Instructions for Employee

Box 1. Enter this amount on the wages 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 Information on Tax Benefits. See the Form instructions to determine if you are required to complete Form 12.

Box 6. This amount includes the 1.45% Medicare Tax withheld on all Medicare wages and tips reported on line 5. You may be required to withhold the 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 this amount, see pub. 919. Instructions for Employers of Tips.

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 unless you can receive a smaller amount. If you have records that show 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 allocate your allocated tips shown on your Form(s) W-2 that you must report as income and on other tips you did not report to the SSA. If you file Form 4137, your social security tips will be credited to your social security record (used to figure your benefits).

Box 9. If you are e-filing and if there is a code in this box, enter it when prompted by your software. The only valid characters are the letters A-F and the digits 0-9. This code assists the IRS in validating the W-2 data submitted with your return. The code is not entered on paper-filled returns.

Box 10. This amount includes the total dependent care benefits that your employer paid to you or incurred on your behalf (excluding amounts from a section 125 cafeteria plan). Any amount over $5,000 also is included in box 1. Complete Form 2441, Child and Dependent Care Expenses, to compute any taxable and nontaxable amounts.

Box 11. This amount is a (a) reported in box 1 if it is a distribution made to you from a nonqualified deferred compensation or nongovernmental section 457(b) plan, or (b) included in box 3 and/or 5 if it is a prior year deferral under a nonqualified or section 403(b) plan that became allocable for social security and Medicare taxes this year because there is no longer a substantial risk of forfeiture of your right to the deferred amount. This box shouldn’t be used if you have a cafeteria plan and contributions made to the plan by your employer for your personal account. You would be making a deferral and received a distribution in the same calendar year, and you are or will age 62 by the end of the calendar year, your employer should file Form SSA-131, Employee Report of Special Wage Payments, with the Social Security Administration and give you a copy.

Box 12. The following list explains the codes shown in box 12. You may need this information to complete your tax return. Parity regulations (code D, E, F, and S) and designated Roth contributions (codes AA, BB, and EE) are not subject to the overall limit. These codes are only included if you have SIMPLE plans, $21,500 for section 403(b) plans if you qualify for the 15-year rule reported in Pub. 571. Deferrals under code G are limited to $19,500. Deferrals under code H are limited to $6,500.

Notice to Employee

Do you have to file? Refer to the Form 10-40 instructions to determine if you have to file a tax return. If you do not have to file a tax return, you may be eligible for a refund if box 2 shows an amount or if you are eligible for any credits.

Earned income credit (EIC). You may be able to take the EIC for 2018 if your adjusted gross income (AGI) is less than a certain amount and you meet certain other conditions based on income and family size. Workers without children could qualify for a smaller credit. You and any qualifying child(ren) must meet certain requirements. You may be able to take the EIC if your investment income is more than the specified amount for 2018 or if income is earned from services performed predominantly outside the home. The EIC is based on your earned income and tax liability is refundable 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. 915, Social Security and Other Information for Members of the Clergy and Religious Workers.

Correcting. If you 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 a corrected Wage and Tax Statement, with the Social Security Administration (SSA) to correct any name, SSN, or money amount error reported to the SSA on Form W-2. Be sure to get your copies of Form W-2 from your employer for all corrections made so you may file them with your tax return. If you are on our list and don’t have 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 coverage is provided to you by your employer). See footnote 1c. See Form 5329, Additional Child Tax Credit, included with your tax return. This amount is subject to the additional tax on employer-sponsored health coverage. The amount reported with code DD is taxable.

Credit for excess taxes. If you had more employer in 2018 and more than $7,960 in social security and/or tier 2 RRTA withheld, you may be able to claim a credit for the excess against your federal income tax. If you had more than one employer and your income was between $7,960 and $60,000, you would be eligible for the excess social security tax paid by your employer. Tier 2 RRTA tax was withheld, you may also be able to claim a credit. See your Form 1040 instructions and Pub. 505, Tax Withholding and Estimated Tax.

(Also see Instructions for Employee on the back of Copy C.)