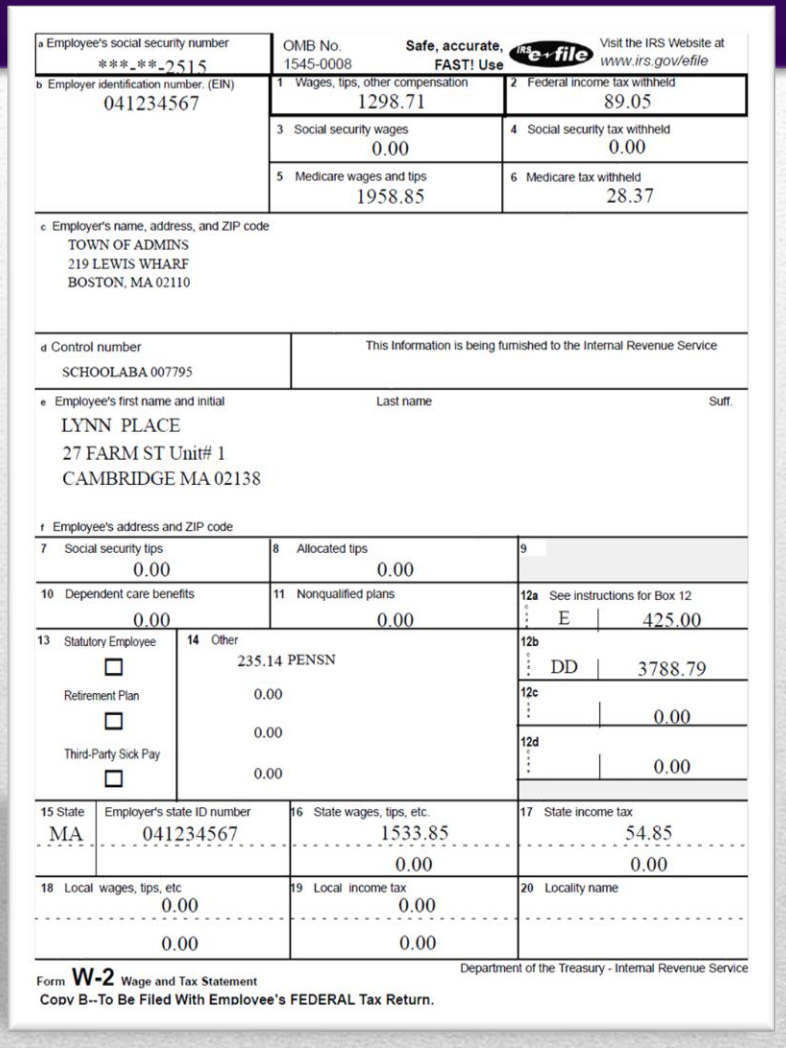
W2 Year End Processing

W2 Year-End Webinar



a Employee's social security number: ***-**-2515
OMB No. 1545-0008 — Safe, accurate, FAST! Use — Visit the IRS Website at www.irs.gov/efile
b Employer identification number. (EIN): 041234567
1 Wages, tips, other compensation: 1298.71
2 Federal income tax withheld: 89.05
3 Social security wages: 0.00
4 Social security tax withheld: 0.00
5 Medicare wages and tips: 1958.85
6 Medicare tax withheld: 28.37
c Employer's name, address, and ZIP code:
TOWN OF ADMINS
219 LEWIS WHARF
BOSTON, MA 02110
d Control number: SCHOOLABA 007795
This Information is being furnished to the Internal Revenue Service
e Employee's first name and initial / Last name / Suff.:
LYNN PLACE
27 FARM ST Unit# 1
CAMBRIDGE MA 02138
f Employee's address and ZIP code
7 Social security tips: 0.00
8 Allocated tips: 0.00
9
10 Dependent care benefits: 0.00
11 Nonqualified plans: 0.00
12a See instructions for Box 12: E 425.00
13 Statutory Employee ☐ / Retirement Plan ☐ / Third-Party Sick Pay ☐
14 Other: 235.14 PENSN / 0.00 / 0.00 / 0.00
12b: DD 3788.79
12c: 0.00
12d: 0.00
15 State: MA — Employer's state ID number: 041234567
16 State wages, tips, etc.: 1533.85 / 0.00
17 State income tax: 54.85 / 0.00
18 Local wages, tips, etc: 0.00 / 0.00
19 Local income tax: 0.00 / 0.00
20 Locality name:
Form W-2 Wage and Tax Statement — Department of the Treasury - Internal Revenue Service
Copy B--To Be Filed With Employee's FEDERAL Tax Return.

What Will We Cover?

- What's New & Updated Reminders/Links
- Tools
  - Help Reference Library
- Preparation & Balancing
  - Taxable Wages
  - Taxes
  - Processing Year-End Adjustments via a No-Time Warrant
  - Sample W2 Processing
  - Due Date January 31
- Preparing for Next Calendar Year

Changes This Year?

Backer Changes - $ amounts

Social security 2024 wage base limit $168,600

Fringe Benefits

2024 401K Contribution Maximums $23,000

IRS Application for TCC (ID.me)

To complete an IRS Application for TCC:

The IRS TCC application requires a Social Security number (SSN) or individual tax identification number (ITIN) for system access and individual authentication.

Validate your identity using the latest IRS authentication process *if you've not already done so.* The IRS now offers a sign-in option with **ID.me**, an IRS technology provider. **ID.me** is an account created, maintained, and secured by a private technology provider.

Effective June 2, 2023, the IRS does not support the use of existing IRS usernames to access e-Services. If you do not have an ID.me account, you must create a new account to access this service. For questions and assistance regarding ID.me, please visit:

Verifying for the Internal Revenue Service – ID.me Help Site.

Qualified Fringe Benefits

Beginning on January 1, 2024, the standard mileage rate is 67 cents per mile driven for business use

For plan years beginning in 2024, a cafeteria plan may not allow an employee to request more than a $3,200 salary reduction contributions for a health **FSA**

Reminders and Links

CY 2024 limit on Flexible Spending Arrangement (FSA) = $3,200

The maximum salary on which 6.2% is deducted is $168,600

0.9% additional Medicare Tax on any FICA wages > $200K

Employee only; no additional employer contribution

Log in to your Business Services Online account (preferred)
or call 1-800-772-6270

Test your file using AccuWage

Due January 31 for W2s to Employees & Electronic filing

Due Date for Filing

Forms to employees – January 31

File to the SSA – January 31

File to State of MA – January 31

File to State of CT – January 31

File to State of RI – January 31

Preparation

Business Services Online (BSO)

From the Social Security Administration:

“to access BSO:

Your BSO User ID and password is no longer used to access BSO employer services or organizational representative payee services. You must have a Social Security username/password, Login.gov, or ID.me credential to gain access to the BSO application.

If you do not have any of these accounts, you will need to create a Login.gov or ID.me account. Select "Create account" in the "Employers" or "Representative Payees" box. If you already have a Login.gov or ID.me account, select 'Log in'.

Please note that you do NOT need to create a new Login.gov or ID.me credential specifically for SSA purposes. You can use your existing Login.gov or ID.me credentials to log into SSA services.

We encourage you to sign in to transition your account now - it only takes a few minutes. If you already have Login.gov, or ID.me account, you do not have to create another one. “

We recommend registering for BSO before W-2 reporting season in January. This will ensure you are in compliance before submitting W-2s.”

Wage File Upload in Real Time

Wage File Upload, available through BSO, processes your file and provides results in real-time.

You will receive a receipt right away letting you know if it is successful or if there are errors.

For more information about Wage File Upload, go to What's New for 2024 or view the video. These are the same links as last year.

AccuWage

SSA highly recommends using AccuWage Online to test your wage files for compliance with EFW2/EFW2C specifications before submitting them to SSA.

How do I access AccuWage Online?

AccuWage Online can be accessed by following these steps:

1. Log on to Business Services Online (BSO)
2. Select the 'Report Wages to Social Security' link
3. Accept the attestation
4. Once on the Electronic Wage Reporting (EWR) home page, select the fourth tab labeled AccuWage Online and then click the AccuWage Online link to access the AccuWage Online Home page.

For detailed screen-by-screen instructions on registering for a BSO username and password, please see the FAQ

Tools - Help Reference Library

Payroll Processing

- HR-335 No Time Warrant

Special Processing

- HR-430 Manual Checks
- HR-575 Email Electronic Tax Forms to Employees

Year End Processing

- HR-620 W2 Processing
- HR-635 Email W2, 1095C, 1099Rs
- HR-640 IRS Instructions for Forms W2 & W3
- HR-780 Bulk TIN Matching

Take Time To Prepare Now

Verify Employee data (Wendy emails)

- Name
- Address
- Social Security number
  - Register for TIN Matching with IRS.gov
    - https://www.irs.gov/tax-professionals/taxpayer-identification-number-tin-matching

Order stock if you have not done so

- LuAnn emailed advice on 4 October

TIN Matching with the IRS

Please register for this service with the IRS and use it throughout the year as employees come on board

Use the TIN Matching service to verify all TINs (employees with name changes too!)

Filing delays may result in costly penalties

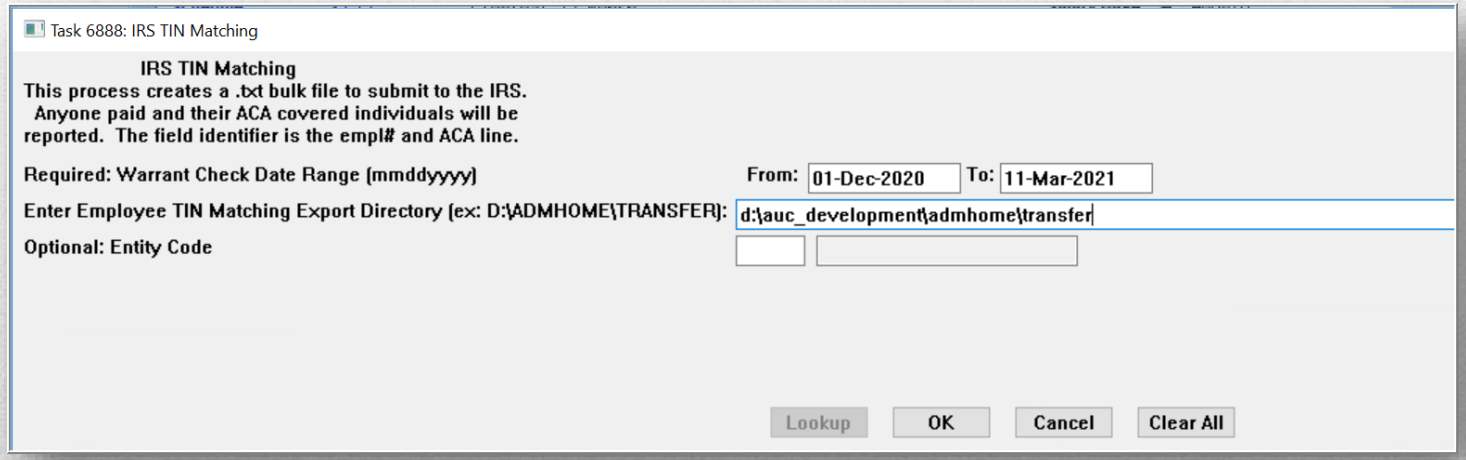
The Interactive TIN Matching process will accept up to 25 input name/TIN combination requests online. Results will be returned to the user in real-time.

Taxpayer Identification Number (TIN) Matching | Internal Revenue Service (irs.gov)

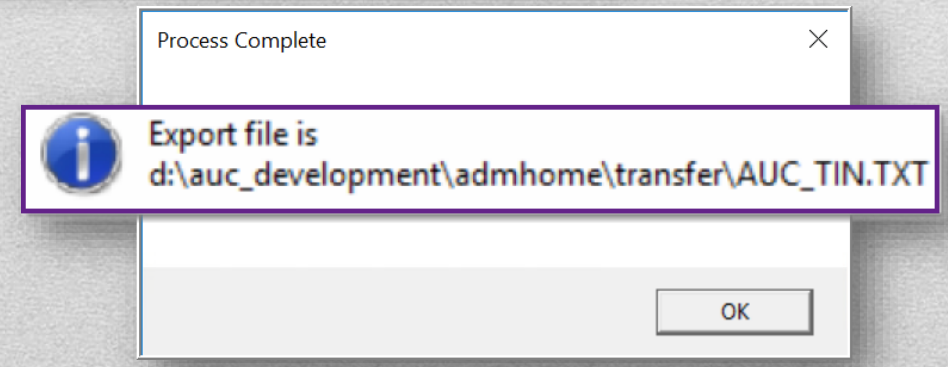
AUC Bulk Tin Matching File

ADMINS offers a file for bulk TIN matching.

Human Resources ▸ Year End Processing ▸ IRS TIN Matching



When the process is complete, the system will pop up a message showing the location and name of the export file:



HR-780 Bulk TIN Matching

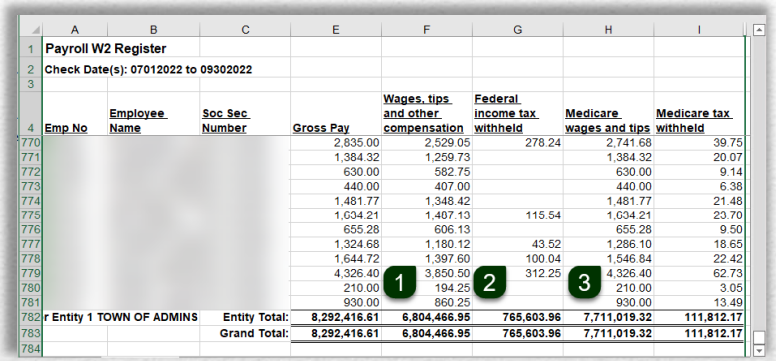
Balancing

Year End Balancing

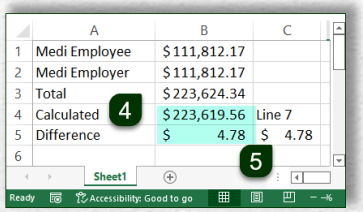
Year End balancing is the same as:

- Pay period balancing
- Quarter balancing

Sample – Balancing 941 = W2 Register



	A	B	C	E	F	G	H	I
1	Payroll W2 Register							
2	Check Date(s): 07012022 to 09302022							
3								
4	Emp No	Employee Name	Soc Sec Number	Gross Pay	Wages, tips and other compensation	Federal income tax withheld	Medicare wages and tips	Medicare tax withheld
770				2,835.00	2,529.05	278.24	2,741.68	39.75
771				1,384.32	1,259.73		1,384.32	20.07
772				630.00	582.75		630.00	9.14
773				440.00	407.00		440.00	6.38
774				1,481.77	1,348.42		1,481.77	21.48
775				1,634.21	1,407.13	115.54	1,634.21	23.70
776				655.28	606.13		655.28	9.50
777				1,324.68	1,180.12	43.52	1,286.10	18.65
778				1,644.72	1,397.60	100.04	1,546.84	22.42
779				4,326.40	3,850.50	312.25	4,326.40	62.73
780				210.00	194.25		210.00	3.05
781				930.00	860.25		930.00	13.49
782	r Entity 1 TOWN OF ADMINS		Entity Total:	8,292,416.61	6,804,466.95	765,603.96	7,711,019.32	111,812.17
783			Grand Total:	8,292,416.61	6,804,466.95	765,603.96	7,711,019.32	111,812.17
784								

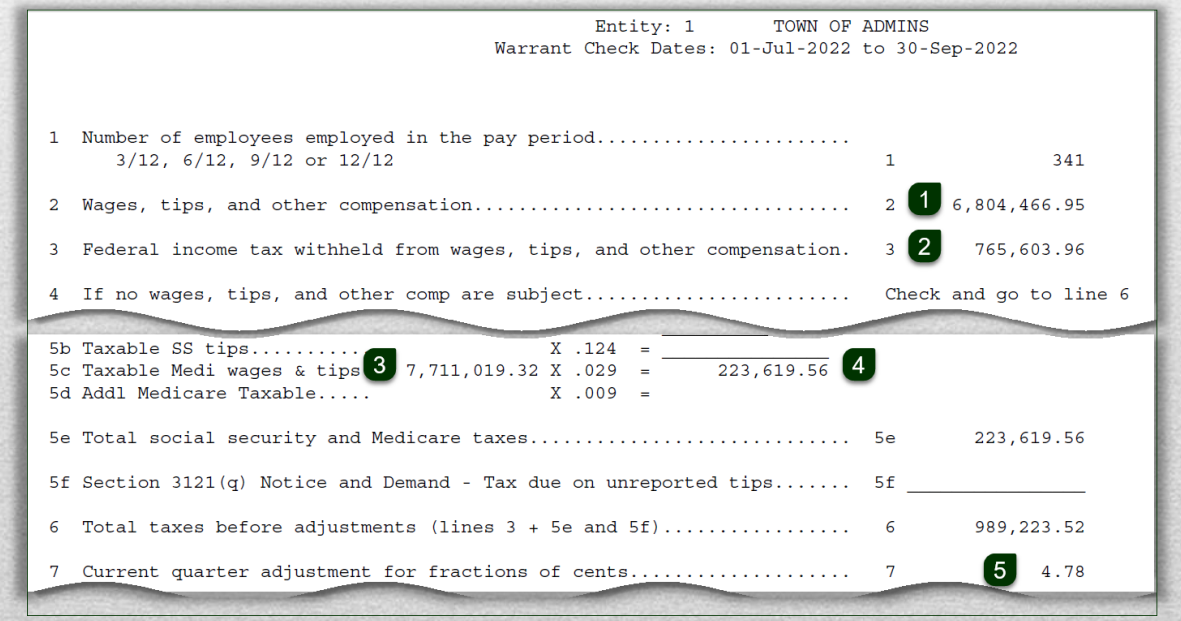


	A	B	C
1	Medi Employee	$111,812.17	
2	Medi Employer	$111,812.17	
3	Total	$223,624.34	
4	Calculated	$223,619.56	Line 7
5	Difference	$ 4.78	$ 4.78
6			

