

**UNIVERSITY OF WISCONSIN SERVICE CENTER
EXPLANATION OF W-2**

FORM

W-2 Wage and Tax Statement 2008

Copy 2 To Be Filed With Employee's State, City, or Local Income Tax Return

22222		a Employee's social security number	OMB No. 1545-0008	
b Employer's identification number		1 Wages, tips, other compensation		2 Federal income tax withheld
c Employer's name, address, and ZIP code UNIVERSITY OF WISCONSIN SYSTEM		3 Social security wages		4 Social security tax withheld
		5 Medicare wages and tips		6 Medicare tax withheld
d Control number		9 Advance EIC payment		10 Dependent care benefits
e Employee's name (first, middle initial, last)		11 Nonqualified plans		12a See Instructions for Box code E
		13 Statutory <input type="checkbox"/> Retirement <input type="checkbox"/> Third-party <input type="checkbox"/> employee <input type="checkbox"/> plan <input type="checkbox"/> sick pay <input type="checkbox"/>		12b code C
		14 Other TRANS PRE TAX MOVE EXP ED ASST MEALS		12c code G
f Employee's address and zip code				12d code P
15 State Employer's state I.D. No. WI	16 State wages, tips, etc.	17 State income	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.	

Department of the Treasury - Internal Revenue Service

Tax Resources

For easy access to useful tax resources go to: <http://www.bussvc.wisc.edu/ecbs/tax-info.html>

Explanation of Information

- Box 1.** This is the total taxable gross paid. The amount has been adjusted for any amounts shown in boxes 10, 14 and codes C, E, G appearing in boxes 12a, 12b, 12c, or 12d.
- Box 3.** These are the wages subject to Social Security Tax (up to a maximum of \$102,000). Social Security Tax, also known as Old-Age, Survivors, and Disability Insurance (OASDI), is a tax that pays for benefits to entitled beneficiaries.
- Box 5.** These are wages subject to Medicare Tax (No maximum). Medicare tax, also known as Hospital Insurance (HI), is a tax that pays for hospital benefits for people covered by Medicare.
- Box 9.** Advanced Earned Income Credit (EIC)--A tax return must be filed if any amount is shown in box 9. To be eligible for EIC in 2008 (the following amounts are for single marital status, please see the back of your W-2 for the amounts of other marital statuses):

- 1. You must have had one qualifying child and earned less than \$33,995, OR
- 2. You must have had more than one qualifying child and earned less than \$38,646

You and any qualifying children must have valid social security numbers. Also you cannot claim the EIC if you have more than \$2,950 in investment income. Any EIC that is more than your tax liability is refunded to you, but only if you file a tax return. If you have at least one qualifying child, you may get as much as \$1,750 of the EIC in advance by completing Form W-5, Earned Income Credit Advance Payment Certificate. You may also be eligible for EIC if you do not have any qualifying children, but must claim that credit on your 2008 tax return and earned less than \$12,880.

- Box 10.** If you participated in a Dependent Care Employee Reimbursement Account (ERA) during the plan year, this box will reflect the total amount deducted from your payroll checks for contributions to your

Dependent Care Employee Reimbursement Account. Your taxable gross in boxes 1, 3, 5 and 16 have been reduced by this amount.

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, and 16 have been increased by this amount.
- E** This amount is the total deducted from your payroll checks for contributions to an IRS Section 403(b) Tax Sheltered Annuity plan. Your taxable gross in boxes 1 and 16 have been reduced by this amount.*
- G** This amount is the total deducted from your payroll checks for contributions to an IRS Section 457 Deferred Compensation plan. Your taxable gross in boxes 1 and 16 have been reduced by this amount.*
- P** This amount is the non-taxable portion of your moving expense reimbursements provided as information only.

*The Economic Growth & Tax Relief Reconciliation Act (EGTRRA) of 2001 made changes in the federal tax laws that govern retirement savings program and pension laws. Contributions to 403(b) programs and 457 plans no longer need to be coordinated. Contributions to the full amount to each program are allowable.

Box 13. If you were paid wages that were covered under the Wisconsin Retirement System (WRS), **or** you contributed to either an IRS Section 403(b) Tax Sheltered Annuity or IRS Section 457 Deferred Compensation plan, **then** the Retirement Plan box will be checked.

Box 14. PRE TAX - This is the amount of pre-tax payroll deductions for Section 125 deferrals for: a) Medical Employee Reimbursement Account (ERA) and b) employee premiums for State Group Health, Major Medical (Epic), State Group Life, vision care and non-represented dental insurance premiums. Your taxable gross in boxes 1, 3, 5 and 16 have been reduced by this amount.

MOVE EXP - This is the taxable portion of your moving expense reimbursements. Boxes 1, 3, 5 and 16 have been increased by this amount.

TRANS - This is the amount taken pre-tax from your payroll checks for qualifying transportation expenses, e.g. bus passes, parking, and vanpool. Boxes 1, 3, 5 and 16 have been decreased by this amount.

ED/ASST - This is the amount of your educational assistance reimbursement in excess of \$5,250 that is taxable. Boxes 1, 3, 5 and 16 have been increased by this amount.

MEALS – Reimbursement for business meals when you were NOT away from home overnight (per IRS Section 61). The Amounts in boxes 1 and 16 have been increased by this amount.

IRS Note: Keep **Copy C** of Form W-2 for at least 3 years after the due date for filing your income tax return. However, to help **protect your social security benefits**, keep Copy C until you begin receiving social security benefits, just in case there is a question about your work record and/or earnings in a particular year. Review the information shown on your annual (for workers over 25) Social Security Statement.

Tax Information and Assistance

IRS--Assistance	1-800-829-1040
IRS--Forms	1-800-829-3676
IRS—Website	www.irs.gov
Wisconsin Department of Revenue--Assistance	1-608-266-2486
Wisconsin Department of Revenue—Forms	1-608-266-1961
Wisconsin Department of Revenue—Website	www.revenue.wi.gov