



# HUMAN RESOURCES

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## W2 PROCESSING

This document explains how to manage the ADMINS Unified Community system at the end of the calendar year. This includes W2 tax reporting for the current calendar year and resetting tables with values for the next calendar year.

### IMPORTANT REMINDERS

Before embarking on the first payroll of the new-year, refer to the section entitled ***“PREPARING YOUR SYSTEM FOR THE NEW YEAR”*** in Section 9 of this document.

The IRS instructions are located at <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

Configure anti-spam software so that Social Security Administration (SSA) correspondence is not identified as spam.

All submitters must obtain a Personal Identification Number (PIN) through the SSA registration process.

Enter the PIN number into the **AUC Entity Table**. Instructions are contained in this document.



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## 1. BEFORE YOU BEGIN

The first step in the process is reconciliation of year-to-date figures. Gather the following materials in order to expedite the reconciliation process:

- The four quarterly 941 reports that you generated during calendar year,
- The payroll and deduction registers for checks dated during the calendar year, and
- Any additional worksheets/spreadsheets used during the year to reconcile year-to-date wages and year-to-date withholdings.



If the conversion to the ADMINS Unified Community (AUC) Human Resources module was made during the calendar year, issue W2s from both AUC and your previous system. If unsure about how to handle this then please contact ADMINS [Support@admins.com](mailto:Support@admins.com) for assistance.



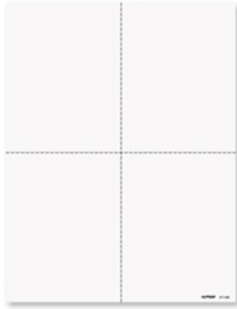
## 2. ABOUT THE FORMS

The AUC application has two form print options.

1. Prints W2s on a blank, 4-part carbonless form (with no backer instructions). This allows you to order a bulk quantity of forms and use them year after year
2. Print W2s on a blank front with pre-printed current year backer information

### 2.1. Form Specifications

The form specifications are shown below. Purchase these forms to print original copies to be distributed to employees. Additional forms may be purchased to print an in-house copy or blank (non-perforated) copy paper may be used. The system saves a copy of each W2 produced and attaches it to the employee record (see section 7.7).



### Specifications

- 4-up<sup>1</sup>
- 8 ½" x 11" sheets
- 20# laser paper
- 1 horizontal and 1 vertical perforation (creating quadrants)
- Does not include instructions on the back
- Does not include tear-off sidebar



### DUPLEX or SIMPLEX?

Duplex refers to 2-sided printing while Simplex refers to 1-sided printing. It is preferred that you print W2s on a printer that has duplex capability. This allows the AUC application to print the front and back at the same time. If you do not have a duplex printer available then you may print the front copy of all the forms, and then print all of the backers after you reload the forms.



### Specifications

- 5 ¾" x 8 ¾"
- 24# envelope stock
- Cellophane windows
- Security tint

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<sup>1</sup> Some forms vendors treat each “quadrant” of a 4 part form as a single “form”. In other words, some have called a single sheet of paper with 4 quadrants – “4 forms”. Double-check with your vendor before ordering your stock so that you can purchase an accurate quantity. Additional information regarding forms and envelope purchasing has been separate from this document.



### 3. PROCESS OVERVIEW

The AUC system manages W2 Processing in the following phases. Each of these phases will be described in this document.

#### 3.1. Table Setup

Before processing W2's, verify that the following components of your system have been set up properly:

Entity Table	set up "Company" information"	Section 7.2
Base Buckets	indicate W2 box #'s	Section 4.1
Pay Codes	indicate W2 base bucket	Section 4.2
Cost Codes	indicate W2 box #'s	Section 4.3

#### 3.2. W2 Register

This is used to reconcile year-to-date amounts before processing W2 steps. This step may be run as often as needed. Run this step at any time during the year to continually reconcile year-to-date wages and withholdings.

#### 3.3. W2 Adjustments

Process any corrections that need to be made by:

- Including the correction in the next set of timesheets, or
- Issuing a Void/Manual adjustment in a "No Timesheet" warrant (see section 6.2).

Please note that the warrant check date of the timesheets (or void/manual) determines the tax year of the adjustment. After the corrections have been posted to the employee paycheck history, re-build the W2 work file. This is an iterative process until all corrections have been processed and included in the W2 work file. This insures that a complete audit trail is maintained for every employee.

For information on processing corrections, please refer to the section in this document in section 6.



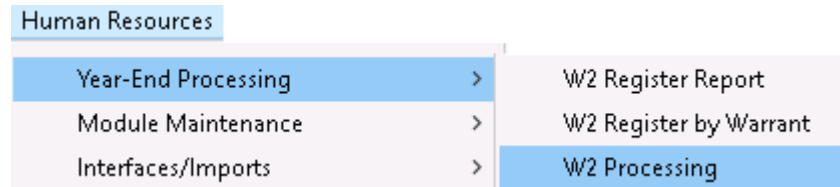
#### How to Adjust Year-To-Date Amounts For Employees?

Direct adjustments to cumulative W2 wages and/or withholdings are not permitted. All adjustments must be made to the "detail" or underlying transactions via manual checks processed in a warrant; not to the cumulative totals.



### 3.4. Processing the W2 Forms

This step process is used to build work files, review individual W2s, print W2 forms and create the file to be submitted to the Social Security Administration.



Select **Human Resources** ► **Year-End Processing** ► **W2 Processing**:

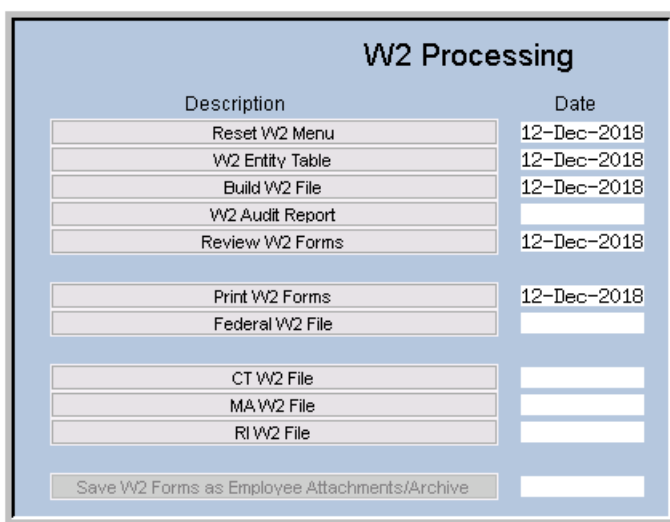


Figure 1 The W2 Processing Steps Menu



**Undertake these steps *only* after reconciling the year-to-date wages and withholdings for the calendar year.**





## 4. TABLE SETUP

Before processing W2s, make sure that the base buckets and deduction codes are properly set up with W2 box indicators. Refer to section 7.2 for the Entity Table (company setup).

### 4.1. Base Buckets

Base buckets are associated with a W2 Box in order to tell the system where the wages will be reported on the W2 Forms. In the example below, a Base Bucket called Federal Tax Wages has been created. It has been assigned to Box #1 on the W2 Form.

#### 4.1.1. Entering W2 Box numbers on Base Buckets

- Click Human Resources ▶ Tables ▶ Base Buckets
- Click on a cell in the W2 Box column
- Click LOOKUP to see a list of available choices
- Select the desired box # from the lookup

Base Buckets				
1 Bucket	2 Description	Annual Maximum	W2 Box	W2 Des
1	Federal Taxable Wages		01	
2	MA State Taxable Wages		16-#1	
3	Social Security Wages		03	
4	Medicare Wages		05	
5	Retirement Wages			
6	Total Wages			
7	IOD Pay		14	IODPAY



Base buckets are assigned during installation and can be updated as needed. Base bucket amounts for w2 reporting are set during payroll calculation. If a base bucket is changed and affects prior payroll postings, please contact ADMINS for support.

### 4.2. Pay Codes

The term Base Bucket refers to the accumulation of wages that are updated with every payroll. Each Pay Code and Cost Code potentially has an effect on a Base Bucket. For example, a regular pay code will add to taxable wages and retirement wages, whereas overtime pay may not affect retirement. Health insurance premiums may reduce Taxable wages. Taxable Wages, Medicare Wages, and Retirement Wages are examples of base buckets. Each time the pay code is used, the base bucket is updated with the corresponding wages paid using that pay code:



**Pay Code Table**

Pay Code: REGPAY STANDARD

1 Calculation    2 Base Buckets    3 Detail Billing

**Buckets 1 - 20**

<input checked="" type="checkbox"/>	Federal Taxable Wages
<input checked="" type="checkbox"/>	MA State Taxable Wages
<input checked="" type="checkbox"/>	Social Security Wages
<input checked="" type="checkbox"/>	Medicare Wages
<input checked="" type="checkbox"/>	Retirement Wages
<input checked="" type="checkbox"/>	Total Wages
<input type="checkbox"/>	IOD Pay

Each time an employee is paid using this pay code, these base buckets are updated.

The base buckets must have the W2 Box indicators established so the system knows where to print this information on the W2 form.

Figure 2 Base Bucket indicators on Pay Code Table

### 4.3. Cost Codes

Cost Codes refer to deductions or employer-paid benefits. A Cost Code can also affect a Base Bucket. For example, the amount an employee pays for health care can reduce taxable wages and/or Medicare wages. Like Pay Codes, Cost Codes are assigned to a W2 Box in order for the system to know where the deduction/benefit will be reported on the W2 Forms.

**Review W2 Forms**

**Cost Code Table**

Cost Code: FED FEDERAL TAX

Calculation  
 Method 1 Use Tax Rate Table  
 Method 2 Flat Amount \$  
 Method 3 Base Bucket% Base Bucket # Over Annual

5 General    6 Accounting    7 Base Buckets    8 Periods to

Category: FED FEDERAL TAX

Deduction Holdover Method:  Take Available Amount

Order: \_\_\_\_\_

Always take Benefit:  Yes  No

Tax Table Indicator:  Federal  State  Other  None

Allow Override?:  Yes  No

Employee Changes Allowed?:  Yes  No

Pretax?:  Yes  No

Bond?:  Yes  No

Over 50K Life Insurance:  Yes  No

W2 Pension Indicator:  Yes  No

Non-Direct Deposit Account Entry:  Yes  No


W2 Box # 02 W2 Description: FED Applies to: \_\_\_\_\_

**W2 Form Snippet:**

SS#	001-10-1015
2 Federal income tax withheld	3219.90
4 Social security tax withheld	



### 4.3.1. Entering W2 Box numbers on Cost Codes

- Select **Human Resources** ▶ **Tables** ▶ **Cost Codes**
- Select desired record ▶ **Detail**
- Click in the W2 Box# field and press  to see a list of available choices.
- Select the desired Box # from the Lookup and click OK
- Add a W2 Description to the cost code, if needed. All box 12 and box 14 amounts must have descriptions. All other descriptions are optional.
- Box 12 descriptions are required and set by the IRS. See section 10.8 of this document.
- Box 14 descriptions are for the W2 informational (optional) box. The six character description will appear next to the amount.

The screenshot shows the 'Cost Code Table' application. At the top, 'Cost Code' is set to 'FED' and 'FEDERAL TAX'. Below this, there are 'Calculation' options: Method 1 (Use Tax Rate Table), Method 2 (Flat Amount \$), and Method 3 (Base Bucket%). The 'W2 Box Numbers' window is open, displaying a list of boxes and their descriptions. Box 02, 'Federal Income Tax Withheld', is highlighted. The main window also has various settings for 'Deduction Holdover Method', 'Order', 'Always take Benefit', 'Tax Table Indicator', 'Allow Override?', 'Employee Changes Allowed?', 'Pretax?', 'Bond?', 'Over 50K Life Insurance', 'W2 Pension Indicator', and 'Non-Direct Deposit Account Entry'. At the bottom, there are fields for 'W2 Box #' (02) and 'W2 Description' (FED), and '1099-R Box #' and '1099-R Description'.

W2 Box numbers must be assigned to the Cost Codes before building the W2 Work File.

### 4.3.2. Verifying Cost Codes in W2 Boxes

To verify that all cost codes are coded properly for W2 reporting, issue a **List of Cost Codes by W2/1099R Box**.

