



## Troubleshooting W-2 Cases



# Table of Contents

[Introduction to This Guide](#)

[Basic Terminology](#)

[The W-2 Case Resolution Process](#)

1. [Verify the Caller Has a W-2 Concern and Verify Their Identity](#)
2. [Open a W-2 Case, Determine Its Type, and Follow the Instructions](#)
  - [Flow 1: SSN/Name Change](#)
  - [Flow 2: S-Corp Reporting](#)
  - [Flow 3: W-2 Not Issued](#)
  - [Flow 4: W-2 Issued in Error](#)
  - [Flow 5: Wrong/Missing – Earning/Deduction/Tax](#)

[Communication and Case Resolution Best Practices](#)

[Verifying a Caller's W-2 Information](#)

[Navigating the W-2 and Resolving Caller Issues](#)

- [Boxes A – E: Employee and employer contact information](#)
- [Boxes 1 – 6: Employee earnings and federal taxes](#)
- [Boxes 7 – 14: Additional compensation and deductions](#)
- [Boxes 15 – 20: State and local taxes](#)

## Acknowledgements

We would like to thank the following individuals for their help in providing extensive information, time, and advice for this guide. This guide would not have been possible without their help:

- Melissa Melugin (System Operations)
- Michelle Merrell (System Operations)
- Tereasa Herald (Payroll Tax)

# Introduction to This Guide

Hello, and welcome to the Troubleshooting W-2 Cases job aid! If this is your first time viewing this guide, please review this section to get a better understanding of how you can make the most of this resource.

Every year, during tax season, Vensure faces a deluge of calls from worksite employees with questions about their W-2s. Some of these questions lead to issues that need to be fixed on the W-2 (such as an employee's name change or an employee with missing wages), and Vensure's Payroll Tax team will document these changes in a federal form called Form W-2c. It's important for our teams to quickly determine the changes that need to be made and clearly communicate those changes to the worksite employees, who are anxious to receive their tax returns.

On the other hand, some W-2 calls do not involve mistakes. Instead, **these calls result from the caller's confusion about a specific part of their W-2**. Maybe they do not see how their total gross pay (reflected on their final pay stub) matches up with the amount they see that is subject to federal taxes (Box 1) or maybe they simply are confused that Vensure or one of its division partners is listed as the employer on their W-2 ("I never worked for Vensure"). If Vensure's employees have a better understanding of the W-2, they will be better equipped to troubleshoot these basic issues, resolve the callers' questions quicker, and help reduce the W-2 workload for our Payroll Tax and Benefits teams.

That is what this guide intends to do. We hope that by using this guide you will be able to more effectively:

- **Troubleshoot W-2 caller issues**
- Collaborate with your Vensure teammates to **resolve these W-2 issues** for our clients

## What Is in This Guide?

This guide has two main sections of information:

- The first section will take you through basic terminology and the four steps of responding to a W-2 call. Then you will review the main ClientSpace flows that are used for **creating a W-2 case** and hone your skills at identifying the appropriate case type given the caller's dilemma (ex. SSN change, W-2 Issued in Error, W-2 Missing Deduction). Because some cases end in "case purgatory", you will also find some best practices for **resolving and completing a case**.
- The second section is devoted to taking a closer look at the W-2. We'll break down **the organization of the W-2** and provide next steps on resolving a user's concerns about any of the W-2 boxes (from Box A...to Box 20). If a caller feels a box's information is wrong, we'll give you some tips to quickly verify this information, or in the case of some boxes, let you know when it would be best to create a task for a specific team to resolve this issue. This will remove a lot of the guesswork from the W-2 resolution process.

## Additional Resources:

As part of the 2023 tax season, the Learning Department is releasing the following learning solutions:

- Our revised version of our eLearning, "**Understanding the Pay Stub and the W-2**". This training will walk you through how to read the pay stub and the W-2 and show you how the information is related. It will also show you how to do the basic calculations found on the W-2. You will find this in our "**Understanding Payroll**" pathway in Vensure University.
- The **W-2 Questions and Issues** channel in Teams. This is a central hub for any questions you might have or issues you are experiencing related to the W-2 case process. This space will enable you to get the answers you need quickly and will give our team helpful data to address some of the most common W-2 issues in the future. If you don't have access to the channel, email our team at [vensure.university@vensure.com](mailto:vensure.university@vensure.com).

Thank you for checking out these resources, and we hope they are helpful to you during this upcoming tax season!

# Basic Terminology



## What Is a W-2?

- › Form W-2, the Wage and Tax Statement, is the document that shows:
  - All the taxable earnings after any pre-tax deductions have been deducted from an employee's gross pay.
- › Copies of this document are sent to the employee, who is responsible for filing this document for tax purposes.

## What are Pre-Tax Deductions?

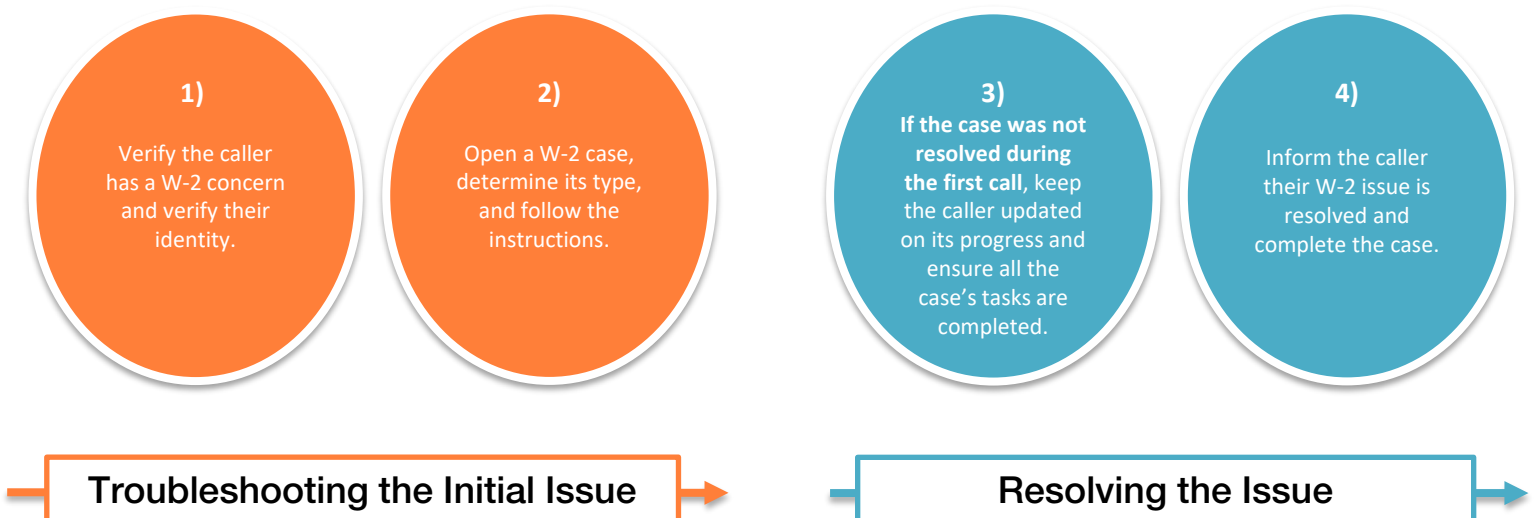
These are deductions that are removed from an employee's paychecks throughout the year BEFORE taxes are withheld. Because these amounts reduce the total gross pay that an individual is taxed for, it means that individual owes less federal tax at the end of the year. Pre-tax deductions are covered under Section 125 of the IRS code and could include deductions for:

- › Medical insurance
- › Dental insurance
- › Vision insurance
- › Supplemental life and disability insurance
- › Flexible spending accounts (FSAs)
- › Health savings accounts (HSAs)
- › 401k (Note: this is a pre-tax deduction for federal and state tax withholding calculations only.)



# The W-2 Case Resolution Process

In a nutshell, the process for resolving a caller's W-2 issue/s involves these **four steps**:



The next two sections will go into more detail on steps 1-2 above. Once you identify the W-2 case, the remaining steps for resolving the case are included in that flow in ClientSpace. We have also included a diagram of each flow with additional tips in this guide. Following the flows we have one additional section, which covers best practices when resolving a caller's W-2 issue (steps 3 and 4).

