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Office of the Comptroller

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January 18, 2020

Ref: Pay Admin

MEMORANDUM

TO: Payroll Personnel

FROM: Martin Matson, Comptroller *AS*

SUBJECT: Form W-2 Wage and Tax Statement for 2019

IRS Form W-2 Wage and Tax Statement 2019 is required to be distributed to all current and former employees on or before **January 31, 2020**. In order to prevent penalties from being assessed to the City, your cooperation in meeting this deadline is imperative.

To assist you in answering routine employee questions we are providing some basic guidance as to what is reported in specific boxes on these W-2 forms. This year the form covers wages earned in Pay Period 26, 2018 (paid January 10, 2019) through and including Pay Period 25, 2019 (paid December 26, 2019) for a total of twenty-six (26) pay days.

The employees' departmental pay location number is shown in the return address box (c) following, "CITY OF MILWAUKEE."

Box 1 - Wages, tips, other comp. - contains 2019 taxable wages. In addition to wages, Box 1 includes any other taxable payments such as donor payments, taxable moving reimbursements, clothing allowances, taxable tuition reimbursements, and commuting mileage in city-owned vehicles. Taxable fringe benefits such as the imputed value of group-term life insurance over \$50,000 and domestic partner insurance are also included in Box 1. Not included are contributions to the pre-tax deferred compensation plan, pre-tax health and dental deductions, FSA dependent care, parking and medical expense contributions, pre-tax pension deductions, auto allowance, and amounts received as current year injury. Prior year injury pay adjustments are reported on W-2cs for each respective year.

Box 3 - Social security wages - contains the Social Security portion of eligible components included in Box 1. Deductions on these amounts were made at 6.2% until the \$132,900 gross taxable earnings limit was reached. The maximum deduction was \$8,239.80. Deferred compensation and pension contributions are included in social security wages.

Box 5 - Medicare wages and tips - contains the Medicare portion of eligible components included in Box 1. Deductions on these amounts were made at 1.45% of all gross taxable earnings, unlimited. Deferred compensation and pension contributions are included in Medicare wages.

Box 10 - Dependent care benefits - contains the amount of deductions for FSA dependent care.

Boxes 12a through 12d - contain amounts that are IRS defined with a one or two letter code. These codes are as follows:

- C - Taxable cost of group-term life insurance over \$50,000
- DD - Cost of ER-sponsored health – Informational only
- EE - Designated Roth contributions under governmental Section 457(b)
- G - Section 457(b) deferred compensation plan contributions
- L - Automobile mileage allowance equal to government

Box 14 - Other - contains the current year injury payments made.

Box 16 – State wages, tips – contains the same taxable wages as Box 1.

Please attempt to answer routine employee questions regarding W-2s. Payroll Administration should be contacted by departmental payroll personnel only if they are unable to answer specific questions. Employees should not contact our office directly to prevent delays in normal payroll processing. If you are mailing the forms to the employee, please ensure the complete, correct address appears in the window of the W-2 envelopes and that it is mailed out as soon as possible, no later than **January 31, 2020**.

W-2 copies may always be obtained for free via self-service. If employees need a copy of their 2019 W-2 and does not have computer access, they may request a free copy from the Comptroller's Office with form C-403 (Request for IRS Form W-2) until April 15, 2020. After April 15, 2020, copies will be \$25. Note that 2011-2018 W-2's requested from the Comptroller's Office are \$25, however, may always be obtained for free, from self-service.

Address IRS Form 1095C specific questions to DER at 3184.

You may call Joann Bielinski at x2967 or Casey Kloss at x2312 with specific questions. Return all undelivered forms by **January 31, 2020** to Payroll Administration.

Office of the Comptroller
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W2 info memo