- Click **Human Resources** ▶ **Year-End Processing** ▶ **List of Cost Codes by W2/1099R Box**



```

k100
6755-HRCSTCOD_W2BOX.REP          Printed 07-Jan-2010 at 14:28:23 by MARY          Page 1
                                  Town of ADMINS
                                  List of Cost Codes by W2/1099R Box

Form W2
=====
| W2 Form          W2 Pens | 1099r Form          | Over 50K |
| Box   Desc      Apply To  Indicat | Box   Desc      Apply To | Cost Code Description | Life Ins |
=====
| 02   FED        Deduction  N        |          | FED        FEDERAL TAX          | N        |
| 02          Deduction  N        |          | XFED       ADDITIONAL FEDERAL TAX  | N        |
| 02          Deduction  N        |          | XXFED      ADD'L FED (TAX ON UNIFORM ALLOWANCE PD) | N        |
| 06   MEDI        Deduction  N        |          | MEDI       MEDICARE          | N        |
| 06          Deduction  N        |          | MEDI-E     MEDICARE - ENTERPRISE FUNDS  | N        |
| 06          Deduction  N        |          | XMEDI      ADDITIONAL MEDICARE        | N        |
| 07          Deduction  N        |          | FICA       FICA          | N        |
| 14   PENS        Deduction  N        |          | .9         PENSION - CONVERSION        | N        |
| 14   DCOMP       Deduction  Y        |          | DC         DEFERRED COMPENSATION        | N        |
| 14   PENS        Deduction  Y        |          | M1.5      M1 5% RETIREMENT          | N        |
| 14   PENS        Deduction  Y        |          | M1.7      M1 7% RETIREMENT          | N        |
| 14   PENS        Deduction  Y        |          | M1.8      M1 8% RETIREMENT          | N        |
| 14   PENS        Deduction  Y        |          | M1.9      M1 9% RETIREMENT          | N        |
| 14   PENS        Deduction  Y        |          | M2.8      M2 8% RETIREMENT          | N        |
=====

```

Figure 3 List of Cost Codes and W2 Box#'s

Report Checklist:

- ✓ All cost codes that are to be reported on the W2 have been set
- ✓ All box 12 and box 14 cost codes have a description



**I NEED HELP ASSIGNING MY W2 BOX #'S**

Refer to the APPENDIX: EXAMPLES OF ASSIGNING W2 BOXES for more information about assigning W2 box numbers to Base Buckets and Cost Codes. Contact [support@admins.com](mailto:support@admins.com) if more assistance is needed with assigning W2 Box numbers.



## 5. RECONCILING YEAR-TO-DATE WAGES/WITHHOLDINGS

Before building any W2 files, reconcile the year-to-date wages and withholdings.

- Click **Human Resources ▶ Year-End Processing ▶ W2 Register Report**

Run this report as often as needed. ADMINS recommends that this report be run each quarter to reconcile with the quarterly 941 report.

This will produce an Excel spreadsheet.

The examples in the following sections use tax year 2010. **Be sure to use the reporting tax year when running these processes.**

This report will print when the W2 register reports are run. It checks to be sure that the basic W2 setup has been performed. The process will not continue if the minimum setup is not complete.

There is another report available to reconcile W2 totals called “**W2 Register by Warrant**”. To run this report:

- Click **Human Resources ▶ Year-End Processing ▶ W2 Register by Warrant**



Task 6851: W2 Register by Warrant

**W2 Register by Warrant**

Required: Check Date Range (mmddyyyy) From:  To:

This will produce an Excel spreadsheet.

The report displays as shown in Figure 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 Pmt Code in W2 Description	Other - Category used as description	State wages, tips, etc. - First	State income tax - First
124 903153	11/7/2018	86,520.63	67,956.41	4,574.31	76,626.83	1,111.14	5.77	1,714.65	6,934.01	74,890.42	3,546.72
125 903154	11/14/2018	203,623.47	168,243.46	19,390.22	185,739.16	2,693.21	96.16	10,127.22	14,779.06	182,807.20	8,996.85
126 903155	11/21/2018	227,400.94	189,221.14	21,254.81	209,011.84	3,030.79	96.16	6,307.16	17,897.84	206,686.65	10,052.47
127 903156	11/14/2018	93,848.83	74,879.21	5,680.52	83,633.67	1,215.65	5.77	1,696.23	7,137.47	82,115.58	3,909.49
128 903157	11/28/2018	275,159.71	232,667.37	27,988.38	255,505.63	3,704.95	96.16	6,969.33	22,495.55	254,183.25	12,512.47
129 903158	12/5/2018	222,181.70	186,341.73	21,478.64	203,792.60	2,955.07	96.16	5,970.94	15,707.68	201,803.63	9,897.39
130 903159	11/21/2018	93,269.66	74,321.79	4,966.70	83,341.67	1,208.53	5.77	1,777.62	7,220.50	81,542.29	3,813.73
131 903160	11/28/2018	734,131.59	596,517.34	60,879.93	689,731.83	10,001.38	807.16	41,906.84	76,229.33	672,746.67	32,760.85
132 903161	11/28/2018	89,509.00	70,958.51	4,652.31	79,823.93	1,157.50	5.77	4,130.70	7,193.48	78,151.99	3,586.62
133 903162	12/12/2018	742,759.16	605,045.47	61,913.40	697,956.11	10,120.51	807.16	19,186.17	76,044.04	681,089.51	33,204.10
134 903163	12/5/2018	86,041.93	67,473.11	4,480.22	76,147.84	1,104.20	5.77	5,418.68	6,984.60	74,457.71	3,470.58
135 903164	12/12/2018	212,398.52	177,165.35	21,041.01	193,762.76	2,809.57	96.16	5,769.90	14,521.46	191,471.49	9,441.89
136 903166	12/12/2018	92,731.17	74,060.89	4,611.25	82,505.02	1,196.41	5.77	1,716.19	6,777.68	80,838.57	3,584.55
137 903168	12/26/2018	706,367.20	571,632.77	59,710.03	661,564.15	9,592.79	807.16	17,223.87	75,027.08	646,659.85	31,706.90
138	Entity: 1	<b>33,796,266.61</b>	<b>27,810,625.24</b>	<b>2,932,803.40</b>	<b>31,140,701.44</b>	<b>461,548.86</b>	<b>14,680.12</b>	<b>1,434,135.94</b>	<b>3,008,237.78</b>	<b>30,608,167.36</b>	<b>1,489,423.46</b>
139	Grand Total	<b>33,796,266.61</b>	<b>27,810,625.24</b>	<b>2,932,803.40</b>	<b>31,140,701.44</b>	<b>461,548.86</b>	<b>14,680.12</b>	<b>1,434,135.94</b>	<b>3,008,237.78</b>	<b>30,608,167.36</b>	<b>1,489,423.46</b>

Figure 4 W2 Register by Warrant Totals

### 5.1. Reconciling the W2 Register

The totals for the W-2 Register should match the totals of payrolls for the year. **ADMINS** recommends the use of an Excel spreadsheet, updated for every payroll, to be balanced to the quarterly and annual **AUC 941** reports and the **W-2 Register**. The **W-2 Register** must balance to your **941** reports. The next section will describe how to make adjustments to correct any discrepancies. The **W-2 Register** may be run after every payroll.



## 6. ADJUSTING W2 WAGES/WITHHOLDINGS

If there are discrepancies in wages and/or withholdings that need to be corrected before issuing forms W2, make corrections to the individual employees and post the changes to their paycheck history file. Since all corrections require an audit trail, no adjustment or override to the year-to-date amounts computed by the W2 Register is permitted.



### WILL ADJUSTMENTS AUTOMATICALLY BE REFLECTED IN THE W2 FILE?

No. When corrections are made, re-build the W2 Work File to include those changes.

*Some examples of discrepancies that may require corrections include:*

- Changing a benefit from non-taxable to taxable (for example., clothing allowance paid in advance as a non- taxable benefit), or from taxable to non-taxable,
- An employee should not have paid FICA during the year but it was withheld in error and now needs to be refunded, or
- Base bucket wages need adjustment.

To facilitate the adjustment process, **ADMINS** recommend the following procedure:

- Create a **shift code** that you will use for the adjustments,
- Create a **No Time Warrant** into which you will enter the adjustments,
- Process the Adjustments in the **“No Time”** warrant
- Post the **“No Time”** Warrant,
- Re-build the W2 work file, and
- Re-balance the W2 Register.

### 6.1. Create an Adjustment Shift Code

Create a new Shift Code with no Hours or Days. This example will call this code YEAREND. It only needs to be set up once. It can be used year-to-year.



- Click **Human Resources** ▶ **Tables** ▶ **Shift Code**
- Click **Add New**
- Create a new code with no hours, no days, and no rate

Shift Code Detail							
Shift Code	YEAREND		Description	Year-End Adjustments			
Days in Rotation	1		Base Date	31-Dec-2010			
Day	1	Pay Code	SREG	Hours		Days	Rate
					0		

Figure 5 Shift Code created for Yearend Adjustment (no hours/no days)

## 6.2. Create a “No Time” Warrant

Process a payroll warrant to adjust the year-end figures. Multiple warrants may be processed, depending on the number of changes needed. Use a “No Time” warrant, with year end dates:

- Period beginning date ▶ Dec 31
- Period ending date ▶ Dec 31
- Check date ▶ Dec 31

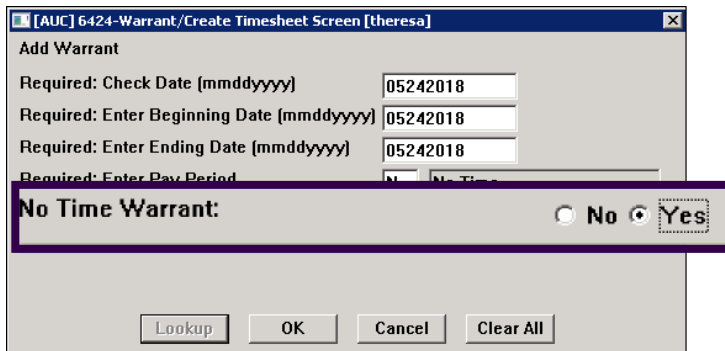
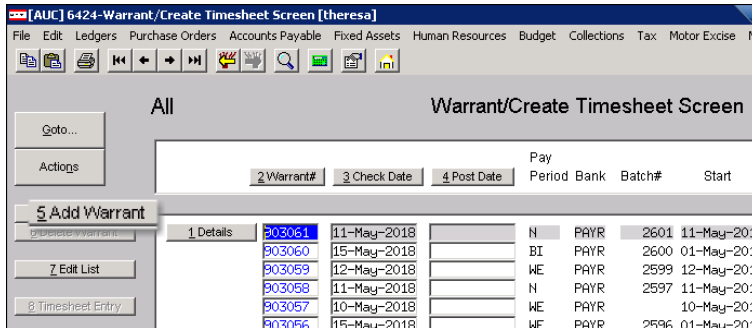
### 6.2.1. “No Time” Warrant

A “No Time” warrant is one in which only void and manual checks will be created. No timesheets are created in a “No Time” warrant. This provides a simple way to set up a warrant to process adjustments.





Select **Human Resources** ► **Payroll Processing** ► **Warrant/Create Timesheet Screen**. Create a new warrant using the **[5 Add Warrant]** button on the Warrant/Create Timesheet Screen:



The Add Warrant prompt includes the option for a **“No Time Warrant: No/Yes”** selection. Select **Yes** to create a No Time warrant that will require no time sheets to be created.

Figure 6 Add Warrant prompt with new option for a No Time Warrant

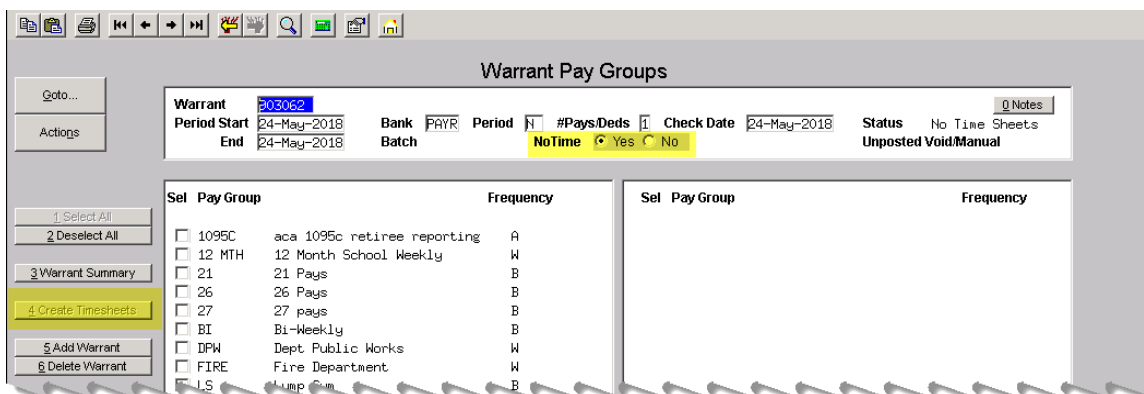


Figure 7 [4 Create Timesheets] button is not available (gray) for “No Time” warrants

As shown in Figure 7, the **“No Time”** warrant is number 903062. Create as many manual and void checks as needed. When printing, select the **“No Time”** warrant. Multiple **“No-Time”** warrants may be processed in the same year.



Warrant	Start	End	Period	CheckDate	Bank	PostDate	EntryUser	NoTime	Tof
903062	24-May-2018	24-May-2018	N	24-May-2018	PAYR		THERESA	Y	
903057	10-May-2018	10-May-2018	WE	10-May-2018	PAYR		WENDY	Y	
903052	08-May-2018	15-May-2018	WE	15-May-2018	PAYR		LUANN	Y	

[AUC] 6202-Void/Manual/Figure Paycheck [theresa]

Print Manual

Required: Enter In-Process Warrant#

Select the warrant # from the lookup for each adjustment check.

