

W2 | Balancing & Review

Document revised 12/02/2024

Compare PAY00709 Year-End W-2 Audit Report to Form W2

The PAY00709 includes numbers next to the field description that correspond to the box numbers on the Employees' W2s. Preview data starting now to make your final review easier.

It is **IMPERATIVE** to carefully review **ALL** Employee W2 boxes in the PAY00709 Report.

For detailed instructions on each box that appears on the W2 please refer to the IRS (Internal Revenue Service) Instructions <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

NOTE: Employee and Employer W2 Copies must be filed with the SSA (Social Security Association) by January 31, 2024. All adjustment requests are due to ASURE on or before December 17, 2024.

If you have questions, please contact your Asure Client Service Support Rep. Please pay special attention to Boxes 10, 12, and 14.

Social Security

Verify employee Social Security Numbers, especially those hired in 2024. For more information on the Social Security Number Verification Service, please follow this link: <http://www.ssa.gov/employer/ssnv.htm>

Box 1

Reportable Comp = Wages subject to Federal Income Tax. This total *excludes* pre-tax deductions like S125 (cafeteria plan) insurance premiums, 401k/403b contributions, etc.

Box 2

FIT TAX = Federal Income Taxes withheld.

Boxes 3, 4 and 7

FICA Wages = Wages subject to Social Security Tax. This total *excludes* certain pre-tax deductions like S125 (cafeteria plan) insurance premiums.

FICA Tax = Social Security Tax withheld from the **total** of Boxes 3 and 7. In 2024, this should not exceed \$10,453.20 (\$168,600 wage limit times 6.2% tax rate).

FICA Tips = Tip income subject to Social Security Tax.

Please note: Box 3 wages may be greater than the wages in Box 1 since fewer items are exempt from Social Security.

Boxes 5 and 6

FHI Wages = Wages and tips subject to Medicare Tax. This total *excludes* certain pre-tax deductions like S125 (cafeteria plan) insurance premiums.

FHI Tax = Medicare Tax withheld. In 2024 the rate is 1.45% for the first \$200,000 and then 2.35% for taxable wages more than \$200,000. Employers are not required to pay a matching 0.9% of the additional Medicare tax.

Boxes 8 through 11

If you have questions about amounts in these boxes, please contact your Asure Client Service Support Rep. Detailed information can also be found at <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

Box 12

Box 12 Amount = Total of the individual amounts shown. These items must be reported to the IRS and may not impact taxable wages. For more information regarding the codes used and what amounts should be included, please follow this link: <https://www.irs.gov/instructions/iw2w3/ch01.html>

If your organization filed more than 250 W2s in 2015 and forward...

Box 12 - Code DD - Cost of Employer-Sponsored Health Coverage. You are required to report all ER and EE costs associated with Medical Health Care Insurance. Please review the ER and EE costs, keeping in mind some employees may have started or changed elections at various times of the year. These items will be reported in Box 12 preceded by code "DD". The amount reported with code DD is not taxable.

Additional reporting guidance, including information about the transitional reporting rules that apply, is available on the Affordable Care Act (ACA) Tax Provisions page of www.IRS.gov or <https://www.irs.gov/affordable-care-act/form-w-2-reporting-of-employer-sponsored-health-coverage>

Box 13

For more information regarding these checkboxes, please review the IRS Form W2 Instructions link above.

Box 14

Employee SDIS/SUI = Employee-paid state disability and/or unemployment taxes.

Other Amount = Informational items may be provided to the employee at the employer's discretion. Also includes Parsonage reporting for religious organizations. These amounts may not impact taxable wages.

Boxes 15 through 17

State = Two position postal code abbreviation for state

Wages = All wages, tips, etc. subject to specific state's withholding tax

Taxes = Specific state's income tax withheld

Please note: Multiple state income taxes for one employee may result in the generation of multiple W2s to accommodate the additional lines needed for reporting.

Boxes 18 through 20

Locality = System abbreviation for local tax agency

Wages = All wages, tips, etc. subject to specific local tax

Taxes = Specific locality's income tax withheld

Please note: Multiple local taxes for one employee may result in the generation of multiple W2s to accommodate the additional lines needed for reporting.
