

W-2 (Wage and Tax Statements) Guide

As you review your Form W-2 Statement for 2018, consider the following:

1. Comparing your Form W-2 and your final paycheck/advice statement:

The Federal Taxable Wages reported in Box 1 (Wages, Tips, and Other Compensation) on the Form W-2 is generally the same amount that is reported as the Federal Taxable Gross on your final paycheck/advice statement for calendar year 2018.

2. Explaining Form W-2 wage reporting differences:

Social Security Wages (Box 3) and Medicare Wages (Box 5) are in many instances different from the amount reported for Federal Taxable Wages (Box 1). The difference, for the most part, represents before tax contributions to the following:

- 414(h) State Pension Plans
- 403(b) Tax Sheltered Annuities (TSA)
- 457(b) Deferred Compensation
- In addition these amounts may be different because the maximum Social Security Taxable Wage is capped at \$128,400. There is no cap on the taxable Medicare wages.

3. Reporting deductions for the Health Care Spending Account:

The total amount deducted for the health care spending account is reported as a year-to-date amount on your final paycheck/advice statement for the calendar year. This deduction is not reported on the Form W-2 even though the total amount is excluded from boxes 1, 3 and 5.

A sample Form W-2 and an explanation of what the individual boxes contain follow:

Form W-2 Wage and Tax Statement 2018		7 Social security tips	1 Wages, tips, other compensation	2 Federal income tax withheld						
c Employer's name, address, and ZIP code STATE OF DELAWARE 820 SILVER LAKE BLVD., SUITE 100 DOVER DE 19904		8 Allocated tips	53955.58	5805.49						
		9 Verification code	56154.06	3481.55						
		10 Dependent care benefits	56154.06	814.23						
		11 Nonqualified plans		600.00						
e Employee's name, address, and ZIP code STATE EMPLOYEE 1234 PHRST LANE DOVER, DE 19904		13 <table border="0" style="font-size: small;"> <tr> <td style="padding-right: 5px;">State or territory employee</td> <td style="padding-right: 5px;">Retirement plan</td> <td style="padding-right: 5px;">Third-party sick pay</td> </tr> <tr> <td></td> <td style="text-align: center;"><input checked="" type="checkbox"/></td> <td></td> </tr> </table>	State or territory employee	Retirement plan	Third-party sick pay		<input checked="" type="checkbox"/>		14 Other	12a See instructions for box 12
		State or territory employee	Retirement plan	Third-party sick pay						
			<input checked="" type="checkbox"/>							
		b Employer identification number (EIN) 53-6000279	12b <input type="checkbox"/> G <input checked="" type="checkbox"/> DD	8732.46						
a Employee's social security number	12c									
	12d									
15 State DE	Employer's state ID number 516000279	16 State wages, tips, etc. 53955.58	17 State income tax 2310.32	18 Local wages, tips, etc.	19 Local income tax	20 Locality name				

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2018 Form W-2 Description of Boxes

Box 1 Wages, Tips and Other Compensation

Federal taxable wages are reported in this box.

Box 2 Federal Income Tax Withheld

The total Federal income tax withheld from your pay is reported in this box.

Box 3 Social Security Wages

The wages subject to Social Security tax, not to exceed \$128,400.00

Box 4 Social Security Tax Withheld

The total Social Security Tax deducted from your pay, not to exceed \$7,960.80

Box 5 Medicare Wages

All wages subject to Medicare tax. There is no salary cap on Medicare wages.

Box 6 Medicare Tax Withheld

The total Medicare tax deducted from your pay.

Box 10 Dependent Care Benefits

The total dependent care deductions.

Box 12 Certain deductions, elective deferrals and/or reimbursed amounts

Codes:

C- Cost of Group-Term Life Insurance over \$50,000

E - Section 403(b) contributions

G - Section 457(b) deferred compensation plan

P - Excludable moving expense reimbursements paid directly to the employee

BB-Roth TSA Contributions under a 403(b) plan

DD- Cost of employer-sponsored health coverage. This is the aggregate cost of employer and employee share of health care cost. This is informational only.

EE- Designated Roth contributions under a governmental 457(b) plan

Box 13 Checkboxes

Retirement Plan – Retirement Plan checked if employee has a Sec 403(b) TSA account or is enrolled in a pension plan.

Box 15 State

A two-letter code identified below indicating to which State income taxes were reported.

Box 16 State Wages

The State wages are the same amount required to be reported for Federal wages in Box 1 – Wages, Tips and Other Compensation.

Box 17 State Income Tax

The total State tax withheld.

Box 18 Local Wages

The total Local wages are reported in this box.

Box 19 Local Income Tax

The total Local taxes withheld are reported in this box.

Box 20 Name of Locality

The name of locality if Local income tax was withheld.