

## MEMORANDUM

**To:** University Community  
**From:** Office of Human Resources  
**Date:** January 26, 2018  
**Re:** Paper W-2 Distribution

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The 2017 W-2 forms have been mailed directly to all active and terminated Pennsylvania State System of Higher Education employees who had taxable wages in calendar year 2017. The forms were mailed to each employee's most recent Mailing or Permanent Residence address on file in the Human Capital Management (HCM) system.

If you signed up for electronic delivery of your W-2 form, you may obtain a copy by signing into Employee Self Service. A paper W-2 will not be mailed to your home if you signed up for electronic delivery.

The 2017 W-2 form consists of four parts. Copy C of the W-2 form is for the employee's personal records, Copy B is for the employee's Federal tax return, the first sheet of Copy 2 is for the employee's State tax return, while the second sheet of Copy 2 is for the employee's Local tax return. **The 2017 W-2 form is an official tax document, and it should be retained by all active and terminated employees.** The Internal Revenue Service (IRS) requires employers to retain this document for four years.

### 2017 W-2 FORM HIGHLIGHTS

There were no major changes to the W-2 from the previous year. The following is a breakdown of each box on the form:

1. **Boxes 1, 3, and 5** contain the Federal, Social Security, and Medicare Taxable Gross Wages, respectively. The amount in Box 3 (Social Security Wages) **should not** exceed \$127,200.
2. **Boxes 2, 4, and 6** contain the Federal, Social Security, and Medicare income taxes withheld, respectively. The amount in **Box 4** (Social Security Tax Withheld) **should not** exceed \$7,886.40.
3. **Box 10** contains Dependent Care Flexible Spending Account Deductions, if applicable for the employee.
4. In accordance with the Affordable Care Act of 2010, we are reporting the total cost of the employer sponsored health coverage you received during the year in **box 12 under code DD**. This figure includes both the employee and employer paid shares of health insurance premiums and is for informational purposes only. This amount is not taxable
5. **Box 12, code EE** will include after-tax contributions to a Roth 457(b) retirement plan offered by government employers

6. **Boxes 16 and 17** contain the State Taxable Gross Wages and the State Income Tax withheld, respectively, for the applicable State indicated in **Box 15**.
7. **Boxes 18 and 19** contain the Local Taxable Gross Wages and the Local Income Tax Withheld.
8. Per Act 32 of 2008 (Paragraph 7, subparagraph ii) entries in **box 20** (Locality Name) of the Employee's copy of the W-2 form must contain the 2 digit PSD code for the Tax Collection District (i.e. county) where the tax was remitted. The State System remits all local taxes to Lancaster County; therefore **all employees will see the value of "36" regardless of their residence tax area**.
9. Detailed explanations of the codes used in Box 12 are printed on the back of Copy B to be filed with the Federal Tax Return.
10. **Box 14 may include one or more of the following:**

- ***Retirement Plan Contributions (SERS, PSERS, or ARP)***
- ***Pre-Tax Benefit Programs***  
Payroll deductions covered under the Internal Revenue Code Section 125 for flexible spending account programs are also shown in this box. These include deductions for:
  - Health insurance premiums
  - Health Care Flexible Spending Account (HCFSA)
- ***Other deductions such as:***
  - Union Dues
  - Taxable Automobile
  - Taxable Moving Expenses
  - Maintenance Taxable and Nontaxable

**NOTE: Employee health insurance premiums and employee HCFSA contributions are grouped together and described as Flexible Spending Account (FLX SP AC) contributions in Box 14.**

Employees should verify the Social Security Number, Name, and Address reported on the W-2 form, as this is the information that will be sent to the Social Security Administration (SSA) and the IRS. Any discrepancies in social security number and/or name should be reported **immediately** so we can notify the proper agencies. Please note, employee names should be the same in the HCM system as they are on the employee's social security card for the employee to receive proper credit for the earnings reported in calendar year 2017.

Finally, requests for reissued W-2s [can be requested beginning February 9, 2018 by contacting the Payroll office. should be emailed directly to w2request@passhc.edu.](mailto:w2request@passhc.edu) Reissued W-2s will be mailed directly to the employee at the current Mailing or Permanent address in HCM. Please contact the payroll office at extension 4275 or the main HR office at extension 4950 if you have questions.