

Social Security

The Official Website of the U.S. Social Security Administration

Employer W-2 Filing Instructions & Information

Register To Use Business Services Online

You must register to use Business Services Online – Social Security's suite of services that allows you to file W-2/W-2Cs online and verify your employees' names and Social Security numbers against our records.

File W-2s/W-2Cs Online

This service offers fast, free, and secure online W-2 filing options to CPAs, accountants, enrolled agents, and individuals who process W-2s (the Wage and Tax Statement) and W-2Cs (Statement of Corrected Income and Tax Amounts).

Verify Employees' Social Security Numbers

The Social Security Number Verification Service allows employers to verify the names and Social Security numbers of current and former employees for wage reporting purposes only.

Social Security also offers the Consent Based Social Security Number Verification Service.

Online Services for Employers, CPAs, Accountants, Enrolled Agents and Individuals

- What You Can Do Online
- [Electronic W-2/W-2c Filing Handbook](#)
- Helpful Hints to Electronic W-2c/W-3c Filing
- The Social Security Number Verification Service

Important Information

- Social Security Program Rates & Limits, 2013 (Tax Rates)
- AccuWage Software
- Information for Software Developers
- Recordkeeping – Using Publication 15
- Specifications for Filing Forms W-2 Electronically (EFW2)
- Specifications for Filing Forms W-2C Electronically (EFW2C)
- Online Error Reference Material
- File-Edit Tips for W-2
- Online Security Policy
- The Privacy Act And The Freedom of Information Act

Handbooks, Tutorial & Videos

- [Registration and Access to Services Handbook](#)
- Electronic W-2/W-2c Filing Handbook
- Social Security Number Verification Service (SSNVS) Handbook
- Business Services Online Tutorial
- How to Register for Business Services Online - Video
- How to File W-2s Online - Video
- Social Security Webinars

Publications & Forms

- 2012 Forms W-2/W-3 Instructions
- Form 941 for 2012 - Employer's Quarterly Federal Tax Return Form
- The Social Security Number Verification Service
- Determining a Valid Social Security Number
- Publication 15, (Circular E), Employer's Tax Guide--Reporting Sick Pay

Business Services Online



Go To Log In

Go To Register

Go To Complete Phone Registration

Business Services Online (BSO)

Hours of Operation

Monday - Friday: 5 AM - 1 AM ET

Saturday: 5 AM - 11 PM ET

Sunday: 8 AM - 11:30 PM ET

About W-2 Filing

[Electronic W-2/W-2c Filing Handbook](#)

[Vendor List](#)

[Helpful Government Resources](#)

[FIRE \(1099\) Filing Information Returns Electronically](#)

[Employer W-2 Filing](#)

W-2 Filing Assistance

[Checklist for W-2 Online Filing](#)

[AccuWage](#)

[Specifications for Filing Forms W-2 Electronically \(EFW2\)](#)

[Specifications for Filing Forms W-2C Electronically \(EFW2C\)](#)

[Paper Forms W-2 & Instructions](#)

[If You're Self-Employed](#)

[Frequently Asked Questions](#)

[Ask an Expert](#)

[Vendor List](#)

[E-Verify - U.S. Citizenship and Immigration Services](#)

[Customer Support](#)

[Employer Feedback](#)

- [Social Security Number Randomization Frequently Asked Questions](#)
- [W-2 Online: An Electronic Filing Option For Small Businesses](#)
- [Specifications for Filing Forms W-2 Electronically \(EFW2\)](#)
- [Specifications for Filing Forms W-2C Electronically \(EFW2C\)](#)
- [Wage Reporting for CPAs, Accountants and Enrolled Agents](#)
- [Apply for an Employer identification Number Online](#)

Newsletters

- [W-2 News](#)
- [SSA/IRS Reporter](#)
- [Business Services Online Wage News](#)
- [e-News for Small Businesses](#)

Last reviewed or modified 11/20/2012

Every BSO user must register personally. YOU MAY NOT REGISTER ON BEHALF OF ANOTHER PERSON. Even if you are working on behalf of a client, register as yourself.



To register, go to : www.socialsecurity.gov/bsowelcome.htm and choose "Register" near the bottom of the page.



If you began registering on the phone, choose "Complete Phone Registration" instead. See the "Complete Phone Registration" section below for details.

Information You Will Need to Register

The information you provide when you register allows us to contact you, if necessary, and to confirm your identity before issuing a User ID.

You will be asked for your:

- Name as it appears on your Social Security card,
- Social Security Number,
- Date of birth,
- Home mailing address,
- Telephone number,
- Fax number (optional), and
- E-mail address.

You will also be asked to create and enter a personal password of your choosing and to select 5 questions used if you forget your password, to help you quickly reset the password. In this Handbook, they are called "Forgot Your Password" questions.



Your full name, Social Security Number, and date of birth will be verified against Social Security records for user registration.

TIP: By providing an e-mail address when you register, Social Security will be able to send you information such as W-2 News, which is an electronic newsletter that provides important wage and tax reporting updates.

If you do not have a Social Security Number because you do not work in the United States, **leave the "Social Security Number" field blank.** This will let you continue registering without providing this information. If you register without providing a Social Security



General Instructions for Forms W-2 and W-3

(Including Forms W-2AS, W-2GU, W-2VI, W-3SS, W-2c, and W-3c)

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Section references are to the Internal Revenue Code unless otherwise noted.

Form W-3c, Kind of Employer. Box c of Form W-3c has been expanded to include a new section, Kind of Employer, which contains five new checkboxes. All filers are required to check one of these new checkboxes. For more information, see *Box c—Kind of Employer* on page 23.

Form 944-SS discontinued. Form 944-SS will no longer be issued by the IRS after 2011. Reference to Form 944-SS has been removed from these instructions, except in the *General Instructions for Forms W-2c and W-3c* section. On Form W-3SS, in box b, Kind of Payer, the 944-SS checkbox has been replaced with a 944 checkbox. For more information, see the 2012 Instructions for Form 944.

Foreign agricultural workers. You must report on Form W-2 compensation of \$600 or more that you pay to H-2A visa agricultural workers. See *Foreign agricultural workers* on page 8 for details.

Reporting the cost of group health coverage. You must report the cost of employer-sponsored health coverage in box 12 using code DD. However, transitional relief applies to certain employers and certain types of plans. For more information, see *Code DD—Cost of employer-sponsored health coverage* on page 17.

Reminders

TIP *Get it done faster... E-file your Forms W-2 with the SSA. See page 2.*

Automatic extension for e-filers. Receive an automatic filing extension by e-filing your Forms W-2 with the Social Security Administration (SSA). The due date for e-filing 2012 Form W-2 Copy A with the SSA is extended to April 1, 2013. See *E-filing* on page 2.

Business Services Online (BSO). The SSA has enhanced its secure BSO website to make it easier to register and navigate. Use BSO's online fill-in forms to create, save, and submit Forms W-2 and W-2c to the SSA electronically. BSO lets you print copies of these forms to file with state or local governments, distribute to your employees, and keep for your records. BSO generates Form W-3 automatically based on your Forms W-2. You also can use BSO to upload wage files to the SSA, check on the status of previously submitted wage reports, and take advantage of other convenient services for employers and businesses. Visit the SSA's Employer W-2 Filing Instructions & Information website at www.socialsecurity.gov/employer for more information about using BSO to save time for your organization. Here you also will find forms and publications used for wage

What's New

Future developments. The IRS has created a page on IRS.gov for information about Forms W-2 and W-3 and their instructions, at www.irs.gov/w2. Information about any future developments affecting Forms W-2 and W-3 and their instructions (such as legislation enacted after we release them) will be posted on that page.

Employee social security tax withholding. The 4.2% rate of social security tax withholding (for employees only) is extended for wage payments made in 2012. See *Box 4—Social security tax withheld* on page 14.

New title for instructions. The title of the Instructions for Forms W-2 and W-3 has been changed to the General Instructions for Forms W-2 and W-3. These instructions now include instructions for U.S. possessions and corrected wage and tax statements. The separate Instructions for Forms W-2AS, W-2GU, W-2VI, and W-3SS, and the Instructions for Forms W-2c and W-3c will not be updated. In these instructions, references to Forms W-2 and W-3 include Forms W-2AS, W-2GU, W-2VI, and W-3SS, respectively, unless otherwise noted.

Form W-3, Kind of Employer. The specific instructions for the checkboxes in box b, Kind of Employer, of Form W-3 (box c for Form W-3c) include examples for various types of section 501(c) organizations. For more information, see *Box b—Kind of Employer* on page 18.

Form W-3c, box b. Box b of Form W-3c has been expanded to include an additional line for name, address, and ZIP code.

reporting, information about verifying employee social security numbers online, how to reach an SSA employer services representative for your region, and more.



Preview BSO by viewing a brief online tutorial. Go to www.socialsecurity.gov/bsowelcome.html and click on "Tutorial."