# 1) Verify the Caller Has a W-2 Concern and Verify Their Identity

## Best Practices

You may not know all the ins-and-outs of the W-2 process, but you can help callers with many of their initial requests and reduce the workloads for our Payroll, Tax, and Benefits teams. Also, there may be times when you don't know or aren't qualified to give an answer to the caller. Don't worry! In those cases, you still play a vital role by ensuring the task gets assigned to the appropriate team who can quickly resolve that issue.

### Answer the Call – Ask the User How You Can Help Them

Start by asking the caller how you can help them. Even though the reasonable assumption is that many of our callers have reached our “W-2” support line because they have a W-2 question, it's best practice to ask the user what they need help with at the beginning of the call. This helps reinforce to the caller that you want to hear their concerns, and in case the caller does not have a legitimate W-2 issue, it also saves you time. Once the caller mentions they have an issue related to their W-2, quickly move on to verifying who the caller is before you begin diving deeper.

Note: If the caller is angry, remember to use a calm voice, reassuring the caller you are there to resolve their issue.

### Start in Prism - Verify the Caller is Who They Say They Are

We want to protect our clients from divulging any personal details about their employees to cybercriminals or people who shouldn't have access to that information. In order to maintain confidentiality, you need to ask the caller, “Before we proceed any further, can you please provide the following information?”

You will want to ask the caller for their:

- Social security number (you can use this information to pull up their Employee Profile in Prism)
- Full name (verify this matches the Employee Profile)
- Date of birth (verify this matches the Employee Profile)
- Phone number
- Email

You will need the phone number and email for any W-2 case you create, so just consider that you're getting a head start (#overachiever). If another person claims to be a spouse, partner, or relation of the individual who has the W-2 issue, kindly explain you can only discuss this information with the actual person to whom the W-2 was issued.

Some employees may be calling because a change has been made to their social security number or full name (more on this on the next page). However, tell them you still need to identify them using the information you have on file.

### Critical Note: NEVER Give the Caller Information They Did Not Provide to You First

Due to threat of bad actors, it's especially important that you never give the caller any information they have not provided to you. For example, never ask the caller, “Is your current address still 123 Maple Street?” Instead, ask them, “What is your physical address?” If the caller provides a different address than what is on file in Prism, you can tell them you cannot verify that address but give them no further help.

The same rule applies to all employee personal information (from employee records to financial information on the W-2). Instead of saying, “Your W-2 shows you worked for Vensure, is that correct?”, ask the employee, “What is the name of the company on your W-2?” or “What is the name of the company you worked for last year?”

If a caller is unable to identify their information and you suspect there may be a bad actor trying to get this employee's information, please tell the caller, “I need to look into this further and call you back. Can you please give me the best number to call you back?” Then, immediately send a JIRA Cyber-Security ticket to report all details of this call.

## 2) Open a W-2 Case, Identify the Type, and Follow the Instructions

### Open a new ClientSpace case for the Caller

Now that you have verified the caller's identity, pull up their Employee Detail page in ClientSpace and open a new case.

Most W-2 issues fall into one of five main buckets, or case types. Whenever you open a case explaining the caller's concerns, you will list the case as **W-2** and then select the best option from the **Type** drop-down menu.

So, how do you determine which case type to select? Consider the questions below and notice which case type corresponds to each question. Click on the **Flow #** to be immediately taken to that flow.

### What is the caller telling you?

Does the caller claim their name or social security number has changed from what appears on their W-2?

Does the caller claim they have missing wages? Does the caller say they are an S-Corp shareholder?

Does the caller say they did not receive their W-2?

Does the caller believe that they should have not received a W-2 from Vensure (or one of Vensure's DPs)?

Does the caller think that any additional information is wrong on the W-2?

### What case type should you choose?

SSN/Name Changed ([Flow 1](#))

S-Corp Reporting ([Flow 2](#))

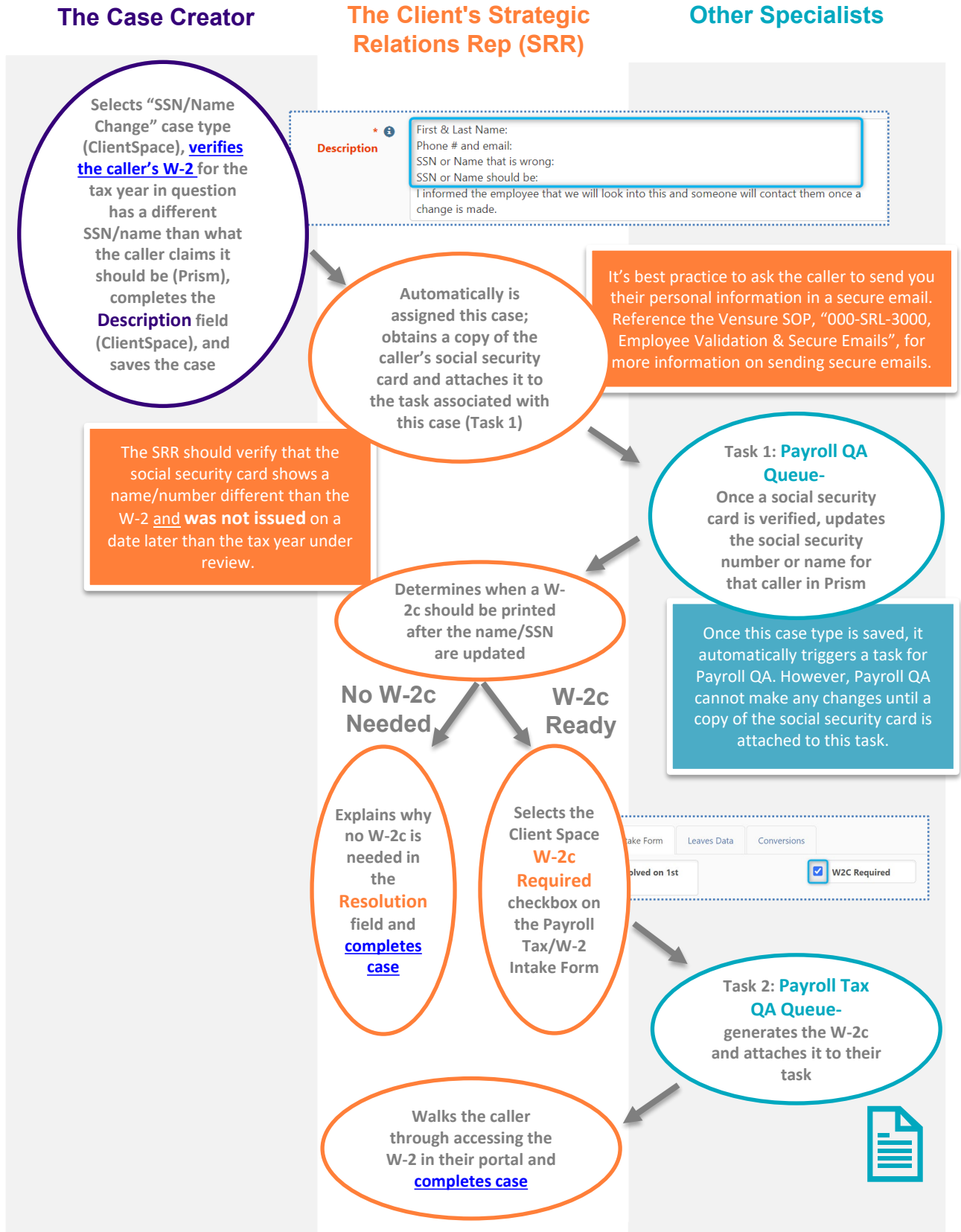
W-2 Not Issued ([Flow 3](#))

W-2 Issued in Error ([Flow 4](#))

Wrong/Missing - Earning/ Deduction ([Flow 5](#))

# Flow 1: SSN/Name Change

Goal: Verify that the caller's name or social security number has changed from how it appears on the W-2 issued by Vensure; if needed, issue a W-2c.



