

W-2

Form Instructions

2011

Tax Reporting for Commonwealth Employees

Martin J. Benison
Comptroller of the Commonwealth



Commonwealth of Massachusetts
Office of the Comptroller
1 Ashburton Place 9th Floor
Boston, MA 02108

New for 2011

- The enclosed W-2 includes the Federal and State tax reporting for employees who participate in the Group Insurance Commission Buyout Program. In prior years, employees eligible for this program received multiple forms.

This brochure provides a detailed explanation of the contents of the Form W-2 issued to you for tax year 2011 (26 pay periods). This represents taxable income you have received during calendar year 2011. Due to the timing of actual cash receipts, this amount may vary from your stated annual salary. It also includes non-cash benefits (parking, housing, tangible assets, use of State provided vehicle, and certain health insurance) if applicable. You will be issued only one Form W-2 for tax year 2011, concluding with pay period ending December 17, 2011.

Please contact your department's payroll office if:

1. **You have a Question** about your W-2.
2. **You need a Reprint** of your W-2.
3. **You need a W-2C Statement of Corrected Income and Tax Amounts.** A W-2C is needed if your name, social security number or any of the Federal reported amounts are incorrect.
4. **You need information about PayInfo.**

Form W-2 Wage and Tax Statement 20xx		7 Social security tips	1 Wages, tips, other compensation 48469.75	2 Federal income tax withheld 4079.32
6 Employer's name, address, and ZIP code COMMONWEALTH OF MASSACHUSETTS ONE ASHBURTON PLACE BOSTON MA 02108		8 Allocated tips	3 Social security wages	4 Social security tax withheld
8 Employer's name, address, and ZIP code JOHN TAXPAYER HOME ADDRESS, MA 02128		9 Advance EIC payment	5 Medicare wages and tips 52999.17	6 Medicare tax withheld 768.49
		10 Dependent-care benefits	11 Nonqualified plans	12a See instructions for box 12
		12a Social Security 12b Medicare 12c Other 12d	14 Other	12b
		b Employer identification number (EIN) 04-6002284		12c
		a Employee's social security number 000-00-0000		12d
15 State MA	Employer's state ID number 046002284	16 State wages, tips, etc. 48516.73	17 State income tax 2226.58	18 Local wages, tips, etc.
			19 Local income tax	20 Locality name

Important Reminder for State and Public Employees

On your W-2, there is an amount shown for State wages, tips, etc. Generally, the amount shown for State wages is higher than the amount shown for Federal wages because your pension contributions are excluded from your income for Federal tax purposes. When filing your Massachusetts income tax return, you must use the amount shown for State wages. If you enter the lower dollar amount, your return will be corrected and any refund you may be expecting will be delayed.

This sample W-2 shows where you will find the State wages. Use the amount in this box on your Massachusetts income tax return.

Remember to E-File!

E-File is submitting your Massachusetts return electronically through one of the three methods offered by the Department of Revenue (DOR):

- **Webfile for Income:** Fast, easy, convenient... and green!
- **Paid Preparer** Thousands of preparers E-File Federal and State returns.
- **Commercial tax preparation software and websites**



Webfile this Year!

- Webfile is convenient, secure... and free
- All calculations are done - no math mistakes
- Customizable to fit **your** needs
- Start a return, save it, and come back to it later
- Track your refunds and payments
- Once you register, Webfile saves your account data- saving time in future years

Visit www.mass.gov/webfile to learn more

Box 1

The **Federal taxable income** is equal to employee's Total Gross Pay (less reimbursements) from pay stub for period ending December 17, 2011 and paid on December 23, 2011.

Plus

- Cash and non-cash benefits listed in Boxes 12c, 14p, 14s, 14t, 14u.

Minus

- Dependent Care Assistance Plan contributions and fees (Box 10).
- Tax Sheltered Annuity contributions (Box 12e).
- OBRA 90 Alternative Retirement Plan contributions and elective Deferred Compensation (Box 12g).
- Pretax Health Care Spending Account contributions and fees (Box 14o).
- Pretax Qualified Transportation (up to monthly limits).
- Pretax Retirement contributions (Box 14y).
- Pretax Health and Pretax Basic Life Insurance premiums (Box 14z).

Qualified Transportation Benefits

Pre-Tax amounts have specified **monthly** limits. Employees may use QTB in combination so deductions are not displayed in Box 14.

For Transit and Vanpool costs the pre-tax limit for Federal is \$230 and State \$120. For Parking both Federal and State limits are \$230. The tax savings are reflected in Box 1, 5 and 16 based upon the amount each month an employee elects.

To see the details of these amounts, please look online at your accounts at www.benstrat.com or review you pay advices, on-line in PayInfo.

Box 12

Box 6: amount of Medicare tax withheld

Box 2: Total amount of Federal tax withheld

12c The cost of Group Term Life Insurance over \$50,000 – Imputed Income, included in Boxes 1, 5 and 16.

12e 403(b) Contributions made to a Tax Sheltered Annuity (TSA), excluded in Boxes 1 and 16.

12g Elective and non-elective (OBRA 90 Alternative Retirement) 457 contributions to the Deferred Compensation "SMART" Plan excluded in Boxes 1 and 16.

12p Excludable moving expense reimbursements paid directly to employee (not included in Boxes 1, 5, or 16).

W-2 Wage and Tax Statement 2011

Employee's name, address and ZIP code

Employer's name, address and ZIP code

1. Total wages, tips and other compensation

2. Federal income tax withheld

3. Social Security tax withheld

4. State income tax withheld

5. Basic amount of state tax

6. State tax withheld as an alternative to state tax

7. Social Security tips

8. Alternative state tax

9. Dependent care benefits

10. Dependent care expenses

11. Tuition and fees

12. Health, dental, vision, and other benefits

13. Sick leave

14. Other

15. State and local income tax withheld

16. State and local income tax

17. Total amount of state tax withheld

18. State and local income tax

19. Retirement plan

20. Health plan

21. Other

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Box 10: Total Dependent Care Assistance Plan (DCAP) deductions excluded from Boxes 1, 5 and 16.

Box 17: Total amount of State tax withheld

Box 16: Total amount of state taxable wage

Box 14

Box 14 ID	W-2 Box ID Description	Instruction
M	MGL c. 3 s.98 Per Diem Paid	Included in Boxes 1, 5 and 16.
O	Health Care Spending Account and HCFA Fee -- Pre-Tax	Subtracted from Boxes 1, 5 and 16.
P	Parking -- Imputed Income	Added to Boxes 1, 5 and 16.
R	MGL c. 3 s. 98 Expenses Paid	Included in Boxes 1, 5 and 16.
S	Personal Use Auto -- Imputed Income	Added to Boxes 1, 5 and 16.
T	Housing Allowance -- Imputed or Paid	Added to Boxes 1, 5 and 16.
U	Health Insurance -- Imputed Income	Added to Boxes 1 and 5.
Y	Retirement -- Pre-Tax Federal	Subtracted from Box 1.
Z	Health and Life Insurance -- Pre-Tax	Subtracted from Boxes 1, 5 and 16.

Wages subject to Medicare tax are equal to employee's Total Gross Pay from pay stub for period ending December 17, 2011 and paid on December 23, 2011.

Plus

- Cash and non-cash benefits listed in Boxes 12c, 14p, 14s, 14t, 14u.

Minus

- Dependent Care Assistance Plan contributions and fees (Box 10).
- Pretax Qualified Transportation
- Pretax Health and Pretax Basic Life Insurance premiums (Box 14z).
- Pretax Health Care Spending Account (Box 14o).