Correcting wage reports. You can use BSO to create, save, print, and submit Forms W-2c, Corrected Wage and Tax Statement, online for the current year as well as for prior years. After logging in to BSO, navigate to the Electronic Wage Reporting home page and click on the "Forms W-2c/W-3c Online" tab. See *E-filing* below and *E-filing Forms W-2c and W-3c* on page 20.

Distributions from governmental section 457(b) plans of state and local agencies. Generally, report distributions from section 457(b) plans of state and local agencies on Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc. See Notice 2003-20 for details. You can find Notice 2003-20 on page 894 of Internal Revenue Bulletin 2003-19 at www.irs.gov/pub/irs-irbs/irb03-19.pdf.

Earned income credit (EIC) notice (not applicable to Forms W-2AS, W-2GU, and W-2VI). You must notify employees who have no income tax withheld that they may be able to claim an income tax refund because of the EIC. You can do this by using the official IRS Form W-2 with the EIC notice on the back of Copy B or a substitute Form W-2 with the same statement. You must give your employee Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC), or your own statement that contains the same wording if (a) you use a substitute Form W-2 that does not contain the EIC notice, (b) you are not required to furnish Form W-2, or (c) you do not furnish a timely Form W-2 to your employee. For more information, see section 10 in Pub. 15 (Circular E), Employer's Tax Guide.

Electronic statements for employees. Furnishing Copies B, C, and 2 of Forms W-2 to your employees electronically may save you time and effort. See Pub. 15-A, Employer's Supplemental Tax Guide, for additional information.

E-filing. The SSA encourages all employers to *e-file*. E-filing can save you time and effort and helps ensure accuracy. You must *e-file* if you are required to file 250 or more Forms W-2 or W-2c. If you are required to *e-file* but fail to do so, you may incur a penalty.

Waiver from e-filing. You can request a waiver from this requirement by filing Form 8508, Request for Waiver From Filing Information Returns Electronically. Submit Form 8508 to the IRS at least 45 days before the due date of Form W-2, or 45 days before you file your first Form W-2c. See Form 8508 for information about filing this form.

The SSA's BSO website makes e-filing easy by providing two ways to submit your Forms W-2 or W-2c Copy A and Forms W-3 or W-3c information.

- If you need to file 50 or fewer Forms W-2 or 5 or fewer Forms W-2c at a time, you can use BSO to create them online. BSO guides you through the process of creating

Forms W-2 or W-2c, saving and printing them, and submitting them to the SSA when you are ready. You do not have to wait until you have submitted Forms W-2 or W-2c to the SSA before printing copies for your employees. BSO generates Form W-3 or W-3c automatically based on your Forms W-2 or W-2c.

- If you need to file more than 50 Forms W-2 or more than 5 Forms W-2c, BSO's "file upload" feature might be the best e-filing method for your business or organization. To obtain file format specifications, visit the SSA's Employer W-2 Filing Instructions & Information website at www.socialsecurity.gov/employer and click on "E-Filing Format." This information is also available by calling the SSA's Employer Reporting Branch at 1-800-772-6270 (toll free).



If you e-file, do not file the same returns using paper forms.

For more information about e-filing Forms W-2 or W-2c and a link to the BSO website, visit the SSA's Employer W-2 Filing Instructions & Information website at www.socialsecurity.gov/employer.

In a few situations, reporting instructions vary depending on the filing method you choose. For example, you can include every type of box 12 amount in one employee wage record if you upload an electronic file. If you file on paper or create Forms W-2 online, you can include only four box 12 amounts per Form W-2. See the *TIP* for Copy A on page 15.

Form 944. Use the "944" checkbox in box b of Form W-3 or Form W-3SS if you filed Form 944, Employer's ANNUAL Federal Tax Return. Also use the "944" checkbox if you filed Formulario 944(SP), the Spanish-language version of Form 944.

Forms W-2 for U.S. possessions. In these instructions, reference to Forms W-2 and W-3 includes Forms W-2AS, W-2GU, W-2VI, and W-3SS, unless otherwise noted. These instructions are not applicable to wage and tax statements for Puerto Rico or the Commonwealth of the Northern Mariana Islands. Form W-2AS is used to report American Samoa wages paid by American Samoa employers, Form W-2CM is used to report the Commonwealth of the Northern Mariana Islands (CNMI) wages paid by CNMI employers, Form W-2GU is used to report Guam wages paid by Guam employers, and Form W-2VI is used to report U.S. Virgin Islands (USVI) wages paid by USVI employers. Do not use these forms to report wages subject to U.S. income tax withholding. Instead, use Form W-2 to show U.S. income tax withheld.

Military differential pay. Employers paying their employees while they are on active duty in the United States uniformed services should treat these payments as wages subject to income tax withholding. See *Military differential pay* on page 9.

Military Spouses Residency Relief Act (MSRRA). You may be required to report wages and taxes on a form different from the form you generally use if an employee claims residence or domicile under MSRRA in a different jurisdiction in one of the 50 states, the District of Columbia, American Samoa, the Commonwealth of the

Northern Mariana Islands, Puerto Rico, or the U.S. Virgin Islands.

Under MSRRA, the spouse of an active duty servicemember (civilian spouse) may keep his or her prior residence or domicile for tax purposes (tax residence) when accompanying the servicemember spouse, who is relocating under military orders, to a new military duty station in one of the 50 states, the District of Columbia, or a U.S. possession. Before relocating, both spouses must have had the same tax residence.

For example, if a civilian spouse is working in Guam but properly claims tax residence in one of the 50 states under MSRRA, his or her income from services would not be taxable income for Guam tax purposes. Federal income taxes should be withheld and remitted to the IRS. State and local income taxes may need to be withheld and remitted to state and local tax authorities. You should consult with state, local, or U.S. possession tax authorities regarding your withholding obligations under MSRRA.

Nonqualified deferred compensation plans. You are not required to complete box 12 with code Y (deferrals under a section 409A nonqualified deferred compensation plan). Section 409A provides that all amounts deferred under a nonqualified deferred compensation (NQDC) plan for all tax years are includible in gross income unless certain requirements are satisfied. See *Nonqualified deferred compensation plans* on page 9.

Substitute forms. You may use an acceptable substitute form instead of an official IRS form.

Form W-2. If you are not using the official IRS form to furnish Form W-2 to employees or to file with the SSA, you may use an acceptable substitute form that complies with the rules in Pub. 1141, General Rules and Specifications for Substitute Forms W-2 and W-3. Pub. 1141 is a revenue procedure that explains the requirements for format and content of substitute Forms W-2 and W-3. Your substitute forms must comply with the requirements in Pub. 1141.

Form W-2c. If you are not using the official IRS form to furnish Form W-2c to employees or to file with the SSA, you may use an acceptable substitute form that complies with the rules in Pub. 1223, General Rules and Specifications for Substitute Forms W-2c and W-3c. Pub. 1223 is a revenue procedure that explains the requirements for format and content of substitute Forms W-2c and W-3c. Your substitute forms must comply with the requirements in Pub. 1223.

Need Help?

Help with e-filing. If you have questions about how to register or use BSO, call 1-800-772-6270 (toll free) to speak with an employer reporting specialist at the SSA. The hours of operation are Monday through Friday from 7:00 a.m. to 7:00 p.m. Eastern time. If you experience problems using any of the services within BSO, call 1-888-772-2970 (toll free). To speak with the SSA's Employer Services Liaison Officer (ESLO) for the U.S. Virgin Islands, call 1-212-264-1117 (not a toll-free number). For Guam or American Samoa, call 1-510-970-8247 (not a toll-free number). For all other employers, contact the ESLO that services your region.

For a complete telephone listing, visit the SSA's Employer W-2 Filing Instructions & Information website at www.socialsecurity.gov/employer.

Information reporting customer service site. The IRS operates a centralized customer service site to answer questions about reporting on Forms W-2, W-3, 1099, and other information returns. If you have questions about reporting on these forms, call 1-866-455-7438 (toll free). The hours of operation are Monday through Friday from 8:30 a.m. to 4:30 p.m. Eastern time.

Hearing impaired TTY/TDD equipment. Telephone help is available using TTY/TDD equipment. If you have questions about reporting on information returns (Forms 1096, 1097, 1098, 1099, 3921, 3922, 5498, W-2, W-2G, and W-3), call 1-304-579-4827. For any other tax information, call 1-800-829-4059.

Employment tax information. Detailed employment tax information is given in:

- Pub. 15 (Circular E), Employer's Tax Guide,
- Pub. 15-A, Employer's Supplemental Tax Guide,
- Pub. 15-B, Employer's Tax Guide to Fringe Benefits, and
- Pub. 51 (Circular A), Agricultural Employer's Tax Guide.
- Pub. 80 (Circular SS), Federal Tax Guide for Employers in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Marianas.

You also can call the IRS with your employment tax questions at 1-800-829-4933 or visit IRS.gov and type "Employment Taxes" in the search box.

