FORM W-2

Understanding IRS Form W-2 Boxes

WHAT IS FORM W-2?

The IRS requires that employers report wage and salary information for employees using Form W-2. This form is also used to report other information, such as taxes withheld, employer fringe benefits, health savings account contributions, etc.

This information is submitted to the IRS and provided to each employee, which they use to prepare their tax filing.

WHAT IS BOX 12 USED FOR?

The Form W-2 Box 12a-12d codes are used to provide more information regarding various types of income.

Some codes represent taxable amounts that are also included in the wages section of the form. Others represent nontaxable amounts and are included for informational purposes only.

Be Careful

A common error made when interpreting box 12 codes is looking at the wrong identifying character. The code is the letter that is capitalized, see example to the right.

In this example, the code 'J' is entered in Box 12a which represents Nontaxable Sick Pay. The capital letter will always represent the applicable code whereas the lowercase letter represents the box label.

12a Code	J	1000.00
12b Code		
12c Code		
12d Code		

ADDITIONAL INFORMATION? Use Box 14 Other

This box may be used to provide your employee with any additional information.

Examples include state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance payments, or a minister's parsonage allowance and utilities.

BOX 1

Report total taxable wages, tips, and other compensation do not include elective deferrals.

BOX 2

Amount of Federal Income Tax Withheld. **Include** the 20% excise tax withheld on excess parachute payments.

BOX 3

Amount wages (before payroll deductions) subject to Social Security wages.

BOX 4

Employee Social Security Tax Withheld.
Include social security tax on tips

BOX 5

Report wages and tips subject to Medicare tax.
Enter tips that the employee reported, even if there were insufficient funds to collect Medicare Tax.

BOX 6

Amount of Medicare Tax Withheld
(including any Additional Medicare Tax).

BOX 7

Amount of tips subject to Social Security Tips employee reported to you even if you did not have enough employee funds to collect the social security tax for the tips.

BOX 8

If you operate a large food or beverage establishment, show the tips allocated to the employee

BOX 9

Reserved

BOX 10

Report Dependent Care Benefits under a dependent care assistance program.

BOX 11

Amount of non-qualified plans distributed from the employer.

BOX 12

Enter various codes to give more details regarding the amounts in Box 1

BOX 13

Checkbox for Statutory Employee, Retirement Plan, or Third-Party Sick Pay

BOX 14

Use this box for any other information that should be given to the employee. **Label each item**.

BOX 15

Enter State Code with Payer State ID
(only complete if applicable).

BOX 16

Report State Wages and Tips (only complete if applicable).

BOX 17

Report State Income Tax (only complete if applicable).

BOX 18

Report Local Wages & Tips (only complete if applicable).

BOX 19

Report Local Income Tax (only complete if applicable).

BOX 20

Report Locality Name (only complete if applicable).

Import Data in Your Format
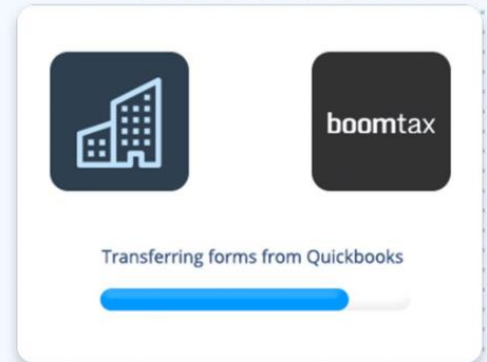
Support for Popular Payroll Providers
We support data imports from ADP, Sage, UltiPro, Insperity and we are continually adding new formats.

We Support Quickbooks Online
Import your data directly from QBO.

Upload Your IRS Files Directly to Us
Simply drag and drop your IRS ACA files into BoomTax and be ready to file in 5 minutes or less!

boomtax

Transferring forms from Quickbooks

Recipient Copies Made Easy

Print & Mail Service
We can print, fold, stuff, affix postage and mail all of your forms for you from a HIPAA compliant facility.

E-Delivery
Electronic consent and delivery that meets IRS guidelines.

Self Service Print & Mail
Print mailable PDFs from your own printer.

NAME / EMAIL	STATUS
Jane Cooper jane.cooper@example.com	● Mailed
Kristin Watson kristin@company.com	● Mailed
Tom Cook tom.cook@company.com	● E-Delivered

Hands Off E-Filing

No Training Needed
Simply click 'E-file' on your filing and we will take care of the rest.

We Keep You in the Loop
We constantly check on the status of your filing and we send you email updates as your filing is processed.

Free Unlimited Corrections
We offer free unlimited corrections for all filings.

OA	Oceanic Airlines Mountain View, CA	● Accepted
SC	Sterling Cooper Austin, TX	● Accepted
BM	Black Mesa Redmond, WA	● Accepted
RE	Rand Enterprises Phoenix, AZ	● Accepted