Instructions for Employee

Box 1. Enter this amount on the wages line of your tax return.

Box 2. Enter this amount on the federal income tax withheld line of your tax return.

Box 5. You may be required to report this amount on Form 8959, Additional Medicare Tax. See the Form 1040 instructions to determine if you are required to report this amount on Form 8959. Of the Medicare wages and tips shown in Box 5, as well as the 0.9% Additional Medicare Tax on any of those Medicare wages and tips above $200,000.

Box 8. This amount is not included in box 1, 3, 5, or 7. For information on how to report tips on your tax return, see your Form 1040 instructions.

You must file Form 4137, Social Security and Medicare Tax on Unreported Tip Income, with your income tax return to report at least the allocated tip amount that you received that is less than $20. If you have records that show that the actual amount of tips you received, report that amount even if it is more or less than the allocated tips. On Form 4137, you will calculate the amount of Social Security and Medicare tax owed on the allocated tips shown on your Form(s) 1099-MISC. Other employer W-2 tax that you must report as income and on other tips you did not report to your employer. By filing Form 4137, your employer security tips will be credited to your social security record (use to figure your benefits).

Box 10. This amount includes the total dependent care benefits that your employer paid to you or incurred on your behalf (including amounts from a section 125 cafeteria plan). Any amount over $5,000 also is included in box 1. Complete Form 2141, Child and Dependent Care Expenses, to compute any taxable and nontaxable amounts.

Box 11. This amount is (a) reported in box 1 if it is a distribution made to you from a qualified deferred compensation plan or non-governmental section 457(b) plan, or (b) included in box 3 and/or 5 if it is a prior year deferral under a non-governmental section 457(b) plan that is not qualified for Social Security and Medicare taxes this year because there is no longer a substantial risk of forfeiture of your right to the deferral amount. This box should be used for a deferral and distribution in the same calendar year. If you made a deferral and received a distribution in the same calendar year, and you are or will be age 62 by the end of the calendar year, you should also file Form SSA-131, Employer Report of Special Wage Payments, with the Social Security Administration and give it a copy.

Box 12. The following list explains the codes shown in box 12. You may need this information to complete your tax return. Deferral amounts (codes D, E, F, and S) and designated Roth contributions (codes AA, BB, and EE) under qualified plans are treated as wages to the extent that they do not exceed 20% of your earned income (up to $13,000 if you only have SIMPLE plans; $27,000 for section 403(b) plans if you qualify for the 15-year rule explained in Pub. 571). Deferrals under code G are limited to $12,000. Deferrals under code H are limited to $7,000.

If however, if at least age 30 in 2019, your employer may have made an additional deferral of up to $5,000 for 2019 (in code A, 11, or 408(p) SIMPLE plans). This additional deferral amount is not subject to the overall limit on elective deferrals. For code C, the limit on elective deferrals may be for the last 3 years before you reach retirement age. Contact your plan administrator for more information. Amounts in excess of the overall limit must be included in income. See the instructions for Form 1040.

Note: If you file Form 1 through P, the amounts in box 12 should be included in income. If you file Form 1040, see the instructions for Form 1040.

A—Uncollected social security or Railroad Retirement Act on tips. Include this tax on Form 1040. See the Form 1040 instructions.

B—Uncollected Medicare tax on tips. Include this tax on Form 1040. See the Form 1040 instructions.

C—Taxable part of group-term life insurance over $50,000 (included in box 1, up to social security wage base), and S

D—Elective deferrals under section 401(k), 403(b), or 457(b) plan arrangements. Also includes deferrals under a SIMPLE retirement account that is part of a section 401(k) arrangement.

E—Elective deferrals under section 403(b) salary reduction arrangement (not included in box 1).

F—Elective deferrals under a section 408(k)(6) salary reduction SEP

G—Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan

H—Elective deferrals to a section 501(c)(18)(D) tax-exempt organization.

I—Section 107 qualified transportation fringe benefits.

J—Nontaxable sick pay (information only, not included in box 1, 3, or 5)

K—20% excise tax on excess golden parachute payments. See the Form 1040 instructions.

