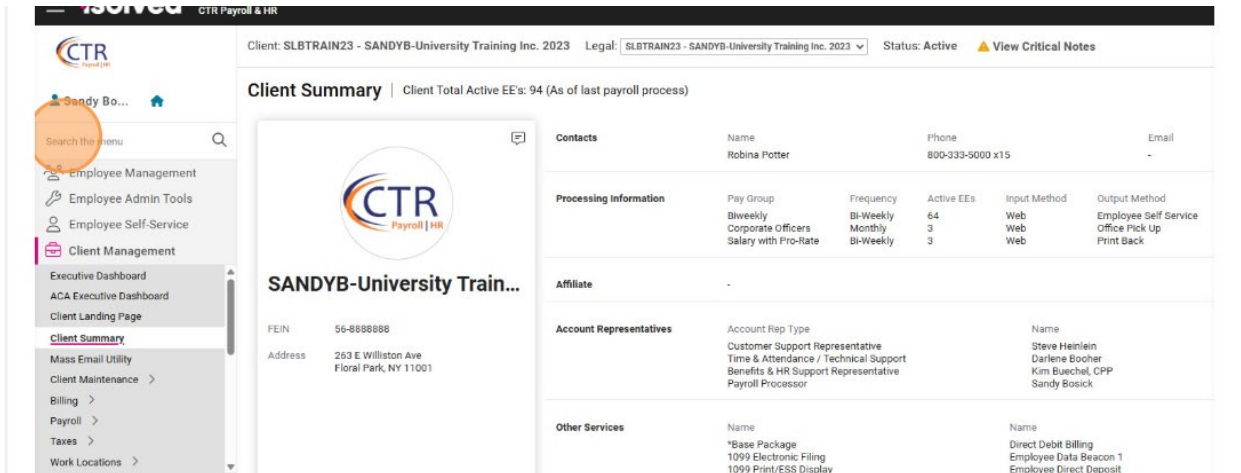
These accumulators will be established using a reasonable effort to determine which hours are considered worked hours based on the naming of your earning pay items. To ensure accurate OT reporting for 2026, **it is critical that you review the earning pay items included in the OBBBA Accumulator.** The OBBBA Accumulator will be available in your system for review **12/15/2025**. You can find this accumulator **by searching the menu for "accum" and selecting "Client Management>Payroll>Accumulators"**. **Search for the OBBBA accumulators and click the View icon under Actions to review. If you have any changes to the OBBBA Accumulators you must notify your designated client rep before your first payroll in January.**

For 2026, overtime premium will be calculated and stored **at the time payroll is processed.**

The Tips portion of the report will use earnings coded in your system as "Tips". These should be "Qualified Tips" (voluntary cash or charged tips) per the IRS guidelines. <https://www.irs.gov/newsroom/one-big-beautiful-bill-act-tax-deductions-for-working-americans-and-seniors>. To confirm your earning(s) for Tips are identified as such, from Client Reports - Run the 'Earning List' report. Review the "Type" for the earning. It can be any of the following to be included ("Tips Credit Card Paid", "Tips Credit Card", "Tips CC Paid (not in gross)", "Tips Not Paid", "Tips Allocated", "Indirect Tips", "Indirect Tips Paid")

How to Find and Verify Earnings used in the OBBBA Hours Worked and OBBBA Regular Accumulators

1. Click the "Search the menu" field.



Client: SLBTRAIN23 - SANDYB-University Training Inc. 2023 Legal: SLBTRAIN23 - SANDYB-University Training Inc. 2023 Status: Active View Critical Notes

Client Summary | Client Total Active EE's: 94 (As of last payroll process)

Contacts

Name	Phone	Email
Robina Potter	800-333-5000 x15	-

Processing Information

Pay Group	Frequency	Active EEs	Input Method	Output Method
Bi-Weekly	Bi-Weekly	64	Web	Employee Self Service
Corporate Officers	Monthly	3	Web	Office Pick Up
Salary with Pro-Rate	Bi-Weekly	3	Web	Print Back

