Understanding Your W-2

Descriptions of Each Box on Form W-2 (CY2013)

Box 1 "Wages, tips, other compensation": This is federal taxable income for payments in the calendar year. The amount is calculated as YTD earnings minus pre-tax retirement and pre-tax benefit deductions plus taxable benefits (i.e., certain educational benefits). This figure includes your wages, salary, bonuses, and other taxable compensation. Any taxable fringe benefits (such as group term life insurance) are also included in your Box 1 wages.

Box 2 "Federal income tax withheld": This is federal income tax withheld from your pay based on your W-4. If you didn't file a W-4, the default is "single and 0" regardless of your marital status. This represents the amount of federal taxes you have paid throughout the year.

Box 3 "Social security wages": Social security wages are calculated as Federal Taxable Gross (Box 1) plus Retirement Deductions (Box 12). The maximum social security wage amount for 2013 is $113,700.

Box 4 "Social security tax withheld": This is social security tax withheld from your pay. For 2013, the amount should not exceed $7,049.40 ($113,700 X 6.2%). Wages above $113,700 are not subject to the Social Security tax.

Box 5 "Medicare wages and tips": This is total wages and tips subject to the Medicare component of social security taxes. There is no maximum wage base for Medicare taxes. The amount shown in Box 5 may be larger than the amount shown in Box 1. Medicare wages includes any deferred compensation, 403 (b) contributions, or other fringe benefits that are normally excluded from the regular income tax. In other words, the amount in Box 5 typically represents your entire compensation from your job.

Box 6 "Medicare tax withheld": This is Medicare tax withheld from your pay for the Medicare component of social security taxes. The rate is 1.45% of the Medicare wage base. In addition, as January 1, 2013 employers are required to withhold a 0.9% additional Medicare Tax on any Social Security wages paid to an employee in excess of $200,000 in a calendar year.

Box 7 "Social Security Tips": Not Applicable

Box 8 "Allocated Tips": Not Applicable

Box 9 "Advance EIC Payments": Not Applicable

Box 10 "Dependent care benefits": This is the pre-tax deduction under the Select Benefits Program for dependent care and is reflected in box 1. Amounts under $5,000 are non-taxable benefits, however any amount over $5,000 is reported as taxable wages in Boxes 1, 3, and 5.
Box 11 "Nonqualified plans": Not Applicable

Box 12 "Box 12 Codes": The following codes are applicable to Augsburg College:

- Code C – Taxable benefit of group term-life insurance over $50,000. Already included as part of your taxable wages in Boxes 1, 3, and 5.
- Code E – Non-taxable elective salary deferrals to a 403(b) retirement plan.
- Code W – Employer contributions to your Health Savings Account.
- Code DD – Cost of employer-sponsored health coverage. The amount is not taxable.

Box 13: Check the Box. There are three check boxes in Box 13. Boxes will be checked off if any of these situations apply to you as an employee.

Statutory employee: Not Applicable

Retirement plan means Augsburg offers a 403 (b) retirement plan. If you participated in the retirement plan, your contribution amount will be in Box 12.

Third-party sick pay: Not Applicable

Box 14: Other Tax Information. Report additional tax information in Box 14. If any amounts are reported, they will have a brief description of what the amounts are for.

Box 15: State and State Employer's Identification. Box 15 reports Augsburg’s state tax identification number.

Box 16: State wages. Box 16 reports the total amount of taxable wages earned in Minnesota.

Box 17: State income tax withheld. Box 17 reports the total amount of state income taxes withheld from your paychecks for the wages reported in Box 16.

Box 18: Local wages. Not Applicable

Box 19: Local income tax withheld: Not Applicable

Box 20: Locality name. Not Applicable.