

Explanation of the W-2 Wage and Tax Statement

Form W-2 Wage and Tax Statement 2021			7 Social security tips	1 Wages, tips, other compensation	2 Federal income tax withheld
c Employer's name, address, and ZIP code			8 Allocated tips	3 Social security wages	4 Social security tax withheld
			9 Verification code	5 Medicare wages and tips	6 Medicare tax withheld
			10 Dependent care benefits	11 Nonqualified plans	12a See instructions for box 12
e Employee's name, address, and ZIP code			13 <small>Statutory employee</small> <small>Retirement plan</small> <small>Third-party sick pay</small>	14 Other	12b
			b Employer identification number (EIN)		12c
			a Employee's social security number		12d
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax
					20 Locality name
Copy B-To Be Filed With Employee's FEDERAL Tax Return			<small>This information is being furnished to the Internal Revenue Service. OMB No. 1545-0008</small>		Dept. of the Treasury - IRS <small>Visit the IRS website at www.irs.gov/efile.</small>

IMPORTANT: A printed Form W-2 from the [MyUW System](#) portal ([MyUW](#) for UW-Madison users) is a valid document for tax filing.

Statement Description

- Box 1. Wages, tips, other compensation.** Enter this amount on the wages line of your federal tax return. Your taxable wage amount has been adjusted for amounts shown in Boxes 10, 14, and for Code C, E, G and W appearing in Box 12.

Contributions for the Wisconsin Retirement System (WRS), Tax-Sheltered Annuities (403b) and Wisconsin Deferred Compensation (457) are all deducted on a pre-tax basis for federal and state taxes only. These contributions are not taken pre-tax relative to Social Security and Medicare deductions. This is a contributing factor to the difference between the reported federal and state taxable wages in Boxes 1 and 16, and the reported amount for Social Security and Medicare wages listed in Boxes 3 and 5.

All pretax deductions and taxable deductions indicated on your earnings statements have already been adjusted, such as parking, State Group Health insurance, State Group Life insurance and the Employee Reimbursement Account program.
- Box 2. Federal income tax withheld.** Enter this amount on the federal income tax withheld line of your tax return.
- Box 3. Social security wages.** This is the wage amount subject to Social Security Tax, up to a maximum of \$142,800 (the 2021 maximum Social Security wage base).
- Box 4. Social security tax.** This amount includes the 6.2% Social Security Tax withheld on Social Security wages in Box 3 up to \$142,800 wages or \$8,853.60 tax.
- Box 5. Medicare wages and tips.** This is the wage amount subject to Medicare Tax. You may be required to report this amount on Form 8959, Additional Medicare Tax. See Form 1040 instructions to determine if you are required to complete Form 8959. The wages subject to Medicare Tax are the same as those subject to Social Security Tax (Box 3), except that there is no maximum for Medicare Tax.
- Box 6. Medicare tax withheld.** This amount includes the 1.45% Medicare Tax withheld on all 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 10. Dependent care benefits.** 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 is also included in Box 1. Complete Form 2441, Child and Dependent Care Expenses, to compute any taxable and nontaxable amounts.
- Box 12. Codes.** The following list explains the codes shown in Box 12. You may need this information to complete your tax return. Elective deferrals (Codes E and G) and designated Roth contributions (Codes BB and EE) are generally limited to a total of \$19,500. For detailed information on the 2021 limits, see [2021 Tax Sheltered Annuity 403\(b\) Program and Wisconsin Deferred Compensation 457\(b\) Program Contribution Limits](#).
 - C** Taxable cost of group-term life insurance over \$50,000 (included in Boxes 1, 3 (up to \$142,800), and 5).
 - E** Elective deferrals under a salary reduction agreement for the Tax Sheltered Annuity 403(b) Program.
 - G** Elective deferrals under the Wisconsin Deferred Compensation 457(b) Program.
 - W** Employer contributions (including amounts the employee elected to contribute using a section 125 (cafeteria) plan) to your health savings account. Report on Form 8889, Health Savings Accounts (HSAs).
 - BB** Designated Roth contributions under a salary reduction agreement for the Tax Sheltered Annuity 403(b) Program.
 - DD** Cost of employer-sponsored health coverage including the employee and employer share of State Group Health Insurance premiums. **The amount reported with Code DD is not taxable.**
 - EE** Designated Roth contributions under the Wisconsin Deferred Compensation 457(b) Program.