Sheet1

Ready Accessibility: Good to go

Manual Calculation verifies the fractions of cents adjustment



Entity: 1 TOWN OF ADMINS
Warrant Check Dates: 01-Jul-2022 to 30-Sep-2022

1 Number of employees employed in the pay period.....
3/12, 6/12, 9/12 or 12/12 — 1 — 341

2 Wages, tips, and other compensation..... — 2 — 6,804,466.95

3 Federal income tax withheld from wages, tips, and other compensation. — 3 — 765,603.96

4 If no wages, tips, and other comp are subject..... — Check and go to line 6

5b Taxable SS tips..... X .124 = _____
5c Taxable Medi wages & tips 7,711,019.32 X .029 = 223,619.56
5d Addl Medicare Taxable..... X .009 =

5e Total social security and Medicare taxes..... — 5e — 223,619.56

5f Section 3121(q) Notice and Demand - Tax due on unreported tips..... — 5f — _____

6 Total taxes before adjustments (lines 3 + 5e and 5f)..... — 6 — 989,223.52

7 Current quarter adjustment for fractions of cents..... — 7 — 4.78

Items 1 through 5 should match exactly

Federal Taxable Wages

Calculation:

Gross Pay

- Non-taxable Federal wages (ex: worker's compensation)
- pretax Federal deductions

+ taxable Federal benefits

= Federal taxable wages

Payroll (weekly, biweekly, monthly) reports:

#6803* Paycheck Pay Code Summary – By Category/Pay Code

#7220 Deduction Register (Payroll Processing Report)

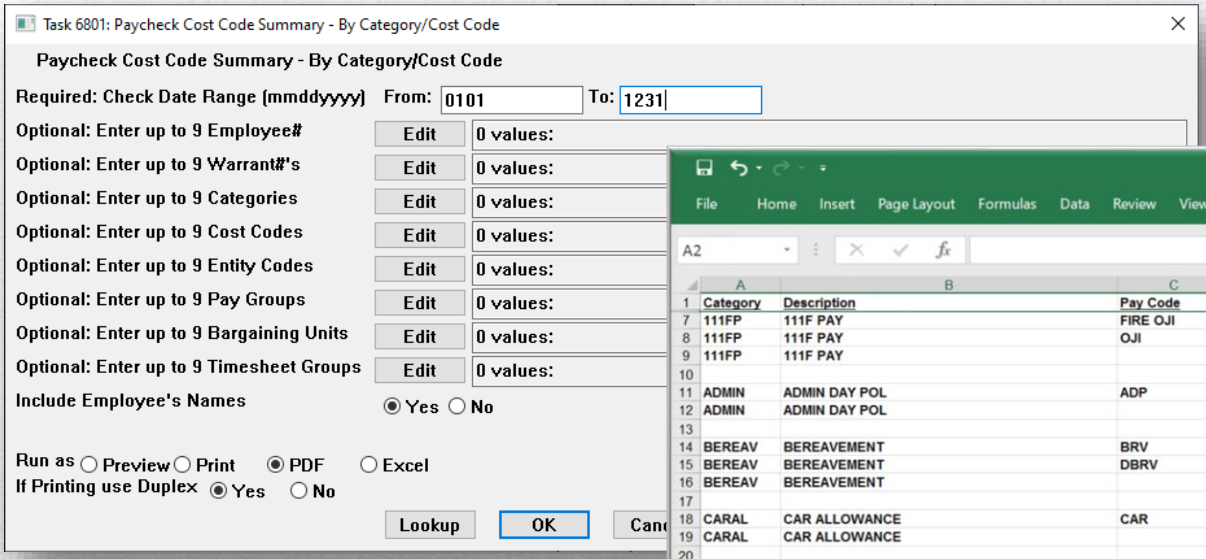
Quarterly or Year End Reports:

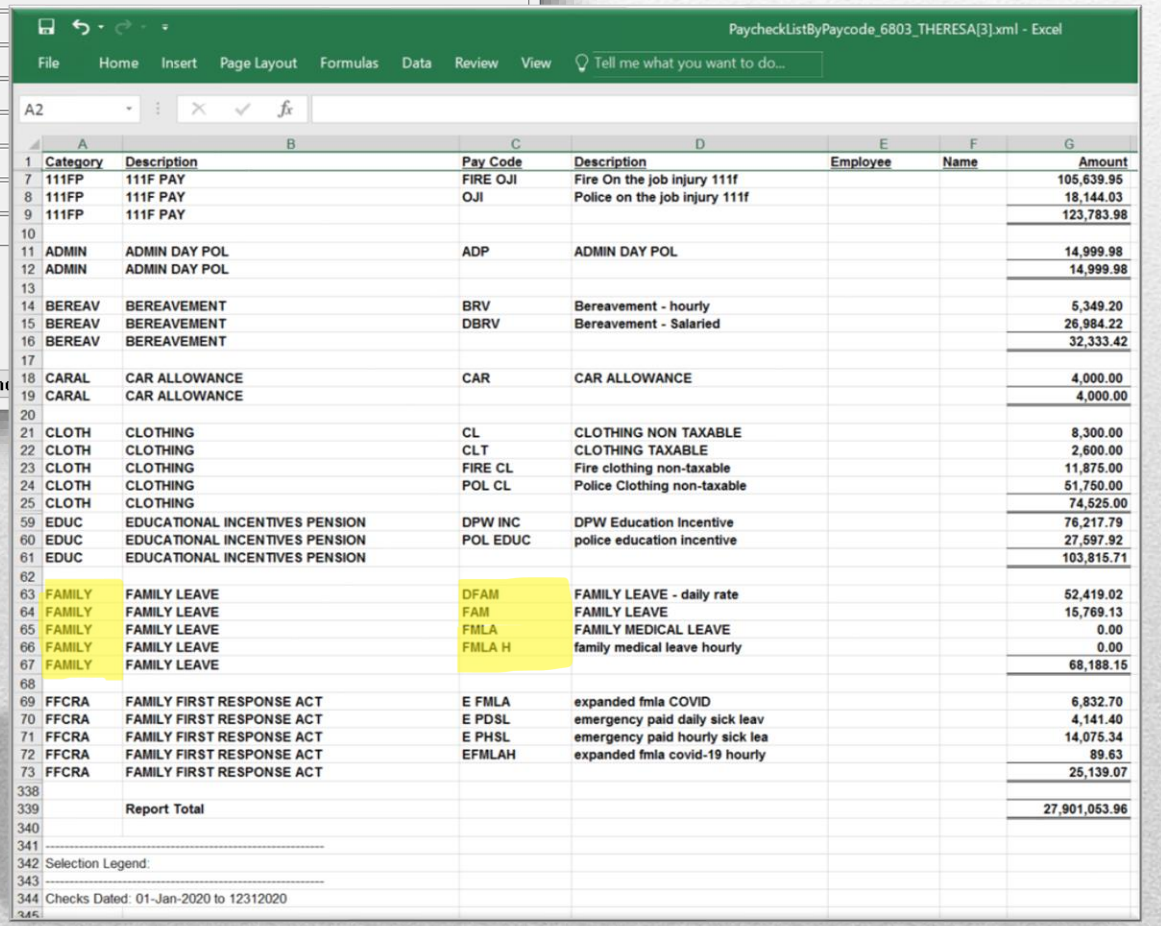
#6803* Paycheck Pay Code Summary – By Category/Pay Code

#6801* Paycheck Cost Code Summary – By Category/Cost Code

* Reports ▸ Report Library ▸ [4 By Paychecks/Other]

#6803 Paycheck Pay Code Summary – By Category/Pay Code





PaycheckListByPaycode_6803_THERESA(3).xml - Excel

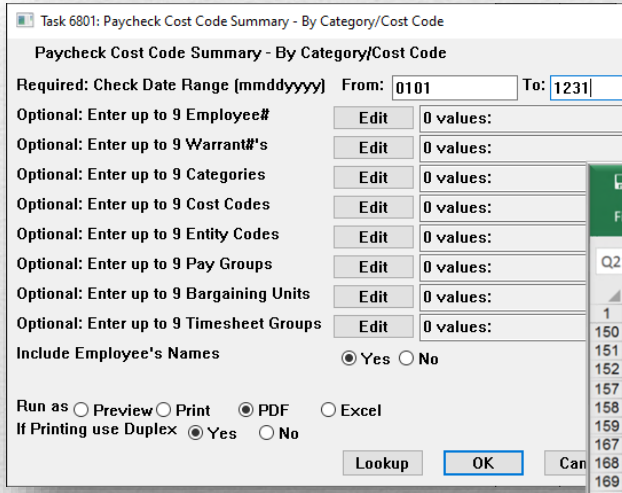
File Home Insert Page Layout Formulas Data Review View Tell me what you want to do...

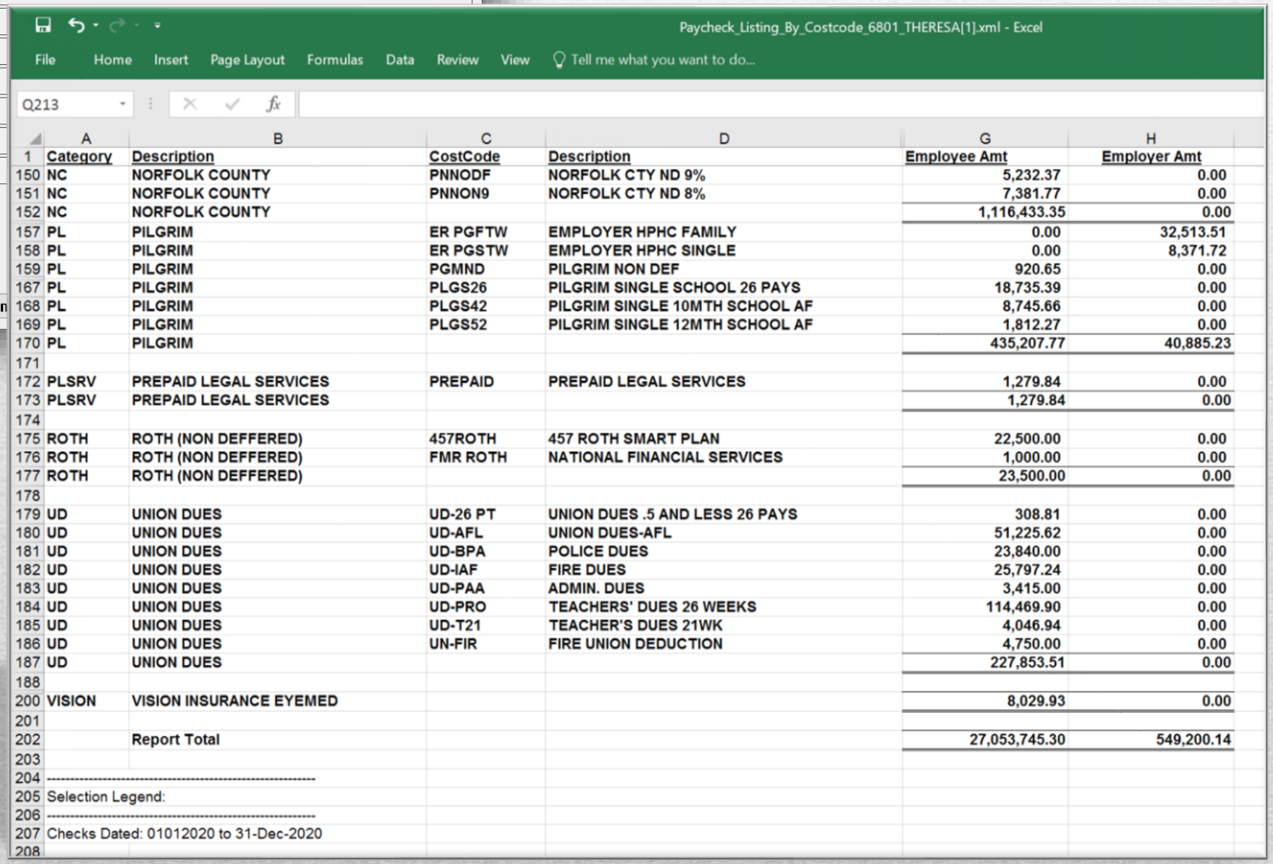
A2

	A	B	C	D	E	F	G
1	Category	Description	Pay Code	Description	Employee	Name	Amount
7	111FP	111F PAY	FIRE OJI	Fire On the job injury 111f			105,639.95
8	111FP	111F PAY	OJI	Police on the job injury 111f			18,144.03
9	111FP	111F PAY					123,783.98
10							
11	ADMIN	ADMIN DAY POL	ADP	ADMIN DAY POL			14,999.98
12	ADMIN	ADMIN DAY POL					14,999.98
13							
14	BEREAV	BEREAVEMENT	BRV	Bereavement - hourly			5,349.20
15	BEREAV	BEREAVEMENT	DBRV	Bereavement - Salaried			26,984.22
16	BEREAV	BEREAVEMENT					32,333.42
17							
18	CARAL	CAR ALLOWANCE	CAR	CAR ALLOWANCE			4,000.00
19	CARAL	CAR ALLOWANCE					4,000.00
20							
21	CLOTH	CLOTHING	CL	CLOTHING NON TAXABLE			8,300.00
22	CLOTH	CLOTHING	CLT	CLOTHING TAXABLE			2,600.00
23	CLOTH	CLOTHING	FIRE CL	Fire clothing non-taxable			11,875.00
24	CLOTH	CLOTHING	POL CL	Police Clothing non-taxable			51,750.00
25	CLOTH	CLOTHING					74,525.00
59	EDUC	EDUCATIONAL INCENTIVES PENSION	DPW INC	DPW Education Incentive			76,217.79
60	EDUC	EDUCATIONAL INCENTIVES PENSION	POL EDUC	police education incentive			27,597.92
61	EDUC	EDUCATIONAL INCENTIVES PENSION					103,815.71
62							
63	FAMILY	FAMILY LEAVE	DFAM	FAMILY LEAVE - daily rate			52,419.02
64	FAMILY	FAMILY LEAVE	FAM	FAMILY LEAVE			15,769.13
65	FAMILY	FAMILY LEAVE	FMLA	FAMILY MEDICAL LEAVE			0.00
66	FAMILY	FAMILY LEAVE	FMLA H	family medical leave hourly			0.00
67	FAMILY	FAMILY LEAVE					68,188.15
68							
69	FFCRA	FAMILY FIRST RESPONSE ACT	E FMLA	expanded fmla COVID			6,832.70
70	FFCRA	FAMILY FIRST RESPONSE ACT	E PDSL	emergency paid daily sick leav			4,141.40
71	FFCRA	FAMILY FIRST RESPONSE ACT	E PHSL	emergency paid hourly sick lea			14,075.34
72	FFCRA	FAMILY FIRST RESPONSE ACT	EFMLAH	expanded fmla covid-19 hourly			89.63
73	FFCRA	FAMILY FIRST RESPONSE ACT					25,139.07
338							
339		Report Total					27,901,053.96
340							
341	----------						
342	Selection Legend:						
343	----------						
344	Checks Dated: 01-Jan-2020 to 12312020						

Summarizes by Category – each category is listed, with the Pay Codes that will be reported for that category. E.g., “FAMILY” will include four pay codes – “DFAM, FAM, FLMA, and FMLA H”

#6801 Paycheck Cost Code Summary – By Category/Cost Code





Paycheck_Listing_By_Costcode_6801_THERESA[1].xml - Excel

	Category	Description	CostCode	Description	Employee Amt	Employer Amt
150	NC	NORFOLK COUNTY	PNNODF	NORFOLK CTY ND 9%	5,232.37	0.00
151	NC	NORFOLK COUNTY	PNNON9	NORFOLK CTY ND 8%	7,381.77	0.00
152	NC	NORFOLK COUNTY			1,116,433.35	0.00
157	PL	PILGRIM	ER PGFTW	EMPLOYER HPHC FAMILY	0.00	32,513.51
158	PL	PILGRIM	ER PGSTW	EMPLOYER HPHC SINGLE	0.00	8,371.72
159	PL	PILGRIM	PGMND	PILGRIM NON DEF	920.65	0.00
167	PL	PILGRIM	PLGS26	PILGRIM SINGLE SCHOOL 26 PAYS	18,735.39	0.00
168	PL	PILGRIM	PLGS42	PILGRIM SINGLE 10MTH SCHOOL AF	8,745.66	0.00
169	PL	PILGRIM	PLGS52	PILGRIM SINGLE 12MTH SCHOOL AF	1,812.27	0.00
170	PL	PILGRIM			435,207.77	40,885.23
171						
172	PLSRV	PREPAID LEGAL SERVICES	PREPAID	PREPAID LEGAL SERVICES	1,279.84	0.00
173	PLSRV	PREPAID LEGAL SERVICES			1,279.84	0.00
174						
175	ROTH	ROTH (NON DEFFERED)	457ROTH	457 ROTH SMART PLAN	22,500.00	0.00
176	ROTH	ROTH (NON DEFFERED)	FMR ROTH	NATIONAL FINANCIAL SERVICES	1,000.00	0.00
177	ROTH	ROTH (NON DEFFERED)			23,500.00	0.00
178						
179	UD	UNION DUES	UD-26 PT	UNION DUES .5 AND LESS 26 PAYS	308.81	0.00
180	UD	UNION DUES	UD-AFL	UNION DUES-AFL	51,225.62	0.00
181	UD	UNION DUES	UD-BPA	POLICE DUES	23,840.00	0.00
182	UD	UNION DUES	UD-IAF	FIRE DUES	25,797.24	0.00
183	UD	UNION DUES	UD-PAA	ADMIN. DUES	3,415.00	0.00
184	UD	UNION DUES	UD-PRO	TEACHERS' DUES 26 WEEKS	114,469.90	0.00
185	UD	UNION DUES	UD-T21	TEACHER'S DUES 21WK	4,046.94	0.00
186	UD	UNION DUES	UN-FIR	FIRE UNION DEDUCTION	4,750.00	0.00
187	UD	UNION DUES			227,853.51	0.00
188						
200	VISION	VISION INSURANCE EYEMED			8,029.93	0.00
201						
202		Report Total			27,053,745.30	549,200.14
203						
204	----------					
205	Selection Legend:					
206	----------					
207	Checks Dated: 01012020 to 31-Dec-2020					
208						