Release Timesheets by Warrant

Warrant: 903062  
Check Date: 24-May-2018

These buttons will all show "No Reports Selected"

Timesheet Group	Description	Status
SCHOOL-BMMS	Memorial School	Released
TOWN -POL	Police Department	Released

The time sheet groups for all manual checks collected in the warrant will appear here and must be Approved before completing the warrant processing.

Figure 8 The time sheet groups for all void and manual checks in the warrant will appear here

Select and Calculate Warrants

Select the warrant for calculation in the customary manner

Warrant	Select	Check Date	Bank	Post Date	Deds	Files Exist	User Name	Calculation Date	Period Start	Period End	Warrant Status	NoTime
903062	<input checked="" type="checkbox"/>	24-May-2018	PAYR	N	1	No			24-May-2018	24-May-2018	Selected Uncalc	Y

Proceed with the warrant steps. Informational messages will appear during the “check print”, “print deposit advices” and “create direct deposit file” if there are no records to process.

### 6.3. Create Manual Checks

Make all adjustments using the Manual Check process. **Please refer to the document called Manual Check** in the Help Reference Library. This document explains in detail how to adjust base buckets, change taxable wages or benefits to non-taxable (and vice-versa) and make any other required modifications to the employee history file to reconcile the W2 Register.



## 6.4. Print the Manual Checks

To print the manual check(s), add them to an existing **“No Time”** warrant. Use the warrant created for the year-end adjustments. The system will produce a physical record of the adjustment. If the adjustment was a base bucket adjustment and there will be no gross or net pay, the system will create the adjustment as a “no check” and should be printed on direct deposit advice forms or plain paper. **ADMINS** recommends printing a copy of this adjustment for record keeping purposes. Consider providing a copy of this adjustment to the affected employee(s) for review and verification.

## 6.5. Post the Warrant

Process and post the warrant in order to have the adjustments moved to the history files. After the warrant has been posted, rerun the W2 register and rebuild the W2 file.

## 6.6. Reconciling the W2 Register

Rerun the W2 register to confirm the new amounts.

## 6.7. Rebuild W2 File

After all adjustments have been processed, run the **[Build W2 File]** step to have these adjustments reflected in the W2 Totals.

- Select **Human Resources ▶ Year-End Processing ▶ W2 Processing ▶ Build W2 File**

This will re-build the work file and include all adjustments processed for the calendar year.



## 7. PROCESSING W2 FORMS

After reconciling the W2 Register as described in section 5, continue with the following steps.

- Select **Human Resources ▶ Year-End Processing ▶ W2 Processing**

Description	Date
Reset W2 Menu	12-Dec-2018
W2 Entity Table	12-Dec-2018
Build W2 File	12-Dec-2018

The steps menu will display with the first three steps in focus.

### 7.1. Reset W2 Menu

This option will clear all previously-created work files.

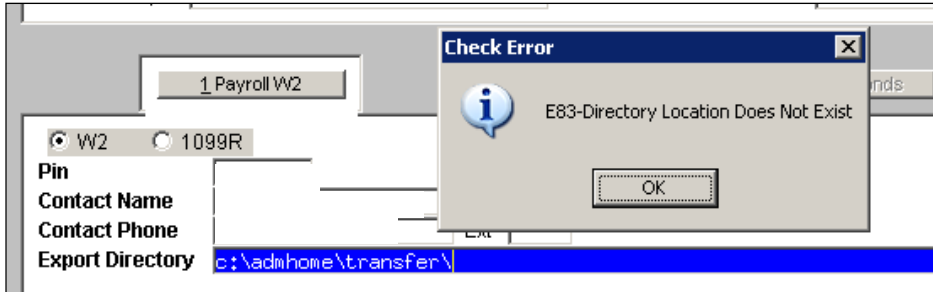
### 7.2. W2 Entity Table

Begin the processing cycle by verifying that the Entity Table has been populated with the required data for the “company”. The fields shown with **BOLD** labels require values.

- Select **W2 Entity Table**

To create the file on the AUC Server, specify the export directory location.

If the pathname is not valid an error message will appear:

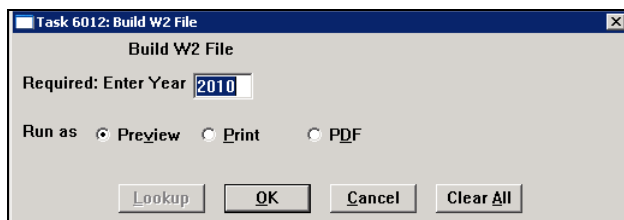
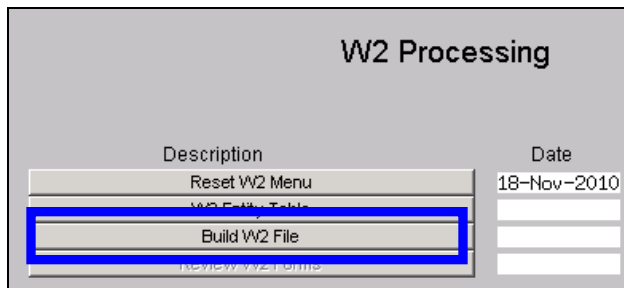


### WHAT DO I ENTER FOR THE EXPORT DIRECTORY?

For assistance entering the Export Directory value please contact ADMINS Support.

## 7.3. Build W2 File

After verifying that the Entity Table is accurate, build the W2 work file.



The procedure will gather all checks issued for the calendar year and then issue several reports for review. Confirm all information on the reports as the data is used on the W2 forms and in the W2 reporting files.



```

6013-HRENTRPT.REP          Printed 18-Nov-2010 at 12:36:00 by LUANN          Page 1
                          Town of Admins
                          Entity Report for W2 Processing

=====
Entity Name & Address      Fed ID      State ID      Status
=====
1      Town of ADMINS, Inc.      025088122    025088122    A
      1035 CAMBRIDGE STREET
      CAMBRIDGE, MA 02141-0000
      (617) 494-5100

      Pin: ABC123
      Contact Name: JOHN DOE
      Contact Phone: (888) 555-1111      12345
      Export Directory: d:\auc_development\admhome\transfer\

      State Number      State      State ID Number      State Tax Entity
Line 1      25      MA      025-088122      12
Line 2      27      CT      031-72      14
    
```

**Figure 9 Entity Table verification report**

```

6014-HRW2FILERR.REP      Printed 18-Nov-2010 at 12:30:39 by LUANN          Page 1
                          Town of Admins
                          Employee W2 File Error Report

=====
Employee Name              SS#
=====
No Records Selected
    
```

**Figure 10 Employee Error Listing**

	A	B	C	D	E	F	G	H	I
1	<b>Employee W2 Register</b>								
2	<b>For Tax Year 2010</b>								
3									
4	<b>Employee</b>	<b>Name</b>	<b>SS#</b>	<b>Wages, tips and other compensation</b>	<b>Federal income tax withheld</b>	<b>Social security wages</b>	<b>Social security tax withheld</b>	<b>Medicare wages and tips</b>	<b>Medicare Tax withheld</b>
5	002600		001-10-1008	810.97				876.72	12.71
6	002810		001-10-1011	390.81				422.50	6.13
7	003915		001-10-1015	35,431.53	3,335.94			39,373.14	570.85
8	003994		001-10-1017	397.75				430.00	6.24
9	006176		001-10-1028	1,133.41	126.69			1,133.41	16.43
10	006178		001-10-1030	900.00				900.00	13.05
11	009915		001-10-1047	634.70				686.15	9.95

**Figure 11 W2 Register output in Excel®**

## 7.4. Review Pro-Forma W2 Forms

The system provides a screen to preview W2 forms for your employees. No changes may be made to the data in this screen. To access an employees W2,

- Click **Review W2 Forms** from the steps menu
- Enter the **Calendar Year** you are processing
- Enter the **Entity** code
- Move to the Employee# field and enter the desired **Employee #**



If unsure of the employee#, press F3 to select from a list of employees. A lookup menu will appear; choose employees by Name or Employee Number

- 1: Employees By Name/Entity
- 2: Employees By Entity/Employee Number

The screen displays a representation of the W2 form information. No changes may be made in this form. It is for informational purposes only. If adjustments to an employee’s W2 are needed please refer to section 6 of this document titled “**ADJUSTING W2 WAGES/WITHHOLDINGS**”.

Review W2 Forms					
Entity <input type="text" value="1"/> Town of ADMINS, Inc		Employee # <input type="text" value="002500"/>		SS# 001-10-1007	
b Employer identification number (EIN) 04-6001265		1 Wages, tips, other compensation 743.70		2 Federal income tax withheld	
c Employer’s name, address and zip code TOWN OF ADMINS, INC. 1035 CAMBRIDGE STREET  CAMBRIDGE, MA 02141-0000		3 Social security wages		4 Social security tax withheld	
		5 Medicare wages and tips 804.00		6 Medicare tax withheld 11.66	
		7 Social security tips		8 Allocated tips	
d Control number 2210 -00		9 Advance EIC payment		10 Dependent care benefits	
e Employee’s Name KEITH ALLEN  20 CROSS STREET, UNIT B  CAMBRIDGE, MA 02138-0000		11 Nonqualified plans		12a See instructions for box 12	
		13 Stat EE R.Plan 3rdPty		12b	
		14 Other 60.30 DBRA		12c	
f Employee’s address and ZIP code				12d	
15 State Employer’s state ID number MA 111-222-333	16 State wages, tips 743.70	17 State income tax	18 Local wages	19 Local tax	20 Name

Figure 12 On-screen display of where the W2 data will print when the forms are produced

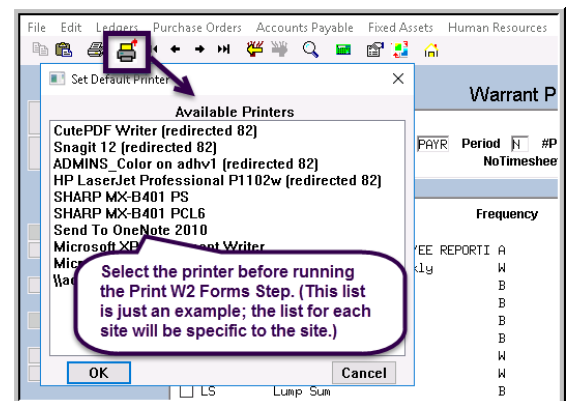
Scroll through the records as needed. When done, click the button labeled [W2 MENU] to return to the steps menu and continue processing.

### 7.5. Print W2 Forms

To ensure that the W2 Forms will be rendered properly for printing, first select the correct default printer from the toolbar:

Use a printer capable of duplex (two-sided) printing if available. For questions about the forms please refer to section 2 titled “**ABOUT THE FORMS**”.

The W2’s will be printed by Entity first. For sites with multiple taxing entities, each entity will print in its own group.





This means that all Entity 1 forms will print, then all Entity 2 forms, and so on.

When printing, the sort order may be of the W2 forms may be designated within the tax entity. The sort options are:

- Entity, then Primary Timesheet Group, then Employee Name, or
- Entity, then Primary Timesheet Group, then Employee#, or
- Entity, then Name.

To begin,

- Load the form stock into the printer
- Click the **[Print W2 Forms]** button from the W2 Processing Menu
- Complete the parameters

- The ADMINS Crystal Report Viewer progress bar will appear while the forms are being processed.



***Do not close this box*** – please wait for the process to complete.





### 7.5.1. DUPLEX Printing

Choose this option for forms that are blank on the front and back to be printed on a duplex-capable printer (two-sided).

- The printing type selection screen will appear. Select **DUPLEX**.