How To Get Forms and Publications

Internet. You can access IRS.gov 24 hours a day, 7 days a week to:

- Download, view, and order tax forms, instructions, and publications.
- Access commercial tax preparation and *e-file* services.
- Research your tax questions online.
- See answers to frequently asked tax questions.
- Search publications online by topic or keyword.
- View Internal Revenue Bulletins published in the last few years.
- Sign up to receive local and national tax news by email.



Do not download Copy A of Forms W-2, W-3, W-2c, or W-3c from IRS.gov and then file them with the SSA. The SSA accepts only e-filed reports and the official red-ink versions (or approved substitute versions) of these forms. For information about e-filing, see E-filing on page 2.

Free tax services. To find out what services are available, get Pub. 910, IRS Guide to Free Tax Services. It contains lists of free tax information sources, including publications, services, and free tax education and assistance programs. It also has an index of over 100 TeleTax topics (recorded tax information) you can listen to on your telephone. Accessible versions of IRS published products are available on request in a variety of alternative formats.



DVD of tax products. You can order Publication 1796, IRS Tax Products DVD, and obtain:

- Current-year forms, instructions, and publications.
- Prior-year forms, instructions, and publications.
- Tax Map: an electronic research tool and finding aid.
- Tax law frequently asked questions.
- Tax Topics from the IRS telephone response system.
- Internal Revenue Code—Title 26 of the U.S. Code.
- Fill-in, print, and save features for most tax forms.
- Internal Revenue Bulletins.
- Toll free and email technical support.
- Two releases during the year.

-The first release will ship the beginning of January 2012.

-The final release will ship the beginning of March 2012.

Purchase the DVD from National Technical Information Service (NTIS) at www.irs.gov/cdorders for \$30 (no handling fee) or call 1-877-233-6767 toll free to purchase the DVD for \$30 (plus a \$6 handling fee).

Mail. You can send your order for forms, instructions, and publications to the following address. You should receive a response within 10 days after your request is received.

Internal Revenue Service
1201 N. Mitsubishi Parkway
Bloomington, IL 61705-6613

Phone. Many services are available by phone.

- *Ordering forms, instructions, and publications.* Call 1-800-829-3676 to order current-year forms, instructions, and publications, and prior-year forms and instructions. You should receive your order within 10 days.
- *TTY/TDD equipment.* If you have access to TTY/TDD equipment, call 1-800-829-4059 to order forms and publications.

Common Errors on Forms W-2

Forms W-2 provide information to your employees, the SSA, the IRS, and state and local governments. Avoid making the following errors, which cause processing delays.

Do not:

- Omit the decimal point and cents from entries.
- Make entries using ink that is too light. Use only black ink.
- Make entries that are too small or too large. Use 12-point Courier font, if possible.
- Add dollar signs to the money-amount boxes. They have been removed from Copy A and are not required.
- Inappropriately check the "Retirement plan" checkbox in box 13. See *Retirement plan* on page 17.
- Misformat the employee's name in box e. Enter the employee's first name and middle initial in the first box, his or her surname in the second box, and his or her suffix (such as "Jr.") in the third box (optional).

General Instructions for Forms W-2 and W-3

Who must file Form W-2. Every employer engaged in a trade or business who pays remuneration, including noncash payments of \$600 or more for the year (all amounts if any income, social security, or Medicare tax was withheld) for services performed by an employee must file a Form W-2 for each employee (even if the employee is related to the employer) from whom:

- Income, social security, or Medicare tax was withheld.
- Income tax would have been withheld if the employee had claimed no more than one withholding allowance or had not claimed exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate.

If you are required to file 250 or more Forms W-2 or want to take advantage of the benefits of e-filing, see *E-filing* on page 2.

Who must file Form W-3. Anyone required to file Form W-2 must file Form W-3 to transmit Copy A of Forms W-2. Make a copy of Form W-3; keep it and Copy D (For Employer) of Forms W-2 with your records for 4 years. Be sure to use Form W-3 for the correct year. If you are filing Forms W-2 electronically, see *E-filing* on page 2.

Household employers. Even employers with only one household employee must file Form W-3 to transmit Copy A of Form W-2. On Form W-3 check the "Hshld. emp." checkbox in box b. For more information, see Schedule H (Form 1040), Household Employment Taxes, and its separate instructions. You must have an employer identification number (EIN). See *Box b—Employer identification number (EIN)* on page 12.

Who may sign Form W-3. A transmitter or sender (including a service bureau, reporting agent, paying agent, or disbursing agent) may sign Form W-3 (or use its PIN to *e-file*) for the employer or payer only if the sender satisfies both of the following.

- It is authorized to sign by an agency agreement (whether oral, written, or implied) that is valid under state law; and
- It writes "For (name of payer)" next to the signature (paper Form W-3 only).



Use of a reporting agent or other third-party payroll service provider does not relieve an employer of the responsibility to ensure that Forms W-2 are furnished to employees and that Forms W-2 and W-3 are filed with the SSA, correctly and on time.

Be sure that the payer's name and EIN on Forms W-2 and W-3 are the same as those used on the Form 941, Employer's QUARTERLY Federal Tax Return; Form 943, Employer's Annual Federal Tax Return for Agricultural Employees; Form 944; Form CT-1, Employer's Annual Railroad Retirement Tax Return; or Schedule H (Form 1040) filed by or for the payer.

When to file. If you file using paper forms, you must file Copy A of Form W-2 with Form W-3 by February 28, 2013. However, if you *e-file*, the due date is automatically extended to April 1, 2013. You may owe a penalty for each Form W-2 that you file late. See *Penalties* on

page 10. If you terminate your business, see *Terminating a business* on page 10.

Extension to file. You may request an automatic extension of time to file Form W-2 with the SSA by sending Form 8809, Application for Extension of Time To File Information Returns, to the address shown on Form 8809. You must request the extension before the due date of Forms W-2. You will have an additional 30 days to file. See Form 8809 for details.



Even if you request an extension of time to file Form W-2, you still must furnish Form W-2 to your employees by January 31, 2013. But see Extension of time to furnish Forms W-2 to employees on page 5.

Where to file paper Forms W-2 and W-3. File Copy A of Form W-2 with Form W-3 at the following address.

**Social Security Administration
Data Operations Center
Wilkes-Barre, PA 18769-0001**



If you use "Certified Mail" to file, change the ZIP code to "18769-0002." If you use an IRS-approved private delivery service, add "Attn: W-2 Process, 1150 E. Mountain Dr." to the address and change the ZIP code to "18702-7997." See Pub. 15 (Circular E) for a list of IRS-approved private delivery services.



Do not send cash, checks, money orders, or other forms of payment with the Forms W-2 and W-3 that you submit to the SSA. Employment tax forms (for example, Form 941 or Form 943), remittances, and Forms 1099 must be sent to the IRS.

Copy 1. Send Copy 1 of Form W-2, if required, to your state, city, or local tax department. For more information concerning Copy 1 (including how to complete boxes 15 through 20), contact your state, city, or local tax department.

American Samoa. File Copy 1 of Form W-3SS and Forms W-2AS at the following address.

**American Samoa Tax Office
Executive Office Building
First Floor
Pago Pago, AS 96799**

For additional information about Form W-2AS, see www.americansamoa.gov.

Guam. File Copy 1 of Form W-3SS and Forms W-2GU at the following address.

**Guam Department of Revenue and Taxation
P.O. Box 23607
GMF, GU 96921**

For additional information about Form W-2GU, see www.guamtax.com.

United States Virgin Islands. File Copy 1 of Form W-3SS and Forms W-2VI at the following address.

**Virgin Islands Bureau of Internal Revenue
6115 Estate Smith Bay
Suite 225
St. Thomas, VI 00802**

For additional information about Form W-2VI, see www.viirb.com.

Commonwealth of the Northern Mariana Islands. File Form OS-3710 and Copy 1 of Forms W-2CM at the following address.

**Division of Revenue and Taxation
Commonwealth of the Northern Mariana Islands
P.O. Box 5234 CHR
Saipan, MP 96950**

Forms OS-3710 and W-2CM are not IRS forms. For additional information about Form W-2CM, see www.cnmidof.net.

Shipping and mailing. If you file more than one type of employment tax form, group Forms W-2 of the same type with a separate Form W-3 for each type, and send them in separate groups. See the specific instructions for box b of Form W-3 on page 18.

Prepare and file Forms W-2 either alphabetically by employees' last names or numerically by employees' social security numbers. Do not staple or tape Form W-3 to the related Forms W-2 or Forms W-2 to each other. These forms are machine read. Staple holes or tears interfere with machine reading. Also, do not fold Forms W-2 and W-3. Send the forms to the SSA in a flat mailing.

Furnishing Copies B, C, and 2 to employees.

Generally, you must furnish Copies B, C, and 2 of Form W-2 to your employees by January 31, 2013. You will meet the "furnish" requirement if the form is properly addressed and mailed on or before the due date.