Summarizes by Category – each category is listed, with the Cost Codes that will be reported for that category. E.g., “ROTH” will include two cost codes – “457 ROTH” and “FMR ROTH”

State Taxable Wages

Calculation:

Gross Pay

- Non-taxable State wages
- pretax State deductions
+ taxable State benefits

= State taxable wages

Payroll (weekly, biweekly, monthly) reports:

#6803* Paycheck Pay Code Summary – By Category/Pay Code

#7220 Deduction Register (Payroll Processing Report)

Quarterly or Year End Reports:

#6803* Paycheck Pay Code Summary – By Category/Pay Code

#6801* Paycheck Cost Code Summary – By Category/Cost Code

* *Human Resources ▸ Reports ▸ Report Library ▸ 4 By Paychecks/Other*

Medicare Tax

Calculation:

Medicare Wages * .0145 = Medicare Tax Deduction

Actual Medicare Tax Deduction
= Actual Medicare Tax Benefit

Payroll (weekly, bi-weekly, monthly) reports:

#7200 Payroll Calculation Report

#7220 Deduction Register (Payroll Processing Report)

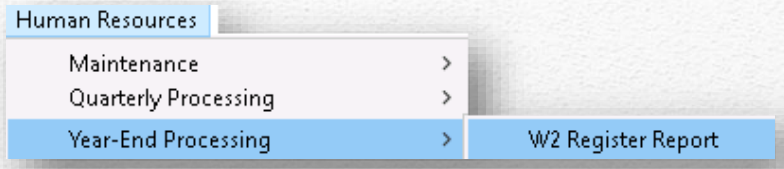
Quarterly or Year End Reports:

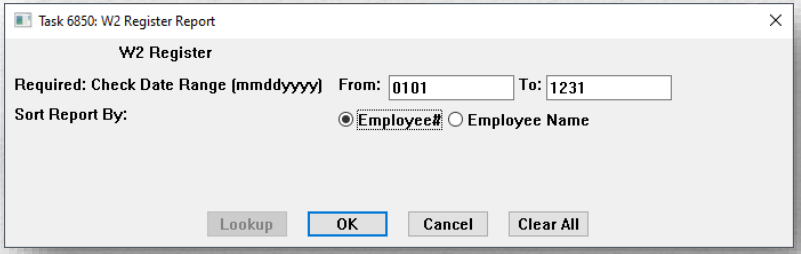
#6850* W2 Register

#6851* W2 Register by Warrant

* Human Resources ▸ Year-End Processing ▸ W2 Register / W2 Register by Warrant

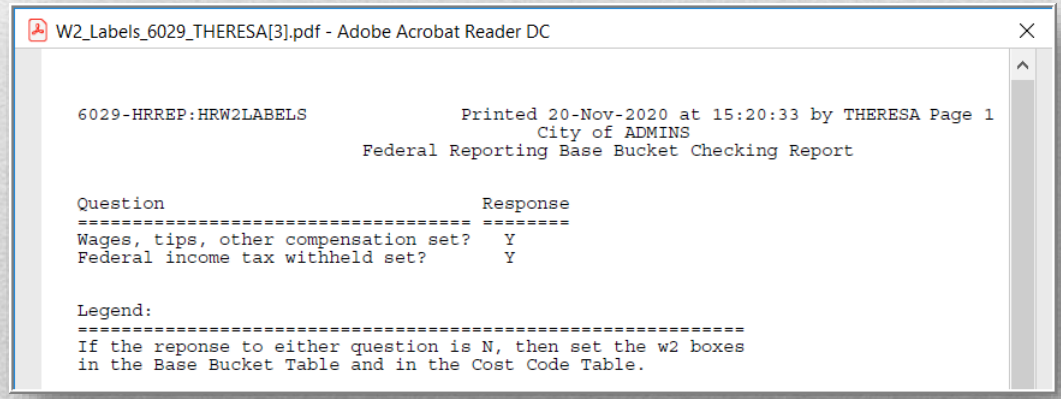
#6850 W2 Register





This generates two reports:

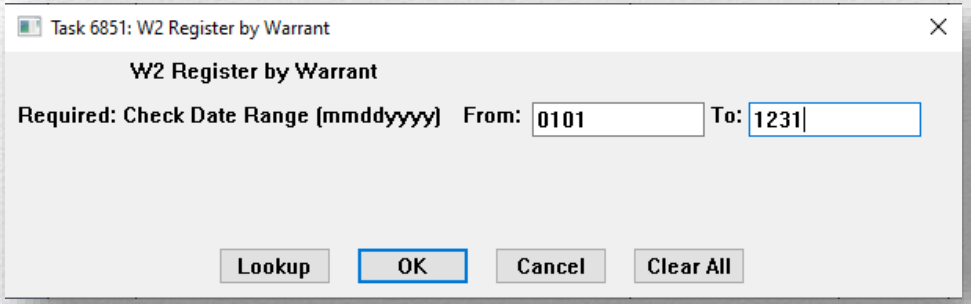
The Base Bucket Checking report is produced; if the Response is “N” for either question, the W2 processing cannot be completed until the Base Bucket & Cost Code Tables are complete.



The W2 Register may be sorted by Employee Number or Name.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R
4	Emp No	Employee Name	Soc Sec Number	Primary TS Group	Gross Pay	Wages, tips and other compensation	Federal income tax withheld	Social security wages	Social security tax withheld	Medicare wages and tips	Medicare tax withheld	Dependent care benefits	Box 12 Put Code in W2 Description	Other - Category used as description	State wages, tips, etc.-First	State incor tax-First	MEDICARE OVER $200K TAXES	MEDICARE OVER $200K WAGES
5	000040	MOORE, KEITH F	001-10-1019	TOWN -DPW	242,498.50	217,741.73	78,992.41			242,498.50	3,516.23		530.00	24,226.77	241,968.50	12,1		
6	000092	THE ESTATE OF, LYNN M	001-10-1030	TOWN -POL	1,264.00	1,055.16	88.72			1,220.02	17.69		50.00	114.86	1,170.02			
7	000152	GARIEPY, KEITH C	001-10-1046	TOWN -TOWN	3,305.65	2,448.60	389.50			3,267.62	47.38		500.00	319.02	2,767.62	1		
																	38.25	42,498.50

#6851 W2 Register By Warrant



The W2 Register by Warrant format is Excel®.

For 2023, check date range is:
From 01012023 To 12312023

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	Payroll W2 Register by Warrant													
2	Check Date(s): 01012022 to 12312022													
3														
4	Warrant	Check Date	Gross Pay	Wages, tips and other compensation	Federal income tax withheld	Medicare wages and tips	Medicare tax withheld	Dependent care benefits	Box 12 Put Code in W2 Description	Other - Category used as description	State wages, tips, etc.-First	State income tax-First	MEDICARE OVER $200K TAXES	MEDICARE OVER $200K WAGES
94	903717	8/31/2022	828,009.85	667,670.53	72,501.25	774,293.32	11,227.34	1,711.66	73,301.05	85,050.23	752,720.76	36,416.87		
95	903718	8/31/2022	344,445.52	300,590.69	52,025.32	326,668.76	4,736.80	52.89	7,903.34	22,694.17	322,753.47	15,542.24		
96	903719	8/31/2022	46,050.46	39,287.52	2,950.45	43,509.14	630.90		1,137.23	3,084.39	42,371.91	1,855.49		
97	903720	9/7/2022	244,433.27	202,962.90	24,966.36	226,817.41	3,288.93	52.89	7,995.36	17,543.71	219,969.98	10,480.71		
98	903721	9/7/2022	74,213.45	57,892.98	3,110.35	65,720.95	953.10		24,747.20	6,243.06	64,136.04	2,483.40		
99	903723	9/14/2022	843,456.99	682,720.00	72,322.44	789,099.40	11,442.09	1,711.66	51,935.45	85,288.12	768,008.12	36,811.18		
100	903724	9/14/2022	240,353.99	200,376.82	23,464.87	222,700.23	3,229.16	52.89	16,285.76	18,101.29	218,091.50	10,270.13		
101	903725	9/14/2022	80,216.18	62,470.33	3,805.49	70,977.45	1,029.23		1,561.34	6,945.78	69,416.11	3,088.60		
102	903726	9/21/2022	249,538.16	209,942.34	25,597.24	231,624.30	3,358.65	52.89	8,305.99	17,718.15	227,306.36	10,882.60		
103	903727	9/21/2022	102,391.95	82,536.68	5,189.74	92,570.16	1,342.31		1,702.58	8,330.90	90,867.58	4,059.17		
104	Entity: 1		28,036,329.82	22,813,688.74	2,461,197.88	26,034,582.16	377,505.36	22,014.73	1,464,532.89	2,512,333.33	25,309,944.89	1,201,991.74		
105	Grand Total		28,036,329.82	22,813,688.74	2,461,197.88	26,034,582.16	377,505.36	22,014.73	1,464,532.89	2,512,333.33	25,309,944.89	1,201,991.74		

Hrw2warreg

Social Security Tax

Calculation:

Social Security Wages * .062 = Social Security Tax Deduction

Social Security Wages * .062 = Social Security Benefit

Pay Period Reports:

#7200 Payroll Calculation Report

#7220 Deduction Register

Quarterly or Year End Reports:

#6850* W2 Register

#6851* W2 Register by Warrant

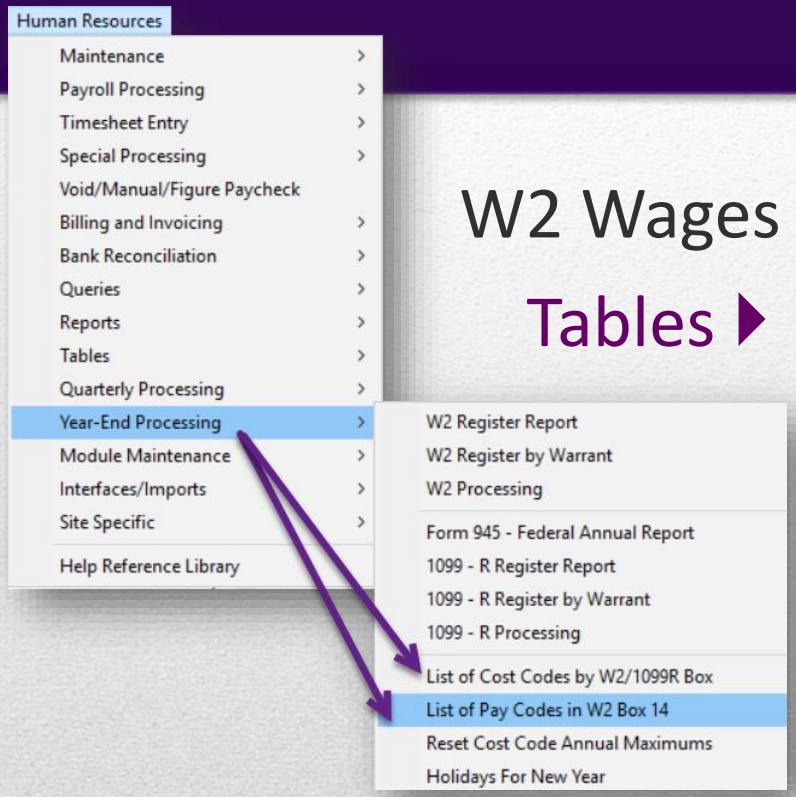
Human Resources ▸ Year-End Processing ▸ W2 Register / W2 Register by Warrant

W2 Adjustments

All W2 adjustments are performed using a warrant. See the W2 Processing document in the Help Reference Library for additional information (section 6)

- Create or update an adjustment shift code (ex: year-end)
  - Base date is the last workday of the year
- Create a pay period *(may already exist)*
  - No deductions should be set to come out during this period
- Create a No-Time warrant with a check date within the reporting calendar year.
  - See HR–335 No-time Warrant in the Help Reference Library
- Create timesheets-use the adjustment shift code as an override
- Create/print manual checks, void checks, etc.
- Process the warrant; re-run the W2 Register

W2 Reporting Information



W2 Wages are set in the base bucket table

Tables ▸ Base Buckets

W2 Deductions and/or Benefits are set in the cost code table

Tables ▸ Cost Codes

Year End Processing ▸ List of Cost Codes by W2/1099R box

Year End Processing ▸List of Pay Codes in W2 Box 14

Base Bucket Table

Base Buckets

1 Bucket	2 Description	Annual Maximum	W2 Box	W2 Desc	1099-R Box
1	Federal Tax Wages		01		02A
2	Medicare Wages		05		
3	State Taxable Wages		16-#1		16-#1
10	FICA - Social Security Wages		03		
28	5201(a) 1,2,3 care for employee		14	5201A1	
29	5201(a) 4,5,6 care provided to another		14	5201A4	
30	3102(b) Emergency family leave wages		14	3102B	
31					

Boxes from the Base Buckets table – values for each employee are written to the W2 form; the numbers in blue on the sample form are the Base Bucket numbers from the table. These Base Buckets may vary from site to site.

a Employee's social security number ***-**-5622

OMB No. 1545-0008 — Safe, accurate, FAST! Use — Visit the IRS Website at www.irs.gov/efile

b Employer identification number. (EIN) 041234567

1 Wages, tips, other compensation 648.06 (1)

2 Federal income tax withheld 62.96

10 3 Social security wages 0.00

4 Social security tax withheld 0.00

2 5 Medicare wages and tips 712.15

6 Medicare tax withheld 10.33

c Employer's name, address, and ZIP code
TOWN OF ADMINS
219 LEWIS WHARF
BOSTON, MA 02110

d Control number SCHOOLSTAL 072000

This Information is being furnished to the Internal Revenue Service

e Employee's first name and initial / Last name / Suff.
LYNN ALBUQUERQUE
30 EDDY ST
CAMBRIDGE MA 02138

f Employee's address and ZIP code

7 Social security tips 0.00

8 Allocated tips 0.00

9

10 Dependent care benefits 0.00

11 Nonqualified plans 0.00

12a See instructions for Box 12 0.00

13 Statutory Employee ☐ Retirement Plan ☐ Third-Party Sick Pay ☐

14 Other
64.09 PENSN
28 0.00
29 0.00
30 0.00

12b 0.00

12c 0.00

12d 0.00

15 State MA — Employer's state ID number 041234567

16 State wages, tips, etc. 712.15 (3) 0.00

17 State income tax 35.61 0.00

18 Local wages, tips, etc 0.00 0.00

19 Local income tax 0.00 0.00

20 Locality name

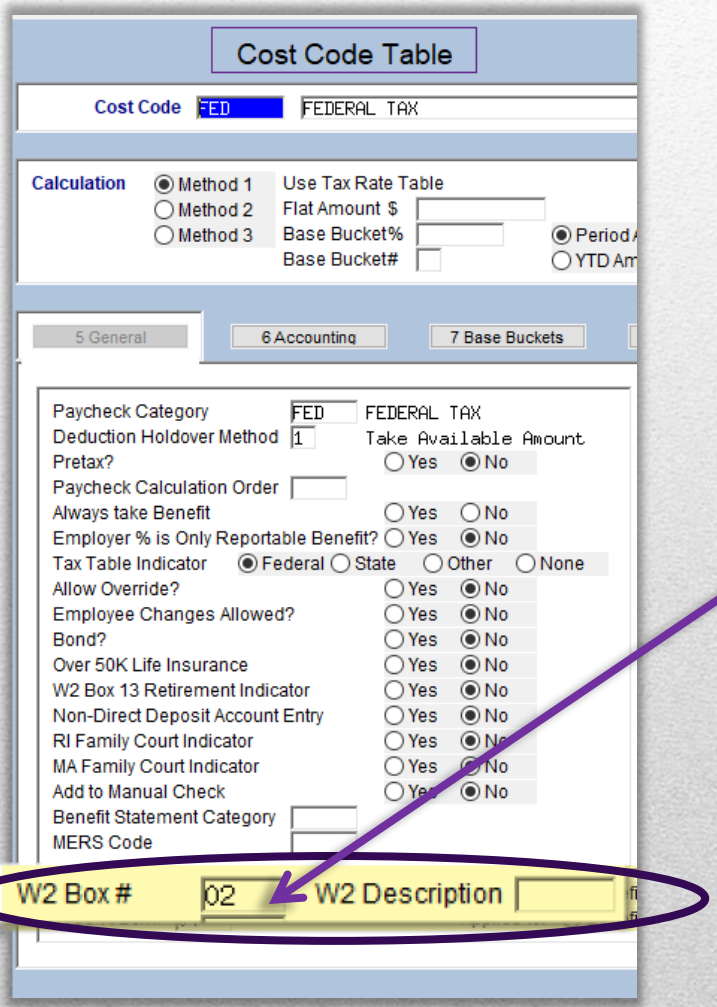
Department of the Treasury - Internal Revenue Service

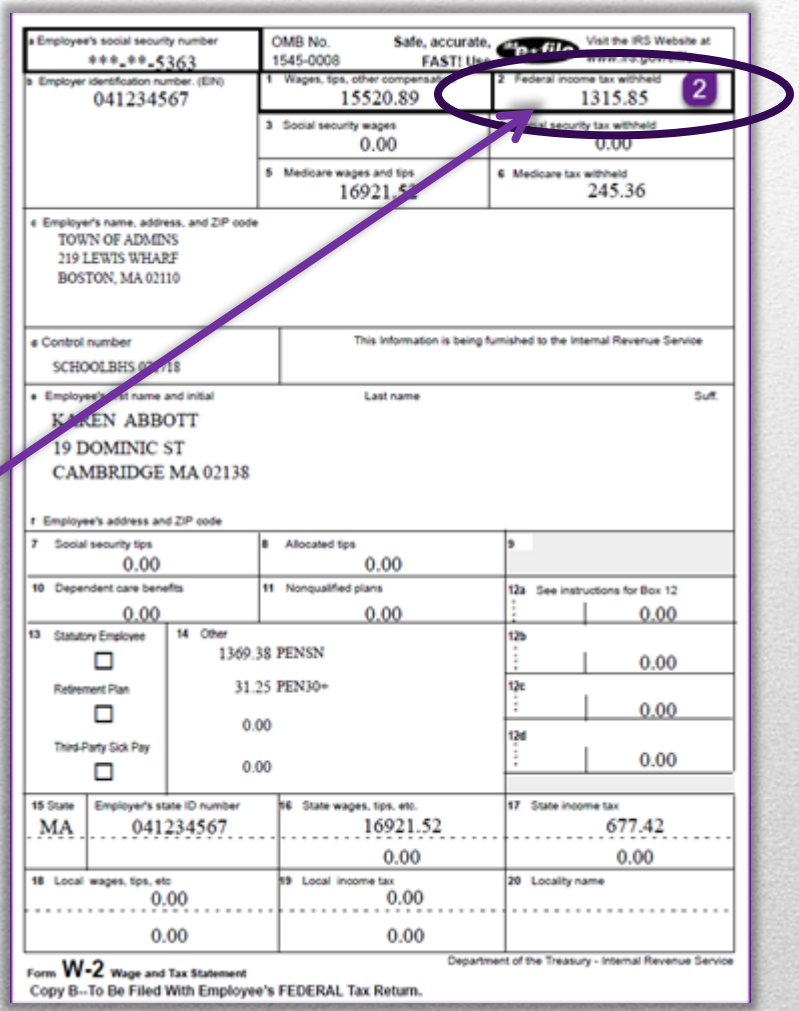
Form **W-2** Wage and Tax Statement

Copy B--To Be Filed With Employee's FEDERAL Tax Return.