Affiliate

-

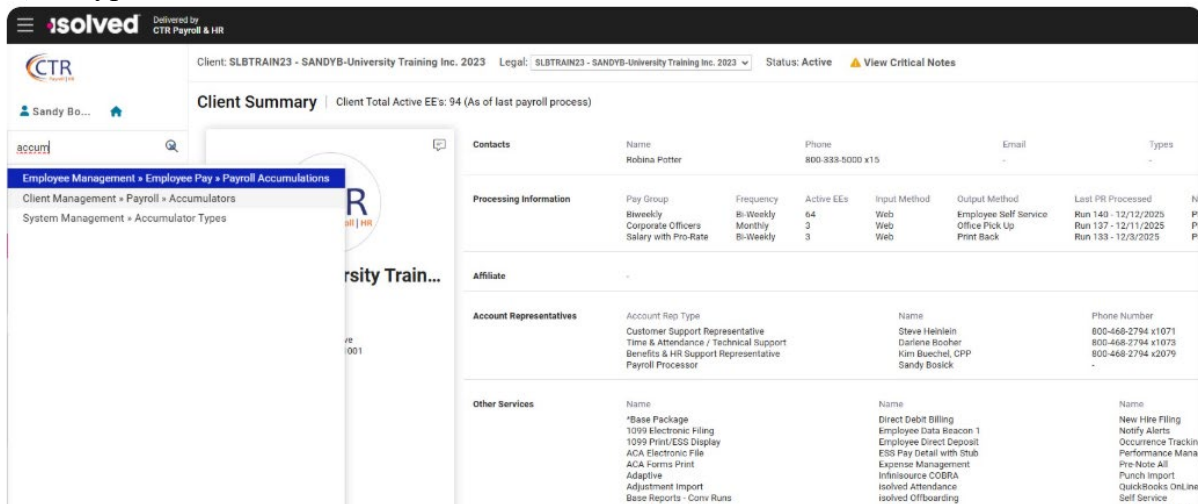
Account Representatives

Account Rep Type	Name
Customer Support Representative	Steve Heinlein
Time & Attendance / Technical Support	Darlene Booher
Benefits & HR Support Representative	Kim Buechel, CPP
Payroll Processor	Sandy Bosick

Other Services

Name	Name	Name
*Base Package	Direct Debit Billing	New Hire Filing
1099 Electronic Filing	Employee Data Beacon 1	Notify Alerts
1099 Print/ESS Display	Employee Data Beacon 1	Occurrence Tracking
ACA Electronic File	ESS Pay Detail with Stub	Performance Manag
ACA Forms Print	Expense Management	Pre-Note All
Adaptive	Infomsource COBRA	Punch Import
Adjustment Import	Insured Attendance	QuickBooks Online
Base Reports - Comv Runs	Insured Offboarding	Self Service
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2. Type "accum" to locate the menu item



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Client Summary | Client Total Active EE's: 94 (As of last payroll process)

Search Results:

- Employee Management » Employee Pay » Payroll Accumulators
- Client Management » Payroll » Accumulators
- System Management » Accumulator Types

Contacts

Name	Phone	Email	Types
Robina Potter	800-333-5000 x15	-	-

Processing Information

Pay Group	Frequency	Active EEs	Input Method	Output Method	Last PR Processed	PP
Weekly	Bi-Weekly	64	Web	Employee Self Service	Run 149 - 12/12/2025	PP
Corporate Officers	Monthly	3	Web	Office Pick Up	Run 137 - 12/11/2025	PP
Salary with Pro-Rate	Bi-Weekly	3	Web	Print Back	Run 133 - 12/3/2025	PP

