

**Functional Requirements Document (FRD)**

<b>Project#</b> 42842	<b>Project Title:</b> CARES Act Legislation for Student Loan Non Taxable	<b>Date Prepared:</b> 05/07/2020
--------------------------	---	-------------------------------------



**United States Department of Agriculture  
Office of the Chief Financial Officer  
National Finance Center  
Government Employees Services Division**

**Functional Requirements Document (FRD)**

<b>Project#</b> 42842	<b>Project Title:</b> CARES Act Legislation for Student Loan Non Taxable	<b>Date Prepared:</b> 05/07/2020
--------------------------	---	-------------------------------------

**Version 1.0**

**As of: 03/05/20**

<b>Scope:</b>	<p>The CARES Act was approved on March 27, 2020. Employer contributions toward principal or interest on an employee's qualifying student loan of up to \$5,250 per year are tax-free for both employer for payroll purposes and the employee for income tax purposes when these contributions are made any time after March 27, 2020 through December 31, 2020.</p> <p>SPPSWeb will be modified to allow user to process Non-Taxable Student Loan payment per the CARES Act.</p>
<b>Assumptions:</b>	<p>Currently Student Loan payments are processed as Taxable in SPPSWeb. The user can continue to process Student Loan payments as taxable, but will need to keep track of both taxable and non-taxable amounts to ensure it does not exceed the maximum amount allowed per calendar year. Non-Taxable and Taxable Student Loan payments must be processed as a separate payment and cannot be combined in one payment.</p>

**Functional Requirements**

**Payroll Applications Systems Branch (PASB) Requirements**

"Not Applicable"

**Personnel Applications Systems Branch (PESB) Requirements**

"Not Applicable"

**Administrative Applications Systems Branch (AASB) Requirements**