If employment ends before December 31, 2012, you may furnish copies to the employee at any time after employment ends, but no later than January 31, 2013. If an employee asks for Form W-2, give him or her the completed copies within 30 days of the request or within 30 days of the final wage payment, whichever is later. However, if you terminate your business, see *Terminating a business* on page 10.

You may furnish Forms W-2 to employees on IRS official forms or on acceptable substitute forms. See *Substitute forms* on page 3. Be sure the Forms W-2 you provide to employees are clear and legible and comply with the requirements in Pub. 1141.

Extension of time to furnish Forms W-2 to employees. You may request an extension of time to furnish Forms W-2 to employees by sending a letter to:

**Internal Revenue Service
Information Returns Branch, Mail Stop 4360
Attn: Extension of Time Coordinator
240 Murall Drive
Kearneysville, WV 25430**

Mail your letter on or before the due date for furnishing Forms W-2 to employees. It must include:

- Your name and address,

- Your EIN,
- A statement that you are requesting an extension to furnish "Forms W-2" to employees,
- The reason for delay, and
- Your signature or that of your authorized agent.



Requests for an extension of time to furnish recipient statements for more than 10 payers must be submitted electronically. See Publication 1220, Part D, Sec. 4.

Undeliverable Forms W-2. Keep for 4 years any employee copies of Forms W-2 that you tried to but could not deliver. However, if the undelivered Form W-2 can be produced electronically through April 15th of the fourth year after the year at issue, you do not need to keep undeliverable employee copies. Do not send undeliverable Forms W-2 to the SSA.

Taxpayer identification numbers (TINs). Employers use an employer identification number (EIN) (00-0000000). Employees use a social security number (SSN) (000-00-0000). When you list a number, separate the nine digits properly to show the kind of number. Do not accept an IRS individual taxpayer identification number (ITIN) in place of an SSN for employee identification or for Form W-2 reporting. An ITIN is only available to resident and nonresident aliens who are not eligible for U.S. employment and need identification for other tax purposes. You can identify an ITIN because it is a 9-digit number beginning with the number "9" with either a "7" or "8" as the fourth digit and is formatted like an SSN (for example, 9NN-7N-NNNN). Do not auto populate an ITIN into box a— *Employee's social security number* on Form W-2. See section 4 of Pub. 15 (Circular E).



An individual with an ITIN who later becomes eligible to work in the United States must obtain an SSN from the Social Security Administration.

The IRS uses SSNs to check the payments that you report against the amounts shown on employees' tax returns. The SSA uses SSNs to record employees' earnings for future social security and Medicare benefits. When you prepare Form W-2, be sure to show the correct SSN for each employee. For information about verifying SSNs, see section 4 of Pub. 15 (Circular E) or visit the SSA's Employer W-2 Filing Instructions & Information website at www.socialsecurity.gov/employer.



Form W-2 e-filed with the SSA must contain the same TINs as shown on all copies of Form W-2 furnished to employees.

Special Reporting Situations for Form W-2

Adoption benefits. Amounts paid or expenses incurred by an employer for qualified adoption expenses under an adoption assistance program are not subject to federal income tax withholding and are not reportable in box 1. However, these amounts (including adoption benefits paid from a section 125 (cafeteria) plan, but not including adoption benefits forfeited from a cafeteria plan) are subject to social security, Medicare, and railroad

retirement taxes and must be reported in boxes 3 and 5. (Use box 14 if railroad retirement taxes apply.) Also, the total amount must be reported in box 12 with code T.

For more information on adoption benefits, see Notice 97-9, 1997-1 C.B. 365, which is on page 35 of Internal Revenue Bulletin 1997-2 at www.irs.gov/pub/irs-irbs/irb97-02.pdf. Advise your employees to see the Instructions for Form 8839, Qualified Adoption Expenses.

Agent reporting. Generally, an agent who has an approved Form 2678, Employer/Payer Appointment of Agent, should enter the agent's name as the employer in box c of Form W-2 and file only one Form W-2 for each employee. However, if the agent (a) is acting as an agent for two or more employers or is an employer and is acting as an agent for another employer, and (b) pays social security wages to an individual on behalf of more than one employer, and (c) the total of the individual's social security wages from these employers is greater than the social security wage base, the agent must file separate Forms W-2 for the affected employee reflecting the wages paid by each employer.

On the Form W-2 the agent should enter the following in box c of Form W-2.

(Name of agent)
Agent for (name of employer)
Address of agent

Each Form W-2 should reflect the EIN of the agent in box b. An agent files one Form W-3 for all of the Forms W-2 and enters its own information in boxes e, f, and g of Form W-3 as it appears on the agent's related employment tax returns (for example, Form 941). Enter the client-employer's EIN in box h of Form W-3 if the Forms W-2 relate to only one employer (other than the agent); if not, leave box h blank. See Rev. Proc. 70-6, 1970-1 C.B. 420; Notice 2003-70, 2003-43 I.R.B. 916, available at www.irs.gov/irb/2003-43_IRB/ar09.html; and the Instructions for Form 2678 for procedures to be followed in applying to be an agent. For state and local health and welfare agencies wishing to act as agents under section 3504, see Rev. Proc. 80-4, 1980-1 C.B. 581.



Generally, an agent is not responsible for refunding excess social security or railroad retirement (RRTA) tax withheld from employees.

If an employee worked for more than one employer during 2012 and had more than \$4,624.20 in social security and Tier I RRTA tax withheld, he or she should claim the excess on the appropriate line of Form 1040, Form 1040A, or Form 1040NR. If an employee had more than \$3,194.10 in Tier II RRTA tax withheld from more than one employer, the employee should claim a refund on Form 843, Claim for Refund and Request for Abatement.

Archer MSA. An employer's contribution to an employee's Archer MSA is not subject to federal income tax withholding or social security, Medicare, or railroad retirement taxes if it is reasonable to believe at the time of the payment that the contribution will be excludable from the employee's income. However, if it is not reasonable to believe at the time of payment that the contribution will be excludable from the employee's income, employer

contributions are subject to income tax withholding and social security and Medicare taxes (or railroad retirement taxes, if applicable) and must be reported in boxes 1, 3, and 5. (Use box 14 if railroad retirement taxes apply.)

You must report all employer contributions to an Archer MSA in box 12 of Form W-2 with code R. Employer contributions to an Archer MSA that are not excludable from the income of the employee also must be reported in box 1.

An employee's contributions to an Archer MSA are includable in income as wages and are subject to federal income tax withholding and social security and Medicare taxes (or railroad retirement taxes, if applicable). Employee contributions are deductible, within limits, on the employee's Form 1040.

For more information, see Pub. 969, Health Savings Accounts and Other Tax-Favored Health Plans, and Notice 96-53, which is found on page 5 of Internal Revenue Bulletin 1996-51 at www.irs.gov/pub/irs-irbs/irb96-51.pdf.

Clergy and religious workers. For certain members of the clergy and religious workers who are not subject to social security and Medicare taxes as employees, boxes 3 and 5 of Form W-2 should be left blank. You may include a minister's parsonage and/or utilities allowance in box 14. For information on the rules that apply to ministers and certain other religious workers, see Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers, and *Section 4—Religious Exemptions and Special Rules for Ministers* in Pub. 15-A.

Deceased employee's wages. If an employee dies during the year, you must report the accrued wages, vacation pay, and other compensation paid after the date of death. Also report wages that were available to the employee while he or she was alive, regardless of whether they actually were in the possession of the employee, as well as any other regular wage payment, even if you may have to reissue the payment in the name of the estate or beneficiary.

If you made the payment after the employee's death but in the same year the employee died, you must withhold social security and Medicare taxes on the payment and report the payment on the employee's Form W-2 only as social security and Medicare wages to ensure proper social security and Medicare credit is received. On the employee's Form W-2, show the payment as social security wages (box 3) and Medicare wages and tips (box 5) and the social security and Medicare taxes withheld in boxes 4 and 6. Do not show the payment in box 1.

If you made the payment after the year of death, do not report it on Form W-2, and do not withhold social security and Medicare taxes.

Whether the payment is made in the year of death or after the year of death, you also must report it in box 3 of Form 1099-MISC, Miscellaneous Income, for the payment to the estate or beneficiary. Use the name and taxpayer identification number (TIN) of the payment recipient on Form 1099-MISC. However, if the payment is a reissuance of wages that were constructively received by

the deceased individual while he or she was still alive, do not report it on Form 1099-MISC.

Example. Before Employee A's death on June 15, 2012, A was employed by Employer X and received \$10,000 in wages on which federal income tax of \$1,500 was withheld. When A died, X owed A \$2,000 in wages and \$1,000 in accrued vacation pay. The total of \$3,000 (less the social security and Medicare taxes withheld) was paid to A's estate on July 20, 2012. Because X made the payment during the year of death, X must withhold social security and Medicare taxes on the \$3,000 payment and must complete Form W-2 as follows.

