

Understanding your 2013 W-2

Purpose	To assist Vermont State Employees in understanding the information represented on their 2013 W-2.
Source Documents	2013 W-2 Wage and Tax Statement.

2013 W-2 INFORMATION

General Information	Provide assistance for SOV employees with understanding information represented on 2013 W2.
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This information is being furnished to the Internal Revenue Service. If you are required to file a tax return, a negligence penalty or other sanction may be imposed on you if this income is taxable and you fail to report it.

Form W-2 Wage and Tax Statement 2013		7 Social security tips	1 Wages, tips, other compensation	2 Federal income tax withheld
C Employer's name, address, and ZIP code		8 Allocated tips	Social security wages	4 Social security tax withheld
			5 Medicare wages and tips	Medicare tax
D Employee's name, address, and ZIP code		10 Dependent care benefits	11 Nonqualified plans	12a See instructions for box 12
		13 Statutory employee <input type="checkbox"/> Retiree <input type="checkbox"/> Nonstatutory employee <input type="checkbox"/> 14 Other		12b
		b Employer identification number (EIN)		12c
		a Employee's social security number		12d
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

Copy C-For EMPLOYEE'S RECORDS (See Notice to Employee on the back of Copy B.) OMB No. 1545-0008 **Dept. of the Treasury - IRS**
Visit the IRS website at www.irs.gov/efile

Box 1 This is the total taxable wages paid. The amount has been adjusted for any amounts shown in Boxes 10, 12a, 12b, 12c, 12d, and 14.

Total Taxable Gross Wages: (figure on FINAL 2013 Earnings Statement)
 Subtract **-Pre-tax Medical** (Box 14-MEDBT)
 Subtract **-FSA:Dependant** (Box 10)
 ~ **FSA:Medical** (Box 14-FSAMD)
 Subtract **-Deferred Compensation** (Box 12-Code G)
 Subtract **-Retirement** (Box 14-RETIRE)
 Add **-Taxable Life Insurance** (Box 12-Code C)
 Add **-Domestic Partner Imputed Income** or **Civil Union** (Box 14-IMPUSD)

Box 2 This figure includes all federal taxes withheld from paychecks received from the State of Vermont during the calendar year. (employee W4)

Box 3 These are the wages subject to Social Security (up to a maximum of \$113,700).

Social Security Tax, also known as Old-Age, Survivors, and Disability Insurance (OASDI), is a tax that pays for benefits to entitled beneficiaries.

Total Taxable Gross Wages:
 Subtract **-Pre-tax Medical** (Box 14-MEDBT)
 Subtract **-FSA:Dependant** (Box 10)
 ~ **FSA:Medical** (Box 14-FSAMD)
 Add **-Taxable Life Insurance** (Box 12)
 Add **-Domestic Partner Imputed Income** or **Civil Union** (Box 14-IMPUSD)

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Box 4	This figure includes all social security taxes withheld for checks received from the State of Vermont during the calendar year. This is 6.2% of Box 3 up to \$7,049.40 Max.
Box 5	<p>These are wages subject to Medicare Tax (<i>no maximum</i>).</p> <p>Medicare tax, also known as Hospital Insurance (HI), is a tax that pays for hospital benefits for people covered by Medicare.</p> <p>Total Taxable Gross Wages: Subtract-Pre-tax Medical (Box 14-MEDBT) Subtract -FSA:Dependant (Box 10) ~ FSA:Medical (Box 14-FSAMD) Add-Taxable Life Insurance (Box 12) Add-Domestic Partner Imputed Income or Civil Union (Box 14-IMPUTD)</p>
Box 6	<p>This figure includes all Medicare taxes withheld from paychecks received from the State of Vermont during the calendar year. This is 1.45% of Box 5.</p> <p>*Additional .9% is withheld on gross wages earned in excess of \$200,000.</p>
Box 7	N/A
Box 8	N/A
Box 9	N/A
Box 10	Box 10 shows contributions to Dependent Care made through your flexible spending account via payroll deductions. Contributions are not subject to Federal, Social Security, Medicare or your State taxes.
Box 11	N/A

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Box 12

This box contains an employee's benefit amounts. The benefit amounts are identified by letter codes and some of the most commonly shown codes are:

- C.** This amount is the taxable portion of your **State Group Life Insurance** coverage in excess of \$50,000 (*per IRS Section 79*). It is determined from an IRS tax table and reduced by life insurance premiums deducted from your payroll checks. Your taxable gross in (Boxes 1, 3, 5, & 16) have been increased by this amount.
- D.** This amount is the total deducted from your elected deferral to the **ROTH Plan**.
- G.** This amount is the total deducted from your payroll checks for contributions to an **IRS Section 457 Deferred Compensation plan**. Reduces Federal & State withholding wages (Box 1 & 16) but not FICA (Box 3 & 5).
- L.** Substantiated employee business **expense reimbursements** (non-taxable only)
- N.** This amount is the total portion of your **Uncollected Medicare Tax** on Taxable cost if GTL over \$50,000 (*former employees only*)
- Q.** This amount is the total from your **Non-taxable Combat Pay**.
- DD.** Cost of **Employer-Sponsored health coverage**. The amount reported with the DD Code is not taxable. It is informational only.
- EE.** This amount represents **after-tax Roth Contributions** under the 457 Deferred Compensation Plan.

Box 13

If you were paid wages that were covered under the State of Vermont Retirement Plans, then the Retirement Plan Box will be checked.

Box 14

Only four lines will print in Box 14. If you participate in more than four of the items listed here, you will need to contact Payroll to see if they can provide the totals.

- L. RETIRE** - Employee contributions to retirement plans. Reduces Federal & State withholding wages (Box 1 & 16) but not FICA (BOX 3)
- N. IMPUTD** - Imputed income – The value of health/dental insurance coverage for employees who elect coverage for Domestic or Civil Union Partners taken on a pre-tax basis. This amount is added into (Boxes 1, 3, 5, & code 16) (*for domestic partners only*).
- J. MEDBT** - Health insurance premiums taken as a pre-tax payroll deduction. Only Pre-tax contributions reduce taxable wages in Box 1, Box 16 for State wages and Social Security and Medicare wages in Boxes 3 & 5
- K. MEDAT** – Health insurance premiums taken as after-tax payroll deduction.
- O. FSAMD** – FSA Medical taken from pre-tax payroll deduction. Only pre-tax contributions reduce taxable wages in Box 1, Box 16 for State wages and Social Security and Medicare wages in Boxes 3 & 5.
- P. VTSHR** – VTShares contributions taken as an after-tax deduction.
- Q. VHEIP** – VT Higher Education Investment Program contributions taken from after-tax payroll deductions.
- V. DUES** – VSEA Union Dues taken as an after-tax deduction.

Box 15

State Code - typically **VT**.

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Box 16

State wages, tips, etc. - Normally, this box contains the total year-to-date State Taxable wages. To determine the total shown in Box 16, see instructions for Box 1. (Election Civil Union/Domestic Partner may affect this box).

Total Vermont Taxable Gross Wages:

Subtract **Pre-tax Medical** (Box 14-MEDBT)

Subtract **FSA:Dependant** (Box 10)

~ **FSA:Medical** (Box 14-FSAMD)

Subtract **Deferred Compensation** (Box 12)

Subtract **Retirement** (Box 14-RETIRE)

Add **Taxable Life Insurance** (Box 12)

Add **Domestic Partner Imputed Income** (Box 14-IMPUSD), for Total in (Box 1)

Box 17

Employee State Withholding taxes YTD. (*employee W4*)