# Flow 2: S-Corp Reporting

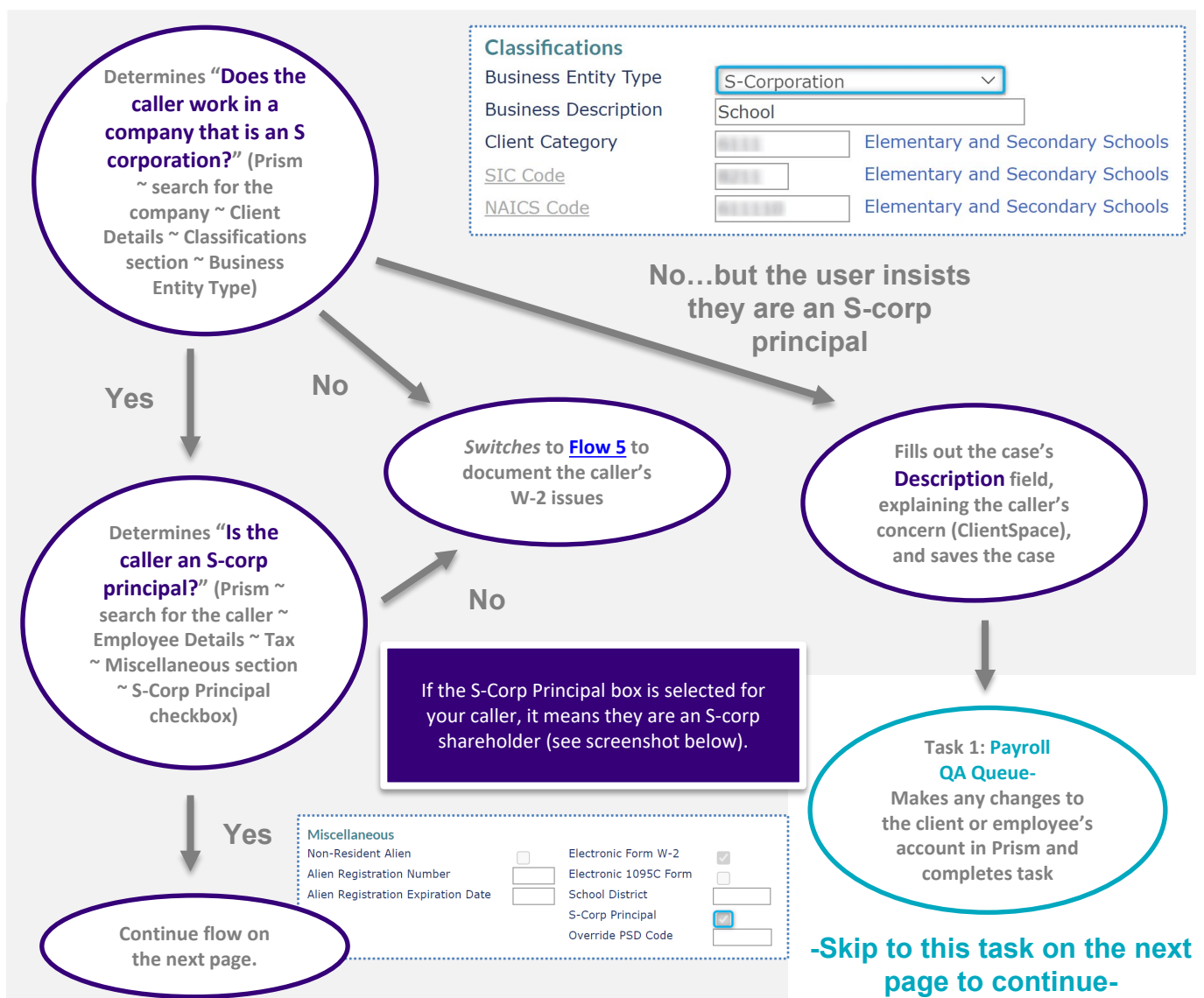
**Goal:** Verify if an S-corp principal (a shareholder with greater than 2% ownership in their company) needs a change made on their W-2; if needed, issue a W-2c.

This flow is similar to the first flow but could require more work from the case creator. Please note: Because an S-corp principal's information could affect multiple parts of the W-2, it's especially important for the case creator to be very detailed in the Description field.

Many of our small business clients are S corporations, and there are several tax benefits for choosing this business type. Some of the questions that you will receive from these clients may be because **they do not understand how their S-corp principal status affects their W-2**, especially in relation to their benefits or federal taxes. If you are the case creator, your job here is to verify if the caller is a S-corp principal. If they are not, you'll switch to Flow 5 to continue troubleshooting the caller's W-2 issue; but if they are an S-corp principal, your job is to detail what W-2 fields the caller claims are incorrect. Try to **be overly detailed in the Description field** to ensure our Payroll QA and Benefits teams have enough information to appropriately resolve the caller's issues.

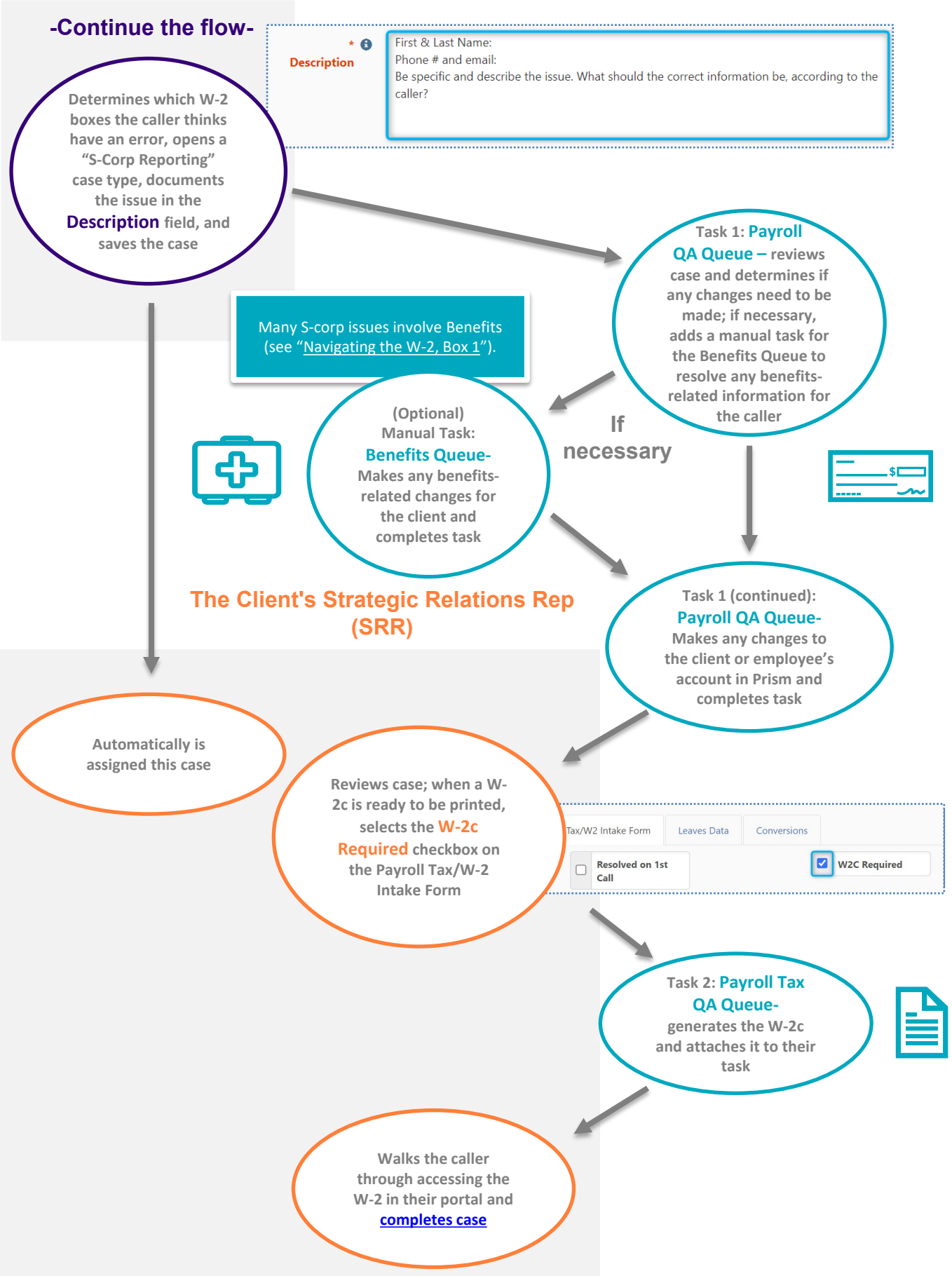
Note: If the caller claims they are an S-corp principal, but it does not say that in Prism, **send the case to Payroll QA** to make this change in Prism (see right-hand side of the flow below). This will have to be done before any benefits can be added.

