

IRS FORM W-2

Instructions:

Select any any line or box for IRS instructions and QuickBooks information and troubleshooting steps.

Select Back to Form to get back to the main form.

For more information see:

- Form W-2: <https://www.irs.gov/pub/irs-pdf/fw2.pdf>
- Instructions for Form W-2: <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

[Back to Form](#)

22222		Void <input type="checkbox"/>	a Employee's social security number		For Official Use Only ▶ OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld	
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld	
			5 Medicare wages and tips		6 Medicare tax withheld	
			7 Social security tips		8 Allocated tips	
d Control number			9 Verification code		10 Dependent care benefits	
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans		12a See instructions for box 12
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b	
			14 Other		12c	
					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

Form **W-2** Wage and Tax Statement

2018

Department of the Treasury—Internal Revenue Service
For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Copy A For Social Security Administration — Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page

Box - Void



IRS Instructions:

Void. Check this box when an error is made on Form W-2 and you are voiding it because you are going to complete a new Form W-2. Do not include any amounts shown on “Void” forms in the totals you enter on Form W-3. See Corrections.

How QuickBooks populates this line:

This box is not checked.

[Back to Form](#)

Box a - Employee's social security number

a Employee's social security number

IRS Instructions:

Employee's social security number. Enter the number shown on the employee's social security card.

If the employee does not have a card, he or she should apply for one by completing Form SS-5, Application for a Social Security Card. The SSA lets you verify employee names and SSNs online. For information about these free services, visit the Employer W-2 Filing Instructions & Information website at [SSA.gov/employer](https://ssa.gov/employer). If you have questions about using these services, call 800-772-6270 (toll free) to speak with an employer reporting technician at the SSA.

If the employee has applied for a card but the number is not received in time for filing, enter "Applied For" in box a on paper Forms W-2 filed with the SSA. If e-filing, enter zeros (000-00-0000 if creating forms online or 000000000 if uploading a file).

Ask the employee to inform you of the number and name as they are shown on the social security card when it is received. Then correct your previous report by filing Form W-2c showing the employee's SSN. If the employee needs to change his or her name from that shown on the card, the employee should call the SSA at 800-772-1213.

If you do not provide the correct employee name and SSN on Form W-2, you may owe a penalty unless you have reasonable cause. For more information, see Pub. 1586, Reasonable Cause Regulations & Requirements for Missing and Incorrect Name/TINs.

ITINs for aliens. Do not accept an ITIN in place of an SSN for employee identification or for work. An ITIN is only available to resident and nonresident aliens who are not eligible for U.S. employment and need identification for other tax purposes. You can identify an ITIN because it is a 9-digit number formatted like an SSN beginning with the number "9" and with a number in one of the following ranges in the fourth and fifth digit: 50–65, 70–88, 90–92, and 94–99 (for example, 9NN-70-NNNN). An individual with an ITIN who later becomes eligible to work in the United States must obtain an SSN.

CAUTION: Do not auto-populate an ITIN into box a.

How QuickBooks populates this line:

QuickBooks uses the employee's Social Security number from the employee's record to fill in this box.

To verify the Employee social security number in your QuickBooks

- Online: Click **Workers > Employees** tab and click the employee name to access their **Employee details**. Click **Edit Employee** to update the employee information.
- Desktop: Click **Employee Center > Employees** tab, and double-click on the name to access the **Personal Info** tab where you can edit the Social Security number.

[Back to Form](#)

Box b - Employer identification number (EIN)

b Employer identification number (EIN)
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IRS Instructions:

Employer identification number (EIN). Show the EIN assigned to you by the IRS (00-0000000). This should be the same number that you used on your federal employment tax returns (Forms 941, 941-SS, 943, 944, CT-1, or Schedule H (Form 1040)). Do not use a prior owner's EIN. If you do not have an EIN when filing Forms W-2, enter "Applied For" in box b; do not use your SSN. You can get an EIN by applying online at [IRS.gov/Businesses/Small-Businesses-Self-Employed/Apply-foran-Employer-Identification-Number-EIN-Online](https://www.irs.gov/Businesses/Small-Businesses-Self-Employed/Apply-foran-Employer-Identification-Number-EIN-Online), or by filing Form SS-4, Application for Employer Identification Number. Also see Agent reporting.

How QuickBooks populates this line:

QuickBooks pulls this information from the EIN (Federal Employer Identification Number) field.

To verify your EIN in QuickBooks

Depending on your payroll service, you may need to [contact us](#) to change your EIN.

- Online: Select the **Gear icon > Payroll Settings > Federal Taxes**. Under **Federal Tax Setup**, update your EIN.
- Desktop: To change your EIN, click on **Company** and then on **My Company**. Click the edit icon and click the **Company Information** tab. Enter the correct EIN in the Federal Employer Identification Number field, and click **OK**. You will have to create a new form once you've changed your company EIN.

[Back to Form](#)

Box c - Employer's name, address, and ZIP code

c Employer's name, address, and ZIP code

IRS Instructions:

Employer's name, address, and ZIP code. This entry should be the same as shown on your Forms 941, 941-SS, 943, 944, CT-1, or Schedule H (Form 1040). The U.S. Postal Service recommends that no commas or periods be used in return addresses. Also see Agent reporting.

How QuickBooks populates this line:

- Online: QuickBooks Online pulls this information from the data provided in the Company General Tax Information window.
- Desktop: QuickBooks Desktop pulls this information from data provided in the "Legal Information" section of the company information window.

