

2020 W-2 Information for Employees

Many employees have had questions about the different box numbers on the Form W-2. Boxes 1, 3, and 5 on your W-2 will not match your year-to-date gross in most cases.

Box 1- Wages, Tips, and Other Compensation

This box contains your taxable wages. Taxable wages are computed by subtracting any pre-tax deductions from your gross wages and adding back to your gross wages any taxable fringe benefits such as an automobile allowance. Examples of pre-tax deductions are health insurance premiums, dental insurance premiums, deferred compensation contributions, tax sheltered annuity contributions, flexible spending accounts (medical and dependent care), health savings account, Hybrid Retirement Accounts, and Vision premiums.

Box 2-Federal Income Tax Withheld

This is the federal income tax ETSU withheld from your paychecks. We withhold Federal Income Tax based on the information you submit on your W-4.

Box 3- Social Security Wages

This box contains your Social Security Wages. Social Security Wages are computed similar to Box 1 wages, with the exception of contributions made to retirement plans (such as a 401(k) account). Employee contributions to retirement plans are exempt from income taxes but not from social security taxes. The maximum wages subject to Social Security in 2020 are \$137,700.

If you were enrolled in 6 hours as an ETSU student while a part-time ETSU employee, your wages were exempt from Social Security.

If you were receiving retirement benefits from TCRS while you were an employee of ETSU, your wages during this period are exempt from Social Security.

Box 4- Social Security Tax Withheld

This is the amount of Social Security Tax withheld from your paychecks. The rate is 6.2% times your Social Security wages.

Box 5- Medicare Wages and Tips

Same as the first paragraph of Box 3, but there is no maximum wage limit.

If you were enrolled in 6 hours as an ETSU student while a part-time ETSU employee, your wages were exempt from Medicare.

Box 6- Medicare Tax Withheld

This is the amount of Medicare Tax withheld from your paychecks. The rate is 1.45% times your Medicare wages.

Anyone who makes over \$200,000 is taxed an additional .9% of Medicare tax. The additional tax amount is included in box 6. See the below link for more information:

<https://www.irs.gov/uac/what-is-the-additional-medicare-tax-and-who-pays-it>

Box 10- Dependent Care Benefits

This is the pre-tax benefit for amounts deducted from your paycheck.

Box 12

If you have more than one of the codes listed below, the first code is in box 12a, the next in box 12b, etc.

Code D- Elective deferrals under section 401(k)

Code E- Elective deferrals under section 403(b)

Code G- Elective deferrals under section 457

Code AA-Elective contributions under section 401(k) ROTH

Code DD-Cost of employer-sponsored health coverage. This is the employee and employer cost of health insurance and is for information purposes only.

Code W-Employer contributions to a health savings account (HSA). This is the employee and employer contributions.

Box 13- X in the retirement plan box indicates you participated in a retirement plan (TCRS or ORP).

Box 14-Other

This box is used for note purposes.

Note: Emergency paid sick leave will not be reported in Box 14. ETSU was not eligible for the tax credits and therefore, the emergency sick leave is not reported on the W-2.

For more information or additional questions, contact the Payroll Office at 9-5320.