## The Case Creator



## The Case Creator

## Other Specialists



# Flow 3: W-2 Not Issued

Goal: Determine why a caller did not receive their W-2.

Unlike the two previous flows, the case creator (whether a Strategic Relations Rep or another Vensure employee) conducts most of the troubleshooting by themselves. Remember, often there is a good explanation for why the caller did not receive their W-2, and the W-2 Intake Form has a whole section (Missing W-2) dedicated to the most likely explanations.

## Troubleshooting

Selects "W-2 Not Issued" case type (ClientSpace) and enters the caller's name, phone number, and email in the Description field

**Description**

If an employee is missing their W2, please go to the Payroll Tax/W2 Intake Form Tab in this case and ask the employee the questions on the screen, in the "Missing W2" section.  
Employee Name:  
Employee Phone # and Email:

## Resolution

Selects the case's Payroll Tax/W-2 Intake Form tab, Missing W-2 section; selects the EE Provided SS# checkbox

\*Note: In this flow, the case creator will go through three rounds of questioning to troubleshoot why the caller cannot locate their W-2. They will do this to determine if Payroll needs to issue a W-2 for the caller.

There are 10 fields in the Missing W-2 section, but in this flow, we will only discuss the 6 fields that have a bearing on resolving a Missing W-2 case.

Round 1: Did the caller receive wages from Vensure during the tax year?

Verifies "Did the caller have wages during the tax year?" (Prism ~ Employee Detail page ~ use Actions menu to select Pay Vouchers ~ select the correct tax year)

Payroll / View / Employee Payroll Vouchers Client: (14568) 0 Rogers Ist

Employee Payroll Vouchers

Employee: M25877 TRAUTNER JACOB M Year: 2022

Voucher#	Check/Advice#	Type	Pay Date	Gross Earnings	Expense Reimbursements
<input type="checkbox"/> 000851	9934176	Deposit	12/09/2022	2001.24	0.00
<input type="checkbox"/> 000844	9804406	Deposit	11/25/2022	2001.24	0.00

No

Explains to caller that they do not see wages from the previous year - the caller will need to reach out to their employer.

Selects the Resolved on 1st Call checkbox in the intake form (ClientSpace), ensuring the EE had Wages for tax year (checkbox remains unchecked) and completes case

Yes

Payroll Tax/W2 Intake Form Leaves Data Conversions

Resolved on 1st Call

Selects the EE had Wages for tax year checkbox and continues troubleshooting

-Turn to the next page to continue-

## Troubleshooting

### Round 2: Was a W-2 issued for the caller?

Verifies "Was a W-2 issued for the caller?" (Prism ~ Employee Details page ~ use the Actions to select **Reprint Form W-2** ~ select the tax year ~ see if a W-2 appears)

**A W-2 Was Not Issued**

Continues troubleshooting.

-Turn to the next page to continue-

## Resolution

Payroll / View / Reprint Form W-2

Reprint Employee W-2 Form

Employee ID: D79945 Brian McCaffrey

Tax Year: 2021 10 VENSURE HR, INC. ▼

**A W-2 Was Issued**

Uses the **I can see a W-2** menu to select Yes; walks the caller through [accessing their W-2](#) in their portal

**The Caller Needs a W-2 Copy Emailed to Them**

Downloads a copy of the caller's W-2 and emails it to the email address on file in Prism (Employee Details page)

Confirms the caller received their W-2, completes the **Resolved on 1st call** checkbox, and [completes case](#)

**The Caller Can Access the Employee Portal**

Walks the caller through [accessing their W-2](#) in their portal

Afterwards, uses the **EE log into Portal** menu to select Yes, completes the **Resolved on 1st call** checkbox, and [completes case](#)

In the unlikely case that a caller is only able to receive a physical mailed copy of their W-2, confirm the caller's physical address in the Employee Details page of Prism, and create a task for Employee Support to fulfill this request.

## Troubleshooting

Round 3: Did the client (the caller's employer) make a decision that could have affected the caller's W-2?

Navigates to the Client Details page (Prism) of the caller's employer. Verifies:

- The client type (PEO or ASO)\*
- The contract status (ex. Active, Terminated)

If "ASO-Terminated"

Uses the Client Status menu to select Terminated (ClientSpace)

Verifies "Did the ASO-Terminated client opt out of having W-2s issued by Vensure?" (Prism ~ select the client's Employer Details page ~ see if the **Suppress W-2 Printing** checkbox is selected)

If "Suppress W-2 Printing" is Selected

Uses the Client Opt to do their own W-2s menu to select Yes (ClientSpace)

Explains to the caller that their employer decided to process their own W-2s - the caller must contact that employer

Selects the **Resolved on 1st Call** checkbox at the top of the intake form and **completes case**

If "PEO" or "ASO-Active"

If necessary, updates the option in the Client Status menu (ClientSpace).

Tells the caller they believe the caller should have been issued a W-2 and that their SRR will reach out to them after a W-2 has been issued.

Leaves the case **In Progress**, making sure to **NOT** select the **Resolved on 1st Call** checkbox (see Note).

Note: Leaving the case with these options will trigger a task for the Payroll Tax team.

Task 2: **Payroll Tax QA Queue** - issues a W-2 and attaches it to their task

## Issuing a New W-2



## The SRR: Closing the Case

Walks the caller through accessing the W-2 in their portal and **completes case**

## Resolution

\* You can verify if a client is PEO or ASO by comparing the Client ID with the Employer ID on the Client Details page (see screenshot below). If PEO, these numbers will be different; if ASO, they will match.

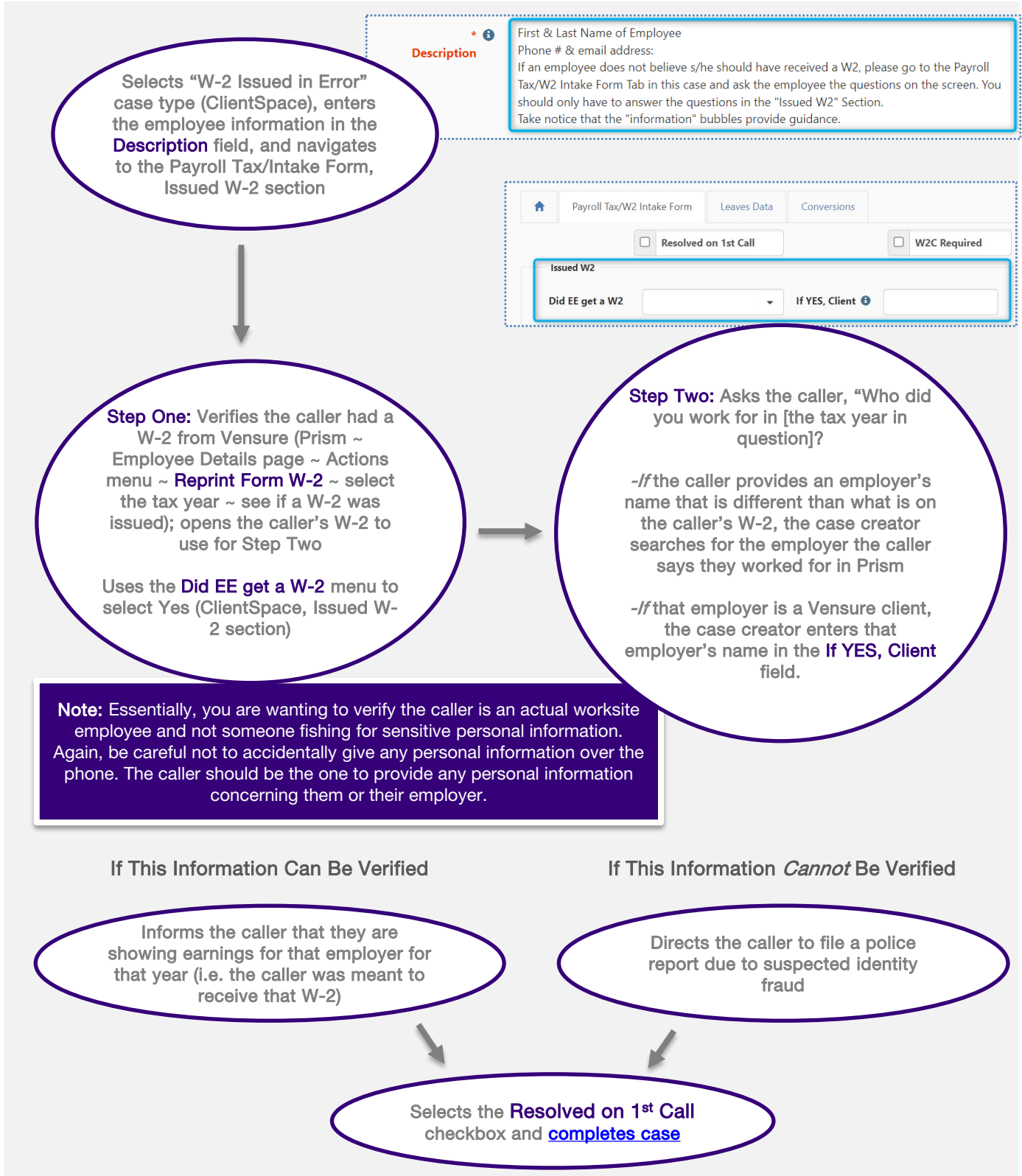
If "Suppress W-2 Printing" is Not Selected

