

W-2 (Wage and Tax Statements) Guide

As you review your Form W-2 Statement for 2023, 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 2023.

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 \$160,200.00. 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 2023		7 Social security tips	1 Wages, tips, other comp.	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	3 Social security wages	4 Social security tax withheld			
		9	5 Medicare wages and tips	6 Medicare tax withheld			
		10 Dependent care benefits	11 Nonqualified plans	12a See instructions for box 12			
		13 Statutory employee <input type="checkbox"/> Retirement plan <input checked="" type="checkbox"/> Third-party sick pay <input type="checkbox"/>	14 Other	12b See instructions for box 12			
e Employee's name, address, and ZIP code STATE EMPLOYEE 1234 KING ST., STE 234 WILMINGTON DE 19802		b Employer identification number (EIN) 51-6000279	12c DD	12d			
		a Employee's social security no.					
		15 State Employer's state ID no.	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name
		DE 516000279	57208.56	2676.83	62654.97	783.15	WILM
Copy B To Be Filed With Employee's FEDERAL Tax Return		This information is being furnished to the Internal Revenue Service. OMB No. 1545-0008			Dept. of the Treasury - IRS Visit the IRS Web Site at www.irs.gov/efile		

2023 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 \$160,200.00

Box 4 Social Security Tax Withheld

The total Social Security Tax deducted from your pay, not to exceed \$9,932.40

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 and employer contribution to dependent care FSA.

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

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 14 Other

VUL – Vehicle Usage Lease Value

Box 15 State

A two-letter code 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.