- Box a – Employee A's SSN
- Box e – Employee A's name
- Box f – Employee A's address
- Box 1 – 10000.00 (does not include the \$3,000 accrued wages and vacation pay)
- Box 2 – 1500.00
- Box 3 – 13000.00 (includes the \$3,000 accrued wages and vacation pay)
- Box 4 – 546.00 (4.2% of the amount in box 3)
- Box 5 – 13000.00 (includes the \$3,000 accrued wages and vacation pay)
- Box 6 – 188.50 (1.45% of the amount in box 5)



Employer X also must complete Form 1099-MISC as follows.

- Boxes for recipient's name, address, and TIN—the estate's name, address, and TIN.
- Box 3: 3000.00 (Even though amounts were withheld for social security and Medicare taxes, the gross amount is reported here.)

If Employer X made the payment after the year of death, the \$3,000 would not be subject to social security and Medicare taxes and would not be shown on Form W-2. However, the employer would still file Form 1099-MISC.

Designated Roth contributions. Under section 402A, a participant in a section 401(k) plan, under a 403(b) salary reduction agreement, or in a governmental 457(b) plan that includes a qualified Roth contribution program, may elect to make designated Roth contributions to the plan or program in lieu of elective deferrals. Designated Roth contributions are subject to federal income tax withholding and social security and Medicare taxes (and railroad retirement taxes, if applicable) and must be reported in boxes 1, 3, and 5. (Use box 14 if railroad retirement taxes apply.)

Section 402A requires separate reporting of the yearly designated Roth contributions. Designated Roth contributions to 401(k) plans will be reported using code AA in box 12; designated Roth contributions under 403(b) salary reduction agreements will be reported using code BB in box 12; and designated Roth contributions under a governmental section 457(b) plan will be reported using Code EE in box 12. For reporting instructions, see *Code AA*, *Code BB*, and *Code EE* on page 17.

Educational assistance programs. Employer-provided educational assistance that qualifies as a working

condition benefit is excludable from an employee's wages. For employer-provided educational assistance that does not qualify as a working condition benefit, a \$5,250 exclusion may apply if the assistance is provided under an educational assistance program under section 127. See Pub. 970, Tax Benefits for Education, and section 2 of Pub. 15-B for more information. Also see *Box 1—Wages, tips, other compensation* on page 12.

Election workers. Report on Form W-2 payments of \$600 or more to election workers for services performed in state, county, and municipal elections. File Form W-2 for payments of less than \$600 paid to election workers if social security and Medicare taxes were withheld under a section 218 (Social Security Act) agreement. Do not report election worker payments on Form 1099-MISC.

If the election worker is employed in another capacity with the same government entity, see Rev. Rul. 2000-6, which is on page 512 of Internal Revenue Bulletin 2000-6 at www.irs.gov/pub/irs-irbs/irb00-06.pdf.

Employee business expense reimbursements. Reimbursements to employees for business expenses must be reported as follows.

- Generally, payments made under an accountable plan are excluded from the employee's gross income and are not reported on Form W-2. However, if you pay a per diem or mileage allowance and the amount paid for substantiated miles or days traveled exceeds the amount treated as substantiated under IRS rules, you must report as wages on Form W-2 the amount in excess of the amount treated as substantiated. The excess amount is subject to income tax withholding and social security and Medicare taxes. Report the amount treated as substantiated (that is, the nontaxable portion) in box 12 using code L. See *Code L—Substantiated employee business expense reimbursements* on page 16.
- Payments made under a nonaccountable plan are reported as wages on Form W-2 and are subject to federal income tax withholding and social security and Medicare taxes.

For more information on accountable plans, nonaccountable plans, amounts treated as substantiated under a per diem or mileage allowance, the standard mileage rate, the per diem substantiation method, and the high-low substantiation method, see Pub. 463, Travel, Entertainment, Gift, and Car Expenses; Pub. 1542, Per Diem Rates; and section 5 of Pub. 15 (Circular E).

Employee's social security and Medicare taxes paid by employer. If you paid your employee's share of social security and Medicare taxes rather than deducting them from the employee's wages, you must include these payments as wages subject to federal (or American Samoa, Guam, or U.S. Virgin Islands) income tax withholding and social security, Medicare, and federal unemployment (FUTA) taxes. The amount to include as wages is determined by using the formula contained in the discussion of *Employee's Portion of Taxes Paid by Employer* in section 7 of Pub. 15-A.



This does not apply to household and agricultural employers. If you pay a household or agricultural employee's social security and Medicare taxes, you must include these payments in the employee's

wages for income tax withholding purposes. However, the wage increase due to the tax payments is not subject to social security, Medicare, or FUTA taxes. For information on completing Forms W-2 and W-3 in this situation, see the Instructions for Schedule H (Form 1040) and section 4 of Pub. 51 (Circular A).

Foreign agricultural workers. You must report compensation of \$600 or more paid in a calendar year to an H-2A visa agricultural worker for agricultural labor. If the H-2A visa agricultural worker furnishes a valid taxpayer identification number, report these payments in box 1 of Form W-2. If the worker does not furnish a valid taxpayer identification number, report the payments on Form 1099-MISC. See *Form 1099-MISC*, below.

On Form W-2, no amount should be reported in boxes 3 or 5. In most cases, you do not need to withhold federal income tax from compensation paid to H-2A visa agricultural workers. Employers should withhold federal income tax only if the H-2A visa agricultural worker and the employer agree to withhold. The H-2A visa agricultural worker must provide a completed Form W-4. If the employer withholds income tax, the employer must report the tax withheld in box 2 of Form W-2 and on line 6 of Form 943. See Publication 51 (Circular A).

Form 1099-MISC. If the H-2A visa agricultural worker fails to furnish a taxpayer identification number to the employer, and the total annual payments made to the H-2A visa agricultural worker are \$600 or more, the employer must begin backup withholding on the payments made until the H-2A visa agricultural worker furnishes a valid taxpayer identification number. Employers must report the compensation paid and any backup withholding on Forms 1099-MISC and Form 945. See the 2012 Instructions for Form 1099-MISC and the 2012 Instructions for Form 945.

For more information, visit the Foreign Agricultural Workers page on IRS.gov.

Fringe benefits. Include all taxable fringe benefits in box 1 of Form W-2 as wages, tips, and other compensation and, if applicable, in boxes 3 and 5 as social security and Medicare wages. Although not required, you may include the total value of fringe benefits in box 14 (or on a separate statement). However, if you provided your employee a vehicle and included 100% of its annual lease value in the employee's income, you must separately report this value to the employee in box 14 (or on a separate statement). The employee can then figure the value of any business use of the vehicle and report it on Form 2106, Employee Business Expenses. Also see Pub. 15-B for more information.



If you used the commuting rule or the vehicle cents-per-mile rule to value the personal use of the vehicle, you cannot include 100% of the value of the use of the vehicle in the employee's income. See Pub. 15-B.

Golden parachute payments (not applicable to Forms W-2AS, W-2GU, or W-2VI). Include any golden parachute payments in boxes 1, 3, and 5 of Form W-2. Withhold federal income, social security, and Medicare taxes as usual and report them in boxes 2, 4, and 6,

respectively. Excess parachute payments are also subject to a 20% excise tax. If the excess payments are considered wages, withhold the 20% excise tax and include it in box 2 as income tax withheld. Also report the excise tax in box 12 with code K. For definitions and additional information, see Regulations section 1.280G-1 and Rev. Proc. 2003-68, 2003-34 I.R.B. 398, available at www.irs.gov/irb/2003-34_IRB/ar16.html.

Government employers. Federal, state, and local governmental agencies have two options for reporting their employees' wages that are subject to only Medicare tax for part of the year and both social security and Medicare taxes for part of the year.

The first option (which the SSA prefers) is to file a single set of Forms W-2 per employee for the entire year, even if only part of the year's wages are subject to both social security and Medicare taxes. Check "941" (or "944") or "941-SS" in box b of Form W-3. The wages in box 5 of Form W-2 must be equal to or greater than the wages in box 3 of Form W-2.

The second option is to file one set of Forms W-2 for wages subject only to Medicare tax and another set for wages subject to both social security and Medicare taxes. Use a separate Form W-3 to transmit each set of Forms W-2. For the Medicare-only Forms W-2, check "Medicare govt. emp." in box b of Form W-3. For the Forms W-2 showing wages subject to both social security and Medicare taxes, check "941" (or "944") or "941-SS" in box b of Form W-3. The wages in box 5 of Form W-2 must be equal to or greater than the wages in box 3 of Form W-2.