# Flow 4: W-2 Issued in Error

**Goal:** Determine if a caller received a W-2 from Vensure by mistake.

This is the exact opposite of the previous flow. Here, the caller believes that they received a W-2 from Vensure in error. This could indicate someone has stolen the caller's identity. In this flow, the case creator will both create and complete this case.

## The Case Creator

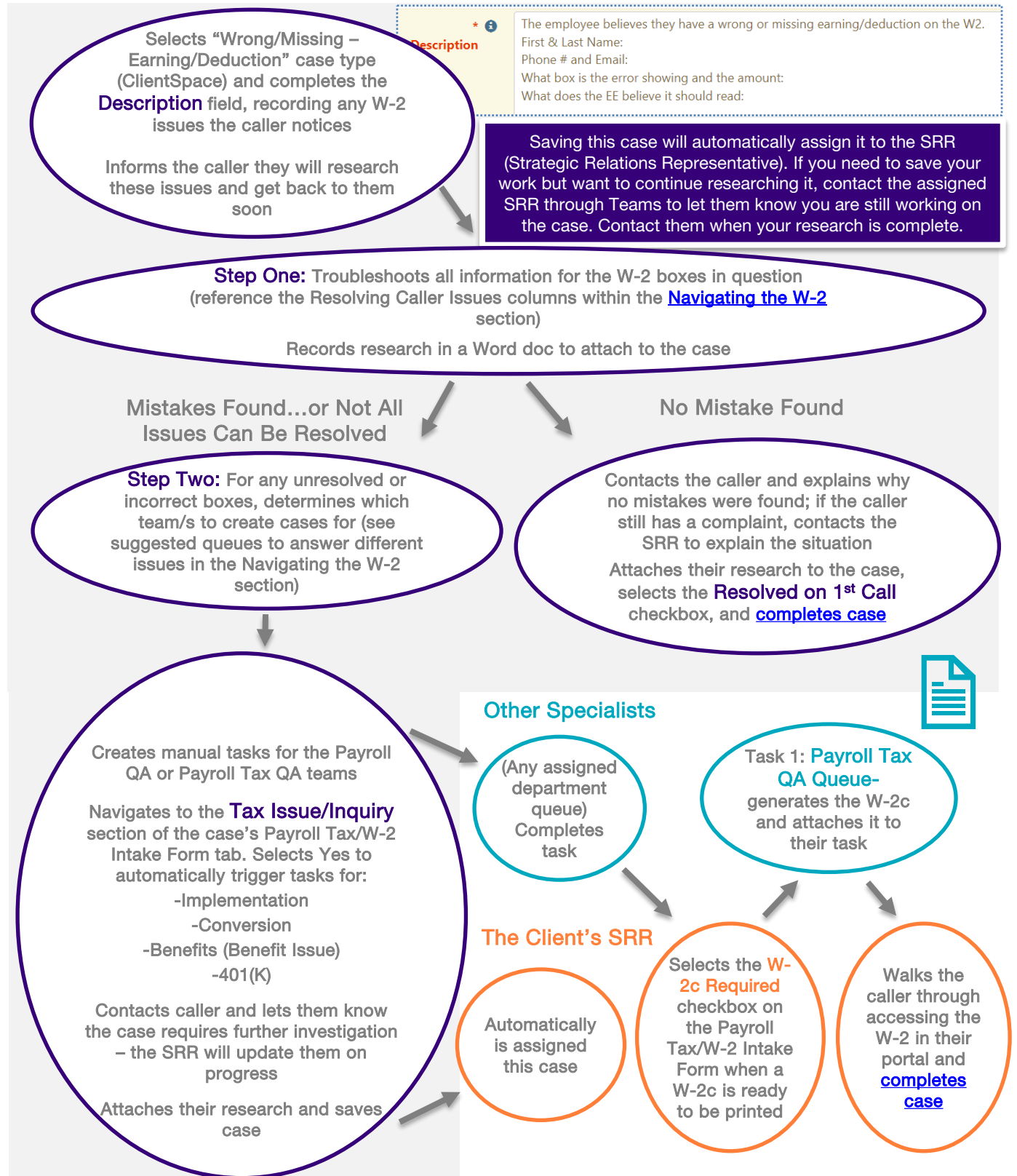


# Flow 5: Wrong/Missing – Earning/Deduction/Tax

**Goal: Determine if the information on the W-2 is incorrect.**

This final flow is essentially the grab-bag for all other issues related to the W-2. As part of this process, it's important for the case creator to determine if there is an actual issue with any box within the W-2 itself. See the [Navigating the W-2](#) section for more information on each box of the W-2.

## The Case Creator



# Communication and Case Resolution Best Practices



Some cases can be resolved on the first call. For all other cases, resolving a case always involves two steps:

- Communicating the resolution to the caller
- Communicating the resolution in ClientSpace (for each case)

## Communicating the Resolution to the Caller

**At the end of the first call, be sure to let the caller know the next steps you are taking to resolve the case.**

- “I’ll be contacting our Benefits department to look into this now.”
- “I’ll reach out our Client Support team, who will contact you about receiving a copy of your social security card.”
- “I need to research this information further. I’ll call you back as soon as I have an answer.”

**During the first call, avoid giving any unrealistic timelines.**

- Once a W-2 issue is sent to the Tax department, it could take up to 21 days for a correction to be made to the caller’s W-2. If the caller asks about a timeline, let them know it could take several weeks, but you will check in weekly to let them know any progress that has been made.

**If the caller is waiting on information, keep them updated by email or phone weekly.**

- Even a quick check-in (“I don’t have anything new to report, but I wanted to let you know Tax is still working on modifying your W-2”) is helpful in informing the caller you still see their issue as a priority.

**When the caller’s issue has been resolved, contact the client/employee to personally let them know. If the case involved issuing a new W-2, walk the employee through locating their W-2 on their Employee Portal.**

**Guide the user through the following steps:**

1. Log into their employee portal.
2. On the Navigation pane, select **Taxes**.
3. Select **W-2**.
4. Use the **Download Your W-2** drop-down menu to select **2022**.
5. Click the **Download** icon to download a copy of their W-2.

