



W2 | Balancing & Review

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 beginning 12/1 to make final review easier.

It is IMPERATIVE to carefully review ALL Employee W2 boxes on the PAY00709 Report. A W2 Authorization Signoff is required for BBP to print your company's W2s. If errors are found after you have authorized printing, additional charges may apply for reprints. For detailed instructions on each box that appears on the W2 please refer to the IRS Instructions <https://www.irs.gov/pub/irs-pdf/iw2w3.pdf>

If you have questions please contact your Account Manager. Please pay special attention to Boxes 8 – 11.

Social Security

Verify employee Social Security Numbers, especially those hired in 2016. 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 2016, this should not exceed \$7,347.00 (\$118,500 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 2015 the rate is 1.45% for the first \$200,000 and then 2.35% for taxable wages in excess of \$200,000.

Boxes 8 through 11

If you have questions about amounts in these boxes please contact your Mangrove Support Account Manager. 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 are required to be reported to the IRS and may or may not have an impact on 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>

Box 12 – Code DD – Cost of Employer-Sponsored Health Coverage – Employers over 250 W2s 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 different 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 or may not have an impact on 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.

Upon completion of your FINAL W2 Audit report review (after all 2016 adjustments have been posted and confirmed), **please forward a signed copy of this page to BBP.**

It is IMPERATIVE to carefully review all data printed on each employee's W2 form. This signature confirms you have reviewed the W2 information for accuracy and that you authorize BBP to move ahead with printing and filing of W2's and other year-end returns. **Note: If errors are reported after the authorized printing, additional charges will apply for reprinted W2s.**

Please contact your BBP with any questions or concerns regarding year end balancing.

W2 Authorization Signoff

Company Name:

Signature:

Printed Name of Signer:

Date Submitted to BBP:

*****BBP/ASSURE Use Only*****

Received on		By		W2s Printed on	
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