- Click the [OK] button to create and display the W2 forms:

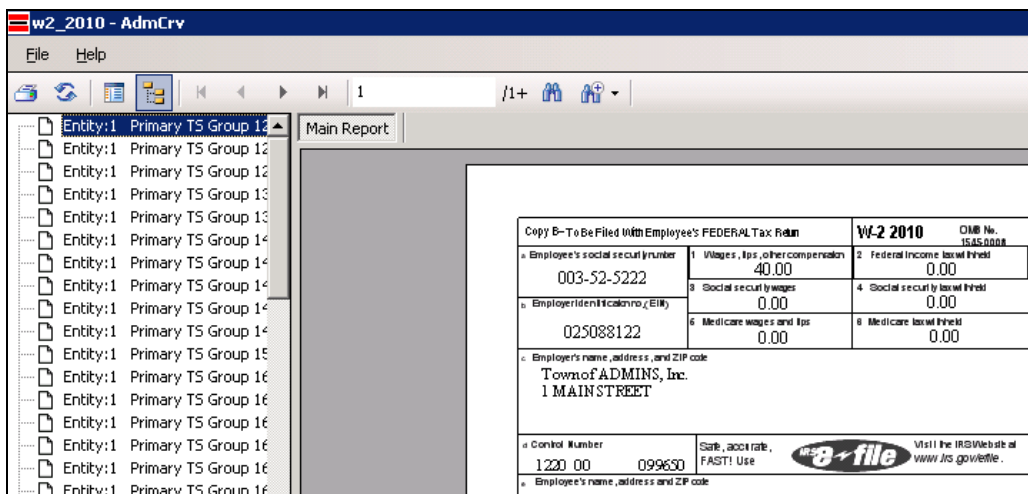
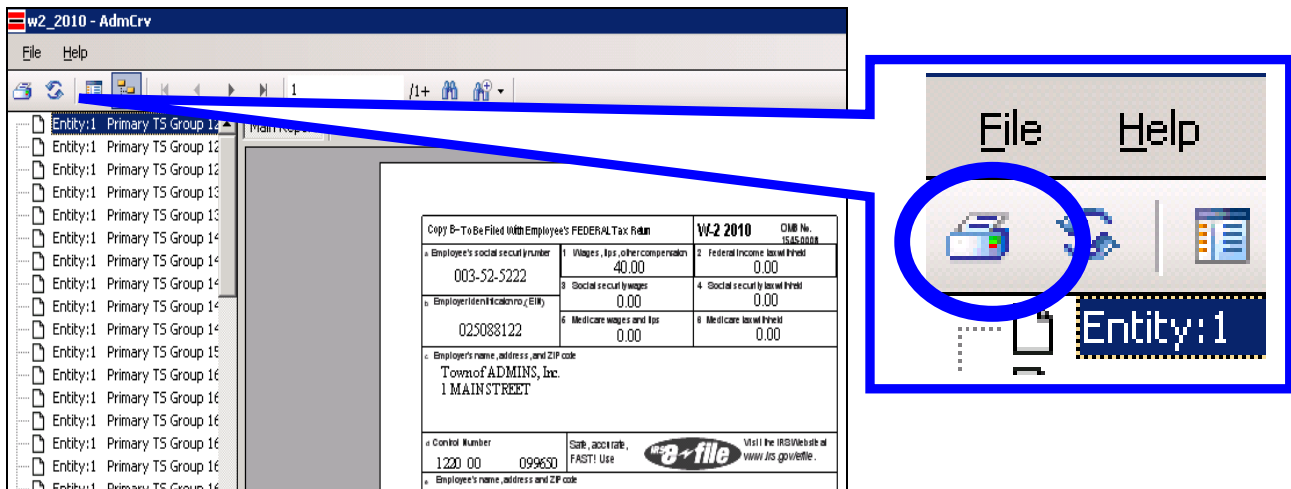


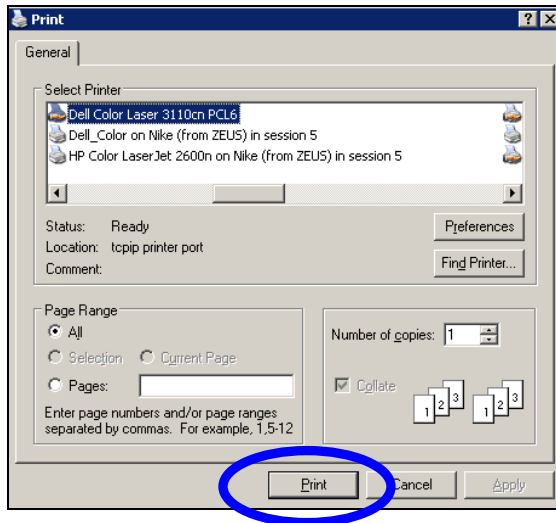
Figure 13 Preview the W2 Forms before sending them to the printer

- This screen will appear. To print, click the **printer icon**





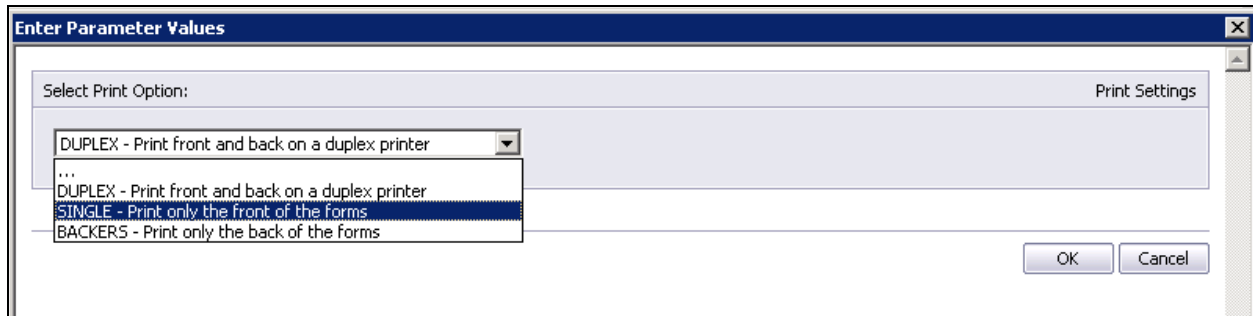
- Select the **printer** (should be the default printer selected in section 7.5)



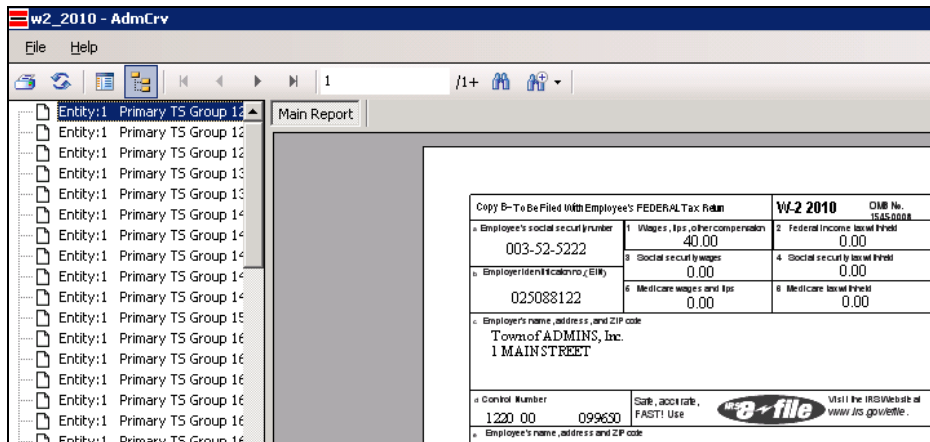
### 7.5.2. SIMPLEX Printing – Form Fronts

Choose this option if no duplex printer is available, or if the forms purchased have pre-printed backers.

- The printing type selection screen will appear. Use the dropdown window to select **SINGLE**.



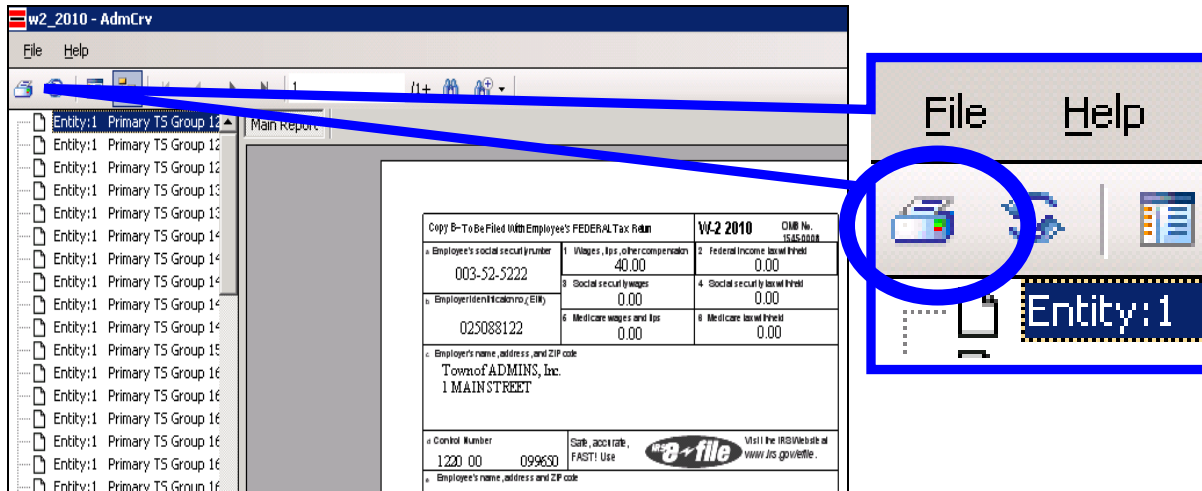
- Click the **[OK]** button.



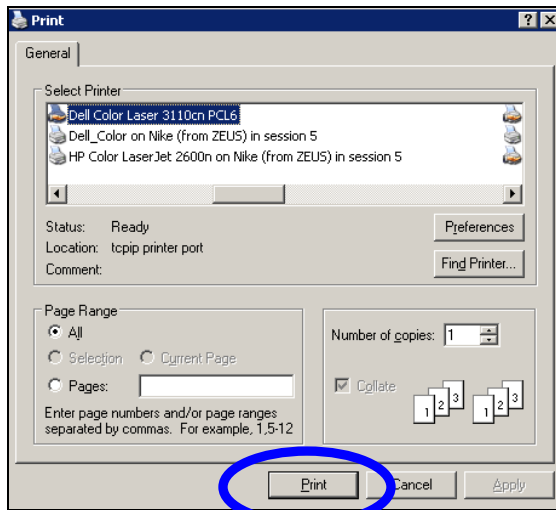
**Figure 10 Preview the W2 Forms before sending them to the printer**



- This screen will appear. To print, click the **printer icon**



- Select the **printer** (should be the default printer selected in section 7.5)

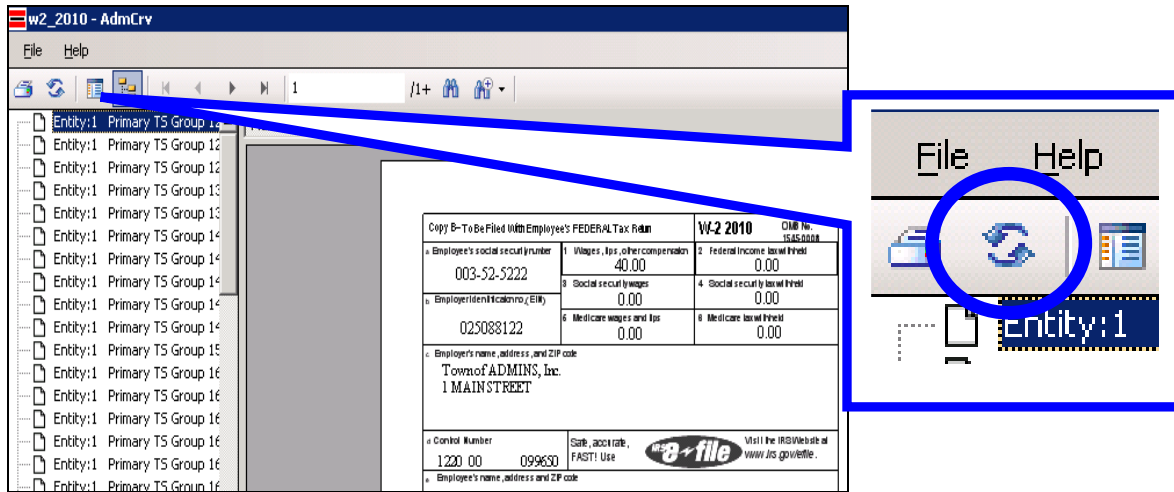


### 7.5.3. SIMPLEX Printing – Form Backs

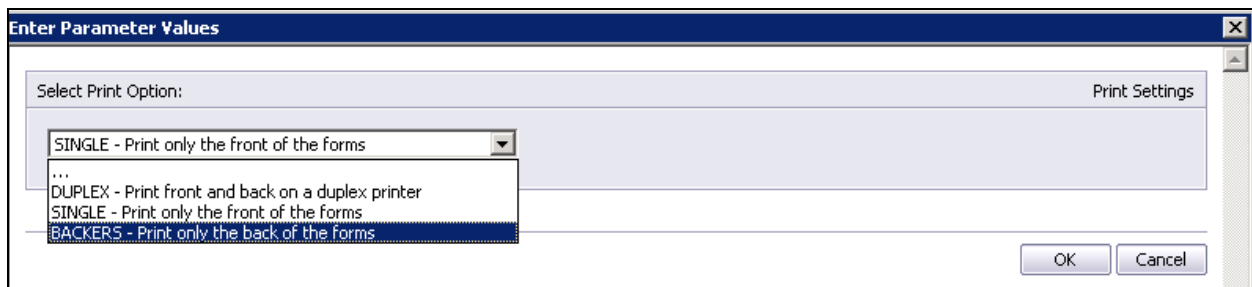
Run this process if not printing **DUPLEX** (print 2 sides at the same time) and if the forms do not have pre-printed backs.



- Click the **refresh icon**



- The printing type selection screen will appear.



- Use the dropdown window to select **BACKERS**. Click the [OK] button.

