

Understanding Your W-2



22222		a Employee's social security number		OMB No. 1545-0008	
B	b Employer identification number (EIN)		1	1 Wages, tips, other compensation	
C	c Employer's name, address, and ZIP code		3	3 Social security wages	
			5	5 Medicare wages and tips	
			7	7 Social security tips	
D	d Control number		9	9 Verification code	
E	e Employee's first name and initial Last name		11	11 Nonqualified plans	
			13	13 Statutory employee Retirement plan Third-party sick pay	
			14	14 Other	
F	f Employee's address and ZIP code		12	12a	
				12b	
				12c	
				12d	
15	15 State	Employer's state ID number	16	16 State wages, tips, etc.	
			17	17 State income tax	
			18	18 Local wages, tips, etc.	
			19	19 Local income tax	
			20	20 Locality name	

Form **W-2 Wage and Tax Statement** 2018 Department of the Treasury—Internal Revenue Service
 Copy 1—For State, City, or Local Tax Department

Employer Info

- A.** Ay, that's you! Your social security number is right here.
- B.** This is the Tax ID number used to identify your employer.
- C.** Your employer's name and address are listed here (exciting stuff, right?).
- D.** This optional field helps employers identify/archive W2 forms. Don't worry about this one.
- E.** And we're back to you! Well, your name. Just in case you forgot that tidbit.
- F.** This is the mailing address your employer has on file for you, and heads up: It may be different than the address you use to file your taxes, which is okay.
- 15.** And here we have an avalanche of state information, starting with a two-digit code and state ID. You may have multiple states listed in Box 15 if you earned income in different states with the same employer (different state wage and withholding amounts included). If you worked in a state that doesn't collect an individual income tax (AK, FL, NV, SD, TX, WA, WY), the state might be shown in Box 15, but there will be no taxable wages or tax in Boxes 16 and 17.

Taxes Withheld

- 2.** This is the total amount that your employer withheld from your paychecks during the year.
- 4.** And here's the Social Security taxes withheld from your paychecks.
- 6.** And here's the Medicare tax withheld from your paychecks. Oh, hi again, déjà vu.
- 17.** All the money withheld to pay state income tax is listed here.
- 19.** Here's the total amount of tax withheld from your paychecks for local, city, or other state income taxes.

10. This is the amount your employer provided to help you with dependent care expenses (e.g. daycare) while you worked. You may be able to exclude some or all of these benefits from your taxable income.

11. If your employer has a non-qualified deferred compensation plan, any amounts distributed to you will be listed here. Side note: This amount is included in Box 1.

Your Income Information

- 1.** This is all fancy lingo for "the total amount of earned income that's going to be taxed" (so this amount doesn't include pre-tax benefits).
- 3.** Social Security tax will only be applied to this amount of your earnings.
- 5.** Medicare tax will only be applied to this amount of your earnings. Déjà vu?
- 7.** Any tip income you reported during the year is listed here.
- 16.** Back to the state info: This is the total amount of taxable wages you earned in the Box 15 state (or states).
- 18.** If you earned income in a local jurisdiction that collects income tax, your total amount of taxable earnings for that locality will be shown here. If it's empty, don't worry about it—an empty box means your wages aren't subject to a local tax.

8. If your employer portions out tips between you and your coworkers, that portioned tip income will be listed here.

9. This is the verification code used to help verify the authenticity of the W2. Not all W2s will have a code, but when it is included, make sure you include it with the rest of your W2 data when you file your taxes.

12. This is the identifying code and amount for deferred and other compensation, such as 401K deferrals (Code D) and cost of employer-sponsored health coverage (Code DD). If it's empty, move right along.

- 13.** Here's what the check boxes mean:
- Statutory employee: A statutory employee is an independent contractor under IRS common law that is treated as an employee, by statute, for tax withholdings.
 - Retirement plan: If you participated in your employer's retirement plan during the tax year, this box will be checked.
 - Third-party sick pay: This box will be checked if you received payment under your employer's third-party insurance policy.
- If there's any additional tax information to report, like reimbursements and employer-paid tuition assistance, your employer will use this box to report it.

20. Not everyone will have information in this section, because your local government may not collect an income tax. If you do have info here, Boxes 18 and 19 will show the corresponding taxable wages and tax withheld.



There are different layouts of W2s used by the payroll companies, but the fields and data all comply with standards to ensure consistency in processing.