Group-term life insurance. You must include in boxes 1, 3, and 5 the cost of group-term life insurance that is more than the cost of \$50,000 of coverage, reduced by the amount the employee paid toward the insurance. Use the table in section 2 of Pub. 15-B to determine the cost of the insurance. Also, show the amount in box 12 with code C. For employees, you must withhold social security and Medicare taxes, but not federal income tax. For coverage provided to former employees, the former employees must pay the employee part of social security and Medicare taxes on the taxable cost of group-term life insurance over \$50,000 on Form 1040. You are not required to collect those taxes. However, you must report the uncollected social security tax with code M and the uncollected Medicare tax with code N in box 12 of Form W-2.

Health savings account (HSA). An employer's contribution (including an employee's contributions through a cafeteria plan) to an employee's HSA is not subject to federal income tax withholding or social security, Medicare, or railroad retirement taxes (or FUTA tax) if it is reasonable to believe at the time of the payment that the contribution will be excludable from the employee's income. However, if it is not reasonable to believe at the time of payment that the contribution will be excludable from the employee's income, employer contributions are subject to federal income tax withholding, social security and Medicare taxes (or railroad retirement taxes, if applicable), and FUTA tax and must be reported in boxes 1, 3, and 5 (use box 14 if railroad retirement taxes apply), and on Form 940,

Employer's Annual Federal Unemployment (FUTA) Tax Return.

You must report all employer contributions (including an employee's contributions through a cafeteria plan) to an HSA in box 12 of Form W-2 with code W. Employer contributions to an HSA that are not excludable from the income of the employee also must be reported in boxes 1, 3, and 5. (Use box 14 if railroad retirement taxes apply.)

An employee's contributions to an HSA (unless made through a cafeteria plan) are includible in income as wages and are subject to federal income tax withholding and social security and Medicare taxes (or railroad retirement taxes, if applicable). Employee contributions are deductible, within limits, on the employee's Form 1040. For more information about HSAs, see Notice 2004-2, Notice 2004-50, and Notice 2008-52. Notice 2004-2, 2004-2 I.R.B. 269, is available at www.irs.gov/irb/2004-02_IRB/ar09.html. Notice 2004-50, 2004-33 I.R.B. 196, is available at www.irs.gov/irb/2004-33_IRB/ar08.html. Notice 2008-52, 2008-25 I.R.B. 1166, is available at www.irs.gov/irb/2008-25_IRB/ar10.html. Also see Form 8889, Health Savings Accounts (HSAs), and Pub. 969.

Lost Form W-2—reissued statement. If an employee loses a Form W-2, write "REISSUED STATEMENT" on the new copy and furnish it to the employee. You do not have to add "REISSUED STATEMENT" on Forms W-2 provided to employees electronically. Do not send Copy A of the reissued Form W-2 to the SSA. Employers are not prohibited (by the Internal Revenue Code) from charging a fee for the issuance of a duplicate Form W-2.

Military differential pay. Employers paying their employees while they are on active duty in the United States uniformed services should treat these payments as wages. Differential wage payments made to an individual while on active duty for periods scheduled to exceed 30 days are subject to income tax withholding, but are not subject to social security, Medicare, and unemployment taxes. Report differential wage payments in box 1 and any federal income tax withholding in box 2. Differential wage payments made to an individual while on active duty for 30 days or less are subject to income tax withholding, social security, Medicare, and unemployment taxes, and are reported in boxes 1, 3, and 5. See Rev. Rul. 2009-11, 2009-18 I.R.B. 896, available at www.irs.gov/irb/2009-18_IRB/ar07.html.

Moving expenses. Report moving expenses as follows.

- Qualified moving expenses that an employer paid to a third party on behalf of the employee (for example, to a moving company) and services that an employer furnished in kind to an employee are not reported on Form W-2.
- Qualified moving expense reimbursements paid directly to an employee by an employer are reported only in box 12 of Form W-2 with code P.
- Nonqualified moving expense reimbursements are reported in boxes 1, 3, and 5 (use box 14 if railroad retirement taxes apply) of Form W-2. These amounts are subject to federal income tax withholding and social security and Medicare taxes (or railroad retirement taxes, if applicable).

An employer's matching or nonelective contribution to an employee's SIMPLE retirement account is not subject to federal income tax withholding or social security, Medicare, or railroad retirement taxes, and is not to be shown on Form W-2.

For more information on SIMPLE retirement accounts, see Notice 98-4, 1998-1 C.B. 269. You can find Notice 98-4 on page 25 of Internal Revenue Bulletin 1998-2 at www.irs.gov/pub/irs-irbs/irb98-02.pdf.

Successor/predecessor employers. If you buy or sell a business during the year, see Rev. Proc. 2004-53 for information on who must file Forms W-2 and employment tax returns. Rev. Proc. 2004-53, 2004-34 I.R.B. 320, is available at www.irs.gov/irb/2004-34_IRB/ar13.html.

Terminating a business. If you terminate your business, you must provide Forms W-2 to your employees for the calendar year of termination by the due date of your final Form 941, 944, or 941-SS. You also must file Forms W-2 with the SSA by the last day of the month that follows the due date of your final Form 941, 944, or 941-SS. If filing on paper, make sure you obtain Forms W-2 and W-3 preprinted with the correct year. If e-filing, make sure your software has been updated for the current tax year.

However, if any of your employees are immediately employed by a successor employer, see *Successor/predecessor employers*, earlier. Also, for information on automatic extensions for furnishing Forms W-2 to employees and filing Forms W-2, see Rev. Proc. 96-57, which is on page 14 of Internal Revenue Bulletin 1996-53 at www.irs.gov/pub/irs-irbs/irb96-53.pdf.



Get Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations, for information on reconciling wages and taxes reported on Forms W-2 with amounts reported on Form 941, Form 941-SS, Form 943, or Form 944.

Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) makeup amounts to a pension plan. If an employee returned to your employment after military service and certain makeup amounts were contributed to a pension plan for a prior year(s) under the USERRA, report the prior year contributions separately in box 12. See the *TIP* above Code D on page 15. You also may report certain makeup amounts in box 14. See *Box 14—Other* on page 17.

Instead of reporting in box 12 (or box 14), you may choose to provide a separate statement to your employee showing USERRA makeup contributions. The statement must identify the type of plan, the year(s) to which the contributions relate, and the amount contributed for each year.

Penalties

The following penalties apply to the person or employer required to file Form W-2. The penalties apply to both paper filers and e-filers.



Use of a reporting agent or other third-party payroll service provider does not relieve an employer of the responsibility to ensure that Forms W-2 are furnished to employees and that Forms W-2 and W-3 are filed with the SSA, correctly and on time.

Failure to file correct information returns by the due date. If you fail to file a correct Form W-2 by the due date and cannot show reasonable cause, you may be subject to a penalty as provided under section 6721. The penalty applies if you:

- Fail to file timely,
- Fail to include all information required to be shown on Form W-2,
- Include incorrect information on Form W-2,
- File on paper forms when you are required to e-file,
- Report an incorrect TIN,
- Fail to report a TIN, or
- Fail to file paper Forms W-2 that are machine readable.

The amount of the penalty is based on when you file the correct Form W-2. The penalty is:

- \$30 per Form W-2 if you correctly file within 30 days (by March 30 if the due date is February 28); the maximum penalty is \$250,000 per year (\$75,000 for small businesses, defined on page 11).
- \$60 per Form W-2 if you correctly file more than 30 days after the due date but by August 1, 2013; the maximum penalty is \$500,000 per year (\$200,000 for small businesses).
- \$100 per Form W-2 if you file after August 1, 2013, or you do not file required Forms W-2; the maximum penalty is \$1,500,000 per year (\$500,000 for small businesses).



If you do not file corrections and you do not meet any of the exceptions to the penalty, the penalty is \$100 per information return. The maximum penalty is \$1,500,000 per year.

Exceptions to the penalty. The following are exceptions to the failure to file correct information returns penalty.

1. The penalty will not apply to any failure that you can show was due to reasonable cause and not to willful neglect. In general, you must be able to show that your failure was due to an event beyond your control or due to significant mitigating factors. You also must be able to show that you acted in a responsible manner and took steps to avoid the failure.

2. An inconsequential error or omission is not considered a failure to include correct information. An inconsequential error or omission does not prevent or hinder the SSA/IRS from processing the Form W-2, from correlating the information required to be shown on the form with the information shown on the payee's tax return, or from otherwise putting the form to its intended use. Errors and omissions that are never inconsequential are those relating to:

- A TIN,
- A payee's surname, and
- Any money amounts.

3. De minimis rule for corrections. Even though you cannot show reasonable cause, the penalty for failure to

file correct Forms W-2 will not apply to a certain number of returns if you:

- Filed those Forms W-2 on or before the required filing date,
- Either failed to include all of the information required on the form or included incorrect information, and
- Filed corrections of these forms by August 1, 2013.

If you meet all of the de minimis rule conditions, the penalty for filing incorrect information returns (including Form W-2) will not apply to the greater of 10 information returns (including Form W-2) or one-half of 1% of the total number of information returns (including Form W-2) that you are required to file for the calendar year.