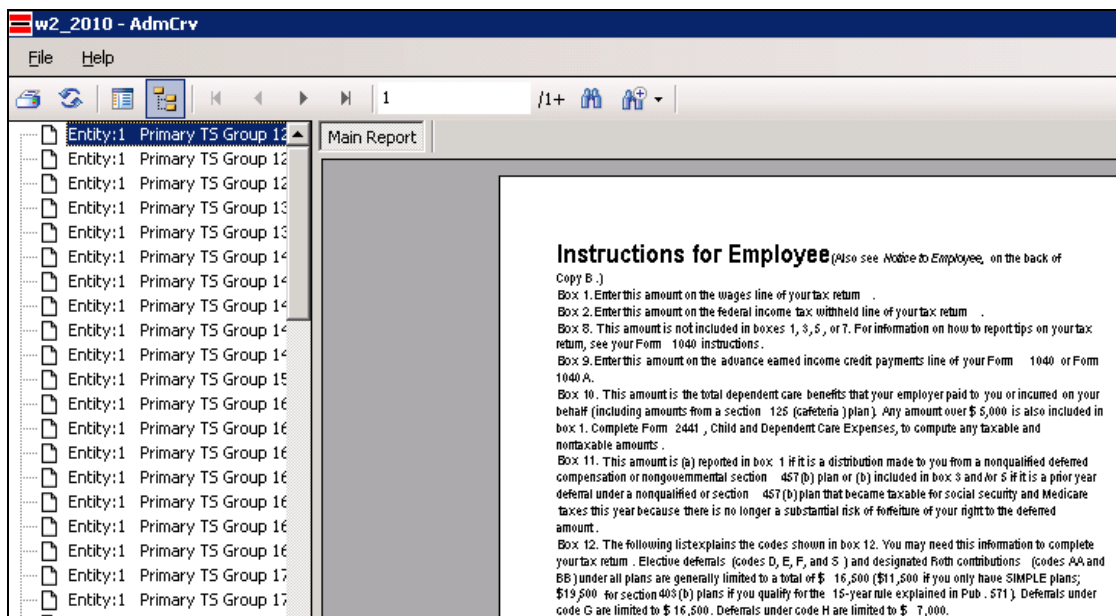
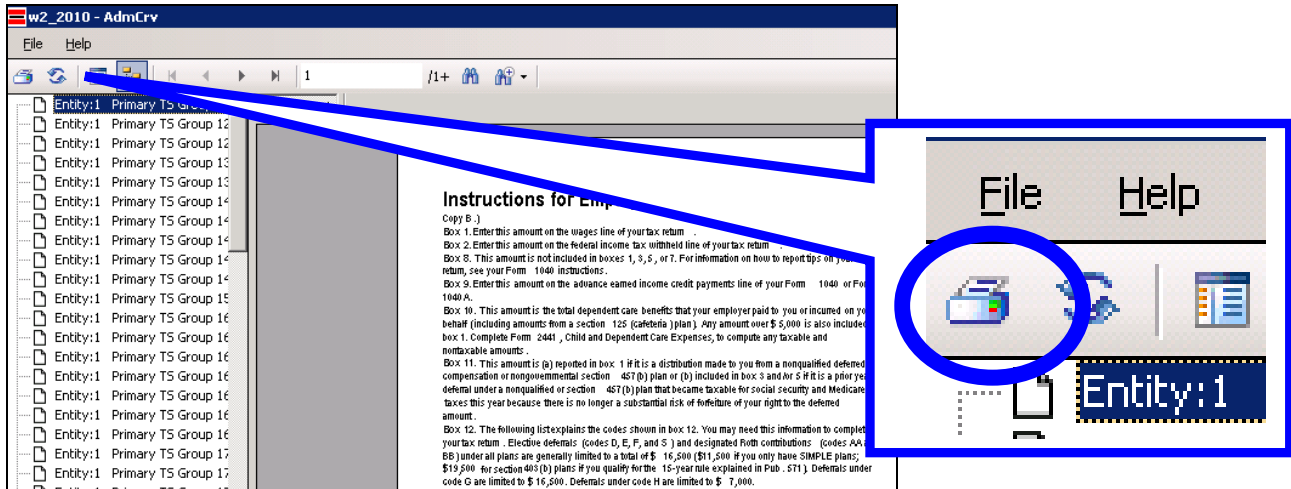


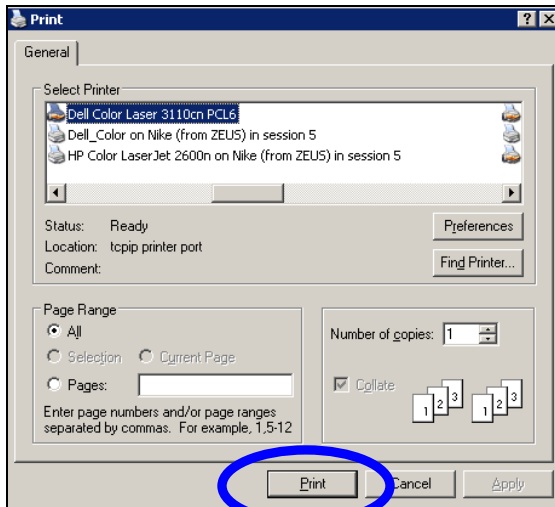
Figure 11 Preview the W2 Form Backers before sending them to the printer



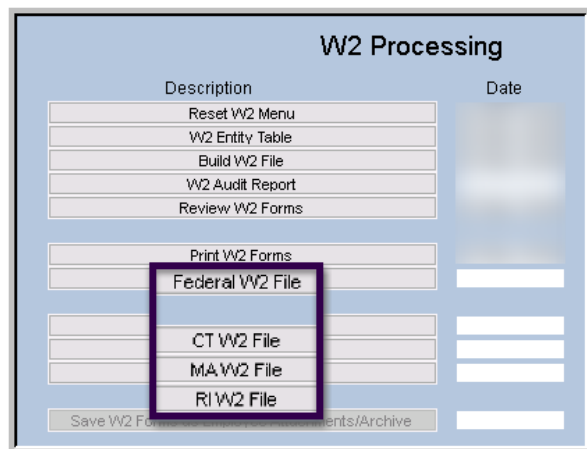
Reload the forms so that they are ready to be printed on the back of the previously printed W2 form fronts. To print, click the **printer icon**



- Select the **printer** (should be the default printer selected in section 7.5) and click on **[Print]**



## 7.6. Create Electronic Files



Create at minimum two electronic files; one for the Federal government and one for each State as required.

### 7.6.1. Create Federal W2 File

All sites must create and submit a Federal W2 file to the Social Security Administration.

- Select **Federal W2 File** from the steps menu



- ☐ Complete the following parameters (Be sure to enter the reporting tax year):

- ☐ Indicate whether including state wages on the federal file.
- ☐ Optionally enter an entity code for which to generate the file.
- ☐ Optionally specify a description for a Medical Savings Account to appear in Box 14 of the form

```

6056-HRW2DISKTOT_2010.REP          Printed 08-Dec-2010 at 10:32:53
                                   Town of Admins
                                   W2 Disk Total Report

                                   2010 W-2 Totals
                                   Entity: 1 TOWN OF ADMINS, INC.
                                   W2 PIN: ABC12345
                                   W2 Contact: JOHN DOE
                                   W2 Contact Phone: (888) 555-1111 12345
                                   W2 File Export Location: d:\auc_development\admhome\transfer\
                                   W2 Export File: w2disk_2010_1.txt

Employee Type                      : Entity Total
Number of Employees                :                226
Wages, tips and other compensation :    3,234,388.59
Federal income tax withheld        :    372,901.62

Social security wages              :                2,040.00
Social security tax withheld       :                126.48

Medicare wages and tips            :    3,214,759.98
Medicare tax withheld              :                46,635.22

Advanced EIC payment               :
Dependent care benefit             :

Box 12 amount                      :    203,777.87
Box 14 amount                      :    306,625.98

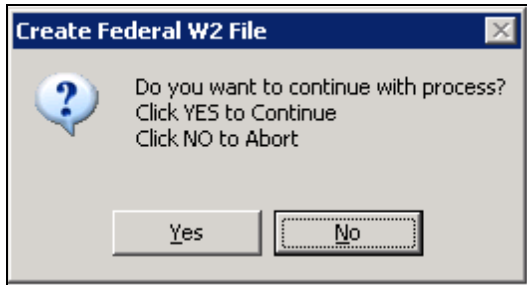
State taxable wages                :    3,519,976.98
State income tax                   :    169,320.63
    
```

Figure 12 W2 Electronic File Verification report



**Verify all amounts since they will be reported on the W2 file.**

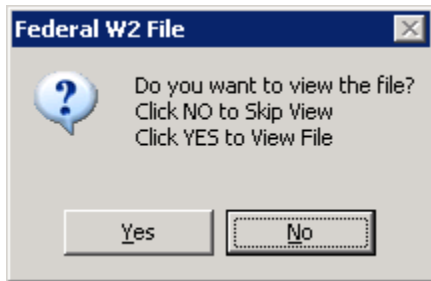
When the reports have completed, a prompt will be displayed; click **[Yes]** to continue after reviewing the report and confirming the totals.



After reviewing the **TOTALS** report, to create the export file, click **[Yes]**.

To stop and make changes click **[No]**.

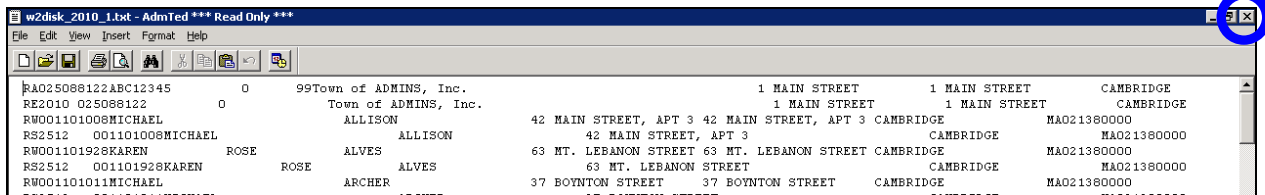
- After the file has been created, the file may be viewed. Please note that the file must be closed after viewing and must not be edited or changed.



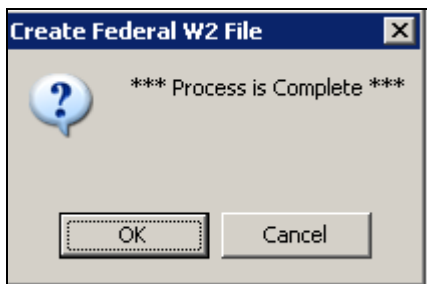
To view the file created, click **[Yes]**; be sure to close this file to allow the processing to continue.

Otherwise click **[No]** to skip viewing the file and complete this step

Shown below is a sample of what the file contents look like. Do not change anything. If desired, view this just to be sure it is not empty. Close the viewer by selecting **File|Exit** from the menu or clicking here order for the process to finish.



Once the process has completed, this indicator message will be displayed; click on **[OK]**:



### 7.6.2. Verify File using AccuWage Online

<https://www.ssa.gov/employer/accuwage/index.html>

If error free, submit to the SSA. If any errors are found, please contact [support@admins.com](mailto:support@admins.com) for assistance.



### 7.6.3. Create State Electronic Files

Create the electronic file to be submitted to the appropriate states.

- Select the appropriate state file (CT, MA, or RI) from the steps menu:

CT W2 File
MA W2 File
RI W2 File

**Task 6052: MA W2 File**

**MA W2 File**

Required: Enter Year

Required: Report State Wages/Taxes from W2 Box 16  Line #1  Line #2

Optional: Entity Code

Options:

*Annotations:*  
 - A callout box points to the Year field: "Enter whether the state information is from Line #1 or Line #2 of W2 Box 16."  
 - A callout box points to the Entity Code field: "Optionally select the Entity Code for the file"

Review the reports to verify what is going to be contained in the electronic file. The Q page is for “Qualified” employees who are not subject to some social security taxes. The R page is for “Regular” employees who will have deductions. Page 3 is a totals page.

Entity: 1 TOWN OF ADMINS	2018 W-2 Totals	Entity: 1 TOWN OF ADMINS	2018 W-2 Totals
Employee Type	Q	Employee Type	R
Number of Employees	895	Number of Employees	6
Wages, tips and other compensation	27,144,796.34	Wages, tips and other compensation	465,828.90
Federal income tax withheld	2,864,627.90	Federal income tax withheld	68,175.50
Social security wages		Social security wages	
Social security tax withheld		Social security tax withheld	
Medicare wages and tips	31,140,701.44	Medicare wages and tips	
Medicare tax withheld	451,548.86	Medicare tax withheld	
Advanced EIC payment		Advanced EIC payment	
Dependent care benefit	14,680.12	Dependent care benefit	
Box 12 amount	1,394,526.82	Box 12 amount	39,609.12
Box 14 amount	2,968,380.61	Box 14 amount	39,857.17
State taxable wages	30,102,481.29	State taxable wages	505,686.07
State income tax	1,463,616.62	State income tax	25,806.84
Deferred compensation D		Deferred compensation D	
Deferred compensation E	509,362.06	Deferred compensation E	
Deferred compensation F		Deferred compensation F	
Deferred compensation G	425,501.15	Deferred compensation G	27,500.00
Deferred compensation H		Deferred compensation H	
Deferred compensation S		Deferred compensation S	
Deferred compensation W		Deferred compensation W	
Deferred compensation Y		Deferred compensation Y	
Deferred compensation Z		Deferred compensation Z	
Deferred compensation AA	1,000.00	Deferred compensation AA	
Deferred compensation BB		Deferred compensation BB	
Cost of employer - Sponsored		Cost of employer - Sponsored	
Health Coverage code DD	449,188.61	Health Coverage code DD	12,109.12
457(b) Roth code EE	9,475.00	457(b) Roth code EE	

Figure 13 Report of State Income Tax Totals to be reported in electronic file





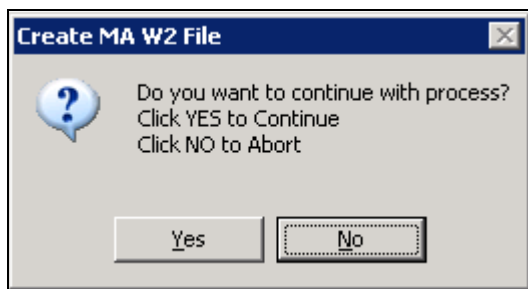
The Connecticut file will have one page for the report and will create a similar \*\*\*Read Only\*\*\* file for transmission to the state.