To verify your Employer name and address in QuickBooks

- Online: Select the **Gear icon > Payroll Settings > General Tax information.** Under **Company General Tax Information** update your **Filing Name** and **Filing Address.**
- Desktop: From the **Company** menu, choose **My Company.** Click the edit icon and click the **Contact Information** and **Legal Information** tabs to make any necessary correction to the address, and click **OK.** You will have to create a new form once you've change your company address.

[Back to Form](#)

Box d - Control number

d Control number

IRS Instructions:

Control number. You may use this box to identify individual Forms W-2. You do not have to use this box.

How QuickBooks populates this line:

QuickBooks does not supply this information.

[Back to Form](#)

Box e and f—Employee's name and address

e Employee's first name and initial	Last name	Suff.
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IRS Instructions:

Employee's name and address. Enter the name as shown on your employee's social security card (first name, middle initial, last name). If the name does not fit in the space allowed on the form, you may show the first and middle name initials and the full last name. It is especially important to report the exact last name of the employee. If you are unable to determine the correct last name, use of the SSA's Social Security Number Verification System may be helpful.

Separate parts of a compound name with either a hyphen or a blank. Do not join them into a single word. Include all parts of a compound name in the appropriate name field. For example, for the name "John R Smith-Jones," enter "Smith-Jones" or "Smith Jones" in the last name field.

If the name has changed, the employee must get a corrected social security card from any SSA office. Use the name on the original card until you see the corrected card.

Do not show titles or academic degrees, such as "Dr.," "RN," or "Esq.," at the beginning or end of the employee's name. Generally, do not enter "Jr.," "Sr.," or other suffix in the "Suff." box on Copy A unless the suffix appears on the card. However, the SSA still prefers that you do not enter the suffix on Copy A.

Include in the address the number, street, and apartment or suite number (or P.O. box number if mail is not delivered to a street address). The U.S. Postal Service recommends that no commas or periods be used in delivery addresses. For a foreign address, give the information in the following order: city, province or state, and country. Follow the country's practice for entering the postal code. Do not abbreviate the country name

How QuickBooks populates this line:

QuickBooks uses the First Name, M.I., and Last Name and Home Address fields in the employee record to fill in the employee's name and address for you. The name in the employee record should match the name on the employee's Social Security card. If you have used "Jr.," "Sr.," or any similar suffix, that information will appear at the end of the employee's last name.

To verify your QuickBooks result

- Online: Click **Workers > Employees** tab and click the employee name to verify their **Employee details**. Click **Edit Employee** to update the employee information if needed.
- Desktop: Click the **Employee Center**, click the **Employees** tab and double-click the name to edit if needed.

When an employee's name changes (e.g., marriage or divorce), have the employee contact any Social Security office to get a new Social Security card.

Box 1 - Wages, tips, other compensation

1 Wages, tips, other compensation

IRS Instructions:

Wages, tips, other compensation. Show the total taxable wages, tips, and other compensation that you paid to your employee during the year. However, do not include elective deferrals (such as employee contributions to a section 401(k) or 403(b) plan) except section 501(c) (18) contributions. Include the following.

1. Total wages, bonuses (including signing bonuses), prizes, and awards paid to employees during the year. See Calendar year basis.
2. Total noncash payments, including certain fringe benefits. See Fringe benefits.
3. Total tips reported by the employee to the employer (not allocated tips).
4. Certain employee business expense reimbursements. See Employee business expense reimbursements.
5. The cost of accident and health insurance premiums for 2%-or-more shareholder-employees paid by an S corporation.
6. Taxable benefits from a section 125 (cafeteria) plan if the employee chooses cash.
7. Employee contributions to an Archer MSA.
8. Employer contributions to an Archer MSA if includible in the income of the employee. See Archer MSA.
9. Employer contributions for qualified long-term care services to the extent that such coverage is provided through a flexible spending or similar arrangement.
10. Taxable cost of group-term life insurance in excess of \$50,000. See Group-term life insurance.
11. Unless excludable under Educational assistance programs, payments for non-job-related education expenses or for payments under a nonaccountable plan. See Pub. 970.
12. The amount includible as wages because you paid your employee's share of social security and Medicare taxes (or railroad retirement taxes, if applicable). See Employee's social security and Medicare taxes (or railroad retirement taxes, if applicable) paid by employer. If you also paid your employee's income tax withholding, treat the grossed-up amount of that withholding as supplemental wages and report those wages in boxes 1, 3, 5, and 7. (Use box 14 if railroad retirement taxes apply.) No exceptions to this treatment apply to household or agricultural wages.
13. Designated Roth contributions made under a section 401(k) plan, a section 403(b) salary reduction agreement, or a governmental section 457(b) plan. See Designated Roth contributions.
14. Distributions to an employee or former employee from an NQDC plan (including a rabbi trust) or a nongovernmental section 457(b) plan.
15. Amounts includible in income under section 457(f) because the amounts are no longer subject to a substantial risk of forfeiture.
16. Payments to statutory employees who are subject to social security and Medicare taxes but not subject to federal income tax withholding must be shown in box 1 as other compensation. See Statutory employee.
17. Cost of current insurance protection under a compensatory split-dollar life insurance arrangement.
18. Employee contributions to a health savings account (HSA).
19. Employer contributions to an HSA if includible in the income of the employee. See Health savings account (HSA).
20. Amounts includible in income under an NQDC plan because of section 409A. See Nonqualified deferred compensation plans under Special Reporting Situations for Form W-2.
21. Nonqualified moving expenses and expense reimbursements. See Moving expenses.
22. Payments made to former employees while they are on active duty in the Armed Forces or other uniformed services.
23. All other compensation, including certain scholarship and fellowship grants. See Scholarship and fellowship grants. Other compensation includes taxable amounts that you paid to your employee from which federal income tax was not withheld. You may show other compensation on a separate Form W-2. See Multiple forms.