Small businesses. For purposes of the lower maximum penalties shown in parentheses on page 10, you are a small business if your average annual gross receipts for the 3 most recent tax years (or for the period that you were in existence, if shorter) ending before the calendar year in which the Forms W-2 were due are \$5 million or less.

Intentional disregard of filing requirements. If any failure to file a correct Form W-2 is due to intentional disregard of the filing or correct information requirements, the penalty is at least \$250 per Form W-2 with no maximum penalty.

Failure to furnish correct payee statements. If you fail to provide correct payee statements (Forms W-2) to your employees and cannot show reasonable cause, you may be subject to a penalty as provided under section 6722. The penalty applies if you fail to provide the statement by January 31, 2013, if you fail to include all information required to be shown on the statement, or if you include incorrect information on the statement.

The amount of the penalty is based on when you furnish the correct payee statement. This penalty is an additional penalty and is applied in the same manner, and with the same amounts, as the penalty for failure to file correct information returns by the due date (section 6721), described on page 10.

Exceptions to the penalty. An inconsequential error or omission is not considered a failure to include correct information. An inconsequential error or omission cannot reasonably be expected to prevent or hinder the payee from timely receiving correct information and reporting it on his or her income tax return or from otherwise putting the statement to its intended use. Errors and omissions that are never inconsequential are those relating to:

- A dollar amount,
- A significant item in a payee's address, and
- The appropriate form for the information provided, such as whether the form is an acceptable substitute for the official IRS form.

See *Exceptions to the penalty in Failure to file correct information returns by the due date*, on page 10, for additional exceptions to the penalty for failure to file correct payee statements.

Intentional disregard of payee statement requirements. If any failure to provide a correct payee statement (Form W-2) to an employee is due to intentional disregard of the requirements to furnish a correct payee

statement, the penalty is \$250 per Form W-2 with no maximum penalty.

Civil damages for fraudulent filing of Forms W-2. If you willfully file a fraudulent Form W-2 for payments that you claim you made to another person, that person may be able to sue you for damages. You may have to pay \$5,000 or more.

Specific Instructions for Form W-2

How to complete Form W-2. Form W-2 is a multi-part form. Ensure all copies are legible. Send Copy A to the SSA; Copy 1, if required, to your state, city, or local tax department; and Copies B, C, and 2 to your employee. Keep Copy D, and a copy of Form W-3, with your records for 4 years.

Enter the information on Form W-2 using black ink in 12-point Courier font. Copy A is read by machine and must be typed clearly with no corrections made to the entries and with no entries exceeding the size of the boxes. Entries completed by hand, in script or italic fonts, or in colors other than black cannot be read by the machines. Make all dollar entries on Copy A without the dollar sign and comma but with the decimal point (00000.00). Show the cents portion of the money amounts. If a box does not apply, leave it blank.

Send the whole Copy A page of Form W-2 with Form W-3 to the SSA even if one of the Forms W-2 on the page is blank or void. Do not staple Forms W-2 together or to Form W-3. File Forms W-2 either alphabetically by employees' last names or numerically by employees' SSNs.

Calendar year basis. The entries on Form W-2 must be based on wages paid during the calendar year. Use Form W-2 for the correct tax year. For example, if the employee worked from December 21, 2012, through January 4, 2013, and the wages for that period were paid on January 5, 2013, include those wages on the 2013 Form W-2.

Multiple forms. If necessary, you can issue more than one Form W-2 to an employee. For example, you may need to report more than four coded items in box 12 or you may want to report other compensation on a second form. If you issue a second Form W-2, complete boxes a, b, c, d, e, and f with the same information as on the first Form W-2. Show any items that were not included on the first Form W-2 in the appropriate boxes. Also, see the *TIP* for Copy A (Form W-2) on page 15.

Do not report the same federal, American Samoa, Guam, or U.S. Virgin Islands tax data to the SSA on more than one Copy A.



For each Form W-2 showing an amount in box 3 or box 7, make certain that box 5 equals or exceeds the sum of boxes 3 and 7.

Void. Check this box when an error is made on Form W-2 and you are voiding it because you are going to complete a new Form W-2. Do not include any amounts shown on "Void" forms in the totals you enter on Form W-3. See *Corrections* on page 20.

Report distributions from NQDC or section 457 plans to beneficiaries of deceased employees on Form 1099-MISC, not on Form W-2.

Military employers must report military retirement payments on Form 1099-R.

TIP Do not report special wage payments, such as accumulated sick pay or vacation pay, in box 11. For more information on reporting special wage payments, see Pub. 957.

Box 12—Codes. Complete and code this box for all items described below. Note that the codes do not relate to where they should be entered in boxes 12a through 12d on Form W-2. For example, if you are only required to report code D in box 12, you can enter code D and the amount in box 12a of Form W-2. Report in box 12 any items that are listed as codes A through EE. Do not report in box 12 section 414(h)(2) contributions (relating to certain state or local government plans). Instead, use box 14 for these items and any other information that you wish to give to your employee. For example, union dues and uniform payments may be reported in box 14.

TIP On Copy A (Form W-2), do not enter more than four items in box 12. If more than four items need to be reported in box 12, use a separate Form W-2 to report the additional items (but enter no more than four items on each Copy A (Form W-2)). On all other copies of Form W-2 (Copies B, C, etc.), you may enter more than four items in box 12 when using an approved substitute Form W-2. See Multiple forms on page 12.

Use the IRS code designated below for the item you are entering, followed by the dollar amount for that item. Even if only one item is entered, you must use the IRS code designated for that item. Enter the code using a capital letter(s). Use decimal points but not dollar signs or commas. For example, if you are reporting \$5,300.00 in elective deferrals under a section 401(k) plan, the entry would be D 5300.00 (not A 5300.00 even though it is the first or only entry in this box). Report the IRS code to the left of the vertical line in boxes 12a through 12d and the money amount to the right of the vertical line.

See the *Form W-2 Reference Guide for Box 12 Codes* on page 24. See also the detailed instructions next for each code.

Code A—Uncollected social security or RRTA tax on tips. Show the employee social security or Railroad Retirement Tax Act (RRTA) tax on all of the employee's tips that you could not collect because the employee did not have enough funds from which to deduct it. Do not include this amount in box 4.

Code B—Uncollected Medicare tax on tips. Show the employee Medicare tax or RRTA Medicare tax on tips that you could not collect because the employee did not have enough funds from which to deduct it. Do not include this amount in box 6.

Code C—Taxable cost of group-term life insurance over \$50,000. Show the taxable cost of group-term life insurance coverage over \$50,000 provided to your employee (including a former employee). See *Group-term*

life insurance on page 8. Also include this amount in boxes 1, 3 (up to the social security wage base), and 5.

Codes D through H, S, Y, AA, BB, and EE. Use these codes to show elective deferrals and designated Roth contributions made to the plans listed. Do not report amounts for other types of plans. See the example for reporting elective deferrals under a section 401(k) plan, later.

The amount reported as elective deferrals and designated Roth contributions is only the part of the employee's salary (or other compensation) that he or she did not receive because of the deferrals or designated Roth contributions. Only elective deferrals and designated Roth contributions should be reported in box 12 for all coded plans; except, when using code G for section 457(b) plans, include both elective and nonelective deferrals.

For employees who were 50 years of age or older at any time during the year and made elective deferral and/or designated Roth "catch-up" contributions, report the elective deferrals and the elective deferral "catch-up" contributions as a single sum in box 12 using the appropriate code, and the designated Roth contributions and designated Roth "catch-up" contributions as a single sum in box 12 using the appropriate code.

TIP If any elective deferrals, salary reduction amounts, or nonelective contributions under a section 457(b) plan during the year are make-up amounts under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) for a prior year, you must enter the prior year contributions separately. Beginning with the earliest year, enter the code, the year, and the amount. For example, elective deferrals of \$2,250 for 2010 and \$1,250 for 2011 under USERRA under a section 401(k) plan are reported in box 12 as follows:

D 10 2250.00, D 11 1250.00. A 2012 contribution of \$7,000 does not require a year designation; enter it as D 7000.00. Report the code (and year for prior year USERRA contributions) to the left of the vertical line in boxes 12a through 12d.

The following are not elective deferrals and may be reported in box 14, but not in box 12.

- Nonelective employer contributions made on behalf of an employee.
- After-tax contributions that are not designated Roth contributions, such as voluntary contributions to a pension plan that are deducted from an employee's pay. See the instructions on page 17 for Code AA, Code BB, and Code EE for reporting designated Roth contributions.
- Required employee contributions.
- Employer matching contributions.

Code D—Elective deferrals under section 401(k) cash or deferred arrangement (plan). Also show deferrals under a SIMPLE retirement account that is part of a section 401(k) arrangement.