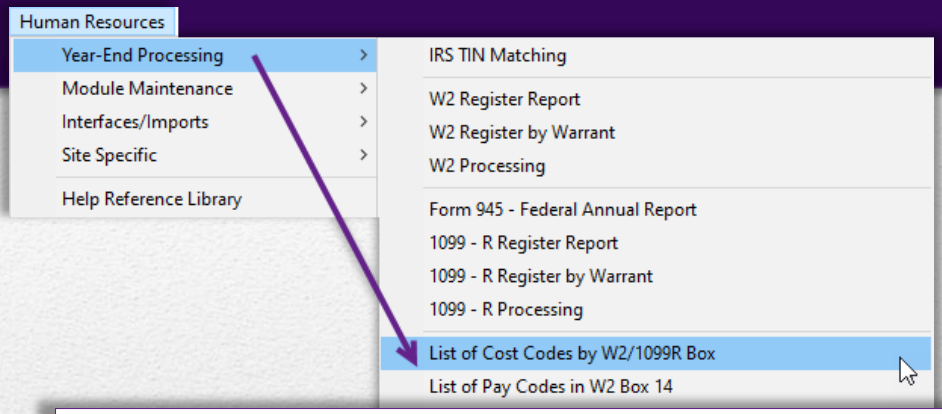
Cost Code Table

Human Resources ▸ Tables ▸ Cost Codes ▸ 5 General





Codes by W2/1099 Box



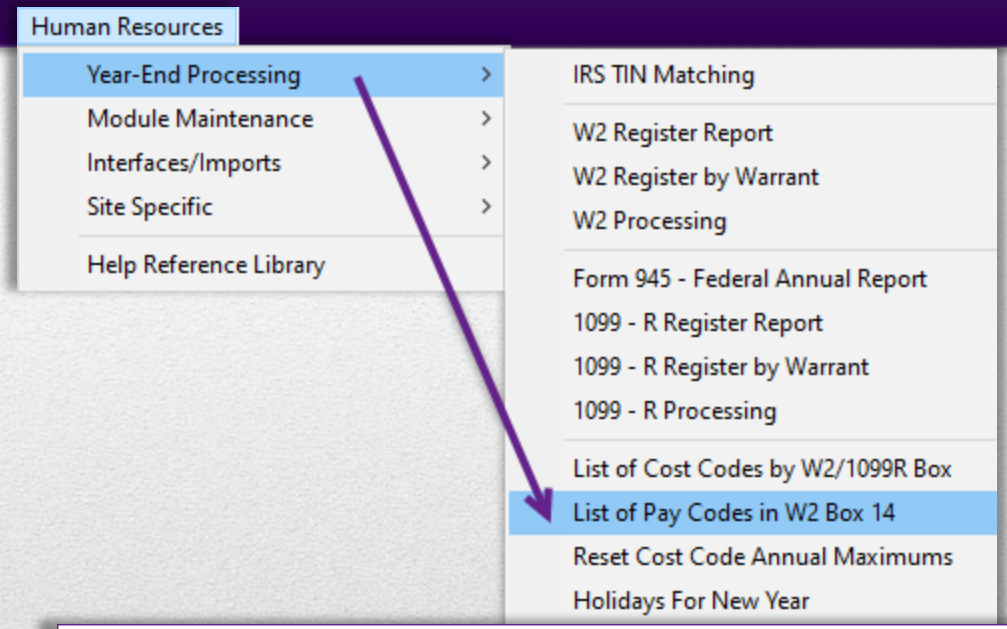
6755-HRCSTCOD_W2BOX.REP Page 1

Town of Admins
List of Cost Codes by W2/1099R Box

Form W2

W2 Form				1099r Form				
Box	Desc	Apply To	W2 Pens Indicat	Box	Desc	Apply To	Cost Code Description	Over 50K Life Ins
02		Deduction	N				FICA SOCIAL SECURITY TAXES	N
02		Deduction	N	04		Deduction	FED FEDERAL TAX	N
02		Deduction	N	04		Deduction	FED+ ADDITIONAL FED TAX	N
02		Deduction	N	04		Deduction	FED- ADDL FED TAX/NOSEP	N
02		Deduction	N	04		Deduction	FED2020 FED 2020 TAX TABLES	N
06		Deduction	N				MEDI MEDICARE	N
06		Deduction	N				XMEDI MEDI ADJUSTMENT	N
06		Deduction	N				Z03DEDS MEDICARE - CONVERSION	N
10		Deduction	N				FSA DCC FSA DEPENDENT CHILD CARE	N
12	EE	Deduction	N				457ROTH 457 ROTH SMART PLAN	N
12	G	Deduction	N				457SB VOL DEFERRED SEC BEN	N
12	E	Deduction	N				AN-AIM AIM FUND SERVICES	N
12	E	Deduction	N				AN-AM AMERICAN FUNDS	N
12	E	Deduction	N				AN-AME AMERICAN FUND SERVIC	N
12	E	Deduction	N				AN-FDL FIDELITY INVESTMENT	N

List of Pay Codes in W2 Box 14



Pay codes and amounts are entered on employee timesheets.

6878-HRPAYCOD_W2BOX.REP Page 1

Town of Admins
List of Pay Codes in W2 Box 14

Pay Code	Description	Base Bucket Information
CAR	CAR ALLOWANCE	Base Bucket 23 car allowance
DUES	Union Dues Paid by Employer	Base Bucket 31 Union Dues

Setup – W2 Box 14

Box 14 is an informational box

AUC allows up to four box 14 descriptions to be reported.

Amounts for cost code descriptions that are the same are combined in the same line in box 14 on the W2.

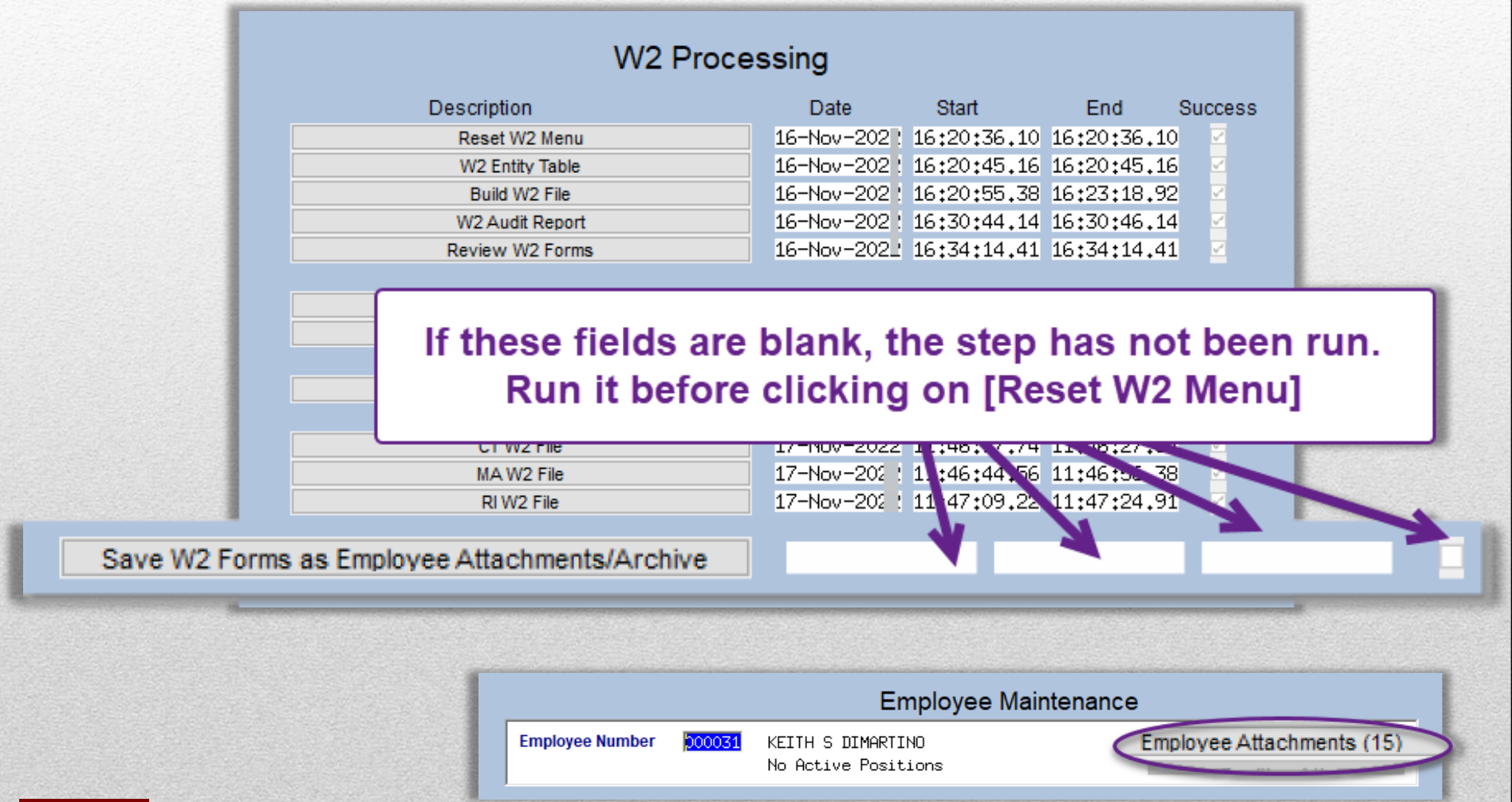
	A	B	C	D	E	F	G	H	I	J
1	W2_Box	Descr	Apply_To	PensInd	1099R_Box	Descr	Apply_To	Cost_Code	Description	Over_50
109	12	E	Deduction	N				Z13DEDS	CONVERSION - ANNUITY	N
110	14	CAR	Benefit	N				03BENS	CONVERSION - CAR ALLOWANCE	N
111	14	PENSN	Deduction	N				AIM	AIM FUND SERV.	N
112	14	CAR	Benefit	N				CAR EOY	CAR ALLOWANCE END OF YEAR BENEFIT	N
113	14	PENSN	Deduction	N				MT % COR	MASS TEACHERS' RETIREMENT CORRECTION	N
114	14		Deduction	N				MT%CORR	MASS TEACH PERCENTAGE CORRECTION	N
115	14	PEN30+	Deduction	Y				MT-30+	MASS TCH 30+	N
116	14	PEN30+	Deduction	N				MT-30+ C	MASS TEACHERS' 30+ CORRECTION/ADJ	N
117	14	PENSN	Deduction	N				MT-PN5	MASS TEACHERS 5%	N
118	14	PENSN	Deduction	N				MT-PN7	MASS TCH PEN 7%	N
119	14	PENSN	Deduction	N				MT-PN8	MASS TCH PEN 8%	N
120	14	PENSN	Deduction	N				MT-PN9	MASS TCH PEN 9%	N
121	14	PEN30+	Deduction	N				MT2%	MASS TEACHERS 2%	N
122	14	PENSN	Deduction	N				MTPN11	MASS TCH PEN 11%	N
123	14	PENSN	Deduction	N				NC%CORR	NORFOLK COUNTY PERCENTAGE CORRECTION	N
124	14	PEN30+	Deduction	N				NC-30+	NORFOLK CTY. 30+	N
125	14	PEN30+	Deduction	N				NC-30+ C	NORFOLK COUNTY 2% CORRECTIONS	N

[General Instructions for Forms W-2 and W-3 (2023) | Internal Revenue Service (irs.gov)]