Continued on next page

[Back to Form](#)

Box 1 - Wages, tips, other compensation continued

1 Wages, tips, other compensation

How QuickBooks populates this line:

QuickBooks calculates the total wages, tips, bonuses, overtime pay, etc., that are subject to federal income tax, and paid to the employee during the reporting year. Wages earned in the reporting year, but paid in the following year, are not included. Certain deductions that are not taxable to federal income tax such as 401(k), pre-tax medical, fringe benefits, etc., can affect this box.

To verify your QuickBooks result

Online:

Click to learn about the [Taxability of pay types and deductions](#) how they affect this box.

1. Select **Reports** > and search for the **Payroll Details Report**.
2. Filter by year and the Employee, then click **Run Report**.
3. Review the wages and deductions paid to the employee.

Desktop:

1. Run the **Payroll Item Listing** report.
2. Filter the report. In the columns, clear everything except the **Payroll Item** and **Tax Tracking Type**.
3. Print the report.
4. Put a check mark next to any item that has a tax tracking type of Compensation, Reported tips, dependent care FSA, Section 457 Distribution, Non-qual. Plan Distr., Fringe Benefits, Other Moving Expenses, 401(k), 403(b), 408(k)(6)SEP, Elective 457(b), Simple IRA, Taxable Grp Trm Life, Med Care Flex Spend, Premium Only/125, SCorp Pd Med Premium.
5. Now run a **Payroll Summary** report for the calendar year.
6. Click **Customize Report**.
7. Click the **Filters** tab.
8. Under **Current** filter choices, click **Payroll Item**.
9. In the drop-down box in the middle, pick **Multiple Payroll Items**. Check off all the payroll items you marked earlier. If any of them are incorrect, the tax tracking type needs to be modified.

Pro Tip:

Box 1 is reduced by pre-tax deductions including retirement plans such as 401(k), only wages subject to federal income tax are shown in this box.

[Previous page](#)

[Back to Form](#)

Box 2 - Federal income tax withheld

2 Federal income tax withheld

[Back to Form](#)

IRS Instructions:

Federal income tax withheld.

Show the total federal income tax withheld from the employee's wages for the year. Include the 20% excise tax withheld on excess parachute payments. See Golden parachute payments.

For Forms W-2AS, W-2CM, W-2GU, or W-2VI, show the total American Samoa, CNMI, Guam, or U.S. Virgin Islands income tax withheld.

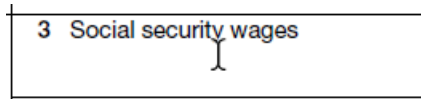
How QuickBooks populates this line:

QuickBooks calculates federal income tax withheld from the employee's wages.

To verify your QuickBooks result

- Online: Run a Payroll Details Report. Look for the FIT amount and compare the numbers.
- Desktop: Run a Payroll Summary report for the entire calendar year. The number is equal to the amount of the Federal Withholding item. This number can be double-clicked to see what transactions contribute to the total.

Box 3 - Social security wages



IRS Instructions:

Social security wages.

Show the total wages paid (before payroll deductions) subject to employee social security tax but not including social security tips and allocated tips. If reporting these amounts in a subsequent year (due to lapse of risk of forfeiture), the amount must be adjusted by any gain or loss. See Box 7 Social security tips and Box 8 Allocated tips. Generally, noncash payments are considered to be wages. Include employee business expense reimbursements and moving expenses reported in box 1. If you paid the employee's share of social security and Medicare taxes rather than deducting them from wages, see Employee's social security and Medicare taxes (or railroad retirement taxes, if applicable) paid by employer. The total of boxes 3 and 7 cannot exceed \$128,400 (2018 maximum social security wage base).

Report in box 3 elective deferrals to certain qualified cash or deferred compensation arrangements and to retirement plans described in box 12 (codes D, E, F, G, and S) even though the deferrals are not includible in box 1. Also report in box 3 designated Roth contributions made under a section 401(k) plan, under a section 403(b) salary reduction agreement, or under a governmental section 457(b) plan described in box 12 (codes AA, BB, and EE).

Amounts deferred (plus earnings or less losses) under a section 457(f) or nonqualified plan or nongovernmental section 457(b) plan must be included in boxes 3 and/or 5 as social security and/or Medicare wages as of the later of when the services giving rise to the deferral are performed or when there is no substantial forfeiture risk of the rights to the deferred amount. Include both elective and nonelective deferrals for purposes of nongovernmental section 457(b) plans.

Pro Tip:

Box 3 is reduced by pre-tax deductions like medical insurance, however most retirement plans including 401(k) are still subject to social security tax and won't reduce this box.

Wages reported in box 3 also include:

- Signing bonuses an employer pays for signing or ratifying an employment contract. See Rev. Rul. 2004-109, 2004-50 I.R.B. 958 available at [IRS.gov/irb/2004-50_IRB#RR-2004-109](https://www.irs.gov/irb/2004-50_IRB#RR-2004-109).
- Taxable cost of group-term life insurance over \$50,000 included in box 1. See Group-term life insurance.
- Cost of accident and health insurance premiums for 2%-or-more shareholder-employees paid by an S corporation, but only if not excludable under section 3121(a)(2)(B).
- Employee and nonexcludable employer contributions to an MSA or HSA. However, do not include employee contributions to an HSA that were made through a cafeteria plan. See Archer MSA and Health savings account (HSA).
- Employee contributions to a SIMPLE retirement account. See SIMPLE retirement account.
- Adoption benefits. See Adoption benefits.

How QuickBooks populates this line:

QuickBooks calculates the total wages subject to employee Social Security tax, not including Social Security tips (box 7) or allocated tips (box 8), up to the maximum amount.

