Instructions for Handling W-2 Forms

These instructions assume you are printing on perforated W-2 paper with preprinted IRS instructions or you are printing on blank or "plain paper".

Printing Form W-2: When you print the employee copies of W-2, our payroll service creates one Acrobat file containing all pages for all of your employees:

- **3-Part:** A Copy 2 prints on the first sheet. Copies B, C, and a second Copy 2 print on the next sheet.
- **4-Part:** Copies B, C and two copies of Copy 2 print on a single page.
- IRS instructions to the employee are preprinted on the reverse side of the perforated paper stock.

    Important Note: If you purchased perforated paper that does not have the IRS instructions preprinted, you must change your Form Printing Preference to use the "Plain paper" option, which includes employee filing instructions.

- In rare cases, additional copies of C, B, and 2 print for a single employee. (See "Special cases" below.)
- These instructions are included last and are printed only once.

Special Cases: Some employees have more data than fits on a single copy of Form W-2. For example, if an employee is subject to more than two local taxes, has more than four items in Box 14 or Box 12, we print additional copies of Form W-2 with just the additional data.

How many pages? The Acrobat window displays the number of pages in the file at the bottom of the window. The last two pages are these instructions. See our **Tip** at the end of this sheet for economizing on perforated paper.

Run a test first: Do a test by printing all the W-2 forms on plain paper. Use the test copies to allow each employee to check their social security number (SSN) and to check your company information before transmitting Copy A electronically to the Social Security Administration (SSA). See "Correct any information before you transmit Copy A" in these instructions.

What to do with copies of this form:

- If using 3-part perforated paper, Copy 2 prints pn page 1 with the employee's address near the top of the page. The W-2 is formatted so that the employee's address is visible through a single-window, standard No. 10 business envelope (4-1/8" by 9-1/2", left-aligned window).

- If using 4-part perforated paper, all 4 copies print on a single page.
  Use the envelopes provided by your forms supplier.

- If using plain paper, a coversheet prints with instructions to the employee and with the employee's address near the top of the page. The coversheet is formatted so that the employee's address is visible through a single-window, standard No. 10 business envelope (4-1/8" x 9-1/2", left-aligned window).

- By January 31, provide each of your employees with copies B, C, and 2. The employee keeps Copy C for their own records; files Copy B with the federal tax return; and files Copy 2 with the state return. A second Copy 2 is included to be filed, if necessary, with any local income tax return. If necessary, additional copies of C, B, and 2 print for each employee.

    Ask each employee to check the Social Security Number (SSN) and tell you immediately if it is incorrect.

When you click **W-2, Copies A & D** from the To Do list or the Annual Forms page, you can transmit Copy A to the Social Security Administration (SSA) and print your employer copy.

- Print Copy D on plain paper and keep it in your own records for four years.

- No later than January 31, authorize our payroll service to transmit Copy A to the SSA. When we have successfully transmitted your forms, you will receive an email notification. Will file a W-2 for each employee you have paid during the previous year and recorded in our service.

Correct any information before you transmit Copy A

- Confirm your employer federal ID number (FEIN) and address. To make a correction, click the **Setup** tab. To correct the employer FEIN, click **Federal Taxes**; to correct the filing address, click **General Tax Information.**

- Check the employee's Social Security number and address. To make a correction, click the **Employees** tab, then click the employee's name. To correct the Social Security number, click **Edit** in the Taxes & Exemptions section; to correct the address, click **Edit** in the Basics section.

How to read the W-2:

Box 1 shows total wages and tips that are subject to federal income tax. It does not include amounts withheld for some purposes (such as contributions to retirement plans).

Box 3 asks for total wages and tips subject to Social Security. The amount includes wages withheld for retirement plans, but not contributions to Section 125 plans. This amount will not exceed the 2018 cap of $128,400.

Box 5 asks for wages and tips subject to Medicare, which has no cap. The amount includes wages withheld for retirement plans.

Boxes 1, 3, and 5 will contain different amounts if your employees have retirement plans or if they have reached the Social Security cap.

Saving employee forms

When you have printed and checked all paper employee copies of the W-2, save the forms:
1. Click **Taxes & Forms** in the navigation bar at the top of the page.
2. Click **Annual Forms.**
3. Click **W-2, Copies B, C & 2.**
4. Click **Archive.**

You can view or reprint the forms you have archived at any time by returning to the Annual Forms page and clicking the link at the bottom of the page.

When you click **Archive**, the To Do item is removed from your To Do list.

Notes:

- When you file Copy A electronically, you do not need to file form W-3.

- If you report employees' income to more than one state, be sure to enter by hand any state EIN that we have not pre-filled.

- If your employees pay local tax, be sure you have entered the codes for local taxes to appear on the W-2. Click **Setup** in the navigation bar at the top of the page, then **Tax Setup,** and then **Tax code to appear on W-2 forms.** Some tax agencies require a specific code; others allow you to make up your own code. (Check with the local tax agency.)

- If you have not paid employees this year, you are not required to provide W-2, Copies B, C, & 2. You can Archive these instructions to remove the To Do from your To Do List.

Tip: You can economize on perforated paper by printing review/test copies on plain paper and saving your perforated paper for the final forms. You will not need perforated paper to print the two page instructions at the end of the file.