



UNITED STATES MARINE CORPS

MARINE CORPS COMMUNITY SERVICES
MARINE AIR GROUND TASK FORCE TRAINING COMMAND
MARINE CORPS AIR GROUND COMBAT CENTER
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MCCSINST 12500.3A

MCCS

17 NOV 2009

MARINE CORPS COMMUNITY SERVICES INSTRUCTION 12500.3A

From: Director, Marine Corps Community Services
To: Distribution List

Subj: MARINE CORPS COMMUNITY SERVICES (MCCS) TIP REPORTING POLICY

Ref: Internal Revenue Code

Encl: (1) Employee's Charged Tip Statement
(2) Employee's Cash Tip Statement

1. Situation. To publish policy and procedures the purpose of reporting tips from customers for MCCS employees in tip-earning positions.
2. Cancellation 12500.3
3. Mission. This reference, Section 6053(a) requires employees to furnish one or more written statements to their employers reporting all tips received in excess of \$20 in each calendar month.

4. Execution

a. Director's Intent and Concept of Operations

(1) Director's Intent. To provide guidance on proper tip reporting procedures for employees who work in positions where tips may be accepted.

(2) Concepts of Operations. The following procedures will be adhered to for reporting tips. It is management's responsibility to ensure that all NAF employees are properly informed.

(a) MCCS Personnel Division. The Personnel Division shall ensure that employees working in the tip-earning positions are coded accurately within the Human Resource Computer System. The Personnel Division shall maintain all training records regarding tip/gratuities reporting training given to tip earning employees. Examples of directly tipped employees are employees who normally receive tips from customers (e.g. waiters, waitress, and bartenders).

(b) Finance Division

1. Upon receipt of employees' certified cash tip income reporting statement, MCCS Accounting/Payroll Section shall verify the statement is complete and has the employee's signature. If the statement is not complete, it shall be returned to the employees' manager for action.

2. The MCCS Accounting/Payroll Section shall report all charged and cash tips to each tipped employee on the employee's current pay stubs. Allocated tips will also be reported on pay stubs. All tips earned and reported by tip-earning employees will be reported to Internal Revenue Service quarterly.

(c) Managers of MCCS Tip-Earning Employees

1. All charged tips will be reported daily to the Finance Office (Accounting) with the Daily Sales Report/Daily Activity Report (DAR) utilizing enclosure (1).

2. All charged, cash and catering tips will be reported to the Finance Office (Payroll) weekly electronically not later than 1000 on Monday to ensure that all tipped income is reported on employee's pay stub. All supporting documents will be delivered to the Finance Office (Payroll) not later than 1600 on Monday utilizing the enclosures.

3. Tips will be reported for all catering events on the day of the event to the Finance Office (Accounting). These tips will be reported in accordance with the DAR utilizing enclosure (1).

4. Manager's will ensure that tips are reported for revenue generating cost centers only. All tips will be separated by cost center to properly post those tips in the correct cost center. If managers have an employee that has been assigned to non revenue generating cost center, the manager must override that employee to a revenue generating cost center.

5. Managers of tip-earning employees will institute and maintain an educational program that trains newly hired employees and periodically update existing employees as to their reporting obligations with respect to tip income received as either cash tips or charged tips. Enclosures (1) and (2) are the tip statements which tipped employees must fill out daily, sign and give to their manager. Training given to each tip/gratuity employee shall be documented and provided to the MCCS Personnel Training Specialist.

6. The enclosures are the examples of the employee's Cash Tip Income Reporting Statement that will be used and verified by employees and managers.

7. Managers of tip earning employees shall verify completeness of employee's tip income reporting statement before certifying and submitting to MCCS Accounting/Payroll Section for payroll processing. If an employee is unavailable to complete or sign the cash tip income statement, managers will annotate an explanation underneath the cash tip income statement as to why that employee is unable to do so. Upon return of the employee, managers shall inform employees to report tips or gratuities earned the previous pay period on their next cash tip income statement.

8. In the event of notification by MCCS Accounting/Payroll Section of a rejected or incomplete cash tip income reporting statement, managers shall ensure the employee corrects the cash tip income statement and forwards it to MCCS Accounting/Payroll Section for processing as soon as possible. Corrections not captured in the current pay period in question shall be recorded in the tip-earning employee's next pay period.

9. Managers are to ensure that all entries are valid and delete all invalid entries from the Point of Sale (POS) System prior to batching the report.

(d) Tip Earning Employees

1. Employees shall meet their reporting requirements under the reference, Section 6053(a) of the Code by completing and signing the verified or corrected statement of their tip statement daily using the enclosures.

2. Employees are responsible for ensuring the tip income reported on their cash tip income statement is accurate. If not, the employee shall submit a corrected statement of their tips to MCCS Accounting/Payroll Section as soon as possible after discovery.

3. Enclosure (1) is to be used to report charged tips from credit cards and entered into the register reporting POS System.

5. Administration and Logistics. Distribution Statement A Instructions issued by the Director are published electronically. This instruction can be viewed at <http://www.mccs29palms.com/pages/mccsEmployees/mccsInstructions.html>.

6. Command and Signal.

a. Command. This Instruction is applicable to Divisions, Branches and Departments within the Marine Corps Community Services.

b. Signal. This Instruction is effective the date signed.


KATHERINE A. CATLIN

Distribution: A

CASH TIP INCOME REPORTING STATEMENT

COST CENTER _____
NAME OF COST CENTER _____
EMPLOYEE ID NUMBER _____
EMPLOYEE NAME _____
TOTAL CASH TIPS FOR THIS PERIOD _____ AMOUNT: _____

MY CASH TIP INCOME FOR THIS PERIOD IS REFLECTED ABOVE.

SIGNATURE OF TIPPED EMPLOYEE: _____

Enclosure (2)