Your W-2: A Section-By-Section Explanation

Box 1 - Wages, Tips, Other Compensation. The taxable amount reported to the Internal Revenue Service (IRS). It includes any taxable fringe benefits (rewards, gifts, bonuses, reimbursed moving expenses) as well as the taxable value of group-term life insurance in excess of $50,000 (see box 12). This box excludes pre-tax insurance premiums and deferred retirement plan amounts. The amount in Box 1 will generally be the Federal Taxable Gross on the Year To Date (YTD) line in the Summary section of the December earnings statement.

Box 3 - Social Security Wages. Maximum income subject to social security tax in 2017 is $127,200. The social security tax is not reduced by contributions to a retirement plan (OTRS, 403b, or 457) but can be reduced by other pre-tax deductions including parking permits and flexible spending account contributions. Student employees enrolled at least half-time while working at the university and nonresident alien employees visiting the U.S. for a limited period on F-1, J-1, M-1 or Q-1 visas may be exempt from this tax.

Box 4 - Social Security Tax Withheld. The social security tax rate for 2017 was 6.2%. Student employees enrolled at least half-time while working at the university and nonresident alien employees visiting the U.S. for a limited period on F-1, J-1, M-1 or Q-1 visas may be exempt from this tax.

Box 5 - Medicare Wages and Tips. All income is subject to the Medicare tax. It is not reduced by contributions to a retirement plan (403b or 457), but can be reduced by all other pre-tax deductions including parking permits and flexible spending account contributions. Student employees enrolled at least half-time while working at the university and nonresident alien employees visiting the U.S. for a limited period on F-1, J-1, M-1 or Q-1 visas may be exempt from this tax.

Box 6 - Medicare Tax Withheld. The Medicare tax rate is 1.45%. In addition to Medicare tax at 1.45%, you contribute 0.9% Additional Medicare Tax from wages you receive in excess of $200,000 in a calendar year. Student employees enrolled at least half-time while working at the university and nonresident alien employees visiting the U.S. for a limited period on F-1, J-1, M-1 or Q-1 visas may be exempt from this tax.

Box 10 - Dependent Care Benefits. The pre-tax amount paid into a dependent care flexible spending account. Only dependent care benefits are reportable. Other pre-tax deductions withheld under the benefits plan are not reported.

Box 12 - See Notice to Employee. Up to four amounts may appear in this section and in the Notice to Employee section of the Form W2. A separate W-2 will be sent if there are more than four items to report in Box 12. Box 12 codes are listed on bottom section of this document.

Box 13 - The Retirement Plan block is checked if the tax payer is an active participant in any of the university’s retirement plans including Oklahoma Teacher’s Retirement and is therefore allowed only limited participation in an IRA (Individual Retirement Arrangement).

Box 14 - Norman Payroll uses this field to report your contributions to Oklahoma Teachers’ Retirement (OTRS), any non-cash benefits (NCB) received, vehicle (VEH) expenses or taxable moving expense (Mov Exp) incurred during the calendar year. HSC Payroll uses this box only to report your contributions to Oklahoma Teachers’ Retirement System (OTRS).

Notice to Employee Section - This is a section on the back of Copy B. It includes relevant tax information provided by the IRS.

The university’s Form W-2 include four laser-printed copies on a single perforated sheet. One section is labeled COPY C FOR EMPLOYEE’S RECORDS. The original W-2 is mailed to the home address listed in HCM PeopleSoft Self-Service. Employees can update home, mailing address and view all payroll earnings statements by logging into Employee Self-Service. W-2 reprints can be downloaded from Employee Self-Service. Individuals no longer employed at the university can request a duplicate Form W-2 by emailing your local campus payroll office. Requests for duplicate W-2’s will be accepted after February 15 and are mailed out once a week. If you have any questions upon receiving your Form W-2, please call Norman campus payroll at 405-325-2961 or HSC campus payroll at 405-271-2055.

Box 12 Codes:
12 C - Taxable Cost of GTL. The calculated value of group-term life insurance in excess of $50,000 that has been added to Box 1 as Other Compensation. The value of group-term life insurance in excess of $50,000 is located on the earnings statement in the Employer Paid section.
12 E - Section 403(b) Salary Reductions. Total deferral to a 403(b) retirement plan. This amount can be found on the December earnings statement in the Before-Tax Deductions section under the column YTD.
12 G - Section 457(b) Contributions. Total deferral to a 457(b) retirement plan. This amount can be found on the December earnings statement in Before-Tax Deductions section under the column YTD.
12 P - Excludable Moving Expense Reimbursements. Reimbursed non-taxable moving expenses not included in taxable wages in Box 1.
12 BB - Designated Roth Contributions under a Section 403(b) Plan. Total Roth contributions under a 403(b) retirement plan. This amount is also located on the December earnings statement in the After-Tax Deductions section under the column YTD.
12 DD - Cost of Employer-Sponsored Health Coverage. This figure includes both the employee and the employer paid health insurance premiums and is provided for informational purposes. This amount is also located on the December earnings statement in the Before-Tax Deductions section under the column YTD.
12 EE - Designated Roth Contributions under a governmental 457(b) Plan. Total Roth contributions under a 457(b) plan. This amount is also reported in the December earnings statement in the After-Tax Deductions section.
12 W - Health Savings Account. Employee and Employer contributions to a Health Savings Account.