



STATE OF ALABAMA  
Department of Finance  
Office of the State Comptroller

100 North Union Street, Suite 220  
Montgomery, Alabama 36130-2620  
Telephone (334) 242-7050 Fax (334) 242-7466  
[www.comptroller.alabama.gov](http://www.comptroller.alabama.gov)

Robert Bentley  
Governor


Marquita F. Davis, Ph.D.  
Director of Finance

Thomas L. White, Jr.  
State Comptroller

Janice A. Hamm  
Deputy State Comptroller

**MEMORANDUM**

TO: Chief Fiscal Officers

FROM: Thomas L. White, Jr.  
State Comptroller 

DATE: November 15, 2011

SUBJECT: In-State Travel Payments after January 1, 2012

Effective January 1, 2012, the payment voucher (PV) process for in-state travel for all state employees will be changed. In-state travel will be paid using a zero PV that transfers payments to the employee's regular payroll warrants. This change is required to report and pay Federal tax and FICA/Medicare contributions to the Internal Revenue Service (IRS) on non-overnight per diem timely. The conversion to the new process requires specific attention to travel payments made in December 2011. Specific actions taken are defined below.

- All calendar year 2011 employee and employer FICA/Medicare contributions will be charged and posted before December 31 for W-2 processing.
- In-state travel PV's in process prior to December 16 must be paid before December 31 using existing PV process.
- All employee in-state travel PV's entered after December 15 must use the new zero PV, which will transfer funds from the PV to the payroll system using a balance sheet account.
- In-state travel will be processed in accordance with payroll pay periods and will be paid one pay period in arrears. EXAMPLE: January 13 payday will include all approved in-state travel payments for the pay period December 16 through December 31 and travel will be separately identified on the employee's payroll stub.
- Detailed instructions will be provided.

These actions bring the State into compliance with current IRS tax code. *Please ensure all employees who are paid in-state travel are aware of this important change.* If you have any questions or need additional information, contact either the State Comptroller's Office Payroll Section (334-242-2188) or Administrative Accounting Section (334-242-4859).

TLWjr/dt

C: Agency Heads  
File