## Communicating the Resolution in ClientSpace

**After you have informed the original caller that their issue is resolved, you can complete the case in ClientSpace by following these steps:**

1. In the **Resolution** field, describe how you resolved the case.
  - Think of this field as your way to document to anyone else that you did your job. In other words, share details in a way that if the caller ever claimed you didn’t resolve their issue, you would be able to recount all you did to help them.
  - Err on the side of being **more detailed than less detailed**.
2. Click the **Complete** button in the Action Center pane to close that case.

# Verifying a Caller's W-2 Information



## Verifying a Caller's W-2 Information:

When you are verifying the information for a caller's W-2, there are **three key documents** that you can pull from Prism:

### Finding an Employee's (EE's) W-2 in Prism

If the caller says a change needs to happen to their W-2, it's a good idea to locate their W-2 in Prism and see if it matches the information they are providing. To locate an employee's W-2 in Prism, follow this navigation pathway:

1. Enter employee's name in search bar.
2. Click on the employee's name.
3. From the Employee Details page, click on the **Actions** icon.
4. Select **Reprint Form W-2**.
5. Use the Tax Year drop-down menu to select the current tax year.
6. Select **Run**.

Once you have opened the W-2, you can check the information on the W-2 against either of these two documents located in Prism:

### Finding an EE's Payroll Summary in Prism

To locate an employee's Payroll Summary in Prism, follow this navigation pathway:

1. Enter employee's name in search bar.
2. Click on the employee's name.
3. From the Employee Details page click **Actions** and select **Payroll Summary**.

### Finding an EE's Last Pay Stub of the Year in Prism

To locate an employee's Pay Stub in Prism, follow this navigation pathway:

1. Enter employee's name in search bar.
2. Click on the employee's name.
3. From the Employee Details page, click **Actions** and select **Payroll Vouchers**.
4. Select last payroll voucher of tax year in question.
5. Click on the **Banking** tab.
6. Select **Reprint Check Stub**.
7. Open the PDF to view the employee's pay stub.

**Pro Tip:** If you usually don't work with these three documents, it's a good idea to practice navigating to these documents several times before each tax season to make sure you are familiar with these navigation steps before you begin to handle W-2 calls.

# Navigating the W-2 and Resolving Caller Issues



## Navigating the W-2

This next section will walk you through tips on resolving caller issue concerning each box within the W-2.

The W-2 can be broken into four sections:

1. **Boxes A - E:** Employee and employer contact information
2. **Boxes 1 - 6:** Employee earnings and federal taxes
3. **Boxes 7 - 14:** Additional compensation and deductions
4. **Boxes 15 - 20:** State and local taxes

Click on each section to jump to that page

Copy 2 – To Be Filed With Employee’s State, City, or Local Income Tax Return.		41-0852411 OMB No. 1545-0008	
a Employee’s soc. sec. no. 527-19-1709	1 Wages, tips, other comp. 459687.89	2 Federal income tax withheld 233280.00	
b Employer ID number (EIN) 42-1000003	3 Social security wages 137700.00	4 Social security tax withheld 8537.40	
	5 Medicare wages and tips 485687.89	6 Medicare tax withheld 9613.67	
c Employer’s name, address, and ZIP code ACCESS RESOURCES SOLUTIONS 2600 W. GERONIMO PLACE, SUITE 100 CHANDLER, AZ 85224			
d Control number			
e Employee’s name, address, and ZIP code LIZBETH HOFFMAN 76 LOGAN PARKWAY West Bloomfield, MI			Suff.
7 Social security tips 0.00	8 Allocated tips 0.00	9	
10 Dependent care benefits	11 Nonqualified plans AUTO PERSONAL 3500.00	12a Code D	26000.00
13 Statutory employee Retirement plan X Third-party sick pay	14 Other	12b Code DD	23685.56
		12c Code	
		12d Code	
MI	42-1000003	459687.89	38840.00
15 State Employer’s state I.D. number	16 State wages, tips, etc.	17 State income tax	
18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Form W-2 Wage and Tax Statement 2020 Dept. of the Treasury -- IRS

Boxes A - E: Employee and Employer Contact Information		Resolving Caller Issues
<b>Box A</b>	<p>This box contains the employee's Social Security number.</p>	<ul style="list-style-type: none"> <li>If the caller says there is an error in Box A, collect their information and submit a case.</li> <li>See <a href="#">Flow 1</a> to resolve this issue.</li> </ul>
<b>Box B</b>	<p>This box contains the <b>Employer's Identification Number (EIN)</b>, also known as the Federal Employer Identification Number (FEIN) or the Federal Tax Identification Number.</p> <ul style="list-style-type: none"> <li>The EIN is a unique nine-digit number assigned by the IRS.</li> <li>Employers with or without employees are assigned an EIN.</li> <li>The EIN is used to identify a business by the IRS for tax reporting purposes.</li> </ul>	<ul style="list-style-type: none"> <li>If the caller says there is an error in Box B, ask them for the EIN they are seeing (Do NOT disclose the EIN you are seeing in Prism).</li> <li>You will submit a W-2 case (see <a href="#">Flow 5</a>) and include the EIN in the Description field. Create a task for <b>Queue, Payroll Tax QA</b> asking that team to verify the caller's EIN.</li> </ul>
<b>Box C</b>	<p>This box contains the <b>employer's</b> name, address, and zip code.</p> <ul style="list-style-type: none"> <li>The address may be <b>different</b> from where an employee reports to work.</li> </ul>	<ul style="list-style-type: none"> <li>If the caller says there is an error in Box C, ask them to share with you the information they see in Box C.</li> <li>Compare this information with what you see on caller's <a href="#">pay stub</a> in Prism.</li> <li>If there's a difference, submit a case (see <a href="#">Flow 5</a>), adding a task for Payroll QA.</li> </ul>
<b>Box D</b>	<p>This box identifies an employee's unique W-2 number in their employer's payroll system.</p>	<ul style="list-style-type: none"> <li>Ask the caller why they believe this information is incorrect.</li> <li>You will submit a W-2 case (see <a href="#">Flow 5</a>) and explain why the user thinks this is incorrect in the Description field. Create a task for <b>Queue, Payroll Tax QA</b> asking that team to verify the employer's W-2 number is correct.</li> </ul>
<b>Box E</b>	<p>This box shows the <b>employee's</b> name, address, and zip code.</p> <ul style="list-style-type: none"> <li>It is important to double check that the information is correct.</li> </ul>	<ul style="list-style-type: none"> <li>If the caller says there is an error in Box E, ask them to explain what information is incorrect and what it should be instead.</li> <li>Name change: <ul style="list-style-type: none"> <li>See <a href="#">Flow 1</a> to resolve this issue.</li> </ul> </li> <li>Address Change (No SS Card Needed): <ul style="list-style-type: none"> <li>See <a href="#">Flow 5</a>; create a task for Payroll to update the caller's address in Prism</li> <li>Caller can print their W-2 from the Employee Portal (No W-2c is needed).</li> </ul> </li> </ul>