Affiliate

-

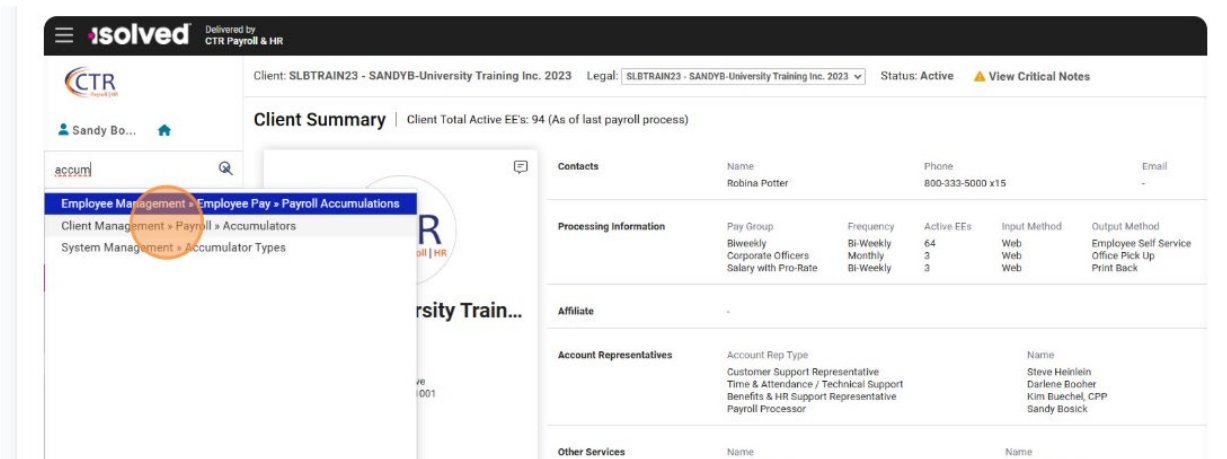
Account Representatives

Account Rep Type	Name	Phone Number
Customer Support Representative	Steve Heinlein	800-468-2794 x1071
Time & Attendance / Technical Support	Darlene Booher	800-468-2794 x1073
Benefits & HR Support Representative	Kim Buechel, CPP	800-468-2794 x2079
Payroll Processor	Sandy Bosick	-

Other Services

Name	Name	Name
*Base Package	Direct Debit Billing	New Hire Filing
1099 Electronic Filing	Employee Data Beacon 1	Notify Alerts
1099 Print/ESS Display	Employee Data Beacon 1	Occurrence Tracking
ACA Electronic File	ESS Pay Detail with Stub	Performance Manag
ACA Forms Print	Expense Management	Pre-Note All
Adaptive	Infomsource COBRA	Punch Import
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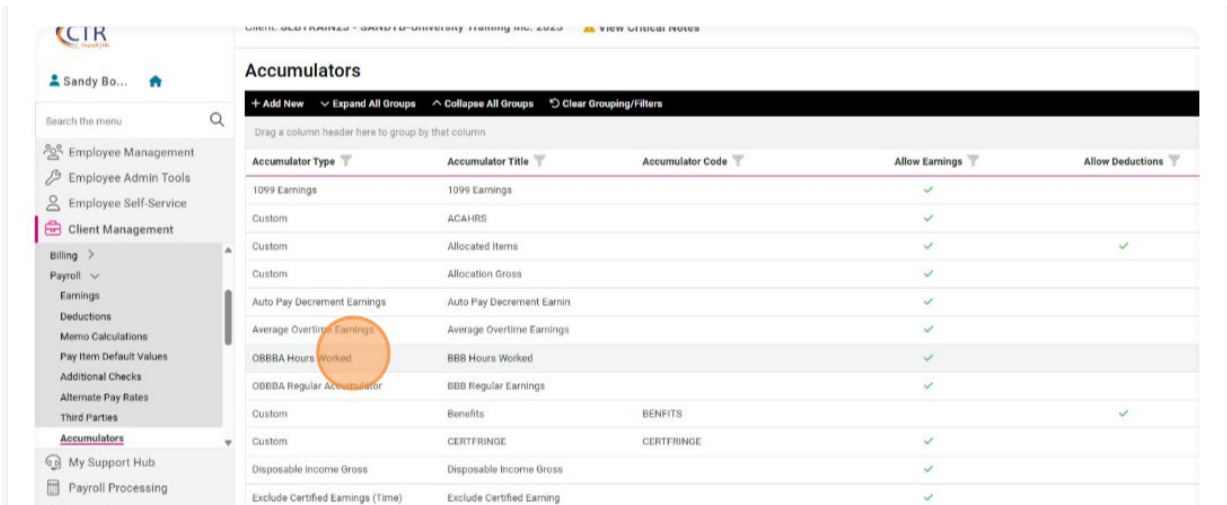
3. Click "Client Management » Payroll » Accumulators" or simply Navigate to "Client Management » Payroll » Accumulators" menu.



