



To reconcile your **Form W-2, box 1, wages, tips, other compensation** to year to date gross on your last pay stub, make the following adjustments:

- Add: Year to date gross on your last pay stub
- Add: Personal use of company automobile and other non-cash fringe benefits
- Add: Reported tips
- Add: Accident and health insurance premiums for so-called 2% S corporation shareholders
- Add: Cost of group-term life insurance in excess of \$50,000
- Subtract: Employee elective deferrals to qualified retirement plans such as §401(k) plans, SIMPLE plans, and §403(b) plans
- Subtract: Amounts withheld for non-taxable benefits elected under §125 (cafeteria) plans

To reconcile your **Form W-2, box 3, social security wages** to year to date gross on your last pay stub, make the following adjustments:

- Add: Year to date gross on your last pay stub
- Add: Personal use of company automobile and other non-cash fringe benefits
- Add: Cost of group-term life insurance in excess of \$50,000
- Subtract: Taxable wages in excess of \$106,800
- Subtract: Amounts withheld for non-taxable benefits elected under §125 (cafeteria) plans
- Subtract: Wages subject to certain state and local retirement plans

To reconcile your **Form W-2, box 5, Medicare wages and tips** to year to date gross on your last pay stub, make the following adjustments:

- Add: Year to date gross on your last pay stub
- Add: Personal use of company automobile and other non-cash fringe benefits
- Add: Reported tips
- Add: Cost of group-term life insurance in excess of \$50,000
- Subtract: Amounts withheld for non-taxable benefits elected under §125 (cafeteria) plans
- Subtract: Wages paid to certain state and local retirement employees hired before April 1, 1986

**Form W-2, boxes 12a, 12b, 12c, and 12d, other** may contain one or more codes. The letters a, b, c, and d do not relate to the codes, but are strictly for identification purposes. The codes and their meaning are explained below:

- |        |                                                                                                                                                           |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Code A | Uncollected social security or RRTA tax on tips                                                                                                           |
| Code B | Uncollected Medicare tax on tips                                                                                                                          |
| Code C | Taxable cost of group-term life insurance over \$50,000                                                                                                   |
| Code D | Elective deferrals under §401(k) cash or deferred arrangement (plan)                                                                                      |
| Code E | Elective deferrals under §403(b) salary reduction agreement                                                                                               |
| Code F | Elective deferrals under §408(k)(6) salary reduction SEP                                                                                                  |
| Code G | Elective deferrals and employer contributions (including nonelective deferrals) to any governmental or nongovernmental §457(b) deferred compensation plan |
| Code H | Elective deferrals under §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                                                                                                    |



Code M	Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (for former employees)
Code N	Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (for former employees)
Code P	Excludable moving expense reimbursements paid directly to employee
Code Q	Nontaxable combat pay
Code R	Employer contributions to an Archer MSA
Code S	Employee salary reduction contributions under a §408(p) SIMPLE
Code T	Adoption benefits
Code V	Income from the exercise of nonstatutory stock option(s)
Code W	Employer contributions to a Health Savings Account (HSA)
Code Y	Deferrals under a §409A nonqualified deferred compensation plan
Code Z	Income under §409A on a nonqualified deferred compensation plan
Code AA	Designated Roth contributions under a §401(k) plan
Code BB	Designated Roth contributions under a §403(b) plan

**Form W-2, box 14** contains additional information that employees may want or need for their tax records. The following are examples of items that employers may want to disclose in box 14:

- State disability insurance taxes withheld
- Union dues
- Uniform payments
- Health insurance premiums deducted
- Nontaxable income
- Educational assistance payments
- Clergy's parsonage allowance and utilities
- Nonelective employer contributions to a pension plan on behalf of an employee
- Voluntary after-tax contributions to a pension plan that are deducted from an employee's pay (not including Roth contributions)
- Required employee contributions to a pension plan
- Employer matching contributions to a pension plan

To reconcile your **Form W-2, box 16, state wages, tips, etc.** to year to date gross on your last pay stub, make the following adjustments:

- Add: Year to date gross on your last pay stub
- Add: Personal use of company automobile and other non-cash fringe benefits
- Add: Reported tips
- Add: Accident and health insurance premiums for so-called 2% S corporation shareholders
- Add: Cost of group-term life insurance in excess of \$50,000
- Subtract: Employee elective deferrals to qualified retirement plans such as §401(k) plans, SIMPLE plans, and §403(b) plans, but not including certain contributions to state and local retirement plans
- Subtract: Amounts withheld for non-taxable benefits elected under §125 (cafeteria) plans
- Subtract: Wages allocated to other states, which may be included in a separate box 16

This summary should help most employees reconcile their Form W-2 to their pay stub, but does not contain all possible adjustments. Additionally, not all states use the same adjustments to calculate state taxable wages.