Boxes 1 - 6: Employee Earnings and Federal Taxes		Resolving Caller Issues
<p><b>Box 1</b></p>	<p>This is all the employee's taxable earnings that are subject to federal taxes.</p> <ul style="list-style-type: none"> <li>› This includes wages, salaries, tips, bonuses, and commissions.</li> <li>› Taxable earnings are earnings subject to taxes AFTER all pre- tax deductions have been deducted.</li> <li>› Federal Income Taxes are calculated on the total earnings AFTER Medical, Dental, Vision, and 401K have been deducted out of an employee's check.</li> </ul>	<ul style="list-style-type: none"> <li>• If the caller reports the amount is incorrect, ask them what it should be. <ul style="list-style-type: none"> <li>○ Do you see anything to account for the difference in the caller's <a href="#">Payroll Summary</a>?</li> </ul> </li> <li>• If the Box 1 amount does not match the information you are seeing on the pay stub <i>after you subtract all deductions and nontaxable income</i>, submit a case (<a href="#">Flow 5</a>), adding a task for Payroll Tax QA.</li> <li>• If the caller reports <b>Missing Wages</b>, determine if the caller is an S-corp Principal (a shareholder w/ greater than 2% ownership in their company). <ul style="list-style-type: none"> <li>○ See <a href="#">Flow 2</a> to verify this information.</li> <li>○ Important Note: If a caller insists they are an S-corp principal, <i>but</i> it does not show that in Prism, Payroll QA will have to make this change before the caller receives any benefits.</li> </ul> </li> </ul>
<p><b>Box 2</b></p>	<p>This is the amount of money taken out of an employee's paycheck to pay the federal income tax.</p> <ul style="list-style-type: none"> <li>› The tax rate an employee owes is based on the tax bracket they are in.</li> </ul>	<ul style="list-style-type: none"> <li>• Does the Box 2 number match the number on the <b>Payroll Summary</b>? <ul style="list-style-type: none"> <li>○ If "Yes": Explain how the caller's federal tax was withheld.</li> <li>○ If "No": Submit a case (<a href="#">Flow 5</a>), adding a task for Payroll Tax QA.</li> </ul> </li> </ul>
<p><b>Box 3</b></p>	<p>This box shows the earnings (excluding any tips) an employee made throughout the year <b>that were subject</b> to Social Security taxes.</p> <ul style="list-style-type: none"> <li>› The wage base is \$147,000 for 2022 (and \$160,200 for 2023).</li> <li>› Any earnings beyond the wage base limit are not taxed for Social Security.</li> <li>› The earnings subject to social security are calculated AFTER Medical, Dental, Vision are deducted from an employee's paycheck.</li> <li>› Note: Although 401k is a pre-tax deduction, it does not apply to Social security calculations.</li> </ul>	<ul style="list-style-type: none"> <li>• Ask the caller what the amount should be.</li> <li>• Do you see anything to account for the difference in the caller's <a href="#">Payroll Summary or Pay Stub</a>? <ul style="list-style-type: none"> <li>○ If "Yes": Explain what caused the difference.</li> <li>○ If "No": See notes about <a href="#">Missing Wages</a> (S-corp Benefits) above.</li> <li>○ Submit case (<a href="#">Flow 5</a>) if an error remains; create a task for Payroll Tax QA.</li> </ul> </li> </ul>

Boxes 1 – 6: Employee Earnings and Federal Taxes	Resolving Caller Issues
<p><b>Box 4</b></p> <p>The amount of money <b>withheld</b> from an employee’s pay checks for Social Security taxes for the year.</p> <ul style="list-style-type: none"> <li>› This will be <b>6.2%</b> (the Social Security rate) of the amount in Box 3 and, in the case of tipped wages, Box 7.</li> <li>› In other words, add the Box 3 and Box 7 amounts together. This total needs to be <i>less than or equal to</i> the wage base limit of \$147,000. Take the number and multiple it by .062 to get the amount in Box 4.</li> </ul>	<ul style="list-style-type: none"> <li>• Is the percentage correct (6.2%)?</li> <li>• Does the Box 4 number match the number on the <a href="#">Payroll Summary</a>? <ul style="list-style-type: none"> <li>○ If “Yes”: Explain how the caller’s federal tax was withheld.</li> <li>○ If “No”: Submit a case (<a href="#">Flow 5</a>), adding a task for Payroll Tax QA.</li> </ul> </li> <li>• Note: If the final amount in Box 4 is off by only a couple of cents, a W-2c does not have to be created.</li> </ul>
<p><b>Box 5</b></p> <p>This is the amount of an employee’s earnings that is subject to Medicare taxes.</p> <ul style="list-style-type: none"> <li>› The Medicare wage base is unlimited.</li> <li>› Note: Although 401(k) is a pre-tax deduction, it does not apply to Medicare calculations.</li> </ul>	<ul style="list-style-type: none"> <li>• If the caller reports that numbers are too high or low, ask them what the number should be.</li> <li>• Do you see anything to account for the difference in the caller’s <a href="#">Payroll Summary</a>? <ul style="list-style-type: none"> <li>○ If “Yes”: Explain what caused the difference.</li> <li>○ If “No”: See notes about <a href="#">Missing Wages</a> (S-corp Benefits) above.</li> <li>○ Submit a case (<a href="#">Flow 5</a>) if an error remains; create a task for Payroll Tax QA.</li> </ul> </li> <li>• If the Box 5 amount does not match the information you are seeing on the <b>Pay Stub</b>, <b>submit a case</b> (<a href="#">Flow 5</a> - task: Payroll Tax QA).</li> </ul>
<p><b>Box 6</b></p> <p>This amount will be 1.45% (the Medicare rate) of the amount in Box 5.</p> <ul style="list-style-type: none"> <li>› Note: If the employee earns above \$200,000, they pay <b>2.35%</b> on the wages above \$200,000.</li> <li>› There is <b>no wage</b> limit for Medicare.</li> </ul>	<ul style="list-style-type: none"> <li>• If the caller reports that numbers are too high or low, ask them what the number should be.</li> <li>• Do you see anything to account for the difference in the caller’s <a href="#">Payroll Summary</a>? <ul style="list-style-type: none"> <li>○ If “Yes”: Explain what caused the difference.</li> <li>○ If “No”: Submit a case (<a href="#">Flow 5</a> - task: Payroll Tax QA).</li> <li>○ Note: If the final amount in Box 4 is off by only a couple of cents, a W-2c does not have to be created.</li> </ul> </li> </ul>

Boxes 7 - 14: Additional Compensation		Resolving Caller Issues	
Box 7	Boxes 7 - 8 deal with earnings from tips, such as in the restaurant industry.	The amount of tips that an employee reported to their employer (from customers).	<ul style="list-style-type: none"> <li>Payroll will need to resolve this issue.</li> <li>Submit a W-2 case (see <a href="#">Flow 5</a>) and route this issue to payroll by creating a task for Queue, Payroll QA.</li> </ul>
Box 8		<p>The amount of tips an employer attributed to an employee (from the company).</p> <ul style="list-style-type: none"> <li>Tips are considered income.</li> </ul>	<ul style="list-style-type: none"> <li>Payroll will need to resolve this issue.</li> <li>Submit a W-2 case (see <a href="#">Flow 5</a>) and route this issue to payroll by creating a task for Queue, Payroll QA.</li> </ul>
Box 9	This is an old field that is now defunct.		
Box 10	<p>If the employee is part of a dependent care assistance program (DCAP), this box reports the total amount of child or elder care expenses they were reimbursed.</p> <ul style="list-style-type: none"> <li>If the amount the employee received is \$5,000 or higher, the value above \$5,000 will be reflected in boxes 1, 3, and 5 as earnings.</li> </ul>		<ul style="list-style-type: none"> <li>Benefits will need to resolve this issue.</li> <li>Submit a W-2 case (see <a href="#">Flow 5</a>). Navigate to the Payroll Tax/W-2 Intake Form. In the Tax Issue/Inquiry section, use the Benefit Issue menu to select Yes. This will trigger a task for the Benefits team.</li> </ul>
Box 11	<p>This refers to the money received from an employer's non-qualified deferred compensation plan or non-qualified savings plan</p> <ul style="list-style-type: none"> <li>Example: A pension plan</li> <li>All of this amount is taxable and will already be reflected in Box 1.</li> </ul>		<ul style="list-style-type: none"> <li>Benefits will need to resolve this issue.</li> <li>Submit a W-2 case (see <a href="#">Flow 5</a>). Navigate to the Payroll Tax/W-2 Intake Form. In the Tax Issue/Inquiry section, use the Benefit Issue menu to select Yes. This will trigger a task for the Benefits team.</li> </ul>

**Boxes 7 - 14:  
Additional Compensation**

**Resolving Caller  
Issues**

**Box  
12**

This box has been appropriately referred to as “the kitchen sink” of the W-2.