The Rhode Island file will have a single page PDF report with both employee types and the total on the single page as well as a similar \*\*\*Read Only\*\*\* file for transmission to the state.

The same rule applies to the state files if viewing the electronic file – it must be closed for the command to run to completion.

**Verify all amounts since they will be reported on the W2 file.**

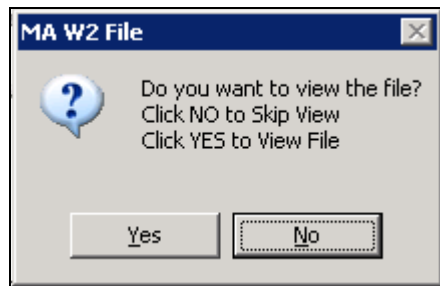
- When the report has completed, a pop-up will be displayed:.



After reviewing the report, to continue click **[Yes]**.

To stop and make changes click **[No]**.

When the reports have been created, a prompt will be displayed; click **[Yes]** to continue after reviewing the report and confirming the totals.



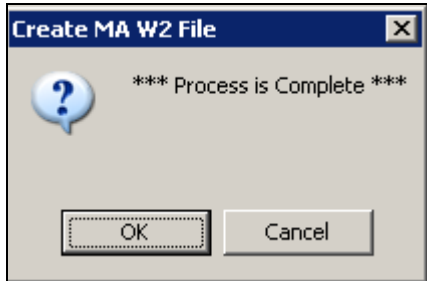
After reviewing the TOTALS report, to continue click **[Yes]**.

To stop and make changes click **[No]**.

Shown below is a sample of what the file contents look like. Do not change anything. If desired, view this just to be sure it is not empty. Close the viewer in order for the process to finish.

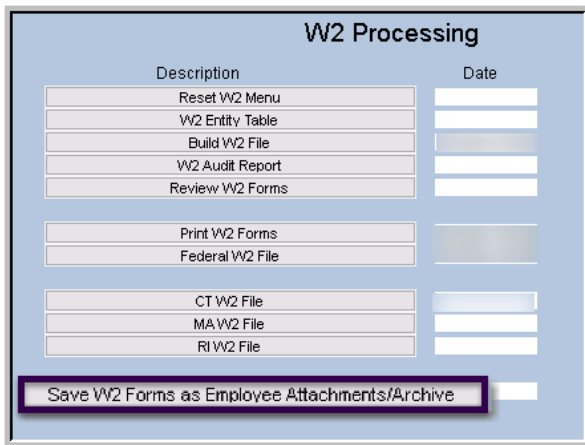
RA025088122	0	Town of ADMINS, Inc.	1 MAIN STREET	1 MAIN STREET	CAMBRIDGE
RE2010 025088122	0	Town of ADMINS, Inc.	1 MAIN STREET	1 MAIN STREET	CAMBRIDGE
RS25 001101008MICHAEL		ALLISON	42 MAIN STREET, APT 3	42 MAIN STREET, APT 3	CAMBRIDGE MA021380000
RS25 001101928KAREN	ROSE	ALVES	63 MT. LEBANON STREET	63 MT. LEBANON STREET	CAMBRIDGE MA021380000
RS25 001101011MICHAEL		ARCHER	37 BOYNTON STREET	37 BOYNTON STREET	CAMBRIDGE MA021380000

**Figure 14** Sample electronic file of State Income Tax withholdings



Once the process has completed, this indicator message will be presented; click on **[OK]**:

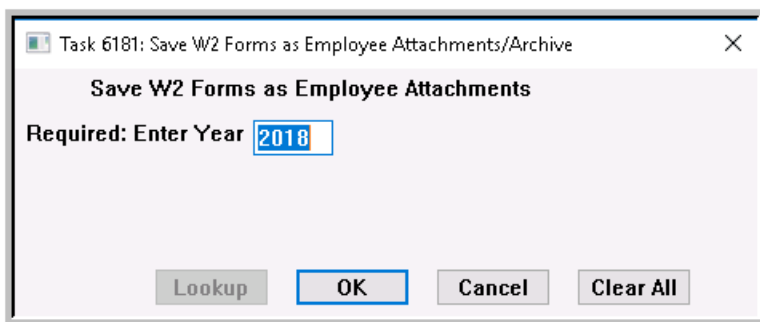
### 7.7. Save W2 Forms as Employee Attachments



This step will attach the w2 forms so that they are available for future viewing or printing. **ADMINS** recommends waiting a few weeks before saving the attachments to allow time to make corrections.

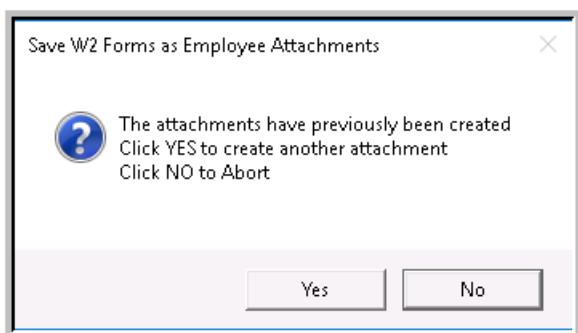
Always run the step to attach before resetting the menu for the next year's processing.

- ❑ Click the **[Save W2 Forms as Employee Attachments/Archive]** button from the W2 Processing Steps Menu.



Enter the **Tax Year** and click **[OK]**.

This step should be rerun if the **[W2]** file is rebuilt. This message will appear:



This is an informational message. Choose **[Yes]** to complete the process.

The attachments can be viewed or printed from the **Employee Maintenance Attachment Screen**.



## 8. W2 REPRINT OR VIEW

The attachments can be viewed or printed from the **Human Resources ► Maintenance ► Employee Maintenance ► [Employee Attachments] Screen**. To access the screen,

- Click the **[Employee Attachments]** button

- Click the **[7 View Attachment]** button.

Seq#	Description	File Name
1	2010 W2 Entity:1 #1	W2_2010_1_010610_1,.pdf
2	2011 W2 Entity:1 #1	W2_2011_1_010610_1,.pdf
3	2012 W2 Entity:1	W2_2012_1_010610_1308261055,.pdf
4	2013 W2 Entity:1	W2_2013_1_010610_1403051551,.pdf
5	2014 W2 Entity:1	W2_2014_1_010610_1503041456,.pdf
6	2015 W2 Entity:1	W2_2015_1_010610_1603291219,.pdf
7	2015 1095C Entity:1	1095C_2015_1_010610_,.pdf
8	2016 W2 Entity:1	W2_2016_1_010610_1701301012,.pdf
9	2016 1095C Entity:1	1095C_2016_1_010610_,.pdf
10	2017 W2 Entity:1	W2_2017_1_010610_1801221420,.pdf
11	2017 1095C Entity:1	1095C_2017_1_010610_,.pdf
12	2018 W2 Entity:1	W2_2018_1_010610_1812121542,.pdf
13	2018 W2 Entity:1	W2_2018_1_010610_1812181204,.pdf



- Use the standard Adobe Reader features to view or print.


W2\_2018\_1\_010610\_1812181204.pdf - Adobe Acrobat Reader DC

File Edit View Window Help

Home Tools W2\_2018\_1\_01061... x

Save Open Print Mail Search

1 / 2

<b>Copy B--To Be Filed With Employee's FEDERAL Tax Return</b> This Information is being furnished to the Internal Revenue Service		Form <b>W-2</b>	OMB No. 1545-0008
	<b>1</b> Wages, tips, other compensation <b>63642.31</b>	<b>2</b> Federal income tax withheld <b>5389.91</b>	
<b>a</b> Employee's social security number <b>001-10-3325</b>	<b>3</b> Social security wages <b>0.00</b>	<b>4</b> Social security tax withheld <b>0.00</b>	
<b>b</b> Employer identification no. (EIN) <b>041234567</b>	<b>5</b> Medicare wages and tips <b>72388.77</b>	<b>6</b> Medicare tax withheld <b>1049.61</b>	
<b>c</b> Employer's name, address, and ZIP code TOWN OF ADMINS 219 LEWIS WHARF BOSTON, MA 02110			
<b>d</b> Control number SCHOOLSOUT 010610	<b>Safe, accurate, FAST! Use</b>		Visit the IRS Website at <a href="http://www.irs.gov/efile">www.irs.gov/efile</a> .
<b>e</b> Employee's first name and initial LYNN F ACHIN-HOUSMAN		Last name 10 HORSESHOE DR	Suff. CAMBRIDGE MA 02138
<b>f</b> Employee's address and ZIP code			



## 9. PREPARING YOUR SYSTEM FOR THE NEW YEAR

Before calculating the first payroll of the new calendar year, complete the following steps to prepare the system for the new reporting year:

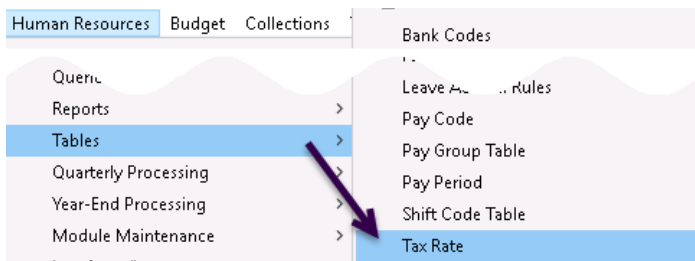
- ✓ Update **Tax Rate** Table
- ✓ Update **Cost Code** Maximums
- ✓ Update **Base Bucket** Maximums
- ✓ Reset **cost code limits** for all employees for the new year
- ✓ Create new Holiday schedules in the **Bargaining Unit Table**

### 9.1. Update Tax Rate Table

To begin, obtain Circular E, Employer’s Tax Guide for the New Year. It can be found at <https://www.irs.gov/pub/irs-pdf/p15.pdf>.

#### 9.1.1. Federal Income Tax

1. Click **Human Resources** ▶ **Tables** ▶ **Tax Rate**



- Locate the **FEDERAL** Tax tables by selecting the Tax Type from the lookup:
- Update the **Annual Exemption Amount**
- Update the **Wage thresholds** for all tax tables

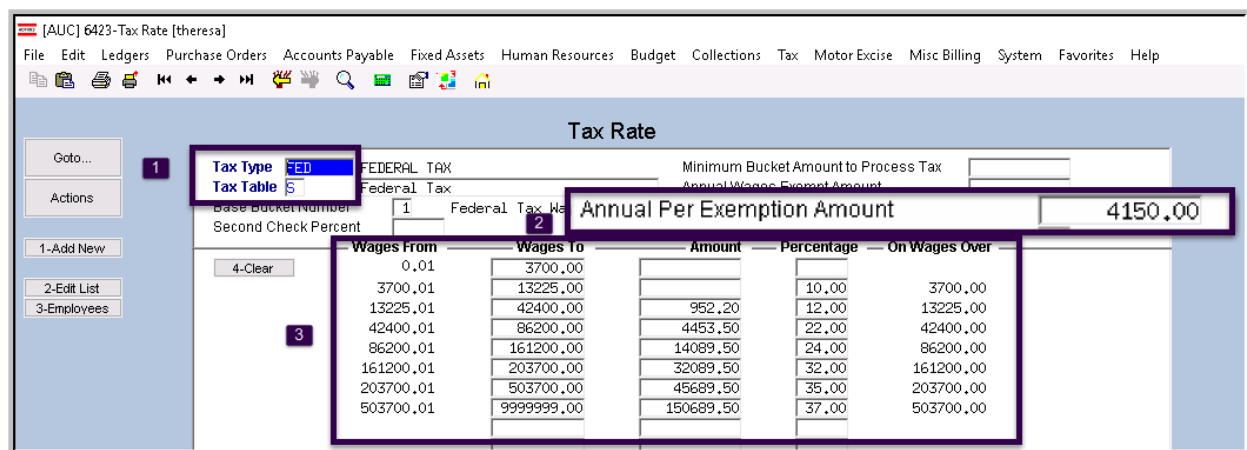


Figure 15 Tax Table: FEDERAL-Single



### 9.1.2. State Income Tax

Complete the same process for your **STATE** tax tables using the same table.