To verify your QuickBooks result

- Online: Run a Payroll Details Report for the entire year. Look at the pay amount minus any deductions not subject to Social Security. Click to learn about the [Taxability of pay types and deductions](#) how they affect this box.
- Desktop: Run a Payroll Summary report and double-click on the amount of Social Security Employee for the employee in question. The number is equal to the wage base total minus the wage base tips total.

Box 4 - Social security tax withheld

4 Social security tax withheld

IRS Instructions:

Social security tax withheld.

Show the total employee social security tax (not your share) withheld, including social security tax on tips. For 2018, the amount should not exceed \$7,960.80 ($\$128,400 \times 6.2\%$). Include only taxes withheld (or paid by you for the employee) for 2018 wages and tips. If you paid your employee's share, see Employee's social security and Medicare taxes (or railroad retirement taxes, if applicable) paid by employer.

Pro Tip:

This box includes all social security withheld, including social security withheld on tips that are reported in box 7.

How QuickBooks populates this line:

QuickBooks calculates the amount of Social Security tax withheld from the employee's wages (box 3) and tips (box 7), up to the maximum amount.

To verify your QuickBooks result

- Online: Run a Payroll Details Report for the entire year. Look at the amount of Social Security tax withheld.
- Desktop: Run a Payroll Summary report for the entire calendar year. The amount for Social Security Employee will be equal to the number in this box. The amount can be double-clicked to see what transactions contribute to the total.

[Back to Form](#)

Box 5 - Medicare wages and tips

5 Medicare wages and tips

IRS Instructions:

Medicare wages and tips.

The wages and tips subject to Medicare tax are the same as those subject to social security tax (boxes 3 and 7) except that there is no wage base limit for Medicare tax. Enter the total Medicare wages and tips in box 5. Be sure to enter tips that the employee reported even if you did not have enough employee funds to collect the Medicare tax for those tips. See Box 3 Social security wages, for payments to report in this box. If you paid your employee's share of taxes, see Employee's social security and Medicare taxes (or railroad retirement taxes, if applicable) paid by employer.

If you are a federal, state, or local governmental agency with employees paying only Medicare tax, enter the Medicare wages in this box. See Government employers.

Example of how to report social security and Medicare wages. You paid your employee \$140,000 in wages. Enter in box 3 (social security wages) 128400.00 but enter in box 5 (Medicare wages and tips) 140000.00. There is no limit on the amount reported in box 5. If the amount of wages paid was \$128,400 or less, the amounts entered in boxes 3 and 5 will be the same.

How QuickBooks populates this line:

QuickBooks calculates total gross wages subject to Medicare tax, not including allocated tips (box 8).

To verify your QuickBooks result

- Online: Run a Payroll Details Report for the entire year. Look at the pay amount minus any deductions not subject to Medicare. Click to learn about the [Taxability of pay types and deductions](#) how they affect this box.
- Desktop: Run a Payroll Summary report for the entire calendar year. Double-click on the amount of Medicare Employee. This is the total of the wage base column.

Pro Tip:

Box 5 is reduced by pre-tax deductions like medical insurance, however most retirement plans including 401(k) are still subject to medicare tax and won't reduce this box.

[Back to Form](#)

Box 6 - Medicare tax withheld

6 Medicare tax withheld

IRS Instructions:

Medicare tax withheld.

Enter the total employee Medicare tax (including any Additional Medicare Tax) withheld. Do not include your share. Include only tax withheld for 2018 wages and tips. If you paid your employee's share of the taxes, see Employee's social security and Medicare taxes (or railroad retirement taxes, if applicable) paid by employer.

For more information on Additional Medicare Tax, go to [IRS.gov/ADMT](https://www.irs.gov/ADMT).

How QuickBooks populates this line:

QuickBooks calculates the amount of Medicare tax (including any Additional Medicare Tax) withheld from the employee's wages (box 5) for the year. It uses two items for this calculation: Medicare Employee and Medicare Employee Addl Tax.

To verify your QuickBooks Desktop result

- Online: Run a Payroll Details Report for the entire year. Look at the amount of Medicare tax withheld.
- Desktop: Run a Payroll Summary report for the entire calendar year. The number is equal to the amount of Medicare Employee plus the amount of Medicare Employee Addl Tax. The amounts can be double-clicked to see what transactions contribute to the total.

[Back to Form](#)

Box 7 - Social security tips

7 Social security tips

IRS Instructions:

Social security tips.

Show the tips that the employee reported to you even if you did not have enough employee funds to collect the social security tax for the tips. The total of boxes 3 and 7 should not be more than \$128,400 (the maximum social security wage base for 2018). Report all tips in box 1 along with wages and other compensation. Include any tips reported in box 7 in box 5 also.

How QuickBooks populates this line:

QuickBooks populates the amount of employee-reported tips.

To verify your QuickBooks result

- Online: Run a Payroll Details Report for the entire year. Look at the amount of Cash Tips.
- Desktop: Run a Payroll Summary report for the entire calendar year. The number is equal to the amount of the Reported Tips item (any item that has a tax tracking type of Reported Tips). You can double-click the amount to see what transactions contribute to the total.

[Back to Form](#)

Box 8 - Allocated tips (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI)

8 Allocated tips

IRS Instructions:

Allocated tips (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI).

If you operate a large food or beverage establishment, show the tips allocated to the employee. See the Instructions for Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips. Do not include this amount in box 1, 3, 5, or 7.

Box 9—Verification

Pro Tip:

Allocated tips are tips allocated in by the employer to make up for under-reported tips by the employee, per IRS guidelines. All other tips are not allocated tips.