- › This box is where the employer would report the amount that is taxed for various types of contributions, including health and retirement plans.
- › Each code has an associated letter (the most common are in **orange** below):
  - A. Uncollected social security or RRTA (Railroad Retirement Tax Act) tax on tips
  - B. Uncollected Medicare tax on tips
  - C. Taxable cost of group-term life insurance (if over \$50,000)**
  - D. Elective deferrals to a section 401(k) cash plan**
  - E. Elective deferrals under a section 403(b) salary reduction agreement
  - F. Elective deferrals under a section 408(K) (6) salary reduction SEP (Simplified Employee Pension)
  - G. Elective deferrals and employer contributions to a section 457(B) deferred compensation plan
  - H. Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan
  - I. There is no Box 12 code for the letter I
  - J. Sick pay that is nontaxable
  - K. 20% excise tax on excess golden parachute payments
  - L. Substantiated employee business expense reimbursements
  - M. Uncollected social security on taxable cost of group-term life insurance over \$50,000 (for former employees)
  - N. Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (for former employees)
  - O. There is no Box 12 code for the letter O
  - P. Moving expenses paid by an employer directly to an employee (only military)
  - Q. Nontaxable combat pay
  - R. Employer contributions to an Archer MSA (Medical Savings Account)
  - S. Employee salary reduction contributions under a section 408(p) SIMPLE (Savings Incentive Match Plan for Employees) plan**
  - T. Adoption benefits
  - U. There is no Box 12 code for the letter U
  - V. Income from exercise of nonstatutory stock option(s)
  - W. Employer contributions to an employee’s HSA (health savings account)**
  - X. There is no Box 12 code for the letter X
  - Y. Deferrals under a section 409A nonqualified deferred compensation plan
  - Z. Income under a nonqualified deferred compensation plan that fails to satisfy section 409A
  - AA. Designated Roth contributions under a section 401(k) plan
  - BB. Designated Roth contributions under a section 403(b) plan
  - CC. This code was only for 2010
  - DD. Cost of employer-sponsored health coverage (an FYI field that explains how much the employer contributed to the employee’s health benefits)**
  - EE. Designated Roth contributions under a governmental section 457(b) plan
  - FF. Permitted benefits under a qualified small employer health reimbursement plan
  - GG. Income from qualified equity grants under section 83(i)
  - HH. Aggregate deferrals under section 83(i) elections for the calendar year

Submit a ticket:

- Payroll resolves codes A, B, J, K, L, P, Q, T, V, GG, and HH.
- Submit a W-2 case (see [Flow 5](#)) and create a task for Queue, Payroll QA.
- Benefits resolves codes C, D, E, F, G, H, M, N, R, S, W, Y, Z, AA, BB, DD, EE, and FF.
- Submit a W-2 case (see [Flow 5](#)). Use the Benefit Issue menu to select Yes. This will trigger a task for the Benefits team.

Boxes 7 - 14: Additional Compensation		Resolving Caller Issues
<p><b>Box 13</b></p> <p>This is subdivided into three separate boxes:</p> <ul style="list-style-type: none"> <li>a. The first box will be marked if the employee is a statutory worker or “an independent contractor who is considered an employee for tax withholding purposes [and meets certain criteria].”</li> <li>b. The second box notes if the employee participated in an employer’s retirement plan.</li> <li>c. The third box informs the IRS if the employee received any sick pay from their insurance policy.*</li> </ul>	<ul style="list-style-type: none"> <li>• Benefits will need to resolve this issue.</li> <li>• Submit a W-2 case (see <a href="#">Flow 5</a>). Navigate to the Payroll Tax/W-2 Intake Form. In the Tax Issue/Inquiry section, use the Benefit Issue menu to select Yes. This will trigger a task for the Benefits team.</li> <li>• Note: if the caller has a specific question about their retirement (Box 13b), in the Tax Issue/Inquiry section, use the 401(K) menu to select Yes. This will trigger a task for the 401(K) queue.</li> </ul>	
<p><b>Box 14</b></p> <ul style="list-style-type: none"> <li>› This is the Other Earnings box.</li> <li>› There are a few staples of tax reporting that might appear in this box, including: <ul style="list-style-type: none"> <li>a. Union dues</li> <li>b. Income</li> <li>c. State disability insurance withholdings (ex. New Jersey and California SDI)</li> <li>d. Pre-tax health deductions, such as Section 125 plan deductions</li> <li>e. The personal use of a company car</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Submit a W-2 case (see <a href="#">Flow 5</a>).</li> <li>• For Box 14 issues, the type determines which you should reach out to: <ul style="list-style-type: none"> <li>○ For health deductions or insurance withholding, use the Benefits Issue menu to select Yes to create a task for benefits.</li> <li>○ You can create tasks for Payroll for union dues or income, and for all other Box 14 issues/questions, create a task for Payroll Tax QA.</li> </ul> </li> </ul>	
Boxes 15 - 20: State and Local Taxes		Resolving Caller Issues
<p><b>Box 15</b></p> <p>*Taxable at state level</p> <p>This includes the employer’s state and state identification number.</p> <ul style="list-style-type: none"> <li>› If an employee works for the same employer in multiple states, there may be additional lines here.</li> </ul>	<ul style="list-style-type: none"> <li>• Payroll Tax will need to resolve this issue.</li> <li>• Submit a W-2 case (see <a href="#">Flow 5</a>) and route this issue to payroll tax by creating a task for Queue, Payroll Tax QA.</li> </ul>	
<p><b>Box 16</b></p> <p>*Taxable at state level</p> <p>This shows the amount of wages that will be taxed by the state.</p>	<ul style="list-style-type: none"> <li>• Caller reports that numbers are too high or low, ask them what the number should be.</li> <li>• Do you see anything to account for the difference in the caller’s <a href="#">Payroll Summary</a>? <ul style="list-style-type: none"> <li>○ If “Yes”: Explain what caused the difference.</li> <li>○ If “No”: See notes about <a href="#">Missing Wages</a> (S-corp Benefits).</li> <li>○ Submit case (<a href="#">Flow 5</a>) if an error remains; create a task for Payroll Tax QA.</li> </ul> </li> </ul>	

\*Information from Forbes and Investopedia.

<b>Boxes 15 - 20: State and Local Taxes</b>		<b>Resolving Caller Issues</b>
<p><b>Box 17</b></p> <p>*Taxable at state level</p>	<p>This shows the amount of state taxes that were withheld from an employee's paycheck during the year.</p> <p>› Note: If the employee resides in a state without a reporting requirement these boxes will be blank. There are nine states that do not have state income tax. These states are:</p> <ul style="list-style-type: none"> <li>› Alaska</li> <li>› Florida</li> <li>› Nevada</li> <li>› New Hampshire</li> <li>› South Dakota</li> <li>› Tennessee</li> <li>› Texas</li> <li>› Washington</li> <li>› Wyoming</li> </ul>	<ul style="list-style-type: none"> <li>• Does the number match the number on the <a href="#">Payroll Summary</a>? <ul style="list-style-type: none"> <li>○ If "Yes": Explain federal tax withheld.</li> <li>○ If "No": Submit a case (<a href="#">Flow 5</a> - task: Payroll Tax QA).</li> </ul> </li> </ul>
<p><b>Box 18</b></p> <p>*Taxable at local level</p>	<p>This shows the wages subject to local taxes.</p>	<ul style="list-style-type: none"> <li>• If the caller reports the amount is incorrect, ask them what it should be.</li> <li>• Do you see anything to account for the difference in the caller's <a href="#">Payroll Summary</a>? <ul style="list-style-type: none"> <li>○ If "Yes": Explain what caused the difference.</li> <li>○ If "No": See notes about <a href="#">Missing Wages</a> (S-corp Benefits) in Box 1. <ul style="list-style-type: none"> <li>○ Submit case (<a href="#">Flow 5</a>) if an error remains; create a task for Payroll Tax QA.</li> </ul> </li> </ul> </li> </ul>
<p><b>Box 19</b></p> <p>*Taxable at local level</p>	<p>This shows any money that has been withheld for a local tax entity.</p>	<ul style="list-style-type: none"> <li>• Does the number match the number on the <a href="#">Payroll Summary</a>? <ul style="list-style-type: none"> <li>○ If "Yes": Explain federal tax withheld.</li> <li>○ If "No": Submit a case (<a href="#">Flow 5</a> - task: Payroll Tax QA).</li> </ul> </li> </ul>
<p><b>Box 20</b></p> <p>*Taxable at local level</p>	<p>This gives the name of the municipality.</p> <p>› This could be a city, county, or municipality.</p>	<ul style="list-style-type: none"> <li>• If the caller reports that locality is incorrect, please confirm that the caller's home and work addresses are correct in Prism.</li> <li>• If not, record the new address/es in the Description field for a case (<a href="#">Flow 5</a> - task: Payroll Tax QA).</li> </ul>

Payroll + Benefits + Risk Management + Human Resources