L—Substantiated employee business expense reimbursements (nontaxable)

M—Unreimbursed social security tax for group-term life insurance over $50,000 (former employees only). See the Form 1040 instructions.

N—Uncollected Medicare tax on taxable part of group-term life insurance over $50,000 (former employees only). See the Form 1040 instructions.

P—Excludable moving expense reimbursements paid directly to a member of the U.S. Armed Forces (not included in box 1, 3, or 5)

Q—Excludable moving expense reimbursements paid directly to a member of the U.S. Armed Forces (not included in box 1, 3, or 5)

R—Employer contributions to your Archer MSA. Report on Form 8853, Archer MSAs and Long-Term Care Insurance Contracts.

S—Employee salary reduction contributions under a section 401(k) plan (not included in box 1)

T—Adoption benefits (not included in box 1). Complete Form 8839, Qualified Adoption Expenses, to compute any taxable and nontaxable amounts.

V—Income from exercise of nonstatutory stock option(s) (included in boxes 1, 3 (up to social security wage base), and S. See Pub. 552, Taxable and Nontaxable Income, for reporting requirements.

W—Employer contributions (including amounts the employee elected to contribute using a section 125 cafeteria plan) to your health savings account. Report on Form 8853, Archer MSAs and Long-Term Care Insurance Contracts.

Y—Deferrals under a section 409A nonqualified deferred compensation plan

Z—Income under a nonqualified deferred compensation plan.

Notice to Employee

Do you have to file? Refer to the Form 1040 instructions to determine if you are required to file a tax return. Even if you did not have any tax due on your return, you may be required to file a return if box 2 shows an amount or if you are eligible for any credit.

Earned Income Credit (EIC). You may be able to take the EIC for 2019 if your adjusted gross income (AGI) is less than a certain amount. The amount of the credit is based on income and family size. Workers without children could qualify for $520 for each qualifying child. Children must have valid social security numbers (SSNs). You can’t take the EIC if your investment income is more than the exclusion amount for 2019. You may be required to pay for services provided while you were an inmate at a penal institution. For 2019 income limits and more information, visit www.irs.gov/EIC. Also see Pub. 505, Tax Withholding and Estimated Tax. Any EIC that is more than your tax liability is refunded to you, but only if you file a tax return.

Clergy and religious workers. If you aren’t subject to social security and Medicare taxes, see Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Corrections. If your name, SSN, or address is incorrect, correct Copies B, C, and 2 and ask your employer to correct your employment record. Be sure to ask the

employer to file Form W-2c, Corrected Wage and Tax Statement, with the Social Security Administration (SSA) to correct any tax or money withheld. Be sure to send the SSA a copy of Form W-2c. Be sure to get your copies of Form W-2c from your employer for all corrections made. If you may file them with your tax return. If your name and SSN are correct but aren’t the same as shown on your social security card, you should ask for a new card that displays your correct name at any SSA office or by calling 800-772-1213. You also may visit the SSA website at www.SSA.gov.

Cost of employer-sponsored health coverage (if such cost is provided by the employer). The reporting in box 12, Code DD, on Form W-2 reports the amount for which the employer is required to provide insurance. This amount is reported on the SSA on Form W-2. Be sure to get this amount for your Form 1040. See the Form 1040 instructions for more information. This amount is reported on Form W-2. Be sure to get your copies of Form W-2c from your employer for all corrections made. If you may file them with your tax return. If your name and SSN are correct but aren’t the same as shown on your social security card, you should ask for a new card that displays your correct name at any SSA office or by calling 800-772-1213. You also may visit the SSA website at www.SSA.gov.

Credit for excess taxes. If you had more than one employer in 2019 and more than $200,000 in social security and/or Tier 1 railroad retirement (RTA) taxes were withheld, you may be able to claim a credit for the excess against your federal income tax. If you had more than one railroad employer and more than $4,836.30 in Tier 2 RTA tax was withheld, you also may be able to claim a credit. See your Form 1040 instructions and Pub. 505, Tax Withholding and Estimated Tax.