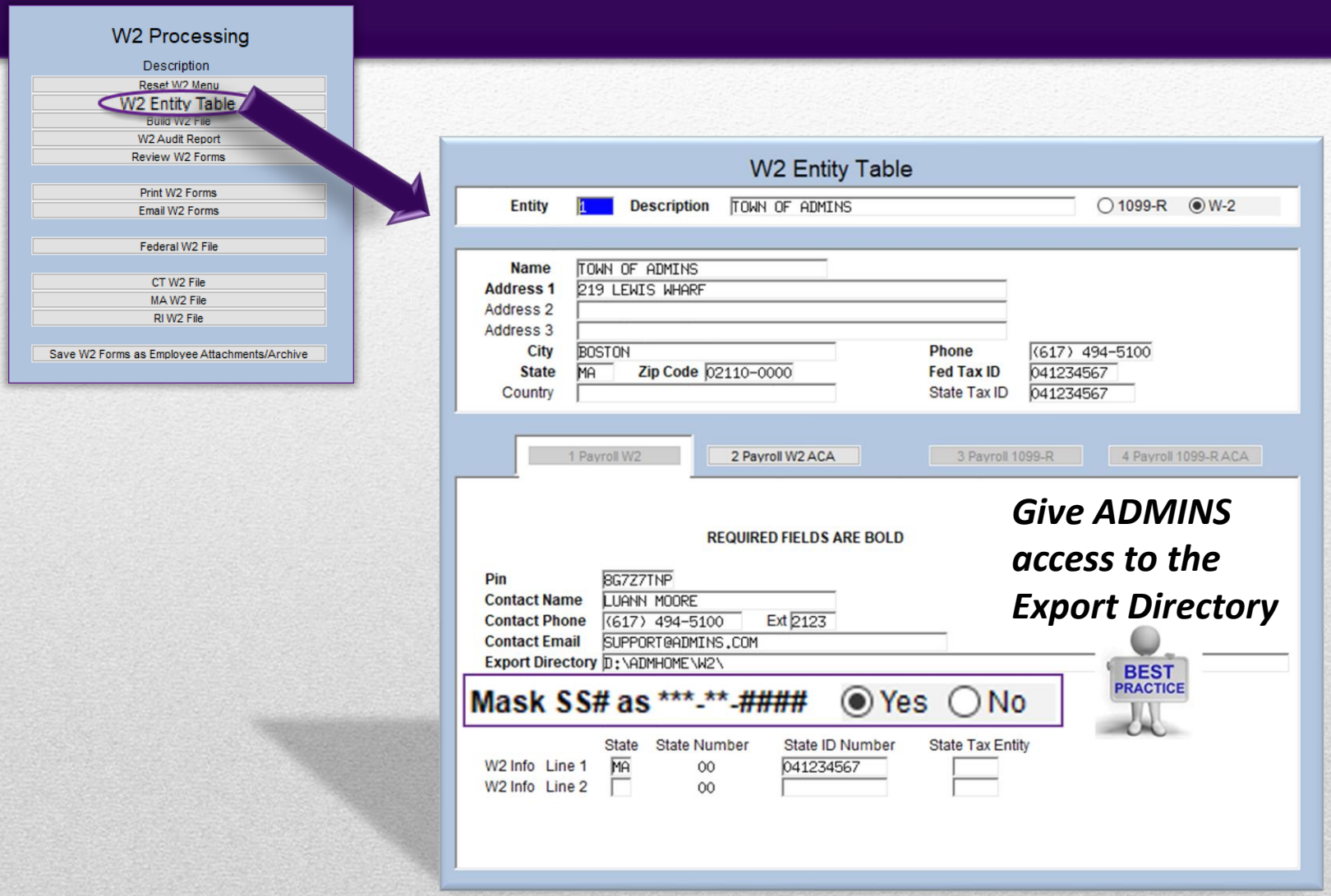
Processing

W2 Processing

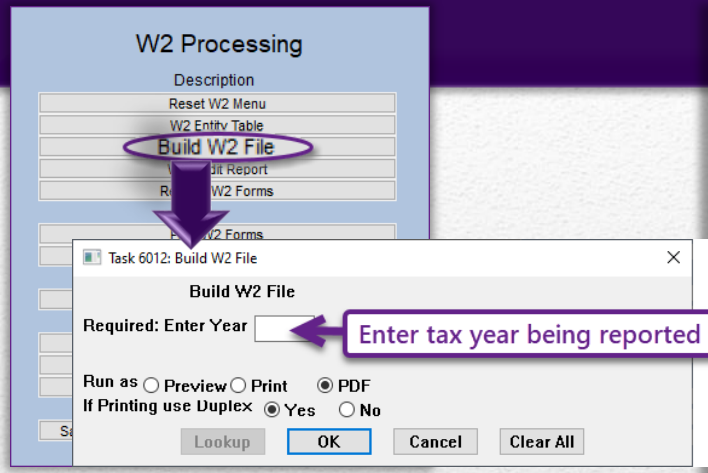
Year-End Processing ▸ W2 Processing



W2 Entity Table

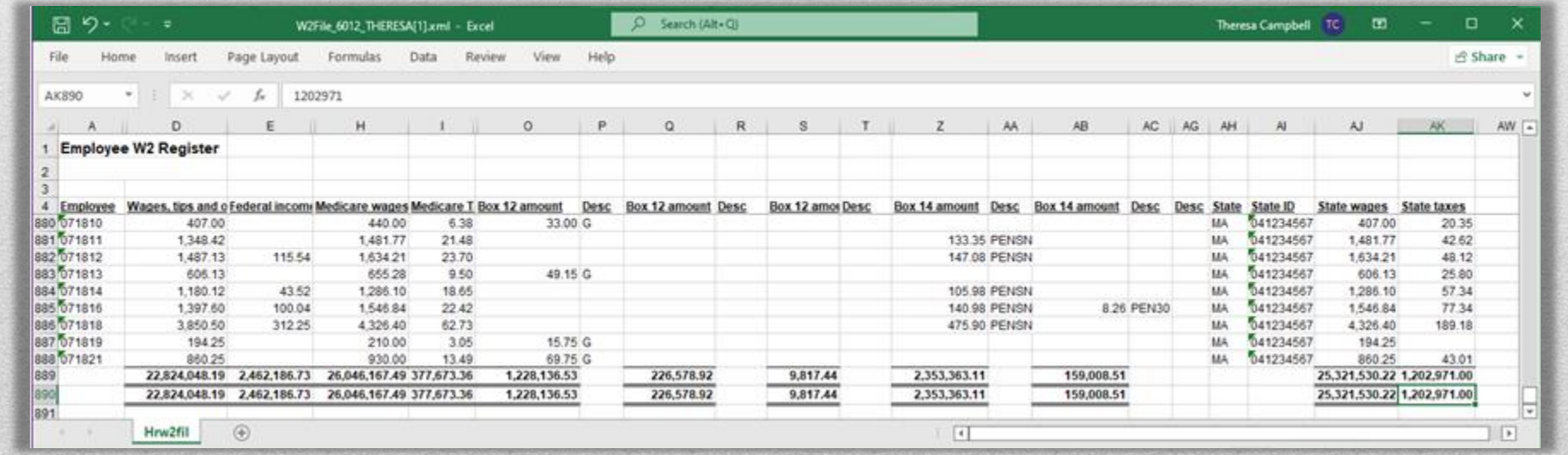


Build W2 File Step




```
6013-HRENTRPT.REP                                                    Page 1
                                                  Town of Admins
                                            Entity Report for W2 Processing

====== ============================== =========== =========== ========
Entity Name & Address                   Fed ID      State ID   Status
====== ============================== =========== =========== ========

1      TOWN OF ADMINS                 041234567   041234567    A
       219 LEWIS WHARF
       BOSTON, MA 02110-0000
```

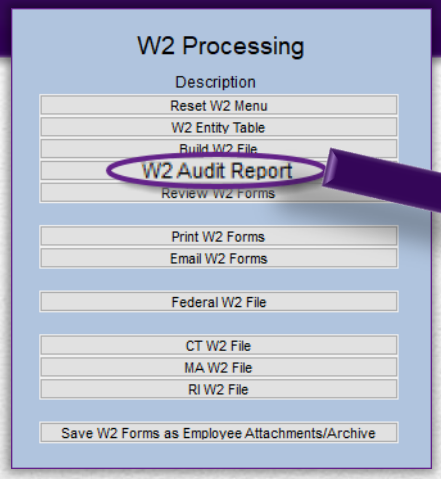
```
6029-HRREP:HRW2LABELS                                                Page 1
                                                  Town of Admins
                                 Federal Reporting Base Bucket Checking Report


Question                                  Response
=================================== ========
Wages, tips, other compensation set?    Y
Federal income tax withheld set?        Y


Legend:
==============================================================
If the reponse to either question is N, then set the w2 boxes
in the Base Bucket Table and in the Cost Code Table.
```

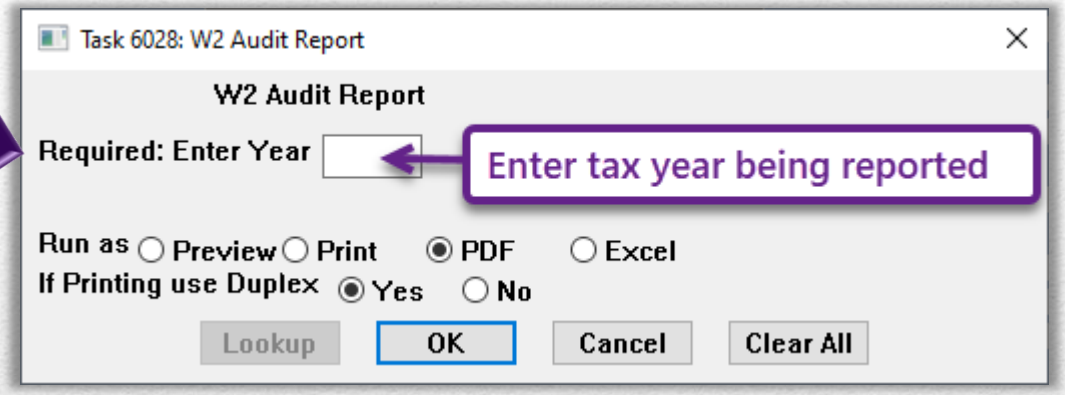


Employee W2 Register

	Employee	Wages, tips and o	Federal income	Medicare wages	Medicare T	Box 12 amount	Desc	Box 12 amount	Desc	Box 12 amo	Desc	Box 14 amount	Desc	Box 14 amount	Desc	Desc	State	State ID	State wages	State taxes
880	071810	407.00		440.00	6.38	33.00	G										MA	041234567	407.00	20.35
881	071811	1,348.42		1,481.77	21.48							133.35	PENSN				MA	041234567	1,481.77	42.62
882	071812	1,487.13	115.54	1,634.21	23.70							147.08	PENSN				MA	041234567	1,634.21	48.12
883	071813	606.13		655.28	9.50	49.15	G										MA	041234567	606.13	25.80
884	071814	1,180.12	43.52	1,286.10	18.65							105.98	PENSN				MA	041234567	1,286.10	57.34
885	071816	1,397.60	100.04	1,546.84	22.42							140.98	PENSN	8.26	PEN30		MA	041234567	1,546.84	77.34
886	071818	3,850.50	312.25	4,326.40	62.73							475.90	PENSN				MA	041234567	4,326.40	189.18
887	071819	194.25		210.00	3.05	15.75	G										MA	041234567	194.25	
888	071821	860.25		930.00	13.49	69.75	G										MA	041234567	860.25	43.01
889		22,824,048.19	2,462,186.73	26,046,167.49	377,673.36	1,228,136.53		226,578.92		9,817.44		2,353,363.11		159,008.51					25,321,530.22	1,202,971.00
890		22,824,048.19	2,462,186.73	26,046,167.49	377,673.36	1,228,136.53		226,578.92		9,817.44		2,353,363.11		159,008.51					25,321,530.22	1,202,971.00
891																				

W2 Audit Report Step






```
6028-HRW2AUDIT.REP                                                                                    Page 1
                                                        Town of Admins
                                                        W2 Audit Report

                          These W2 Forms for 2022 will be rejected by the SSA for the following reasons
======== ============================== ============== ==============================================================================
Employee Name                           Control#       Reason
======== ============================== ============== ==============================================================================

No Records Selected
```

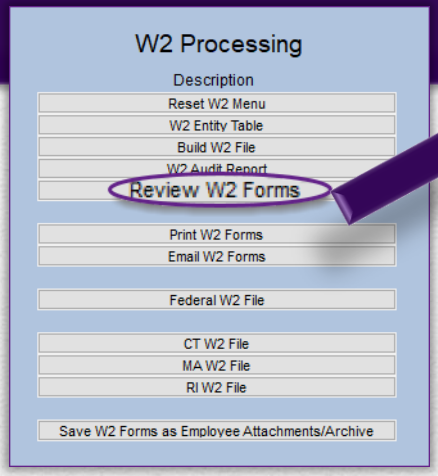
Report with Samples of Errors

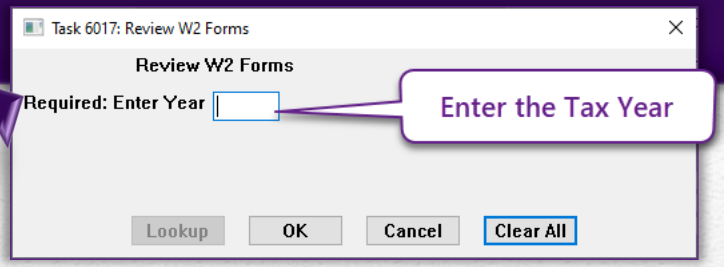
Federal tax cannot be more than Federal wages (WC employees)
State tax cannot be more than State Wages (WC Employees)
FICA wages cannot be more than Medicare wages

```
6028-HRW2AUDIT.REP                  Printed                                                                                  Page 1
                                                                City of ADMINS
                                                                W2 Audit Report

                              These W2 Forms for 2020 will be rejected by the SSA for the following reasons
======== ============================== ============== ==============================================================================
Employee Name                           Control#       Reason
======== ============================== ============== ==============================================================================
000020   LYNN M POWERS                  SCHOOL-BMMS
                                                       Medicare Wages/tips are less than the sum of Social Security Wages + SS Tips
                                                       Medicare Wages/Tips (Box 5)                  :   56,028.51
                                                       Social Security Wages (Box 3) + Tips (Box 7) :   60,000.00

                                                       Federal Tax is greater than Federal Wages
                                                       Federal Wages (Box 1)                        :       22.00
                                                       Federal Taxes (Box 2)                        :    3,147.98

                                                       State Tax is greater than State Wages
                                                       State Wages (Box 16)                         :       20.00
                                                       State Taxes (Box 17)                         :    2,357.28

                                                       Social Security Wages are greater than Medicare Wages
                                                       Social Security Wages (Box 3)                :   60,000.00
                                                       Medicare Wages/Tips (Box 5)                  :   56,028.51


                                  ------
*** Grand Total *** # Records: 1
                                  ======
```

WC = Worker's Compensation

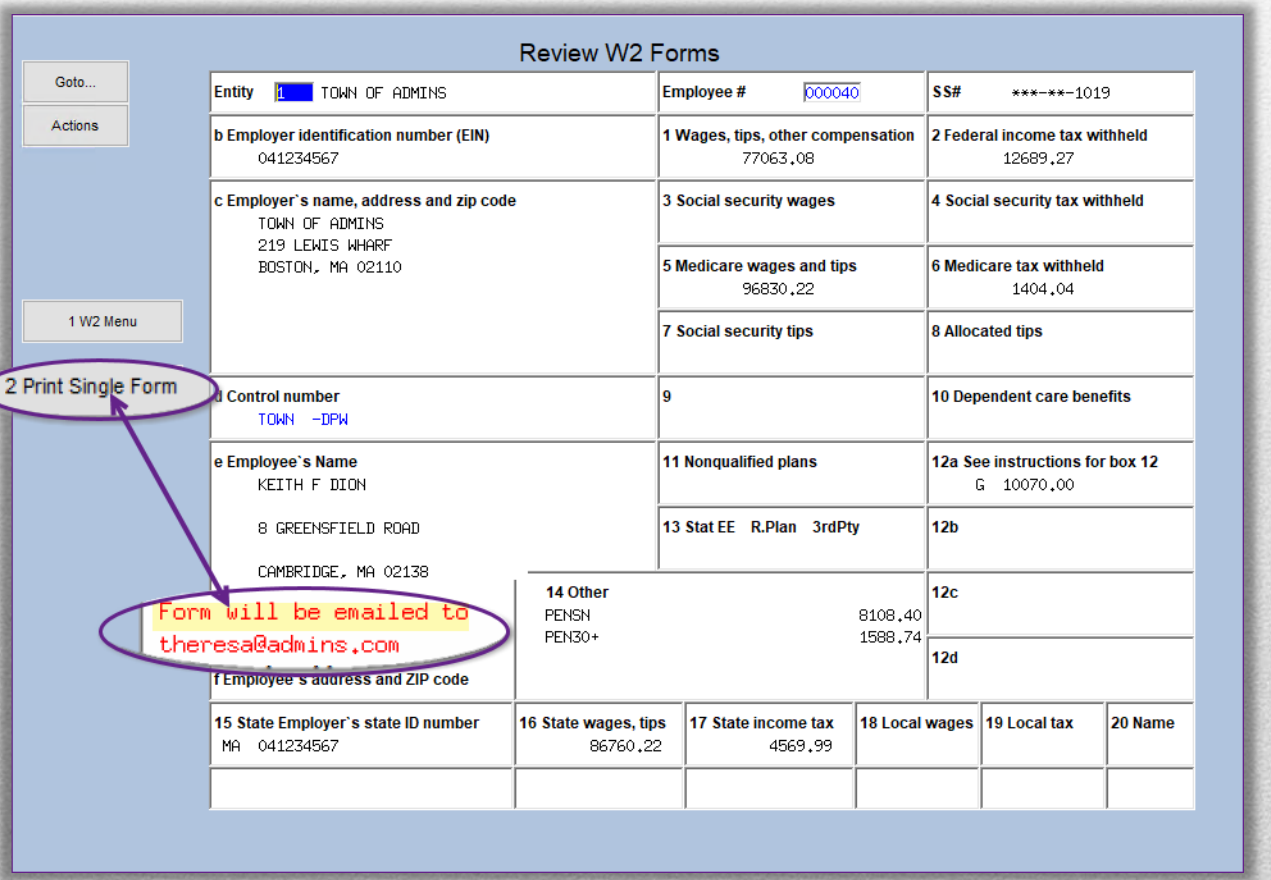
Review W2 Forms



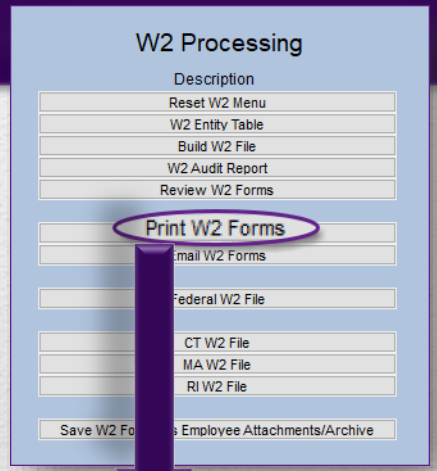


This screen may be used to review the data only – no changes may be made on the screen. Any adjustments must be made via a year-end adjustment warrant.

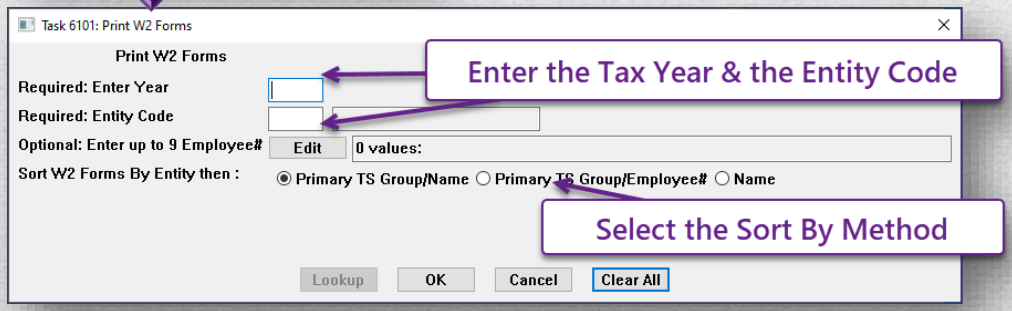
Print or email any single form from this screen.