How QuickBooks populates this line:

Enter in box 8 of the W-2 Worksheet the total of tips allocated to the employee based upon [IRS Form 8027](#).

To verify your QuickBooks result

- Online: [Contact us](#) to update this number.
- Desktop, you may be able to add the amount yourself, or create a payroll item to track the amount. See [Create an allocated tips payroll item](#) for details.

[Back to Form](#)

Box 9 - Verification code (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI)

9 Verification code

IRS Instructions:

Verification code (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI).

If you are participating in the W-2 Verification Code pilot, enter the appropriate verification code in box 9 on Copies B and C. Otherwise, leave box 9 blank. For more information, see [IRS.gov/Individuals/W-2-Verification-Code](https://www.irs.gov/Individuals/W-2-Verification-Code).

How QuickBooks populates this line:

Starting 2018

[Back to Form](#)

Box 10 - Dependent care benefits (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI)

10 Dependent care benefits

IRS Instructions:

Dependent care benefits (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI). Show the total dependent care benefits under a dependent care assistance program (section 129) paid or incurred by you for your employee. Include the fair market value (FMV) of care in a daycare facility provided or sponsored by you for your employee and amounts paid or incurred for dependent care assistance in a section 125 (cafeteria) plan. Report all amounts paid or incurred (regardless of any employee forfeitures), including those in excess of the \$5,000 exclusion. This may include (a) the FMV of benefits provided in kind by the employer, (b) an amount paid directly to a daycare facility by the employer or reimbursed to the employee to subsidize the benefit, or (c) benefits from the pre-tax contributions made by the employee under a section 125 dependent care flexible spending account. Include any amounts over \$5,000 in boxes 1, 3, and 5. For more information, see Pub. 15-B.

TIP: An employer that amends its cafeteria plan to provide a grace period for dependent care assistance may continue to rely on Notice 89-111 by reporting in box 10 the salary reduction amount elected by the employee for the year for dependent care assistance (plus any employer matching contributions attributable to dependent care). Also see Notice 2005-42, 2005-23 I.R.B. 1204, available at [IRS.gov/irb/2005-23_IRB#NOT-2005-42](https://www.irs.gov/irb/2005-23_IRB#NOT-2005-42) and Notice 2005-61, 2005-39 I.R.B. 607, available at [IRS.gov/node/51071#NOT-2005-61](https://www.irs.gov/node/51071#NOT-2005-61).

How QuickBooks populates this line:

QuickBooks populates deductions for Dependent Care FSA, including amounts in a Section 125 (cafeteria) plan, up to the annual limit.

To verify your QuickBooks result

- Online: Run a Payroll Details Report for the entire year. Look at the amount of Dependent Care FSA you withheld.
- Desktop: Run a Payroll Summary report for the entire calendar year. The amount for Dependent Care FSA and Co. Paid Dep. Care will be equal to the number in this box. You can double-click the amount to see what transactions contribute to the total.

Pro Tip:

Not all 125 plans fall into Box 10, only qualified dependent care.

[Back to Form](#)

Box 11 - Nonqualified plans

11 Nonqualified plans

IRS Instructions:

Nonqualified plans. The purpose of box 11 is for the SSA to determine if any part of the amount reported in box 1 or boxes 3 and/or 5 was earned in a prior year. The SSA uses this information to verify that they have properly applied the social security earnings test and paid the correct amount of benefits.

Report distributions to an employee from a nonqualified plan or nongovernmental section 457(b) plan in box 11. Also report these distributions in box 1. Make only one entry in this box. Distributions from governmental section 457(b) plans must be reported on Form 1099-R, not in box 1 of Form W-2.

Under nonqualified plans or nongovernmental 457(b) plans, deferred amounts that are no longer subject to a substantial risk of forfeiture are taxable even if not distributed. Report these amounts in boxes 3 (up to the social security wage base) and 5. Do not report in box 11 deferrals included in boxes 3 and/or 5 and deferrals for current year services (such as those with no risk of forfeiture).

CAUTION: If you made distributions and also are reporting any deferrals in boxes 3 and/or 5, do not complete box 11. See Pub. 957, Reporting Back Pay and Special Wage Payments to the Social Security

Administration, and Form SSA-131, Employer Report of Special Wage Payments, for instructions on reporting these and other kinds of compensation earned in prior years. However, **do not file Form SSA-131 if this situation applies and the employee was not 61 years old or more during the tax year for which you are filing Form W-2.**

Unlike qualified plans, NQDC plans do not meet the qualification requirements for tax-favored status for this purpose. NQDC plans include those arrangements traditionally viewed as deferring the receipt of current compensation. Accordingly, welfare benefit plans, stock option plans, and plans providing dismissal pay, termination pay, or early retirement pay generally are not NQDC plans.

Report distributions from NQDC or section 457 plans to beneficiaries of deceased employees on Form 1099-MISC, not on Form W-2.

Military employers must report military retirement payments on Form 1099-R. Do not report special wage payments, such as accumulated sick pay or vacation pay, in box 11. For more information on reporting special wage payments, see Pub. 957.

How QuickBooks populates this line:

- QuickBooks Online - this box is not supported
- QuickBooks Desktop calculates Section 457 distributions in box 11 based upon payroll items used on employee paychecks.

To verify your QuickBooks result

Desktop: Run a Payroll Summary report for the entire calendar year. Review the amount distributed to employees. You can double-click the amount to see what transactions contribute to the total.