Client Summary | Client Total Active EEs: 94 (As of last payroll process)

Section	Details																				
Contacts	Name: Robina Potter, Phone: 800-333-5000 x15, Email: -																				
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4. Select the "OBBBA Hours Worked"



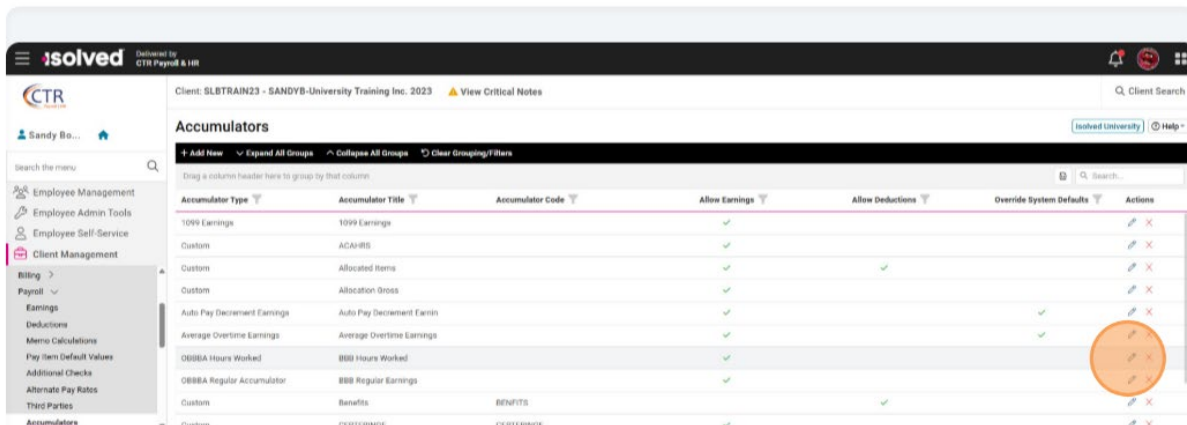
Accumulators





















+ Add New | Expand All Groups | Collapse All Groups | Clear Grouping/Filters

Drag a column header here to group by that column.

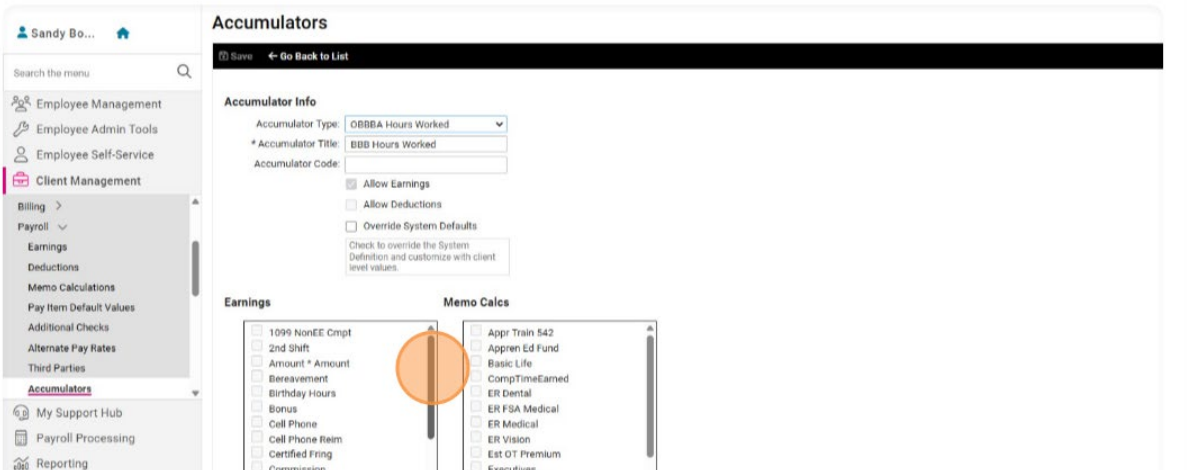
Accumulator Type	Accumulator Title	Accumulator Code	Allow Earnings	Allow Deductions
1099 Earnings	1099 Earnings		✓	
Custom	ACAIRS		✓	
Custom	Allocated Items		✓	✓
Custom	Allocation Gross		✓	
Auto Pay Decrement Earnings	Auto Pay Decrement Earnin		✓	
Average Overtime Earnings	Average Overtime Earnings		✓	
OBBBA Hours Worked	BBB Hours Worked		✓	
OBBBA Regular Accumulator	BBB Regular Earnings		✓	
Custom	Benefits	BENFITS		✓
Custom	CERTFRINGE	CERTFRINGE	✓	
Disposable Income Gross	Disposable Income Gross		✓	
Exclude Certified Earnings (Time)	Exclude Certified Earning		✓	