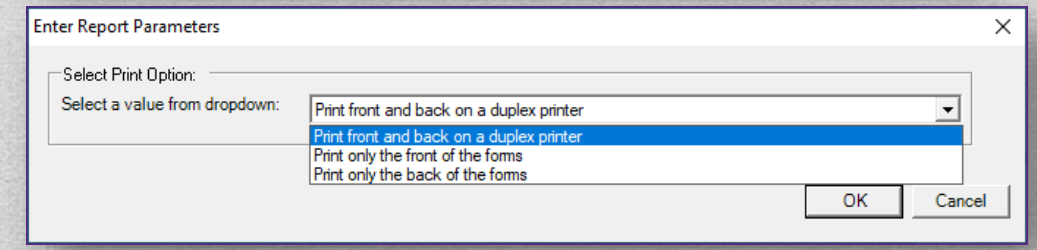


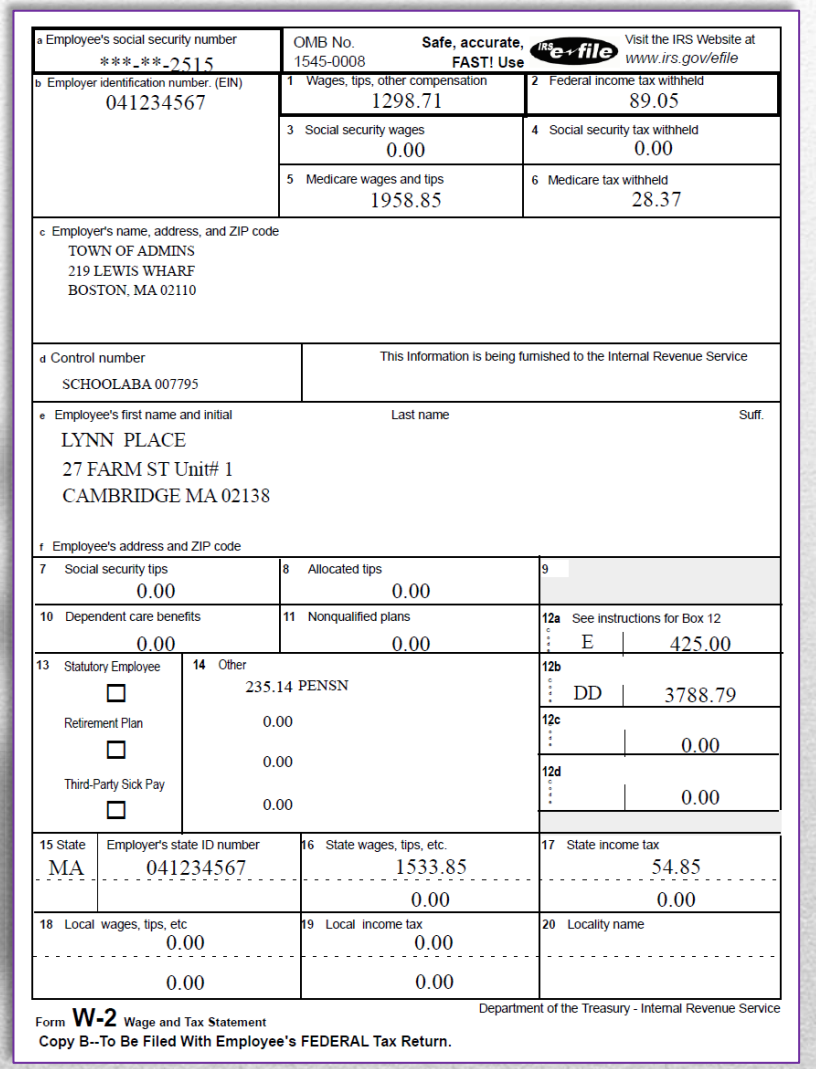
Print W2 Forms



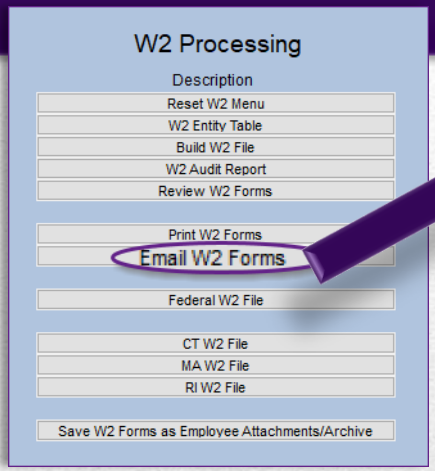
Print one entity at a time

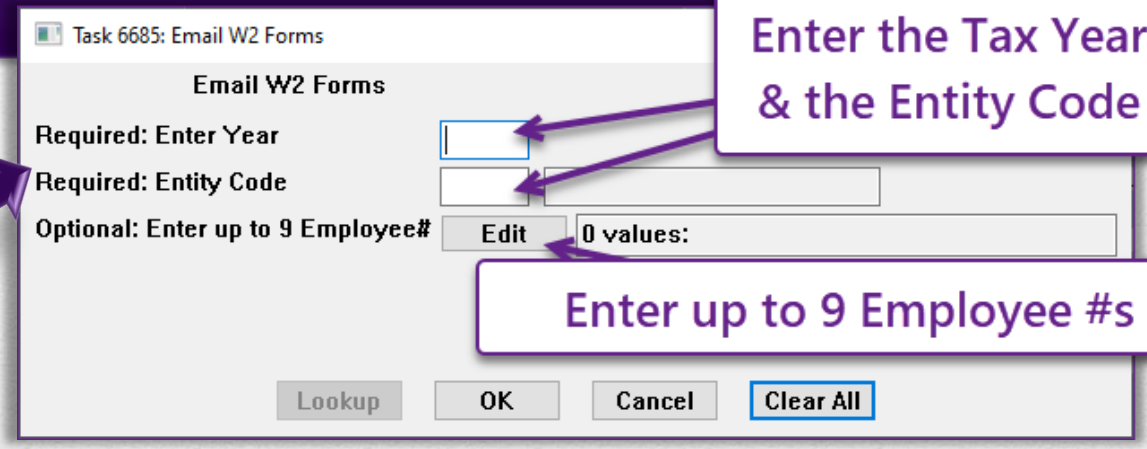






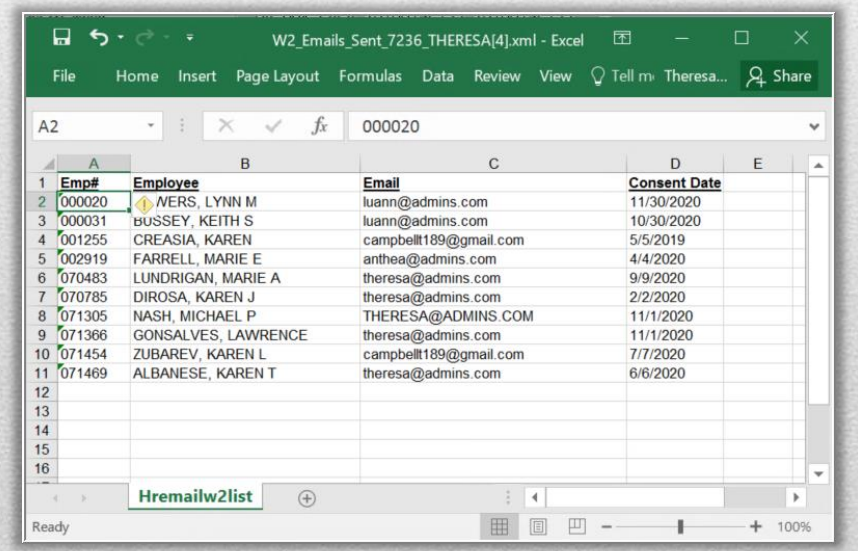
Email W2 Forms





Enter the Tax Year & the Entity Code

Enter up to 9 Employee #s



See HR-575 for details

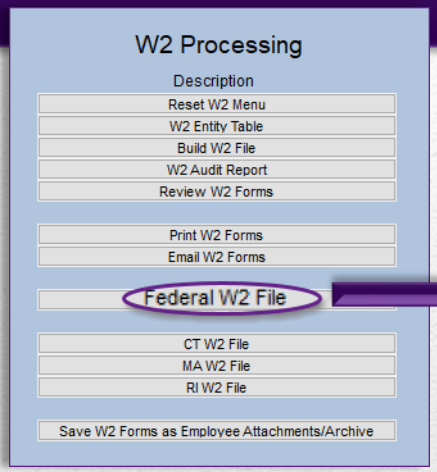
Paper form *will not be produced* for employees consenting to receive their W2 via Email

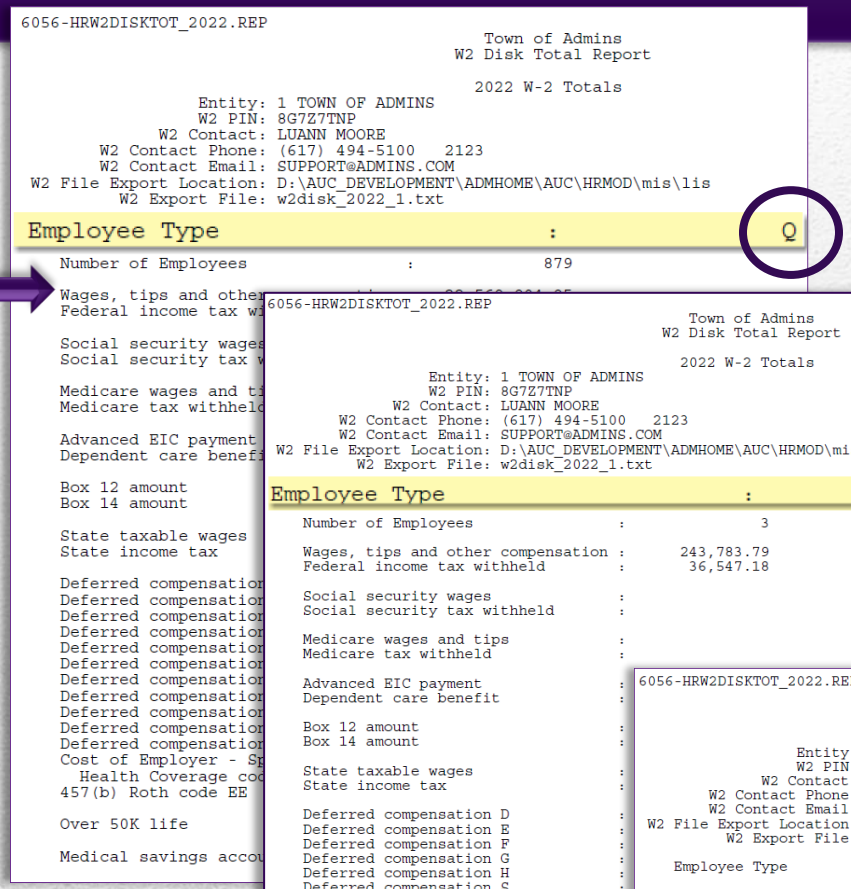
Excel file created with list of emails; employees emailed W2s

HR-575

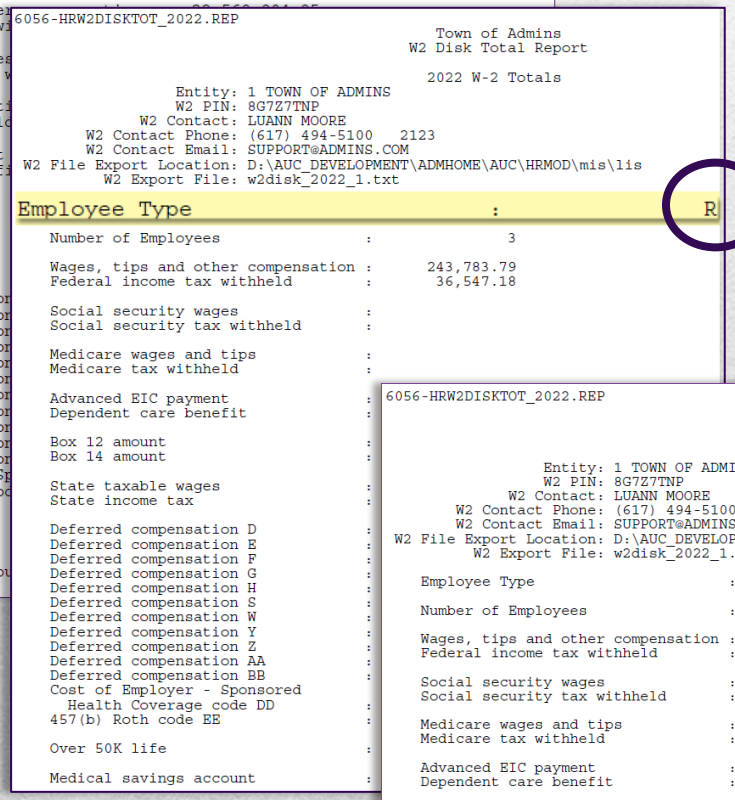
Furnishing Form W-2 to employees electronically

Create Federal File

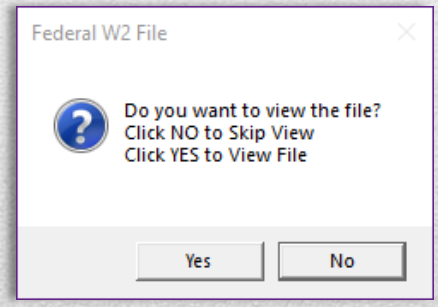


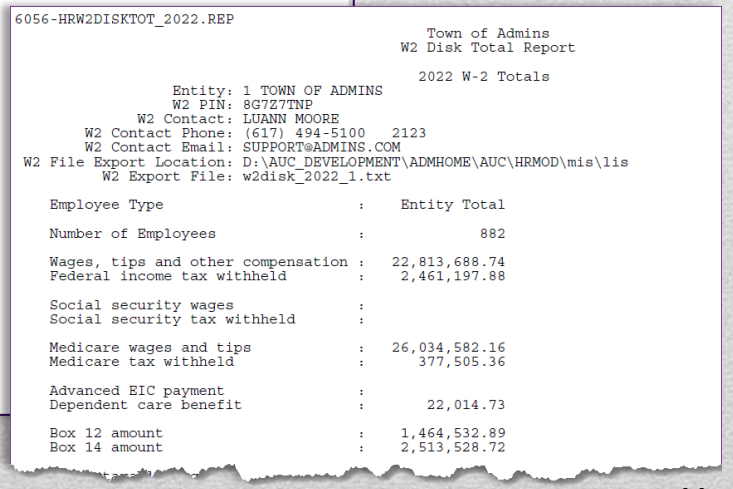


"Q" Employees have only Medicare.



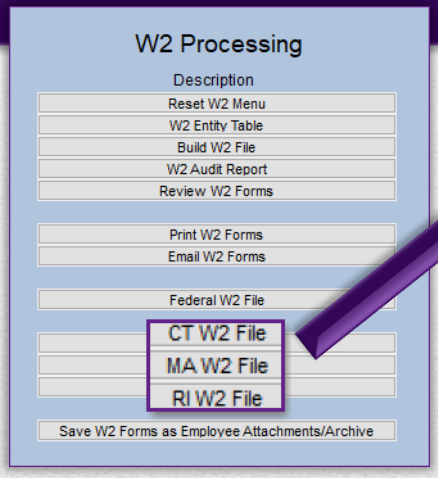
"R" Employees are all the others.

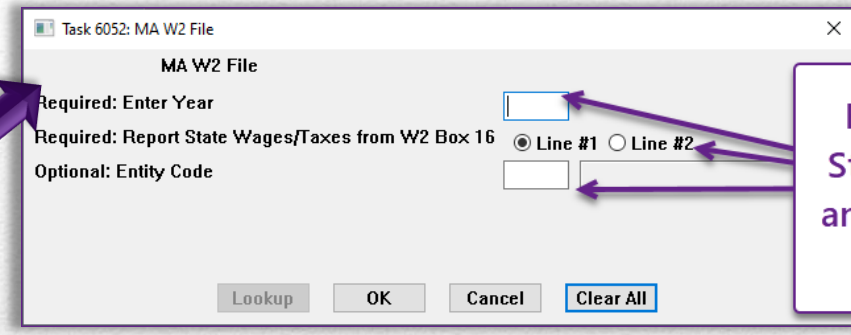




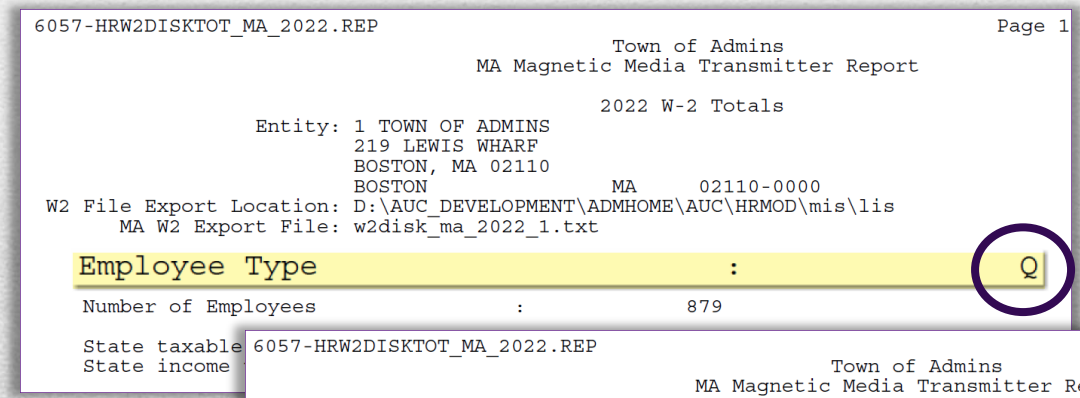
If you view the file, close it so the process can finish.

