

W-2 Wage and Tax Statement Data Source Guide

For Microsoft® Small Business Financials Release 9.0.

All W-2 information comes from the Year-End Wage file. This document describes each box on the W-2 statement, and explains where information in the Year-End Wage file comes from within Small Business Financials. Refer to this information if you have questions about the amounts appearing on your Year-End Employee Wage Report or your W-2 statements. We recommend that you print the Year-End Wage Report to verify the information before you print the W-2 statements.

Box	Label	Source of data displayed in box
Void	Void	Nothing will be printed in this box.
Box a	Employee's social security number	Taken from Employee Social Security Number in the Employee Information wizard.
Box b	Employer's identification number (EIN)	Taken from Employer Identification Number in the Year-End Print W-2 wizard. The Employer ID Number is entered originally in the Payroll Unemployment Tax Setup window. Enter the number assigned to you by the IRS (using the format 00-0000000). This should be the same number that you use on your 941 Report.
Box c	Employer's name, address, and ZIP code	Taken from Company Name, Address, City, State, and ZIP Code in the Year-End Company Information window.
Box d	Control Number (Optional)	Taken from Starting Control Number in the Year-End Print W-2 wizard. This number will increase with each W-2 statement printed.
Box e	Employee's name (first name and middle initial, last name, suffix)	Taken from Last Name, First and Middle in the Employee Information wizard. The suffix (Suff.) box will be left blank because the IRS does not require it.
Box f	Employee's address and ZIP code	Taken from Address, City, State, and ZIP Code in the Employee Information wizard.
Box 1	Wages, tips, other compensation	Displays the total of the following: (Gross Wages Year To Date from the Employee Summary wizard + the Year To Date totals for all benefits marked as subject to federal tax in the Payroll Benefit Setup wizard + the Reported Tips and Charged Tips from the Employee Tip Summary wizard) - (the Year To Date total for all deductions marked as sheltered from federal tax in the Payroll Deduction Setup wizard). <i>NOTE: Gross Wages Year to Date in the Employee Summary wizard consists of wages for all pay types except Earned Income Credit pay types, charged tips, and reported tips and business expenses not treated as wages.</i>
Box 2	Federal income tax withheld	Taken from the Federal Withholding Year to Date in the Employee Summary wizard and Employee Tip Summary wizard.

Box	Label	Source of data displayed in box
Box 3	Social security wages	Taken from the FICA Soc Sec Wages Year To Date field in the Employee Summary wizard. The system checks the maximum Social Security wage limit at the time the Year-End Wage File is created to be sure it hasn't been exceeded. If the maximum wage limit has been reached, then only the amount up to the maximum is reported.
Box 4	Social security tax withheld	Represents the sum of the FICA Social Security Tax Withheld Year to Date in the Employee Summary wizard and the FICA SS W/H in the Employee Tip Summary wizard. The system checks the maximum Social Security tax withholding amount at the time the Year-End Wage File is created to be sure the maximum hasn't been exceeded. If the maximum withholding amount has been reached, then only the amount up to the maximum is reported.
Box 5	Medicare wages and tips	Represents the sum of the FICA Medicare Wages Year To Date in the Employee Summary wizard and the FICA Medicare Tips in the Employee Tip Summary wizard.
Box 6	Medicare tax withheld	Represents the sum of the FICA Medicare Tax Withheld Year To Date in the Employee Summary wizard and the FICA Med W/H in the Employee Tip Summary wizard.
Box 7	Social security tips	Taken from the FICA Social Security Tips in the Employee Tip Summary wizard.
Box 8	Allocated tips	Taken from the year-to-date total of wages from history for Allocated Tips pay types in the Employee Tip Summary wizard.
Box 9	Advanced EIC payment	Taken from the year-to-date total wages from history for Earned Income Credit pay types in the Payroll Pay Code Setup Wizard.
Box 10	Dependent care benefits	Taken from the year-to-date total from history for deductions to be printed in W-2 Box 10 as defined in the Payroll Deduction Setup wizard, plus the year-to-date total from history for benefits to be printed in W-2 Box 10 as defined in the Payroll Benefit Setup wizard.
Box 11	Nonqualified plans	Taken from the year-to-date total from history for deductions to be printed in W-2 Box 11 as defined in the Payroll Deduction Setup wizard, plus the year-to-date total from history for benefits to be printed in W-2 Box 11 as defined in the Payroll Benefit Setup wizard.
Box 12	See instructions for box 12	Fill in the items in this box as described below. Report only items that are included in the list below. <i>NOTE: Make sure that the Retirement plan checkbox in box 13 is marked if you've entered any of the following codes in box 12: D, E, F, H, and S.</i>
	Code A	Uncollected social security or RRTA tax on tips (include this tax on Form 1040).
	Code B	Uncollected Medicare tax on tips (include this tax on Form 1040).
	Code C	Cost of group-term life insurance over \$50,000.
	Code D	Elective deferrals to a section 401(k) cash or deferred arrangement. Also includes deferrals to a SIMPLE retirement account that is part of a section 401(k) arrangement.
	Code E	Elective deferrals under a section 403(b) salary reduction agreement.
	Code F	Elective deferrals under a section 408(k)(6) salary reduction SEP.
	Code G	Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan.
	Code H	Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan.
	Code J	Nontaxable sick pay.
	Code K	20% excise tax on excess golden parachute payments.
	Code L	Substantiated employee business expense reimbursements (nontaxable).
	Code M	Uncollected social security or RRTA tax on cost of group-term life insurance over \$50,000 (former employees only).
	Code N	Uncollected Medicare tax on cost of group-term life insurance over \$50,000 (former employees only).
	Code P	Excludable moving expense reimbursements paid directly to employee.
	Code Q	Nontaxable combat pay is reported by military employers.
	Code R	Employer contributions to your Archer medical savings account (MSA).
	Code S	Employee salary reduction contributions under a section 408(p) SIMPLE.
	Code T	Adoption benefits. You must complete Form 8839, Qualified Adoption Expenses, to compute any taxable and nontaxable amounts.
	Code V	Income from exercise of nonstatutory stock options.
	Code W	Employer contributions to your Health Savings Account. (See new Form 8889.)
	Code Y	Deferrals under Section 409A on nonqualified deferred compensation plans.
	Code Z	Income under Section 409A on nonqualified deferred compensation plans.

