



What to do if your business receives a “no-match” letter

In the past few months, many businesses and employers nationwide have received “no-match” letters from the Social Security Administration (SSA). The purpose of these letters is to alert employers if there’s a discrepancy between the agency’s files and data reported on W-2 forms, which are given to employees and filed with the IRS. Specifically, they point out that an employee’s name and Social Security number (SSN) don’t match the government’s records.

According to the SSA, the purpose of the letters is to “advise employers that corrections are needed in order for us to properly post” employees’ earnings to the correct records. If a person’s earnings are missing, the worker may not qualify for all of the Social Security benefits he or she is entitled to, or the benefit received may be incorrect. The no-match letters began going out in the spring of 2019.

Why discrepancies occur

There are a number of reasons why names and SSNs don’t match. They include typographical errors when inputting numbers and name changes due to marriage or divorce. And, of course, employees could intentionally give the wrong information to employers, as is sometimes the case with undocumented workers.

Some lawmakers, including Democrats on the U.S. House Ways and Means Committee, have expressed opposition to no-match letters. In a letter to the SSA Commissioner, they wrote that, under “the current immigration enforcement climate,” employers might “mistakenly believe that the no-match letter indicates that workers lack immigration status and will fire these workers — even those who can legally work in the United States.”

How to proceed

If you receive a no-match letter telling you that an employee's name and SSN don't match IRS records, the SSA gives the following advice:

- Check to see if your information matches the name and SSN on the employee's Social Security card. If it doesn't, ask the employee to provide you with the exact information as it is shown on the card.
- If the information matches the employee's card, ask your employee to check with the local Social Security office to resolve the issue.
- Once resolved, the employee should inform you of any changes.

The SSA notes that the IRS is responsible for any penalties associated with W-2 forms that have incorrect information. If you have questions, contact us or check out these frequently asked questions from the SSA: <https://bit.ly/2Yv87M6>