[Back to Form](#)

Box 12 - Codes

IRS Instructions:

Codes. Complete and code this box for all items described below. Note that the codes do not relate to where they should be entered in boxes 12a through 12d on Form W-2. For example, if you are only required to report code D in box 12, you can enter code D and the amount in box 12a of Form W-2. Report in box 12 any items that are listed as codes A through EE. Do not report in box 12 section 414(h)(2) contributions (relating to certain state or local government plans). Instead, use box 14 for these items and any other information that you wish to give to your employee. For example, union dues and uniform payments may be reported in box 14.

TIP: On Copy A (Form W-2), do not enter more than four items in box 12. If more than four items need to be reported in box 12, use a separate Form W-2 to report the additional items (but enter no more than four items on each Copy A (Form W-2)). On all other copies of Form W-2 (Copies B, C, etc.), you may enter more than four items in box 12 when using an approved substitute Form W-2. See Multiple forms.

Use the IRS code designated below for the item you are entering, followed by the dollar amount for that item. Even if only one item is entered, you must use the IRS code designated for that item. Enter the code using a capital letter(s). Use decimal points but not dollar signs or commas. For example, if you are reporting \$5,300.00 in elective deferrals under a section 401(k) plan, the entry would be D 5300.00 (not A 5300.00 even though it is the first or only entry in this box). Report the IRS code to the left of the vertical line in boxes 12a through 12d and the money amount to the right of the vertical line.

See the Form W-2 Reference Guide for Box 12 Codes. The detailed instructions for each code are next.

For the description of each IRS code, see page 18 of IRS Publication 15.
<https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

12a	
12b	
12c	
12d	

How QuickBooks populates this line:

Box 12 is the total of any amounts that fit into these categories or codes. QuickBooks automatically enters in this box based on items used on paychecks.

Online: Click to learn about the [Taxability of pay types and deductions](#) how they affect this box.

To verify your QuickBooks result

If you think this number is incorrect, review the Payroll Summary Report (Desktop) or the Payroll Details Report (Online). Make sure the items used on paychecks are set up correctly and the correct amounts were used.

Pro Tip:

A list of box 12 codes can be found on page 30 of the IRS General Instructions for Form W2 & W3 found here:
<https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

[Back to Form](#)

Box 13 - Checkboxes

13	Statutory employee <input type="checkbox"/>	Retirement plan <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>
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IRS Instructions

Checkboxes. Check all boxes that apply. Statutory employee. Check this box for statutory employees whose earnings are subject to social security and Medicare taxes but not subject to federal income tax withholding. Do not check this box for common-law employees. There are workers who are independent contractors under the common-law rules but are treated by statute as employees. They are called statutory employees.

1. A driver who distributes beverages (other than milk) or meat, vegetable, fruit, or bakery products; or who picks up and delivers laundry or dry cleaning, if the driver is your agent or is paid on commission.
2. A full-time life insurance sales agent whose principal business activity is selling life insurance or annuity contracts, or both, primarily for one life insurance company.
3. An individual who works at home on materials or goods that you supply and that must be returned to you or to a person you name, if you also furnish specifications for the work to be done.
4. A full-time traveling or city salesperson who works on your behalf and turns in orders to you from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments.

The goods sold must be merchandise for resale or supplies for use in the buyer's business operation. The work performed for you must be the salesperson's principal business activity. For details on statutory employees and common-law employees, see section 1 in Pub. 15-A.

Retirement plan. Check this box if the employee was an "active participant" (for any part of the year) in any of the following.

1. A qualified pension, profit-sharing, or stock-bonus plan described in section 401(a) (including a 401(k) plan).
2. An annuity plan described in section 403(a).
3. An annuity contract or custodial account described in section 403(b).
4. A simplified employee pension (SEP) plan described in section 408(k).
5. A SIMPLE retirement account described in section 408(p).
6. A trust described in section 501(c)(18).
7. A plan for federal, state, or local government employees or by an agency or instrumentality thereof (other than a section 457(b) plan).

Generally, an employee is an active participant if covered by (a) a defined benefit plan for any tax year that he or she is eligible to participate in or (b) a defined

contribution plan (for example, a section 401(k) plan) for any tax year that employer or employee contributions (or forfeitures) are added to his or her account. For additional information on employees who are eligible to participate in a plan, contact your plan administrator. For details on the active participant rules, see Notice 87-16, 1987-1 C.B. 446; Notice 98-49, 1998-2 C.B. 365; section 219(g)(5); and Pub. 590-A, Contributions to Individual Retirement Arrangements (IRAs). You can find Notice 98-49 on page 5 of Internal Revenue Bulletin 1998-38 at IRS.gov/pub/irs-irbs/irb98-38.pdf.

TIP: Do not check this box for contributions made to a nonqualified or section 457(b) plan. See the Form W-2 Box 13 Retirement Plan Checkbox Decision Chart.

Third-party sick pay. Check this box only if you are a third-party sick pay payer filing a Form W-2 for an insured's employee or are an employer reporting sick pay payments made by a third party. See section 6 of Pub. 15-A.

Continued on next page

Box 13 – Checkboxes continued

13	Statutory employee <input type="checkbox"/>	Retirement plan <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>
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How QuickBooks populates this line:

- Online: see below
- Desktop: Check the Special Situations box on the Step 1 Interview screen to activate the Special Situations interview screen.

Statutory employees.

- Online: not supported
- Desktop: QuickBooks Desktop automatically marks this checkbox when you choose Statutory in the Type field on the employee's record. Although you can manually check or override the Statutory employee checkbox on the employee's W-2 Worksheet, we recommend that you change the Type selection on the employee's record to ensure that the tax settings are correct for the employee.

Retirement plan. QuickBooks checks this box if one or both of the following is true: 1) The employee's paycheck contained payroll items with any of the following tax tracking types: 401(k), Roth 401(k), 403(b), Roth 403(b), 408(k)(6) SEP, 501(c)(18)(D), or SIMPLE Retirement. 2) The Employee is covered by a qualified pension plan box is checked on the employee record.

