

More than wages: Imputed income is an important tax consideration at year-end ^[1]



December 15, 2023 by [Employee Services](#) ^[2]

As the 2023 calendar year winds down, all employee income and taxes must be paid by Dec. 31. This includes more than just wages or salary. It also includes taxes on eligible imputed income.

Imputed income is the value of benefits or services an employee receives that are considered income and are subject to federal and FICA taxes. At the University of Colorado, this includes the Tuition Assistance Benefit, awards or gift cards, expense reimbursements submitted more than 90 days after the expense was made, pre-paid moving expenses for employees and some benefits expenses for covered civil union and domestic partners.

Imputed income is entered in the paycheck as an employer paid benefit since the employee already received the benefit and viewed on the pay advice under taxable benefits. The employee (and employer) taxes are processed with the normal payroll taxes in the pay period.

Occasionally, an employee will have terminated university employment or is no longer receiving other compensation when imputed income is entered on a paycheck. In these rare cases, the employee portion of the taxes cannot be collected through the employee paycheck because there is no employee income from which to deduct the cost of the employee portion of the tax.

At the end of each calendar year, any unpaid employee taxes are redirected to the unit. ES Payroll will use the deduction code PYTXER to post these employee tax reallocations. The cost posts according to position funding or to suspense if position funding has expired.

To find the employee tax paid by the employer, use the HCM Query "Paycheck Distribution" to view the general deduction 00 or view the paycheck detail displayed on the deductions tab in a PET to find the PYTXER deduction code.

Need extra help?

Learn more about imputed income on the [Employee Services website](#) ^[3]. You can also email hcm_community@cu.edu ^[4] or System.HRGL.Team@cu.edu ^[5].

Additionally, you can find HCM queries here:

1. Log into the **employee portal** [6].
2. Open the **CU Resources** dropdown menu and click **Business Tools**.
3. Select the **HCM** tile and choose **HCM Community Users** from the drop-down menu.
4. Click the **HCM WorkCenter** tile.
5. Select the **Resources** tab and click the query you desire.

HRGL [7], **taxes** [8], **payroll** [9]

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