5. Click the Pencil or View icon here.



Accumulator Type	Accumulator Title	Accumulator Code	Allow Earnings	Allow Deductions	Override System Defaults	Actions
1099 Earnings	1099 Earnings		✓			 
Custom	ACA-RIS		✓			 
Custom	Allocated Items		✓	✓		 
Custom	Allocation Gross		✓			 
Auto Pay Decrement Earnings	Auto Pay Decrement Earnings		✓		✓	 
Average Overtime Earnings	Average Overtime Earnings		✓		✓	 
OBDBA Hours Worked	OBDBA Hours Worked		✓			 
OBDBA Regular Accumulator	OBDBA Regular Earnings		✓			 
Custom	Benefits	BENEFITS		✓		 
Custom	CERTFRINGE	CERTFRINGE	✓			 

- Use the Scroll bar in the "Earnings" section to verify the codes selected are those that represent WORKED hours, including, but not limited to, 'Regular', 'Overtime', 'Double Time', Shift Differential, Holiday Worked', etc. - This should **NOT** include Non-worked earnings such as 'PTO', 'Sick', etc. **NOTE ANY ITEMS THAT SHOULD/SHOULDN'T BE THERE**



Accumulators

Save Go Back to List

Accumulator Info

Accumulator Type: OBDBA Hours Worked

* Accumulator Title: OBDB Hours Worked

Accumulator Code:

☒ Allow Earnings

☐ Allow Deductions

☐ Override System Defaults

Check to override the System Definition and customize with client level values.