Third-party sick pay.

- Desktop: QuickBooks Desktop checks this box if you complete the Third Party Sick Pay Interview screen. To access it, you must check Yes in the Special Situations box on Step 1 of the Interview, and then indicate sick pay recipients on the next screen.
- Online: [Contact us](#) to add Third-party sick pay.

Previous page

Back to Form

Box 14 - Other

14 Other

IRS Instructions:

Box 14—Other. If you included 100% of a vehicle's annual lease value in the employee's income, it also must be reported here or on a separate statement to your employee.

You also may use this box for any other information that you want to give to your employee. Label each item. Examples include state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance payments, or a minister's parsonage allowance and utilities. In addition, you may enter the following contributions to a pension plan: (a) nonelective employer contributions made on behalf of an employee, (b) voluntary after-tax contributions (but not designated Roth contributions) that are deducted from an employee's pay, (c) required employee contributions, and (d) employer matching contributions.

If you are reporting prior year contributions under USERRA (see the TIP above Code D in Box 12—Codes and Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) makeup amounts to a pension plan), you may report in box 14 makeup amounts for nonelective employer contributions, voluntary after-tax contributions, required employee contributions, and employer matching contributions. Report such amounts separately for each year. Railroad employers, see Railroad employers for amounts reportable in box 14.

How QuickBooks populates this line:

QuickBooks reports any of the following information in this box:

Tax Type	Online Supported?	Desktop Supported?
CA SDI , for California SDI contributions	Yes	Yes
CA VDPI , for California Voluntary Disability Plan contributions	No	Yes
NJ SDI , for New Jersey SDI contributions	Yes	Yes
UI/HC/WD , for New Jersey welfare insurance contributions	Yes	Yes
Union Dues , for union dues deductions	No	Yes
Health Ins , for health insurance premiums deductions	Yes	Yes
*Nontax Inc , for nontaxable income	No	Yes
*Contrib , for voluntary after-tax contributions	No	Yes
*Ed Asst , for educational assistance payments	No	Yes
Clergy Housing , for a member of the clergy's parsonage allowance and utilities	Yes	Yes

*Desktop: require a special tax tracking type of Other.

If the employee is subject to withholding for state disability insurance (SDI) or state unemployment insurance (SUI), QuickBooks Desktop automatically enters the amount withheld in this box. (For New Jersey, QuickBooks Desktop enters four separate lines for the four withheld employment taxes.) QuickBooks Desktop also enters a line for each payroll item with tax tracking set to Other, Fringe Benefits, Moving Expenses, and S Corp Medical Premiums.

If you pay your SDI to a private agency (in any state other than Hawaii or New York) and use a Deduction payroll item rather than an SDI payroll item, be sure that you set the tax tracking type for the payroll item to Other.

To verify your QuickBooks result

If you think this number is incorrect, review the Payroll Summary Report (Desktop) or the Payroll Details Report (Online). Make sure the items used on paychecks are set up correctly and the correct amounts were used.

Box 15 - Employer's state ID number

15 State	Employer's state ID number
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IRS Instructions: Boxes 15 through 20—State and local income tax information (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI). Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If you need to report information for more than two states or localities, prepare a second Form W-2. See Multiple forms. Contact your state or locality for specific reporting information.

Federal employers reporting income taxes paid to the CNMI under the 5517 agreement, enter the employer's identification number in box 15. Enter the employee's CNMI wages in box 16. Enter the income taxes paid to the CNMI in box 17. See Federal employers in the CNMI, earlier, for more information.

How QuickBooks populates this line:

QuickBooks automatically fills in this box based on an employee's taxable wages calculated in the individual states. It enters a separate line for each state. (If an employee had tax withheld for more than two states, multiple-page W-2s will be produced.)

To verify your QuickBooks result

- Online: Select the **Gear icon > Payroll Settings > State Taxes**. Under the **Withholding Setup** update the Account Number.
- Desktop: Review the payroll item setup. Select Employees > Manage Payroll Items > View/Edit Payroll Item List. Open the payroll item and click next to review the ID number.

Pro Tip:

Some states issue two different IDs, one by the Unemployment agency and one for withholding; usually from the state's Department of Revenue. The state withholding ID is what should be reported in this box.

[Back to Form](#)

Box 16 - State wages, tips, etc.

16 State wages, tips, etc.

IRS Instructions:

Boxes 15 through 20—State and local income tax information (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI). Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If you need to report information for more than two states or localities, prepare a second Form W-2. See Multiple forms. Contact your state or locality for specific reporting information.

Federal employers reporting income taxes paid to the CNMI under the 5517 agreement, enter the employer's identification number in box 15. Enter the employee's CNMI wages in box 16. Enter the income taxes paid to the CNMI in box 17. See Federal employers in the CNMI, earlier, for more information.

Pro Tip:

Box 16 is reduced by pre-tax deductions and most retirement plans such as 401(k), however a few states (such as PA) do not recognize 401(k) as exempt from state tax and ergo do not have it reduce wages in Box 16; QuickBooks by default will apply proper taxing and reporting on a state by state basis for this box.

How QuickBooks populates this line:

QuickBooks populates the total wages, tips bonuses, overtime pay, etc., that are subject to state income taxes and paid to the employee during the reporting year. Wages earned in the reporting year, but paid in the following year, are not included. Certain deductions that are not taxable to state income tax such as 401(k), pre-tax medical, fringe benefits, etc., can affect this box. Click to learn about the [Taxability of pay types and deductions](#) how they affect this box.