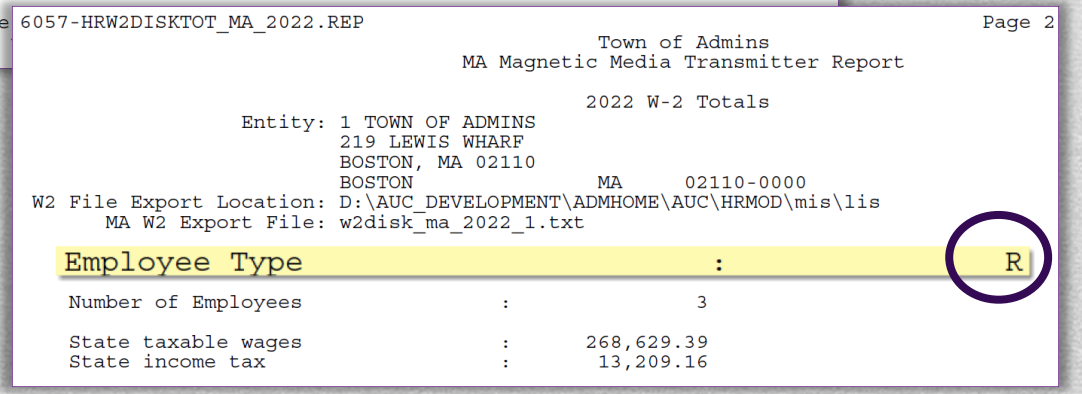
Create State File(s)





Enter Tax Year, State Selection & an optional Entity Code





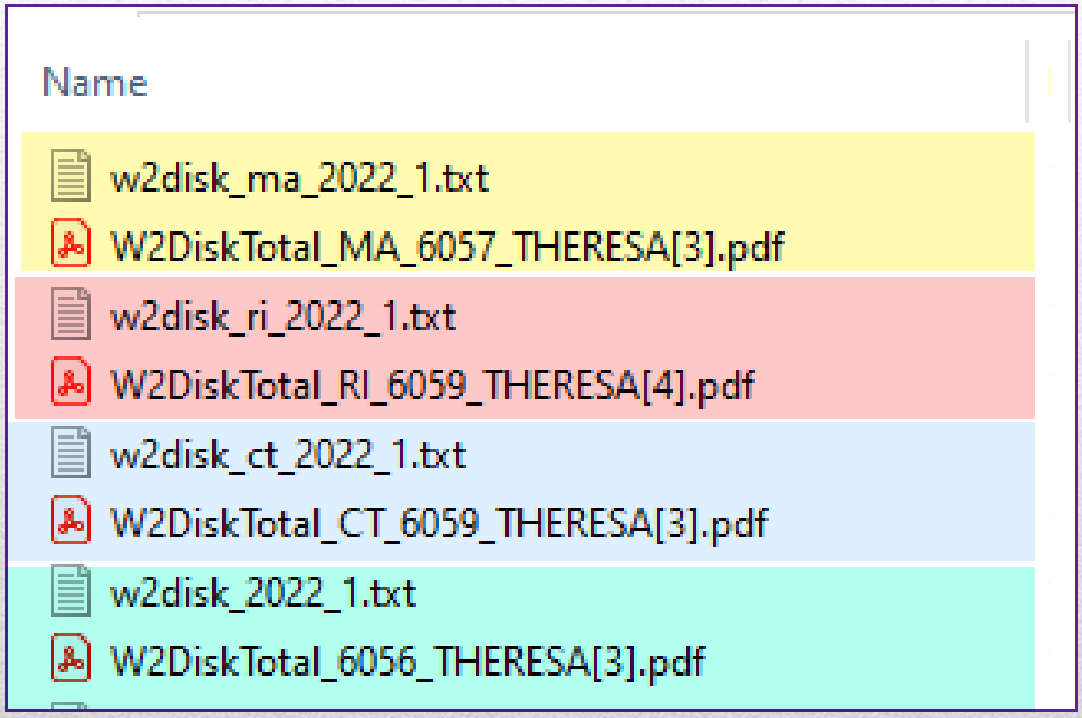
The Massachusetts file is shown; the Connecticut and Rhode Island files work in a similar manner but will each have only one page for the report.

Finding the Files

The file location is specified on the entity table (slide #39).

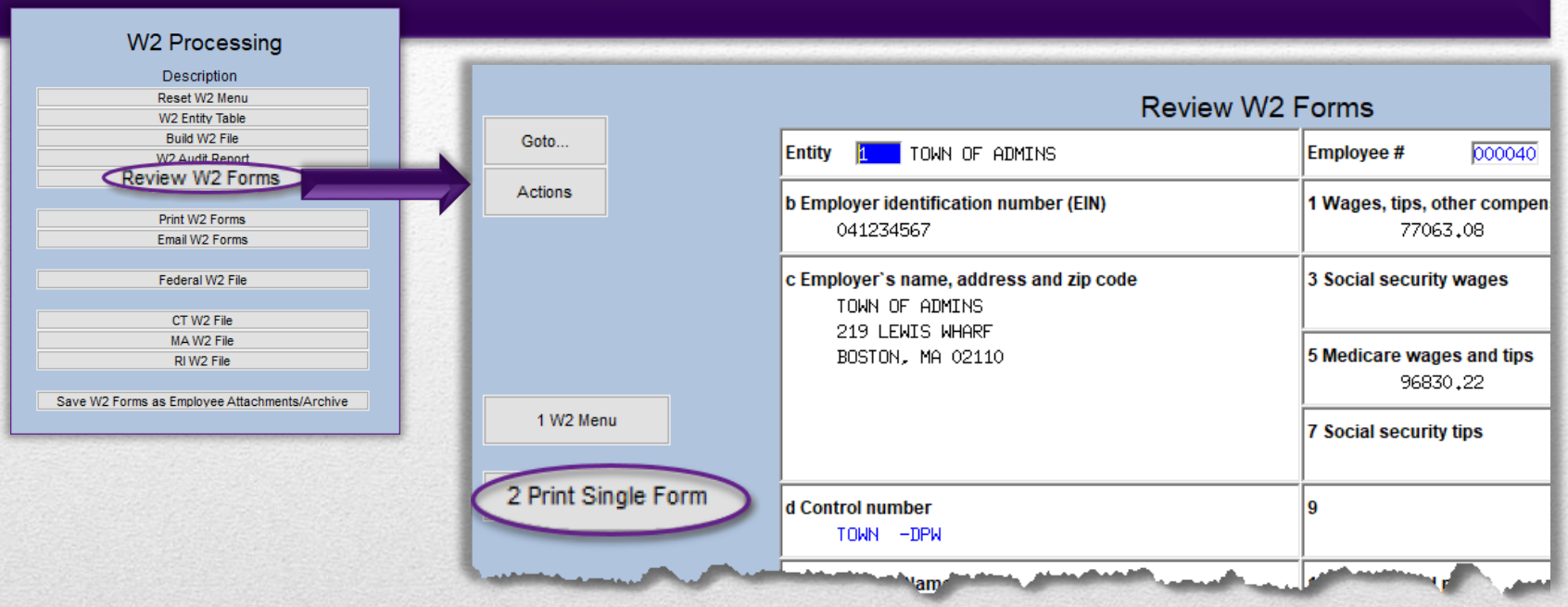
The files will have names as shown on the right.

The *.txt files are the files to be uploaded to the government sites; the *.pdf files are the user-readable files with the totals.



Find the files using Windows Explorer.

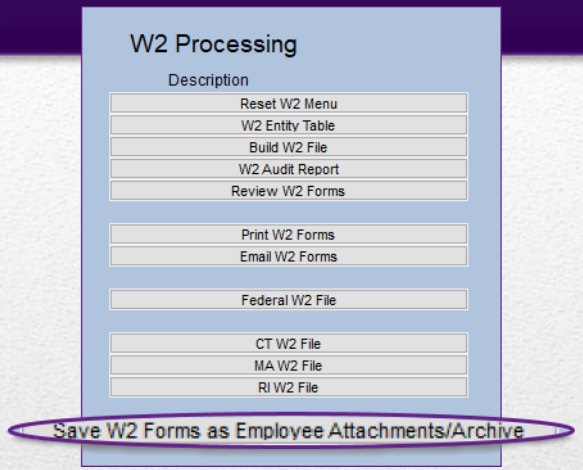
Reprint a Single Form



Before running the attachment step, the forms will not be available on the employee record. Print a form this way:

On the W2 Steps Menu, click the **[Review W2 Forms]** step, and select the employee # for the W2 to be printed. Click on the **[Print Single Form]** button.

Save W2 Forms as Employee Attachments
Due January 31



Issue the W2s (both printed and emailed) to your employees a week or ten days before the filing deadline to allow time for corrections before the electronic filing deadline.

This step runs overnight instead of interactively, which frees up the session for other tasks.

Extension requests may be filed with the IRS; see the IRS instructions for details.

2023 General Instructions for Forms W-2 and W-3 (irs.gov)

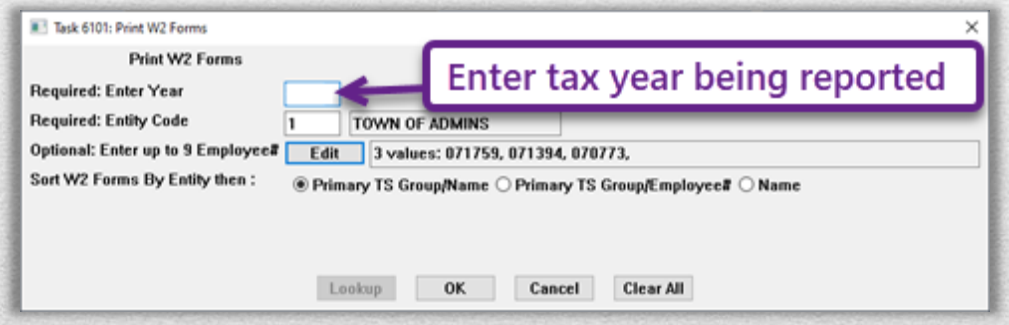
Address Changes Prior to Filing

Make changes in Employee Master file

Reset W2 menu

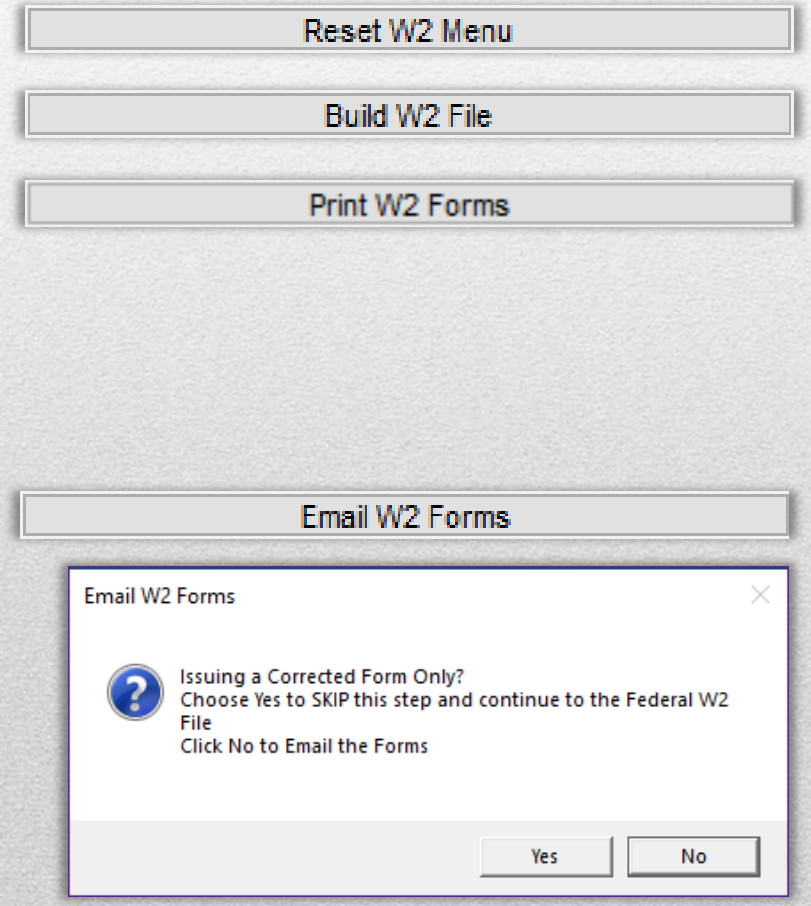
Build W2 file

Print forms with address changes



Email W2 Forms

Resume with Federal and State files



W2 $ Changes Before Filing

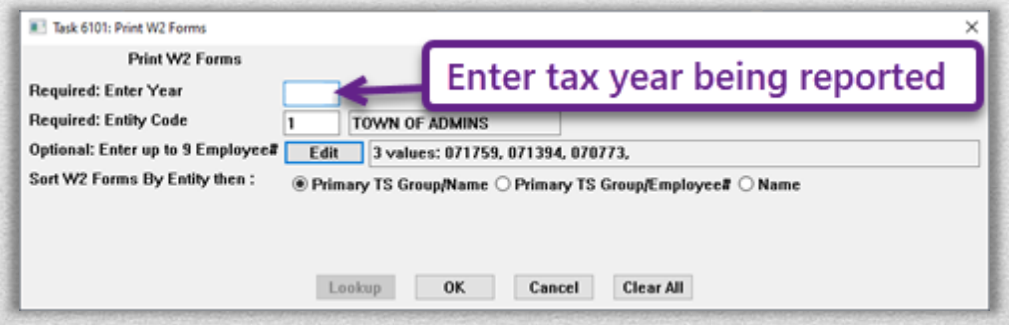
Create a “No Time” Warrant

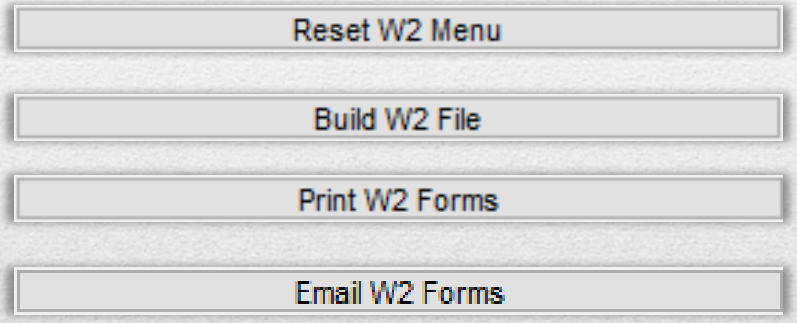
Adjust via Manual Check

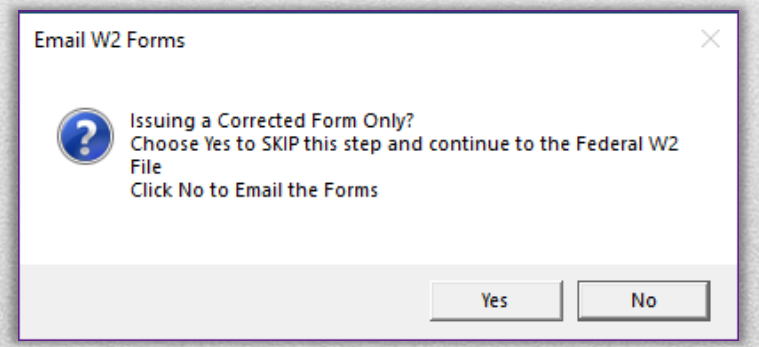
Reset W2 menu

Build W2 file

Print form(s) with $ amount changes





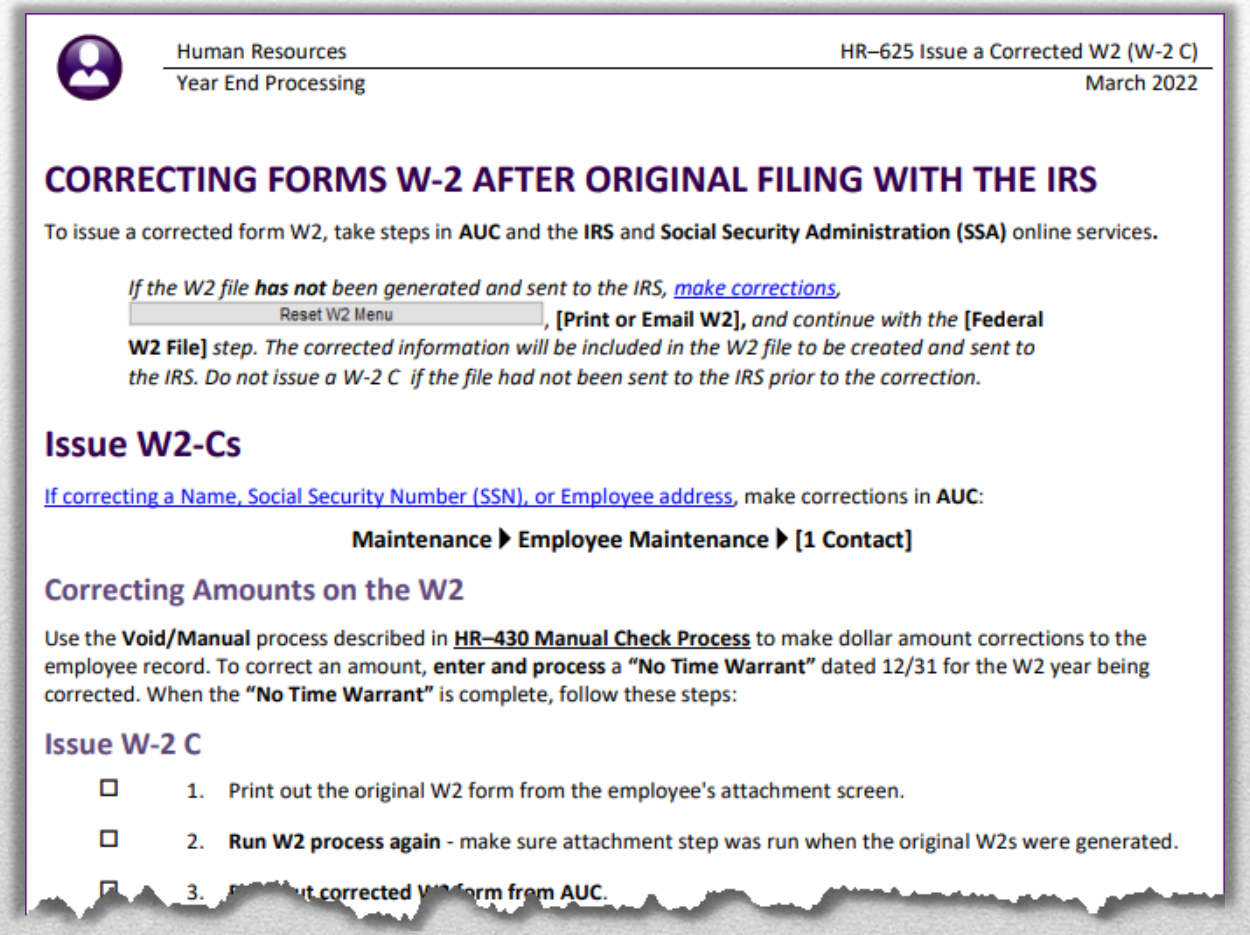


Click on the Email W2 Forms step

Resume with Federal and State files & Saving / Archiving Step

W2 $ Changes After Filing

Make sure the **Save W2 Forms As Attachments** step is complete for the original filing before issuing any corrections after filing.