Box	Label	Source of data displayed in box
Box 12	Code AA	Designated Roth contributions to a section 401(k) plan.
	Code BB	Designated Roth contributions under a section 403(b) salary reduction agreement.
Box 13	Statutory employee	This box will be marked if the employee is identified as a statutory employee in the Employee Tax Information wizard. A statutory employee is an employee who is subject to FICA withholding but not federal withholding.
	Retirement plan	This box will be marked if the employee is identified as having a retirement plan in the Employee Tax Information wizard. This box should be marked if an employee was an active participant in a retirement plan, such as a 401(k) plan.
	Third-party sick pay	This box is blank because Small Business Financials does not support the filing of Form W-2 by a third-party sick pay payer.
Box 14	Other	Adds the year-to-date wages from history for Business Expense pay types to be printed in W-2 Box 14 as defined in the Payroll Pay Code Setup wizard, the year-to-date-total from history for benefits to be printed in W-2 Box 14 as defined in the Payroll Benefit Setup wizard, and the year-to-date-total from summary for any deductions to be printed in W-2 Box 14 as defined in the Payroll Deduction Setup wizard. <i>NOTE: If two deductions or benefits are defined to print in W-2 Box 14 with the same W-2 label, the two deductions or benefits will be combined and printed as one amount.</i>
Box 15	State and Employer's state ID number	The first state is the active state in the Employee State Tax wizard. The employer's State ID is taken from the Unemployment ID in the Payroll Unemployment Tax Setup wizard for the state tax code that is being reported on the W-2 statement. If state income tax was withheld for the employee for two states, both states can be printed on the same W-2 statement (the second state will be listed below the dotted line). The active state in the Employee State Tax wizard will be printed first, followed by all other states, which will be printed in alphabetical order. If state income tax was withheld for the employee for more than two states, additional states will be listed on a second W-2 statement. An additional W-2 statement will be printed automatically after the first W-2 statement is printed.
Box 16	State wages, tips, etc.	Taken from the year-to-date state taxable wages in history.
Box 17	State income tax	Taken from the year-to-date state income tax in history.
Box 18	Local wages, tips, etc.	Taken from the year-to-date local taxable wages in history.
Box 19	Local income tax	Taken from the year-to-date local income tax in history.
Box 20	Locality name	If local income tax was withheld for the employee for two localities, both will be printed on the first W-2 statement (the second locality will be listed below the dotted line). If local income tax was withheld for the employee for more than two localities, additional localities will be listed on a second W-2 statement. An additional W-2 statement will be printed automatically after the first W-2 statement is printed.