Earnings

☐ 1099 NonEE Cmpt

☐ 2nd Shift

☐ Amount * Amount

☐ Bereavement

☐ Birthday Hours

☐ Bonus

☐ Cell Phone

☐ Cell Phone Reim

☐ Certified Fring

☐ Commission

Memo Calcs

☐ Appr Train 542

☐ Appren Ed Fund

☐ Basic Life

☐ CompTimeEarned

☐ ER Dental

☐ ER FSA Medical

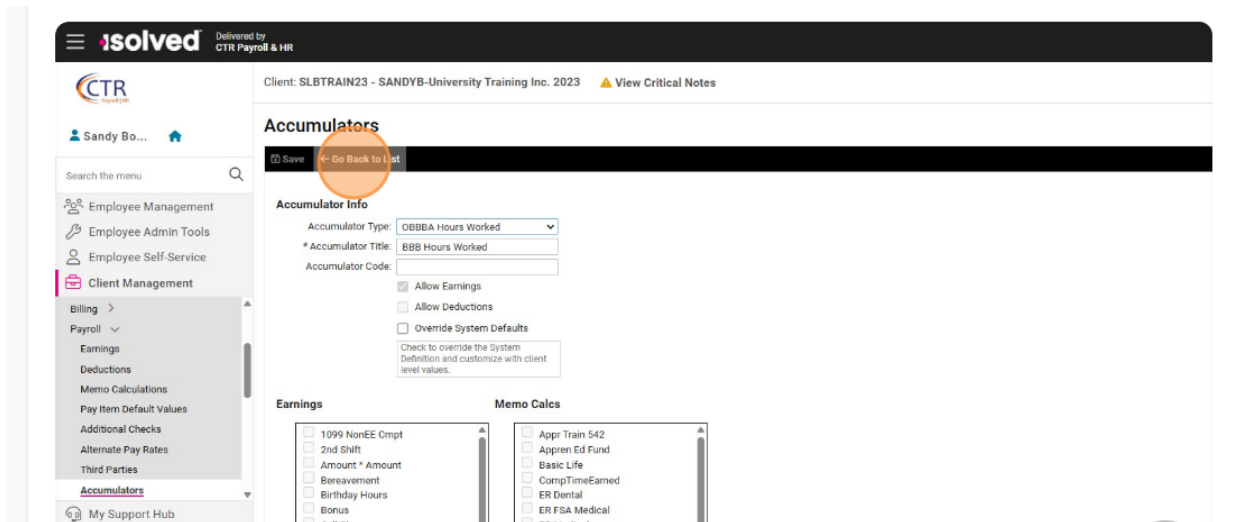
☐ ER Medical

☐ ER Vision

☐ Est OT Premium

☐ Executives

- Select "Go Back to List"



Accumulators

Client: SLBTRAIN23 - SANDYB-University Training Inc. 2023 [View Critical Notes](#)

Accumulator Info

Accumulator Type:

* Accumulator Title:

Accumulator Code:

☒ Allow Earnings

☐ Allow Deductions

☐ Override System Defaults

Check to override the System Definition and customize with client level values.

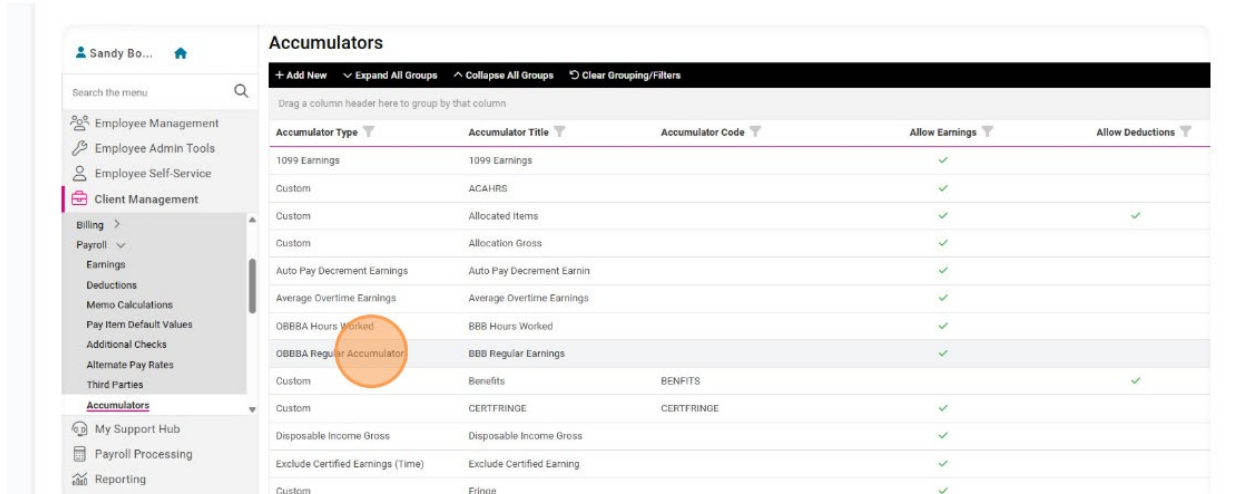
Earnings

- ☐ 1099 NonEE Cmpt
- ☐ 2nd Shift
- ☐ Amount * Amount
- ☐ Bereavement
- ☐ Birthday Hours
- ☐ Bonus
- ☐ Full Phone

Memo Calcs

- ☐ Appr Train 542
- ☐ Appren Ed Fund
- ☐ Basic Life
- ☐ CompTimeEarned
- ☐ ER Dental
- ☐ ER FSA Medical
- ☐ ER Marital

