

Spring Independent School District

Understanding your W-2

What Do All Those Boxes and Codes on my Form W-2 Mean?

Knowing how to read a Form W-2 can help you understand your salary, and also help you get a head-start when preparing your taxes.

Here's a line-by-line guide reading your Form W-2.

Employer and Employee Identification (Boxes lettered A through E)

Box A: Your Social Security Number (SSN) is reported in box (a). If this number is incorrect, bring your Social Security card to Human Resources and ask to have it corrected and have Payroll issue a new Form W-2.

Box B: This is the District's [Employer Identification Number](#) (EIN).

Box C: This identifies the name, address, city, state, and zip code of the District.

Box D: This box identifies the control number, if any. You will see "Created by Employee Access Center".

Box E: This box is used for your name and address. Your full name should reflect the name that's actually on your Social Security Card. If your name is incorrect, contact Human Resources and request an updated W-2. If your address is incorrect, you will need to update it within the Employee Access Center by clicking the grey **Update** button at the top of the screen; you will not need a new W-2 but the District will need to update your record.

Numbered Boxes on Form W-2

Box 1: Reports your total taxable wages or salary for federal income tax purposes and is likely to be less than the amounts reported on boxes 3 and 5. This figure includes your wages, salary, bonuses, and other taxable compensation. Any taxable fringe benefits (such as group term life insurance) are also included in your Box 1 wages. Box 1 does not include any pre-tax benefits such as savings contributions to a 403(b) plan, health insurance, or other types of pre-tax benefits.

Box 2: Reports the total amount of federal income taxes withheld from your pay during the year. This amount is determined by the elections on your form W-4 based on exemptions and any additional withholding. If you find that this number is too low or too high, you'll want to make an adjustment on your form W-4 for the next year.

Box 3: Reports the total amount of wages subject to the Social Security tax. For 2015, the Social Security tax is assessed on wages up to \$118,500 (this limit is called the Social Security wage base).

Box 4: Reports the total amount of Social Security taxes withheld for the year. The Social Security tax is calculated based on a flat rate of 6.2% of your wage income, up to a maximum wage base of \$118,500 for 2015. The amount on this box should be equal to the amount on box 3 times 6.2%.

Box 5: Indicates wages subject to the Medicare tax. Since there is no maximum wage base for Medicare taxes, this amount may be larger than the amount shown in box 1 or box 3. Medicare wages includes any deferred compensation or other fringe benefits that are excluded from the federal income tax. In other words, the amount in box 5 typically represents your entire compensation from your job.

Box 6: Reports the amount of taxes withheld from your paycheck for the Medicare tax. The Medicare tax is a flat tax rate of 1.45% of your total Medicare wages. Higher income earners may be subject to withholding for the Additional Medicare Tax at a rate of 2.35% for the portion of compensation above threshold amounts.

Box 7: The amount in this box will be zero since there are no tips to be reported to the District.

Box 8: The amount in this box will be zero since there are no allocated tips to be reported from the District.

Box 9: This box is no longer used by the IRS.

Box 10: Reports any amounts reimbursed for dependent care expenses through a flexible spending account or the dollar value of dependent care services provided by the District. Amounts under \$5,000 are non-taxable benefits. Any amount over \$5,000 is reported as taxable wages in Boxes 1, 3, and 5.

Box 11: Reports any amounts distributed to you from your employer's non-qualified deferred compensation plan or non-government Section 457 pension plan. The amount in Box 11 is already included as taxable wages in Box 1.

Box 12: There are several types of compensation and benefits that can be reported in this box. Box 12 will report a single letter or double letter code followed by a dollar amount:

Code	Description
Code C	Taxable benefit of group term-life insurance over \$50,000. This amount is already included as part of your taxable wages in Boxes 1, 3, and 5.
Code E	Non-taxable elective salary deferrals to a 403(b) retirement plan.
Code G	Non-taxable elective salary deferrals and non-elective employer contributions to a 457(b) retirement plan.
Code P	Non-taxable reimbursements for employee moving expenses, if the amounts were paid directly to the employee.
Code W	Employer and employee contributions to a Health Savings Account.
Code BB	After-tax contributions to a Roth 403(b) retirement plan. This amount is included as part of your box 1 wages.
Code DD	Reports the cost of non-taxable health insurance provided through your employer.
Code EE	After-tax contributions to a Roth 457(b) retirement plan offered by government employers. This amount is included as part of your box 1 wages.

Box 13: A box or boxes will be checked off if you are a statutory employee (employees whose earnings are subject to Social Security and Medicare taxes but not federal income tax withholding); if you have participated in the District's retirement plan during the year; or if you received sick pay under Spring ISD's third-party insurance policy. Note: Sick pay is not included in your box 1 wages, although sick pay is usually subject to Social Security and Medicare taxes.

Box 14: This is a "catch all" box; if any amounts are reported, they will have a brief description of what the amounts are for.

Boxes 15 -20: These will be blank since you are not subject to state, local, or city taxes.