Human Resources — HR–625 Issue a Corrected W2 (W-2 C)
Year End Processing — March 2022

CORRECTING FORMS W-2 AFTER ORIGINAL FILING WITH THE IRS

To issue a corrected form W2, take steps in **AUC** and the **IRS** and **Social Security Administration (SSA)** online services.

*If the W2 file **has not** been generated and sent to the IRS, make corrections,* Reset W2 Menu, **[Print or Email W2],** *and continue with the* **[Federal W2 File]** *step. The corrected information will be included in the W2 file to be created and sent to the IRS. Do not issue a W-2 C if the file had not been sent to the IRS prior to the correction.*

Issue W2-Cs

If correcting a Name, Social Security Number (SSN), or Employee address, make corrections in **AUC**:

Maintenance ▸ Employee Maintenance ▸ [1 Contact]

Correcting Amounts on the W2

Use the **Void/Manual** process described in **HR–430 Manual Check Process** to make dollar amount corrections to the employee record. To correct an amount, **enter and process** a **"No Time Warrant"** dated 12/31 for the W2 year being corrected. When the **"No Time Warrant"** is complete, follow these steps:

Issue W-2 C

1. Print out the original W2 form from the employee's attachment screen.
2. **Run W2 process again** - make sure attachment step was run when the original W2s were generated.
3. [illegible] corrected W-2 form from AUC.

HR–625 Issue a Corrected W2

Due Date for Filing

Forms to employees – January 31

File to the SSA – January 31

File to State of MA – January 31

File to State of CT – January 31

File to State of RI – January 31

Prepare for Next Year

To Do:

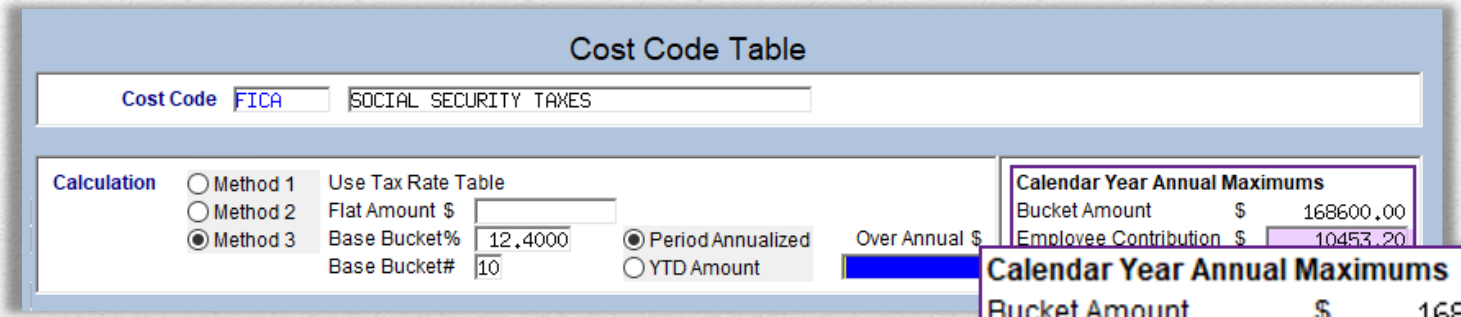
Reset Annual Maximums	HR-200 Reset Annual Maximum on Employee Cost Codes
Update/Verify Federal Tax Table	IRS Publication 15t
Update/Verify State Tax Table(s)	Check State website CT MA RI
Reset Soc Sec Taxable Maximum on the Base Bucket Table	2025 amount is $176,100
Reset Cost Code Table FICA EE & ER annual amounts	2025 amount is $10,918.20
Update Holidays	Bargaining Unit Table ▸ [2 Holidays]

Confirm taxes & deductions reset first pay period of 2025 payroll register

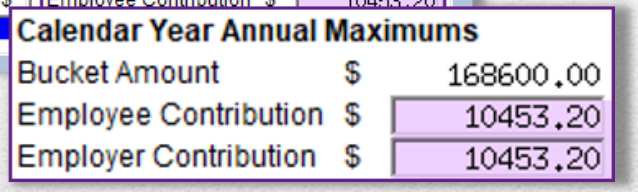
Contribution and Benefit Base (ssa.gov)

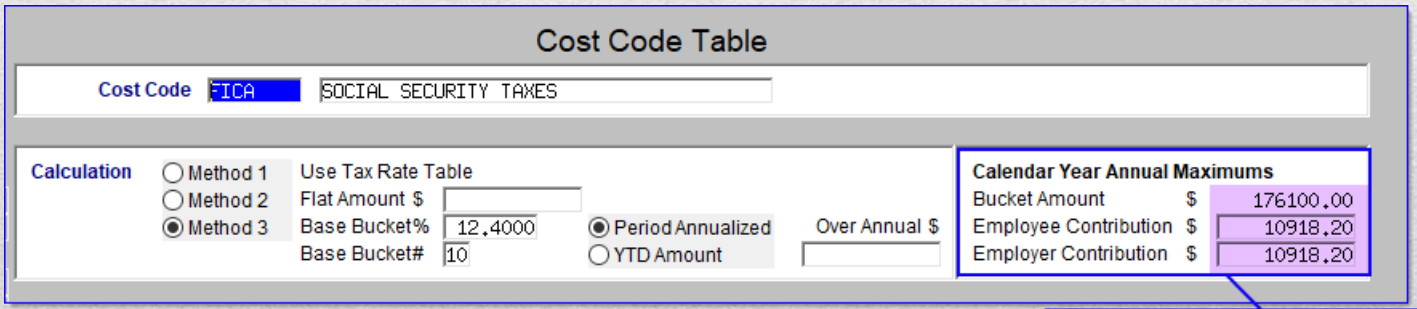
Reset Annual Maximums

Tables ▶ Cost Code

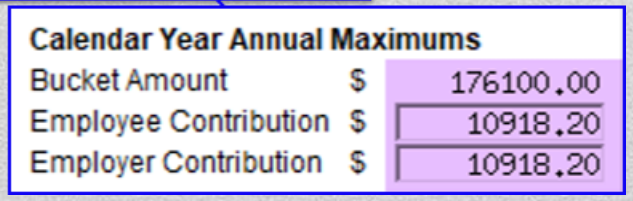


2024





2025



Reset Social Security Annual Maximum

Tables ▶ Base Buckets

Change the annual maximum next year to 168,600 before processing the first warrant in 2024

2024

Base Buckets

1 Bucket	2 Description	Annual Maximum	W2 Box	W2 Desc	1099-R Box
1	Federal Tax Wages		01		02A
2	Medicare Wages		05		
3	State Taxable Wages		16-#1		16-#1
4	Retirement Wages				01
5	Total Wages				
6	Workers Comp				
7	Federal Taxes				04
8	State Taxes				14-#1
9	Reportable Health Care Cost				
10	FICA - Social Security Wages	168600.00	03		
11					

2025

Base Buckets

1 Bucket	2 Description	Annual Maximum	W2 Box	W2 Desc	1099-R
1	Federal Tax Wages		01		02A
2	Medicare Wages		05		
3	State Taxable Wages		16-#1		16-#1
4	Retirement Wages				01
5	Total Wages				
6	Workers Comp				
7	Federal Taxes				04
8	State Taxes				14-#1
9	Reportable Health Care Cost				
10	FICA - Social Security Wages	176100.00	03		
11					

10	FICA - Social Security Wages	176100.00	03

401K & FSA Limits for Next Year

401K Contribution Maximums

401(k) plans increased to $23,500, up from $23,000 for last year

Catch Up Contribution Limits

"The catch-up contribution limit for employees aged 50 and over who participate in 401(k), 403(b), and most 457 plans, as well as the federal government's Thrift Savings Plan remains $7,500 for 2025." For ages 60-63, the catch-up limit is $11,250.

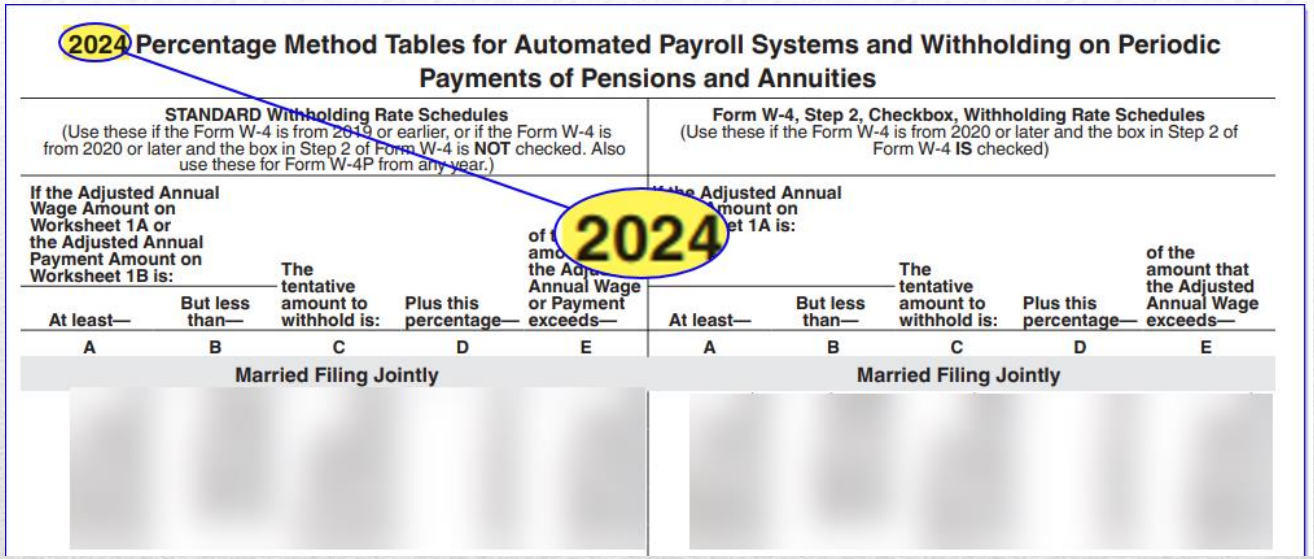
FSA reminder: Employee contribution limit is $3,300 for 2025

401(k) limit)

Publication 15-B, Employer's Tax Guide to Fringe Benefits

Update/Verify Federal Tax Table

Tables ▶ Tax Rate



2024 Percentage Method Tables for Automated Payroll Systems and Withholding on Periodic Payments of Pensions and Annuities

STANDARD Withholding Rate Schedules
(Use these if the Form W-4 is from 2019 or earlier, or if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 is **NOT** checked. Also use these for Form W-4P from any year.)

Form W-4, Step 2, Checkbox, Withholding Rate Schedules
(Use these if the Form W-4 is from 2020 or later and the box in Step 2 of Form W-4 **IS** checked)

2024

If the Adjusted Annual Wage Amount on Worksheet 1A or the Adjusted Annual Payment Amount on Worksheet 1B is: At least—	But less than—	The tentative amount to withhold is:	Plus this percentage—	of the amount that the Adjusted Annual Wage or Payment exceeds—
A	B	C	D	E
Married Filing Jointly				

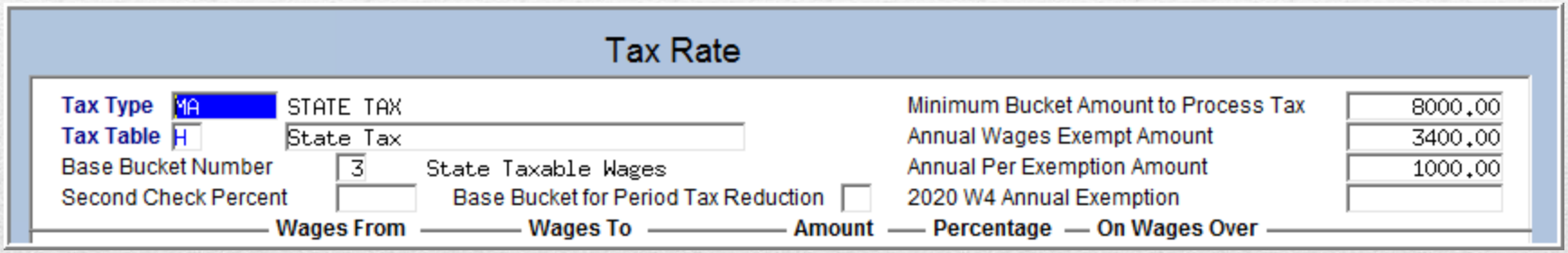
If the Adjusted Annual Amount on Worksheet 1A is: At least—	But less than—	The tentative amount to withhold is:	Plus this percentage—	of the amount that the Adjusted Annual Wage exceeds—
A	B	C	D	E
Married Filing Jointly				

Last year's (2024) rates; look for the new rates at the link below in late December – be sure it has "2025" Percentage Method….

IRS Publication 15T

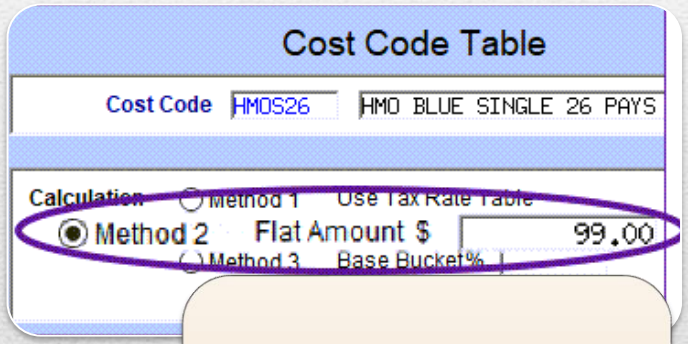
Update State Tax Tables

Check State website CT MA RI

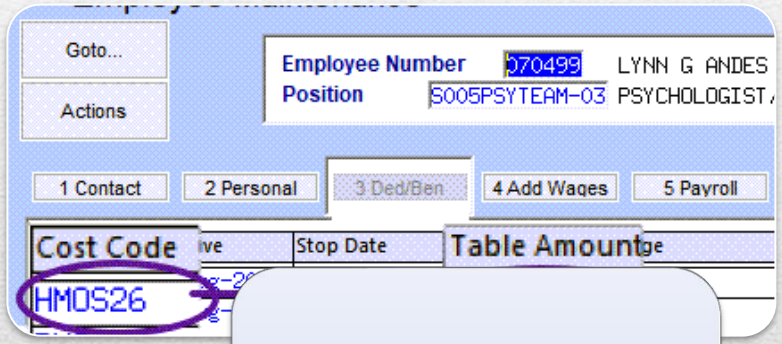


Cost Code Updates

Cost codes for health insurance amounts often change when renewing annual contracts with the insurer. Update after the final payroll using the old code(s) is complete



Update the health insurance cost codes; Human Resources ▸ Tables ▸Cost Code ▸ Select Code; Change the $ amount



The change will be reflected on the employee Deduction Benefit tab and will be used for the next payroll.

EE & ER Annual Max Cost Code Table

Year End Processing ▸ Reset Cost Code Annual Maximums

Reset Cost Code Annual Maximums

Description	Date	Start	End	Success
Reset Files	15-Dec-2021	14:26:54.73	14:26:54.73	☑
Create Cost Code Annual Maximum Reset File				
Edit List				
Maintain Work File				
Reset Annual Maximum Balances				

6033-HRRESETANNMAXEDT.REP Page 1

Town of Admins
Edit List

UNPOSTED

Employee	Position	Cost Code	Effective	Stop Date		Original	Balance
000040 DION, KEITH F	T421DPWDIR -01	DEFVOL FULLTIME 046001084	07-Feb-1991		Current:	27,000.00	16,930.00
					New:	27,000.00	27,000.00
000040 DION, KEITH F	T421DPWDIR -01	ER PGFTW EMPLOYER HPHC FAMILY	01-Dec-2018		Current:	30,296.63	
					New:	30,296.63	30,296.63
000040 DION, KEITH F	T421DPWDIR -01	PLGF TWN PILGRIM FAMILY TOWN	01-Jul-2011		Current:	6,315.55	4,858.03
					New:	6,315.55	6,315.55
000152 PETERSON, KEITH C	T123TWNADMN-01	ALT52I ALTUS IND TOWN 52	01-Jul-2011		Current:	501.48	385.68
					New:	501.48	501.48
000152 PETERSON, KEITH C	T123TWNADMN-01	DEFVOL FULLTIME 046001084	07-Jan-2010		Current:	27,000.00	7,240.00
					New:	27,000.00	27,000.00
000152 PETERSON, KEITH C	T123TWNADMN-01	ER BC S EMPLOYER HMO SINGLE	01-Dec-2018		Current:	11,607.50	
					New:	11,607.50	11,607.50

HR-200 Reset Annual Maximum on Employee Cost Codes

Checklist & Dates

Check List

- ❑ Register with the BSO/Attend Webinar
- ❑ Sign up for TIN Matching and Run the Process
- ❑ Watch the Wage File Upload Video
- ❑ Review the Help Documents
- ❑ Review the IRS documents
- ❑ Balance the Reports
- ❑ Build the File & Review Reports
- ❑ Print & Email W2 Forms
- ❑ Create and Submit Federal File
- ❑ Create and Submit State File
- ❑ Save Attachments/Archive
- ❑ Reset Annual Cost Code Maximums & Update $ amounts on Cost codes
- ❑ Reset Base Bucket Maximums
- ❑ Update the Tax Tables
- ❑ Update Holidays in the Bargaining Unit Table
- ❑ Confirm Taxes & Deductions first payroll of the new year

Due Date for Filing

Forms to employees – January 31

File to the SSA – January 31

File to State of MA – January 31

File to State of CT – January 31

File to State of RI – January 31

Questions?