8. Select the "OBBBA Regular Accumulator"



Accumulators

[+ Add New](#) [Expand All Groups](#) [Collapse All Groups](#) [Clear Grouping/Filters](#)

Drag a column header here to group by that column

Accumulator Type	Accumulator Title	Accumulator Code	Allow Earnings	Allow Deductions
1099 Earnings	1099 Earnings		✓	
Custom	ACA-HRS		✓	
Custom	Allocated Items		✓	✓
Custom	Allocation Gross		✓	
Auto Pay Decrement Earnings	Auto Pay Decrement Earnin		✓	
Average Overtime Earnings	Average Overtime Earnings		✓	
OBBBA Hours Worked	BBB Hours Worked		✓	
OBBBA Regular Accumulator	BBB Regular Earnings		✓	
Custom	Benefits	BENFITS		✓
Custom	CERTFRINGE	CERTFRINGE	✓	
Disposable Income Gross	Disposable Income Gross		✓	
Exclude Certified Earnings (Time)	Exclude Certified Earning		✓	
Custom	Fringe		✓	

9. Click the Pencil or View icon here.

Isolved University Help

and All Groups Collapse All Groups Clear Grouping/Filters

Click here to group by that column

	Accumulator Title	Accumulator Code	Allow Earnings	Allow Deductions	Override System Defaults	Actions
	1099 Earnings		✓			
	ACAHRIS		✓			
	Allocated Items		✓	✓		
	Allocation Gross		✓			
Earnings	Auto Pay Decrement Earnings		✓		✓	
Earnings	Average Overtime Earnings		✓		✓	
	BBB Hours Worked		✓			
Accumulator	BBB Regular Earnings		✓			
	Benefits	BENFITS		✓		
	CERTFRINGE	CERTFRINGE	✓			
Gross	Disposable Income Gross		✓		✓	

10. Use the Scroll bar in the "Earnings" section to verify the codes selected are those that represent **REGULAR WORKED** hours, **EXCLUDING OVERTIME**. This should **NOT** include Non-worked earnings such as 'PTO', 'Sick', etc. **NOTE ANY ITEMS THAT SHOULD/SHOULDN'T BE THERE**

Sandy Bo... Home

Search the menu

- Employee Management
- Employee Admin Tools
- Employee Self-Service
- Client Management
 - Billing
 - Payroll
 - Earnings
 - Deductions
 - Memo Calculations
 - Pay Item Default Values
 - Additional Checks
 - Alternate Pay Rates
 - Third Parties
 - Accumulators**
- My Support Hub
- Payroll Processing
- Reporting

Accumulators

Home Go Back to List

Accumulator Info

Accumulator Type: ORBBA Regular Accumulator

* Accumulator Title: BBB Regular Earnings

Accumulator Code:

☒ Allow Earnings

☐ Allow Deductions

☐ Override System Defaults

Check to override the System Definition and customize with client level values.

Earnings

- ☐ 1099 NonEE Cmpt
- ☐ 2nd Shift
- ☐ Amount * Amount
- ☐ Bereavement
- ☐ Birthday Hours
- ☐ Bonus
- ☐ Cell Phone
- ☐ Cell Phone Reim
- ☐ Certified Fring
- ☐ Commission

Memo Calcs

- ☐ Appr Train 542
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- ☐ CompTimeEarned
- ☐ ER Dental
- ☐ ER FSA Medical
- ☐ ER Medical
- ☐ ER Vision
- ☐ Est OT Premium
- ☐ Executives

11. Click "Go Back to List"

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CTR Payroll & HR

CTR

Sandy Bo...

Search the menu

Employee Management

Employee Admin Tools

Employee Self-Service

Client Management

Billing

Payroll

Earnings

Deductions

Memo Calculations

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Accumulators

Client: SLBTRAIN23 - SANDYB-University Training Inc. 2023

View Critical Notes

Accumulators

SaveGo Back to List

Accumulator Info

Accumulator Type:OBSEA Regular Accumulator

* Accumulator Title:BBB Regular Earnings

Accumulator Code:

Allow Earnings

Allow Deductions

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