



ACE W-2s Explanation of Figures Found on Your W-2

Explanation of Figures Found on Your W-2:

BOX 1 Wages, Tips, Other Compensation

The Total Gross Pay (all compensation, such as salary, overtime, taxable travel reimbursements, special compensation pay, unused personal leave, etc.) on your last pay stub of the year. BOX 1 also includes imputed income (taxable amount of life insurance, personal use of a state vehicle and emoluments) and, where applicable, disability payments by a 3rd party provided that the premium was a pre-tax deduction. These amounts are not included on the pay stub.

To arrive at the figure in BOX 1 on your W-2:

Total Gross Pay + Imputed Income + Payments by a 3rd Party – Pre-tax Deductions – Public Employee Retirement

Your W-2 gross may differ from your last pay stub in December due to adjustments made to earnings after the close of the last pay period of December. These adjusted amounts will be included with the gross from the last paycheck and will appear on the W-2.

BOX 2 Federal Income Tax Withheld

BOX 3 Social Security Wages

To arrive at the figure in BOX 3 on your W-2:

Total Gross Pay + Imputed Income + Payments by a 3rd Party – Pre-tax Deductions (Excluding Deferred Compensation)

BOX 4 Social Security Tax Withheld

BOX 5- Medicare Wages

Wages are calculated the same as Social Security Wages in Box 3.

BOX 6 Medicare Tax Withheld

BOX 9 This box is not used, effective January 1, 2011.

BOX 10 Dependent Care Benefits

Total amount your employer paid for Dependent Care under a Cafeteria Plan (Section 125). You can contribute up to \$5,000 per year and not pay any income tax.

BOX 12 Explanation box

You may need this information to complete your tax return.

- Code C** Taxable cost of group-term life insurance (LIFEI) over \$50,000; dollar amounts are also reported in Boxes 1, 3, 5, and 16.
- Code E** Elective deferrals for Section 403(B) tax shelter annuities plan.
- Code G** Elective deferrals to a Section 457(B) deferred compensation plan.
- Code J** Non-taxable Sick Pay (not included in Boxes 1, 3, 5, and 16).
- Code BB** Designated Roth contributions under a section 403(b) salary reduction agreement plan.
- Code DD** Cost of Employer Sponsored Health Coverage. Includes employee and employer portions of State health insurance premium payments and identifiable pre-tax premium payments for cancer, hospital, intensive and critical care insurances. This amount is for your information only and is not taxable.
- Code W** Health Savings Account contributions.

BOX 13

If Retirement Plan is checked, the amount deferred is listed in Box 14. See Public Employees Retirement System web site located at <http://www.pers.ms.gov> for additional information on coverage by the State Retirement Plan.

BOX 14 Other

MS DEF RET – amount of deferred retirement contributions to the State Retirement Plan.

CAFÉ PLAN – amount your employer paid on your behalf under an approved Cafeteria Plan.

BOX 15 State and Employer's State ID #

If working outside of Mississippi (MS), the code will list the state worked in, but will show Mississippi's state ID.

BOX 16 State Wages, Tips

This figure is computed the same as the Wages in Box 1.

BOX 17 State Income Tax

State Income Tax Withheld.

Other Important W-2 Related Information

1. Explanation of Wage Base Calculations

Wage Type	Earnings Included	Deductions Subtracted
Federal Taxable Wages	Year to Date Salary Non-Cash Income (Housing, Vehicle Use, Taxable Life) Taxable Travel 3 rd Party Disability Payments	Retirement Cafeteria Plan Deferred Comp
Social Security Wages	Year to Date Salary Non-Cash Income (Housing, Vehicle Use, Taxable Life) Taxable Travel 3 rd Party Disability Payments	Cafeteria Plan
Medicare Wages	Year to Date Salary Non-Cash Income (Housing, Vehicle Use, Taxable Life) Taxable Travel 3 rd Party Disability Payments	Cafeteria Plan
State Taxable Wages	Year to Date Salary Non-Cash Income (Housing, Vehicle Use, Taxable Life) Taxable Travel 3 rd Party Disability Payments	Retirement Cafeteria Plan Deferred Comp

2. Social Security Number Changed

If your social security number changes during a tax year, your Form W-2 will reflect the last social security number on your payroll record for that tax year.

3. W-2 Reissues and Corrections

If you believe the information on your original W-2 is incorrect, contact your payroll office. If the information is found to be incorrect, DFA will issue a W-2 Reissued or a W-2 Corrected form. **NOTE: W-2s will NOT be reissued or corrected for incorrect addresses.**

W-2 Reissued - W-2 Reissues will be made after the distribution of the original W-2's, but before information is sent to the Social Security Administration at the end of March. You will be notified if your W-2 must be reissued, and you will be able to view the Reissued W-2 online. Reissued W-2's will have "REISSUED" printed in the top left box of your W-2. You should use the W-2 Reissued form when filing your tax return.

W-2 Corrected - You will receive a W-2 Corrected form (W-2C) if changes are made to your original W-2 after DFA has sent tax information to the Social Security Administration at the end of March. The Corrected W-2 will show information incorrectly reported on your original W-2 along with the corrected information. Your tax return should reflect the corrected information. You will be notified if your W-2 must be corrected.

4. W-4 Processing Changing Exemptions

If you wish to change your exemptions for next year, contact your Agency's Payroll Office.