Box 13. Checkboxes. The Retirement Plan box will be checked if you were an “active participant” for any part of the year in any of the following: You were paid wages that were covered under the Wisconsin Retirement System (WRS) or you contributed to the Tax Sheltered Annuity 403(b) Program. If the Retirement plan box is checked, special limits may apply to the amount of traditional IRA contributions you may deduct. See [Publication 590-A, Contributions to IRAs](#).

Box 14. Other. This box is used for additional information regarding taxable compensation or reimbursements.

Move - This is the taxable portion of your moving expense reimbursements. This box is also used to report the amount of FFCRA leave wages. This includes COVID19 LV which is Emergency Paid Sick Leave Act (EPSLA - sick leave wages subject to the \$511 per day limit) and/or the Emergency Family and Medical Leave Expansion Act (EFMLEA - sick leave wages subject to the \$200 per day limit). The other type of leave payout is EFMLA which is the amount of qualified family leave wages paid under the EFMLEA (emergency family leave wages). Boxes 1, 3, 5 and 16 have been increased by this amount.

Box 16. State wages, tips, etc. This is the amount of wages reported to the Wisconsin Department of Revenue.

Box 17. State withholding tax. This is the amount of tax withheld and paid to the Wisconsin Department of Revenue on your state wages reported in Box 16.

Note: Keep Copy C of Form W-2 for at least 3 years after the due date for filing your income tax return. However, to help **protect your social security benefits**, keep Copy C until you begin receiving Social Security benefits, just in case there is a question about your work record and/or earnings in a particular year.

For more about Form W-2, see IRS publications:

[2021 Instructions for 1040 U.S. Individual Income Tax Return](#) and [2021 General Instructions of Forms W-2 and W-3](#).

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 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 credit.

Earned Income Credit (EIC). You may be able to take the EIC for 2021 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 a smaller credit. You and any qualifying children must have valid social security numbers (SSNs). You cannot take the EIC if your investment income is more than the specified amount for 2021 or if income is earned for services provided while you were an inmate at a penal institution. For 2021 income limits and more information, visit www.irs.gov/ETC. Also see [Publication 596, Earned Income Credit](#). **Any EIC that is more than your tax liability is refunded to you, but only if you file a tax return.**

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 name, SSN, or money amount error reported to the SSA on Form W-2. Be sure to get your copies of Form W-2c from your employer for all corrections made so you may file them with your tax return. If your name and SSN are correct but are not 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, using Code DD, the cost of employer-sponsored health coverage is for your information only. **The amount reported with code DD is not taxable.**

Credit for excess taxes. If you had more than one employer in 2021 and more than \$8,853.60 in social security and/or Tier 1 railroad retirement (RRTA) 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 \$5,203.80 in Tier 2 RRTA tax was withheld, you also may be able to claim a credit. See your Form 1040 or Form 1040A instructions and [Publication 505, Tax Withholding and Estimated Tax](#).

Internal Revenue Service <https://www.irs.gov>

How to Contact the IRS

<https://www.irs.gov/help/telephone-assistance>

Forms and Publications

<https://www.irs.gov/forms-instructions>

Assistance for Individuals

Monday - Friday, 7 a.m. to 7 p.m. (local time)

800-829-1040

TTY/TTD 800-829-4059

Wisconsin Department of Revenue <https://www.revenue.wi.gov>

How to Contact the WI DOR

<https://www.revenue.wi.gov/Pages/ContactUs/home.aspx>

Forms and Publications

<https://www.revenue.wi.gov/Pages/HTML/formpub.aspx>

Assistance for Individuals

608-266-2486