If the employee receives wages subject to taxes in a second state, the amount appears below the amount for the first state. If an employee had taxable wages for more than two states, QuickBooks prints a multiple-page W-2.

To verify your QuickBooks result

- Online: Run a Payroll Details Report for the entire year. Review the wage and deductions paid to the employee
- Desktop: Run a Payroll Summary report for the entire calendar year. Double-click on the amount for the state withholding in question. The amount here is equal to the total of the wage base column.

[Back to Form](#)

Box 17 – State income tax

17 State income tax

IRS Instructions:

Boxes 15 through 20—State and local income tax information (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI). Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If you need to report information for more than two states or localities, prepare a second Form W-2. See *Multiple forms*. Contact your state or locality for specific reporting information.

Federal employers reporting income taxes paid to the CNMI under the 5517 agreement, enter the employer's identification number in box 15. Enter the employee's CNMI wages in box 16. Enter the income taxes paid to the CNMI in box 17. See *Federal employers in the CNMI*, earlier, for more information.

How QuickBooks populates this line:

QuickBooks populates this amount based on taxes withheld in an individual state. If the employee receives wages subject to taxes in a second state, the amount appears below the amount for the first state. If an employee had taxable wages for more than two states, QuickBooks prints a multiple-page W-2.

To verify your QuickBooks result

- Online: Run a Payroll Details Report. Look for the SIT amount and compare the numbers. Consider the taxability of items that are not taxable to state income tax..
- Desktop: Run a Payroll Summary report for the entire calendar year. The number is equal to the amount of the state withholding in question. This number can be double-clicked to see what transactions contribute to the total.

[Back to Form](#)

Box 18 – Local wages, tips, etc.

18 Local wages, tips, etc.

IRS Instructions:

Boxes 15 through 20—State and local income tax information (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI). Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If you need to report information for more than two states or localities, prepare a second Form W-2. See *Multiple forms*. Contact your state or locality for specific reporting information.

Federal employers reporting income taxes paid to the CNMI under the 5517 agreement, enter the employer's identification number in box 15. Enter the employee's CNMI wages in box 16. Enter the income taxes paid to the CNMI in box 17. See *Federal employers in the CNMI*, earlier, for more information.

How QuickBooks populates this line:

QuickBooks calculates this amount only if you have entered local times items on the employee profile. If you withhold more than one local tax from the employee's paychecks, each tax appears on a separate line. If an employee had more than two local taxes withheld, QuickBooks prints a multiple-page W-2.

To verify your QuickBooks result

- Online: Run a Payroll Details Report. Look for the local wages amount and compare the numbers. Consider the taxability of items that are not subject to local tax.
- Desktop: Run a Payroll Summary report for the entire year. Double-click on the amount of the local income tax in question. This amount is equal to the total of the wage base column.

Pro Tip:

Local wage exemptions vary from jurisdiction to jurisdiction. Some localities will not exempt items that others do, like 401(k).

[Back to Form](#)

Box 19 – Local income tax

19 Local income tax

IRS Instructions:

Boxes 15 through 20—State and local income tax information (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI). Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If you need to report information for more than two states or localities, prepare a second Form W-2. See [Multiple forms](#). Contact your state or locality for specific reporting information.

Federal employers reporting income taxes paid to the CNMI under the 5517 agreement, enter the employer's identification number in box 15. Enter the employee's CNMI wages in box 16. Enter the income taxes paid to the CNMI in box 17. See [Federal employers in the CNMI](#), earlier, for more information.

How QuickBooks populates this line:

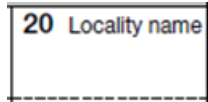
QuickBooks populates this box based on local tax items from employee paychecks. If you withhold more than one local tax from the employee's paychecks, each tax appears on a separate line. If an employee had more than two local taxes withheld, QuickBooks prints a multiple-page W-2.

To verify your QuickBooks result

- Online: Run a Payroll Details Report for the entire year. Review the wage and deductions paid to the employee.
- Desktop: Run a Payroll Summary report for the entire year. The amount is equal to the item that tracks the local income tax (any item with a tax tracking type of Local Income). If this amount is incorrect, you will have to do a liability adjustment. Click [here](#) to learn more.

[Back to Form](#)

Box 20 – Locality name

A diagram of a rectangular box with a dashed border. Inside the box, the number '20' is in the top left corner, and the text 'Locality name' is to its right.

IRS Instructions:

Boxes 15 through 20—State and local income tax information (not applicable to Forms W-2AS, W-2CM, W-2GU, or W-2VI). Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If you need to report information for more than two states or localities, prepare a second Form W-2. See *Multiple forms*. Contact your state or locality for specific reporting information.

Federal employers reporting income taxes paid to the CNMI under the 5517 agreement, enter the employer's identification number in box 15. Enter the employee's CNMI wages in box 16. Enter the income taxes paid to the CNMI in box 17. See *Federal employers in the CNMI*, earlier, for more information.

How QuickBooks populates this line :

The name you assigned to the item in the employee's record for tracking local withholding taxes goes here. If you withhold more than one local tax from the employee's paychecks, each locality appears on a separate line. If an employee had more than two local taxes withheld, QuickBooks prints a multiple-page W-2.

To verify your QuickBooks result

- Online: If you believe the locality is populated wrong, you can make updates. Select the **Gear icon > Payroll Settings > Local Tax Code**. Under the Edit Local Tax Codes for W-2's make your updates..
- Desktop: If you believe the locality is populated wrong, you can update the employee profile. Click the **Employee Center**, click the **Employees** tab and double-click the name to edit. Click the **Payroll Info** tab > **Taxes > Other**. Choose the local tax item and update the wording next to **Print on W-2 as**.

[Back to Form](#)