Click **Human Resources ▶ Tables ▶ Tax Rate**

- Locate the **STATE** Tax tables
- Update the **Annual Exemption Amount**
- Update the **Wage thresholds**

For state income taxes please refer to the following:

State	Please refer to...
Massachusetts	<a href="http://www.mass.gov/Ador/docs/dor/Forms/Wage_Rpt/PDFs/circ_m08.pdf">http://www.mass.gov/Ador/docs/dor/Forms/Wage_Rpt/PDFs/circ_m08.pdf</a>
Rhode Island	<a href="http://www.tax.ri.gov/Advisory/ADV_2018_45.pdf">http://www.tax.ri.gov/Advisory/ADV_2018_45.pdf</a>
Connecticut	<a href="https://portal.ct.gov/-/media/DRS/Forms/2019/Withholding/TPG-211_1118.pdf?la=en">https://portal.ct.gov/-/media/DRS/Forms/2019/Withholding/TPG-211_1118.pdf?la=en</a>

### 9.1.3. State of Rhode Island Supplemental Wages

**SUPPLEMENTAL WAGES:** Supplemental wages are compensation paid in addition to an employee’s regular wages. They include, but are not limited to, bonuses, commissions, overtime pay, payments for accumulated sick leave, severance pay, awards, prizes, back pay and retroactive pay increases for current employees, and payments for nondeductible moving expenses. Other payments subject to the supplemental wage rules include taxable fringe benefits and expense allowances paid under a non-accountable plan. How you withhold on supplemental payments depends on whether the supplemental payment is identified as a separate payment from regular wages (see part 4 for details). The Supplemental withholding rate is 5.99%....

...If supplemental wages, such as bonuses, commission, overtime pay and back pay are paid with regular wages, the income tax to be withheld must be determined as if the total were a single wage payment for the regular payroll period. However, if the supplemental wages are paid separately, the employer may add the supplemental wages to the regular wages paid to the employee for the last preceding payroll period, determine the amount to be withheld as if the aggregate amount were a single payment, subtract the tax withheld for the last preceding payroll period and withhold the remaining tax from the supplemental wage payment.

Excerpted from the 2019 Rhode Island Employer’s income Tax Withholding Tables:  
<http://www.tax.ri.gov/forms/2019/Withholding/2019%20Withholding%20Booklet.pdf>

## 9.2. Update Cost Code Table

Update the annual maximum(s) for your Cost Codes. At a minimum, each site must update the **FICA** limit (if there are employees subject to **FICA** taxes). However, some sites may have other values that need updating as well.



- Click **Human Resources** ▶ **Tables** ▶ **Cost Code**
- Locate the **FICA** code
- Update the **Annual Maximum Amounts**

**Cost Code Table**

**Cost Code** FICA SOCIAL SECURITY WITHHOLDING

---

**Calculation**

Method 1 Use Tax Rate Table  
 Method 2 Flat Amount \$   
 Method 3 Base Bucket%  Base Bucket#

Period Annualized Over Annual \$   
 YTD Amount

**Calendar Year Annual Maximums**

Bucket Amount \$ 1329000,00

Employee Contribution \$ 8239,00

Employer Contribution \$ 8239,00

### 9.3. Update Base Buckets Table

Update the annual maximum(s) for the Base Buckets. At a minimum, each site must update the **Social Security Wages** record.

- Click **Human Resources** ▶ **Tables** ▶ **Base Buckets**
- Locate the **SOCIAL SECURITY WAGE** bucket
- Update the **Annual Maximum Amount**

<https://faq.ssa.gov/en-US/Topic/article/KA-02387>

### 9.4. Reset Cost Code Annual Maximums

If any employees have cost codes where annual maximums are being used reset those values for the new calendar year **BEFORE** posting the first payroll in January.

CostCode	Effective	Stop Date	Table Amount	Message	Additional Amount	Additional Start Date	Additional Stop Date	Original Amount	Remaining Balance
CUNION	26-Aug-1999				350,00	02-Sep-2009			
DIRDEP	26-Aug-1999		99,999,99						
DNTL-T2	20-Jan-2010		6,75						
DNTL-TF	26-Aug-1999	19-Jan-2010	8,52						
ERP	26-Aug-1999		76,70				767,00	306,80	
FIRSTINV	26-Aug-1999				25,00	26-Aug-1999			
LIFE-T	26-Aug-1999		,49						
MED-T2	20-Jan-2010		107,23						
MED-TF	26-Aug-1999	19-Jan-2010	137,32						
MEDI	26-Aug-1999		1,4500%						
RET125	26-Aug-1999				38,36	01-Sep-2009			
RET6	26-Aug-1999				184,12	01-Sep-2009			
UWAY	26-Aug-1999				2,00	22-Sep-2009		30,00	16,00

For instructions on completing this process, please refer to the **HR-200 Reset Annual Maximum on Employee** document located in the Help Reference Library.



**Human Resources Help Reference Library**

Reference Card	View	Send	Last Run Date	Run Time
<b>HR-100 Human Resources Help Documents Index</b>	View	Email	31-Mar-2020	11:05:05.28
----- EMPLOYEE POSITIONS -----				
HR-110 Employee Maintenance Screen	View	Email	29-Jun-2018	16:58:16.49
HR-120 Add A New Employee	View	Email	29-Jun-2018	16:58:24.18
HR-130 Position Maintenance - Add Position to an Employee	View	Email	10-Jan-2019	13:58:42.52
HR-140 How Account Numbers are Used	View	Email	29-Jun-2018	16:58:32.02
HR-150 Mass Change Employee Salaries	View	Email	29-Jun-2018	16:58:36.21
HR-160 PT Sick Leave Accrual	View	Email	06-Nov-2018	10:23:44.55
HR-170 How Deductions are Taken	View	Email	29-Jun-2018	16:58:44.76
HR-180 Tax Shelter - Matched Benefits	View	Email	12-Oct-2018	13:35:25.17
HR-190 Medicare Adjustments	View	Email	29-Jun-2018	16:58:56.94
<b>HR-200 Reset Annual Maximum on Employee Cost Codes</b>	View	Email	29-Jun-2018	10:37:35.65
HR-210 Leave Accrual	View	Email	29-Jun-2018	16:59:35.09
HR-220 Employee Attendance Log (Time Used)	View	Email	06-Nov-2018	10:22:30.35
HR-230 Employee Verification (3 yr wages)	View	Email	06-Nov-2018	10:23:22.80
----- PAYROLL PROCESSING -----				

### 9.5. Update Holiday Tab on Bargaining Units

This step may be done at any time. Select **HR ► Tables ► Bargaining Unit Tables ► [2 Holidays]**. Verify that the holidays are correct. Copy the current year holidays to the new year using the **[W Create New Year]** button. Check the results. Copy the holidays to other bargaining units if desired or select each bargaining unit in turn and **[W Create New Year]**.

**Bargaining Unit - Holidays**

Bargaining Unit: **AFIL -AF** School Weekly 12 month employees

Summary: 1 Cost Codes, **2 Holidays**, 3 Longevity Pay, 4 Retroactive Pay, 5 Salary Sched, 6 Other Info, Benefit Statements, Affordable CareAct

Restrict Holidays to Year: 2020 Only 2020 holidays will be displayed

Date	Description	Pay Code	Hours	Days	Add, Substitute or Ignore	Only if Worked	Recur	Month	Week	Day of Week
01-Jan-2020	New Years Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	N			
20-Jan-2020	MLK Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	N			
17-Feb-2020	Predidents Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	N			
10-Apr-2020	Good Friday	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	N			
20-Apr-2020	Patriots Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	N			
25-May-2020	Memorial Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	N			
04-Jul-2020	Independence Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input type="radio"/> Yes <input checked="" type="radio"/> No	N			
07-Sep-2020	Laor Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	W	9	First	Monday
12-Oct-2020	Colombus Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	W	10	Second	Monday
26-Nov-2020	Thanksgiving Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input checked="" type="radio"/> Yes <input type="radio"/> No	W	11	Fourth	Thursday
25-Dec-2020	Christmas Day	DHOL	1.00		<input type="radio"/> Add <input checked="" type="radio"/> Sub <input type="radio"/> Ignore	<input type="radio"/> Yes <input checked="" type="radio"/> No	A			

**2** P Copy From/To Barqaining Unit      **1** W Create New Year





## 10. APPENDIX: EXAMPLES OF ASSIGNING W2 BOXES

The system setup determines how wages and withholdings are reported for W2 purposes. Shown below are examples of setting up Box Numbers so that they may appear in the properly designated places on the W2 Form.

Review W2 Forms					
Entity <b>1</b> ANYTOWN USA		Employee # 000040	SS# 111-11-1111		
b Employer identification number (EIN) 06-6001997		1 Wages, tips, other compensation 44922.10	2 Federal income tax withheld 761.12		
c Employer's name, address and zip code ANYTOWN USA 123 MAIN STREET CAMBRIDGE, MA 02141-0000		3 Social security wages	4 Social security tax withheld		
		5 Medicare wages and tips 52566.10	6 Medicare tax withheld 79.58		
		7 Social security tips	8 Allocated tips		
d Control number TOWN -DPW		9 Advance EIC payment	10 Dependent care benefits		
e Employee's Name DONALD F DOE  1 MAIN STREET  ANYTOWN, MA 11111-0000		11 Nonqualified plans	12a See instructions for box 12 G 255.00		
		13 Stat EE R.Plan 3rdPty X	12b		
		14 Other 74.52 PEN30+ 434.88 PENSN	12c		
f Employee's address and ZIP code		12d			
15 State Employer's state ID number MA 123456789	16 State wages, tips 50016.10	17 State income tax 299.64	18 Local wages	19 Local tax	20 Name

### 10.1. Wages, Tips, Other Compensation

Box 1 reports the total taxable wages paid to an employee. In the example below, Base Bucket # 1 has been designated for **FEDERAL TAXABLE WAGES** and will accumulate all wages subject to federal taxation. These wages are set to be reported in Box 1 of the W2 form.

Base Buckets				
1 Bucket	2 Description	Annual Maximum	W2 Box	W2 Desc
1	FEDERAL TXBL WAGES		01	WAGES



## 10.2. Box 2: Federal Income Tax Withheld

Box 2 reports the total federal income tax withheld from an employee. You need to have both a Cost Code and matching Tax Rate table record set up. There are 3 methods in which taxes may be withheld.

First, it may come from the Tax Rate table based on a %.

Second, it may come from an additional withholding that may be a flat amount specified on an employee's deduction setup.

Lastly, it may come from a % of a base bucket.

All of these values would be added together and reported on a W2 as "Federal Tax Withheld" if they were all coded as belonging to Box# 2 of the W2 form.

### 10.2.1. Method 1: Use Tax Rate Table

**Cost Code Table**

Cost Code: **FED** FEDERAL TAX

**Calculation**

- Method 1 Use Tax Rate Table
- Method 2 Flat Amount \$ [ ]
- Method 3 Base Bucket% [ ] Base Bucket # [ ]

W2 Box #: **02** W2 Description: **FED**

1099-R Box #: [ ] 1099-R Description: [ ]

When you have a Cost Code that uses **Method 1**, there must be a code in the Tax Rate table that exactly matches the Cost Code. In this example, the code of **FED** has been used to link both tables together.

Figure 16 Cost Code showing Federal Tax Withholding

**Tax Rate**

Tax Type: **FED** FEDERAL TAX Minimum Bucket Amount to Process Tax: [ ]

Tax Table: **M** Married Annual Wa: [ ]

Base Bucket Number: **1** Federal Tax: [ ]

Second Check Percent: **25.00**

Wages From	Wages To	
0.01	15750.00	
15750.01	24450.00	
24450.01	75650.00	870.00
75650.01	118130.00	8550.00
118130.01	216600.00	19170.00
216600.01	380700.00	46741.60
380700.01	9999999.00	100894.60
		35.00 380700.00

When applying the cost code called **FED**, the system finds the corresponding **Tax Type** in the **Tax Rate** table. Then it looks for a **Base Bucket #** on which to apply the tax computations.

Figure 17 Tax Table showing Federal Tax record (code of FED here matches code of FED in Cost Code table)



### 10.2.2. Method 2: Flat Amount

Some situations require withholding additional federal tax for employees using a flat amount. The flat amount may be specified in the cost code table (if it is the same amount for all employees), or it may be specified on the individual employee records.

Either way, it will accumulate into the total federal tax withholdings for W2 purposes if box “02” is applied to both of the cost codes.

Cost Code Table	
Cost Code	XFED ADDITIONAL FEDERAL TAX
<b>Calculation</b>	
<input type="radio"/> Method 1	Use Tax Rate Table
<input checked="" type="radio"/> Method 2	Flat Amount \$ 2,00
<input type="radio"/> Method 3	Base Bucket% Base Bucket # Over Annual \$

W2 Box #	02	W2 Description		Applies to
1099-R Box #		1099-R Description		Applies to

### 10.2.3. Method 3: Percent of Base Bucket

Sometimes federal tax is withheld for employees using a percentage of a base bucket. This will accumulate into the total federal tax withholdings for W2 purposes if you apply box “02” to all of the cost codes.

Cost Code Table	
Cost Code	XFED ADD'L FED (TAX ON UNIFORM ALLOWANCE PD)
<b>Calculation</b>	
<input type="radio"/> Method 1	Use Tax Rate Table
<input type="radio"/> Method 2	Flat Amount \$
<input checked="" type="radio"/> Method 3	Base Bucket% 22,0000 Base Bucket # 1 Over Annual \$

W2 Box #	02	W2 Description		Applies to:
1099-R Box #		1099-R Description		Applies to:



### 10.3. Box 3: Social Security Wages

Box 3 reports that wages paid to an employee that are subject to social security tax. In the example below, Base Bucket # 10 has been assigned to **SOCIAL SECURITY WAGES** and will accumulate all wages (up to the maximum specified) subject to social security taxation. These wages are set to be reported in Box 3 of the W2 form.

1 Bucket	2 Description	Annual Maximum	W2 Box
1	Federal Tax Wages		01
2	Medicare Wages		05
3	State Taxable Wages		16-#1
10	Social Security Wages	1329000,00	03

### 10.4. Box 4: Social Security Withheld

Box 4 reports the total employee social security tax withheld from an employee.

**Cost Code Table**

Cost Code:  SOCIAL SECURITY WITHHOLDING

---

**Calculation**

Method 1 Use Tax Rate Table  
 Method 2 Flat Amount \$   
 Method 3 Base Bucket%  Base Bucket#

Period Annualized Over Annual \$   
 YTD Amount

**Calendar Year Annual Maximums**

Bucket Amount \$ 1329000,00

Employee Contribution \$ 8239,00

Employer Contribution \$ 8239,00

5 General    6 Accounting    7 Base Buckets    8 Periods to Take    9 Tiers    Vendor Notes

---

W2 Box #  W2 Description

Applies to:  Benefit  Deduction  Both  N/A    Subtract  Yes  No  
 Applies to:  Benefit  Deduction  Both  N/A

### 10.5. Box 5: Medicare Wages and Tips

Box 5 reports wages paid to an employee that are subject to Medicare tax. In the example below, Base Bucket #2 has been assigned to **MEDICARE WAGES** and will accumulate all wages subject to Medicare withholdings.



Base Buckets				
1 Bucket	2 Description	Annual Maximum	W2 Box	W2 Desc
1	FEDERAL TXBL WAGES		01	WAGES
2	MEDICARE WAGES		05	MEDI

### 10.6. Box 6: Medicare Tax Withheld

Box 6 reports the total employee Medicare tax withheld. In the example below, a cost code called **MEDI** has been used to withhold this tax. This withholding is set to be reported in Box 6 of the W2 form.

#### Cost Code Table

Cost Code **MEDI** MEDICARE

**Calculation**

Method 1 Use Tax Rate Table  
 Method 2 Flat Amount \$   
 Method 3 Base Bucket%  Base Bucket#

Period Annualized Over Annual \$   
 YTD Amount

**Calendar Year Annual Maximums**

Bucket Amount \$

Employee Contribution \$

Employer Contribution \$

5 General
6 Accounting
7 Base Buckets
8 Periods to Take
9 Tiers
Vendor Notes

---

W2 Box #  W2 Description  Applies to:  Benefit  Deduction  Both  N/A Subtract  Yes  No

1099-R Box #  Applies to:  Benefit  Deduction  Both  N/A

Here is an example of a Medicare Adjustment cost code that will allow a flat amount to be entered in the employee deduction screen. Use this code to make a flat amount adjustment to an employee in the void/manual screen(s).

#### Cost Code Table

Cost Code **MICADJ** MEDICARE ADJUSTMENT

**Calculation**

Method 1 Use Tax Rate Table  
 Method 2 Flat Amount \$   
 Method 3 Base Bucket%  Base Bucket #  Over Annual \$

**Figure 18 Example of Cost Code setup that can be used for Medicare adjustments**



## 10.7. Box 10: Dependent Care

Box 10 is used to accumulate payments for Dependent Care. Indicate whether the payments are pre-tax or not. Set the pre-tax status prior to using the code for any employees.

Cost Code Table			
Cost Code	SEC129	SECTION 129	
<b>Calculation</b>			
<input checked="" type="radio"/> Pretax?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	Payment Type
<input type="radio"/> Not Pretax?	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
<input type="radio"/> Over 50K Life Insurance	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
<input type="radio"/> W2 Pension Indicator	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
<input type="radio"/> Non-Direct Deposit Account Entry	<input type="radio"/> Yes	<input checked="" type="radio"/> No	
W2 Box #	10	W2 Description	DEPCAR
Applies to:	<input type="radio"/> Benefit	<input checked="" type="radio"/> Deduction	
1099-R Box #		1099-R Description	
Applies to:	<input type="radio"/> Benefit	<input type="radio"/> Deduction	



### 10.8. Box 12: Other

Review W2 Forms					
Entity: TOWN OF ADMINS		Employee #: 001221	SS#: 001-10-1118		
b Employer identification number (EIN) 041234567		1 Wages, tips, other compensation 49464.93	2 Federal income tax withheld 8932.34		
c Employer's name, address and zip code TOWN OF ADMINS 219 LEWIS WHARF BOSTON, MA 02110		3 Social security wages	4 Social security tax withheld		
		5 Medicare wages and tips	6 Medicare tax withheld		
		7 Social security tips	8 Allocated tips		
d Control number TOWN -TOWN		9 Verification Code	10 Dependent care benefits		
e Employee's Name KAREN A PETERS  176 BAILEY STREET  CAMBRIDGE, MA 02138		11 Nonqualified plans	12a See instructions for box 12 G 6400.00		
		13 Stat EE RPlan 3rdPty	12b DD 6054.56		
		14 Other 3246.81 PENSN 559.18 PEN30+	12c		
f Employee's address and ZIP code		12d			
15 State Employer's state ID number MA 041234567	16 State wages, tips 53270.92	17 State income tax 2716.73	18 Local wages	19 Local tax	20 Name

Box 12 is used for “Codes” and comprises boxes 12a – 12d. Included below is an excerpt of the IRS guidelines for reporting codes in Box 12 of the W2 Form.

Form W-2 Reference Guide for box 12 (See the box 12 instructions)

Form W-2 Reference Guide for Box 12 Codes					
A	Uncollected social security or RRTA tax on tips	L	Substantiated employee business expense reimbursements	Y	Deferrals under a section 409A nonqualified deferred compensation plan
B	Uncollected Medicare tax on tips (but not Additional Medicare Tax)	M	Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (former employees only)	Z	Income under a nonqualified deferred compensation plan that fails to satisfy section 409A
C	Taxable cost of group-term life insurance over \$50,000	N	Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (but not Additional Medicare Tax) (former employees only)	AA	Designated Roth contributions under a section 401(k) plan
D	Elective deferrals under a section 401(k) cash or deferred arrangement plan (including a SIMPLE 401(k) arrangement)	P	Excludable moving expense reimbursements paid directly to members of the Armed Forces	BB	Designated Roth contributions under a section 403(b) plan
E	Elective deferrals under a section 403(b) salary reduction agreement	Q	Nontaxable combat pay	DD	Cost of employer-sponsored health coverage
F	Elective deferrals under a section 408(k)(6) salary reduction SEP	R	Employer contributions to an Archer MSA	EE	Designated Roth contributions under a governmental section 457(b) plan
G	Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan	S	Employee salary reduction contributions under a section 408(p) SIMPLE plan	FF	Permitted benefits under a qualified small employer health reimbursement arrangement
H	Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan	T	Adoption benefits	GG	Income from qualified equity grants under section 83(i)
J	Nontaxable sick pay	V	Income from exercise of nonstatutory stock option(s)	HH	Aggregate deferrals under section 83(i) elections as of the close of the calendar year
K	20% excise tax on excess golden parachute payments	W	Employer contributions (including employee contributions through a cafeteria plan) to an employee's health savings account (HSA)		



Example of an elective deferral, 403(b) plan:

Cost Code Table				
Cost Code	AN-AMX	AMEX FINANCL 0139600		
W2 Box #	12	W2 Description	E	
Applies to:	<input type="radio"/> Benefit	<input checked="" type="radio"/> Deduction	<input type="radio"/> Both	<input type="radio"/> N/A
Applies to:	<input type="radio"/> Benefit	<input type="radio"/> Deduction	<input type="radio"/> Both	<input checked="" type="radio"/> N/A

Example of an elective deferral 457(b) plan:

Cost Code Table				
Cost Code	DEFVOL	DEF COMP FULL TIME		
W2 Box #	12	W2 Description	G	
Applies to:	<input type="radio"/> Benefit	<input checked="" type="radio"/> Deduction	<input type="radio"/> Both	<input type="radio"/> N/A
Applies to:	<input type="radio"/> Benefit	<input type="radio"/> Deduction	<input type="radio"/> Both	<input checked="" type="radio"/> N/A





### 10.9. Box 14: Other

<https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

Box 14 allows you to report a variety of taxable benefits paid to an employee during the calendar year. Since there is no standard list of codes for Box 14, employers can list any description they choose.

Employers can use this box to report information like:

- Car allowance if lease value was reported in Box 1
- USERRA makeup contributions for pension
- Union dues
- Uniform allowance
- State disability insurance taxes withheld
- Nontaxable income
- Education assistance payments
- Pension plan contributions including:
  - Non-elective employer contributions made on behalf of an employee
  - Voluntary after-tax contributions (non-Roth) that are deducted from an employees pay
  - Required employee contributions
  - Employer matching contributions

Cost Code Table			
Cost Code	MT-30+	MASS TCH 30+	
W2 Pension Indicator	<input checked="" type="radio"/> Yes <input type="radio"/> No	Payroll-ACH	<input type="radio"/> Payroll-ACH
Non-Direct Deposit Account Entry	<input type="radio"/> Yes <input checked="" type="radio"/> No	AP-Voucher	<input checked="" type="radio"/> AP-Voucher
W2 Box #	14	W2 Description	PEN30+
1099-R Box #		1099-R Description	
Applies to:	<input type="radio"/> Benefit	<input checked="" type="radio"/> Deduction	<input type="radio"/> Both <input type="radio"/> N/A
Applies to:	<input type="radio"/> Benefit	<input type="radio"/> Deduction	<input checked="" type="radio"/> Both <input type="radio"/> N/A

Figure 19 Sample: Pension, Over 30K will appear in Box 14 with a description of "PENS30+"

Cost Code Table			
Cost Code	PNNON9	NORFOLK CTY ND 8%	
W2 Box #	14	W2 Description	PENSN
1099-R Box #		1099-R Description	
Applies to:	<input type="radio"/> Benefit	<input checked="" type="radio"/> Deduction	<input type="radio"/> Both <input type="radio"/> N/A
Applies to:	<input type="radio"/> Benefit	<input type="radio"/> Deduction	<input checked="" type="radio"/> Both <input type="radio"/> N/A

Figure 20 Sample: 8% Pension withholding will appear in Box 14 with a description of "PENSN"



Review W2 Forms					
Entity <b>TOWN OF ADMINS</b>		Employee # <b>001221</b>	SS# <b>001-10-1118</b>		
b Employer identification number (EIN) 041234567		1 Wages, tips, other compensation 49464.93	2 Federal income tax withheld 8932.34		
c Employer's name, address and zip code TOWN OF ADMINS 219 LEWIS WHARF BOSTON, MA 02110		3 Social security wages	4 Social security tax withheld		
		5 Medicare wages and tips	6 Medicare tax withheld		
		7 Social security tips	8 Allocated tips		
d Control number TOWN -TOWN		9 Verification Code	10 Dependent care benefits		
e Employee's Name KAREN A PETERS  176 BAILEY STREET  CAMBRIDGE, MA 02138		11 Nonqualified plans	12a See instructions for box 12 G 6400.00		
		13 Stat EE R.Plan 3rdPty	12b DD 6054.56		
		14 Other 3246.81 PENSN 559.18 PENS0+	12c 12d		
f Employee's address and ZIP code		15 State Employer's state ID number MA 041234567	16 State wages, tips 53270.92	17 State income tax 2716.73	18 Local wages 19 Local tax 20 Name

Based on the setup shown above, these pension withholdings would be reported in Box 14 like this.

Figure 14 Box 14 Pension amounts

### 10.10. Box 17: State Income Tax

Box 17 allows you to report state income tax withheld on up to two lines. In the example below, deductions are taken for Additional State Tax and are reported in Box 17 on line 1.

Cost Code Table			
Cost Code	STATE+	ADDITIONAL STATE TAX	
W2 Box #	17-#1	W2 Description	
1885 R-Box#		1885 R-Description	
Applies to:		<input type="radio"/> Benefit <input checked="" type="radio"/> Deduction <input type="radio"/> Both <input type="radio"/> N/A	
Applies to:		<input type="radio"/> Benefit <input type="radio"/> Deduction <input type="radio"/> Both <input checked="" type="radio"/> N/A	

The W2 Box# field may contain values like this:

- 17-#1 Print the withholdings on Line 1 of Box 17
- 17-#2 Print the withholdings on Line 2 of Box 17

		0.00		0.00	
16 State Employer's state ID number	18 State wages, tips, etc.	17 State income tax			
MA 025-088122	810.97	2.50			
RI 125-12336	810.97	0.00			
18 Local wages, tips, etc.	18 Local Income tax	20 Local tyname			
0.00	0.00				