Example of reporting excess elective deferrals and designated Roth contributions under a section 401(k) plan. For 2012, Employee A (age 45) elected to defer \$18,300 under a section 401(k) plan. The employee also made a designated Roth contribution to the plan of

\$1,000, and made a voluntary (non-Roth) after-tax contribution of \$600. In addition, the employer, on A's behalf, made a qualified nonelective contribution of \$2,000 to the plan and a nonelective profit-sharing employer contribution of \$3,000.

Even though the 2012 limit for elective deferrals and designated Roth contributions is \$17,000, the employee's total elective deferral amount of \$18,300 is reported in box 12 with code D (D 18300.00). The designated Roth contribution is reported in box 12 with code AA (AA 1000.00). The employer must separately report the actual amounts of \$18,300 and \$1,000 in box 12 with the appropriate codes. The amount deferred in excess of the limit is not reported in box 1. The return of excess salary deferrals and excess designated contributions, including earnings on both, is reported on Form 1099-R.

The \$600 voluntary after-tax contribution may be reported in box 14 (this is optional) but not in box 12. The \$2,000 nonelective contribution and the \$3,000 nonelective profit-sharing employer contribution are not required to be reported on Form W-2, but may be reported in box 14.

Check the "Retirement plan" box in box 13.

Code E—Elective deferrals under a section 403(b) salary reduction agreement.

Code F—Elective deferrals under a section 408(k)(6) salary reduction SEP.

Code G—Elective deferrals and employer contributions (including nonelective deferrals) to any governmental or nongovernmental section 457(b) deferred compensation plan. Do not report either section 457(b) or section 457(f) amounts that are subject to a substantial risk of forfeiture.

Code H—Elective deferrals under section 501(c)(18)(D) tax-exempt organization plan. Be sure to include this amount in box 1 as wages. The employee will deduct the amount on his or her Form 1040.

Code J—Nontaxable sick pay. Show any sick pay that was paid by a third-party and was not includible in income (and not shown in boxes 1, 3, and 5) because the employee contributed to the sick pay plan. Do not include nontaxable disability payments made directly by a state.

Code K—20% excise tax on excess golden parachute payments (not applicable to Forms W-2AS, W-2GU, or W-2VI). If you made excess "golden parachute" payments to certain key corporate employees, report the 20% excise tax on these payments. If the excess payments are considered to be wages, report the 20% excise tax withheld as income tax withheld in box 2.

Code L—Substantiated employee business expense reimbursements. Use this code only if you reimbursed your employee for employee business expenses using a per diem or mileage allowance and the amount that you reimbursed exceeds the amount treated as substantiated under IRS rules. See *Employee business expense reimbursements* on page 7.

Report in box 12 only the amount treated as substantiated (such as the nontaxable part). Include in boxes 1, 3 (up to the social security wage base), and 5 the part of the reimbursement that is more than the amount treated as substantiated.

Code M—Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (for former employees). If you provided your former employees (including retirees) more than \$50,000 of group-term life insurance coverage for periods during which an employment relationship no longer exists, enter the amount of uncollected social security or RRTA tax on the coverage in box 12. Also see *Group-term life insurance* on page 8.

Code N—Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (for former employees). If you provided your former employees (including retirees) more than \$50,000 of group-term life insurance coverage for periods during which an employment relationship no longer exists, enter the amount of uncollected Medicare tax or RRTA Medicare tax on the coverage in box 12. Also see *Group-term life insurance* on page 8.

Code P—Excludable moving expense reimbursements paid directly to employee. Show the total moving expense reimbursements that you paid directly to your employee for qualified (deductible) moving expenses. See *Moving expenses* on page 9.

Code Q—Nontaxable combat pay. If you are a military employer, report any nontaxable combat pay in box 12.

Code R—Employer contributions to an Archer MSA. Show any employer contributions to an Archer MSA. See *Archer MSA* on page 6.

Code S—Employee salary reduction contributions under a section 408(p) SIMPLE plan. Show deferrals under a section 408(p) salary reduction SIMPLE retirement account. However, if the SIMPLE plan is part of a section 401(k) arrangement, use code D. If you are reporting prior year contributions under USERRA, see the TIP above Code D on page 15.

Code T—Adoption benefits. Show the total that you paid or reimbursed for qualified adoption expenses furnished to your employee under an adoption assistance program. Also include adoption benefits paid or reimbursed from the pre-tax contributions made by the employee under a section 125 (cafeteria) plan. However, do not include adoption benefits forfeited from a section 125 (cafeteria) plan. Report all amounts including those in excess of the \$12,650 exclusion. For more information, see *Adoption benefits* on page 6.

Code V—Income from the exercise of nonstatutory stock option(s). Show the spread (that is, the fair market value of stock over the exercise price of option(s) granted to your employee with respect to that stock) from your employee's (or former employee's) exercise of nonstatutory stock option(s). Include this amount in boxes 1, 3 (up to the social security wage base), and 5.

This reporting requirement does not apply to the exercise of a statutory stock option, or the sale or disposition of stock acquired pursuant to the exercise of a statutory stock option. For more information about the taxability of employee stock options, see Pub. 15-B.

Code W—Employer contributions to a health savings account (HSA). Show any employer contributions (including amounts the employee elected to

contribute using a section 125 (cafeteria) plan) to an HSA. See *Health savings account (HSA)* on page 8.

Code Y—Deferrals under a section 409A

nonqualified deferred compensation plan. It is not necessary to show deferrals in box 12 with code Y. For more information, see Notice 2008-115. However, if you report these deferrals, show current year deferrals, including earnings during the year on current year and prior year deferrals. See *Nonqualified deferred compensation plans* on page 9.

Code Z—Income under section 409A on a nonqualified deferred compensation plan. Enter all amounts deferred (including earnings on amounts deferred) that are includible in income under section 409A because the NQDC plan fails to satisfy the requirements of section 409A. Do not include amounts properly reported on a Form 1099-MISC, corrected Form 1099-MISC, Form W-2, or Form W-2c for a prior year. Also, do not include amounts that are considered to be subject to a substantial risk of forfeiture for purposes of section 409A. For more information, see Regulations sections 1.409A-1 through 1.409A-6 and Notice 2008-115.

The amount reported in box 12 using code Z is also reported in box 1 and is subject to an additional tax reported on the employee's Form 1040. See *Nonqualified deferred compensation plans* on page 9.

For information regarding correcting section 409A errors and related reporting, see Notice 2008-113, Notice 2010-6, and Notice 2010-80.

Code AA—Designated Roth contributions under a section 401(k) plan. Use this code to report designated Roth contributions under a section 401(k) plan. Do not use this code to report elective deferrals under code D. See *Designated Roth contributions* on page 7.

Code BB—Designated Roth contributions under a section 403(b) plan. Use this code to report designated Roth contributions under a section 403(b) plan. Do not use this code to report elective deferrals under code E. See *Designated Roth contributions* on page 7.

Code DD—Cost of employer-sponsored health coverage. Use this code to report the cost of employer-sponsored health coverage. **The amount reported with code DD is not taxable.** Additional reporting guidance, including information about the transitional reporting rules that apply, is available on the Affordable Care Act Tax Provisions page of IRS.gov.

Code EE—Designated Roth contributions under a governmental section 457(b) plan. Use this code to report designated Roth contributions under a governmental section 457(b) plan. Do not use this code to report elective deferrals under code G. See *Designated Roth contributions* on page 7.

Box 13—Checkboxes. Check all boxes that apply.

• **Statutory employee.** Check this box for statutory employees whose earnings are subject to social security and Medicare taxes but not subject to federal income tax withholding. Do not check this box for common-law employees. There are workers who are independent contractors under the common-law rules but are treated by statute as employees. They are called statutory employees.

1. A driver who distributes beverages (other than milk), or meat, vegetable, fruit, or bakery products; or who picks up and delivers laundry or dry cleaning if the driver is your agent or is paid on commission.

2. A full-time life insurance sales agent whose principal business activity is selling life insurance or annuity contracts, or both, primarily for one life insurance company.

3. An individual who works at home on materials or goods that you supply and that must be returned to you or to a person you name if you also furnish specifications for the work to be done.

4. A full-time traveling or city salesperson who works on your behalf and turns in orders to you from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments. The goods sold must be merchandise for resale or supplies for use in the buyer's business operation. The work performed for you must be the salesperson's principal business activity.

For details on statutory employees and common-law employees, see section 1 in Pub. 15-A.

• **Retirement plan.** Check this box if the employee was an "active participant" (for any part of the year) in any of the following.

1. A qualified pension, profit-sharing, or stock-bonus plan described in section 401(a) (including a 401(k) plan).

2. An annuity plan described in section 403(a).

3. An annuity contract or custodial account described in section 403(b).

4. A simplified employee pension (SEP) plan described in section 408(k).

5. A SIMPLE retirement account described in section 408(p).

6. A trust described in section 501(c)(18).

7. A plan for federal, state, or local government employees or by an agency or instrumentality thereof (other than a section 457(b) plan).

Generally, an employee is an active participant if covered by (a) a defined benefit plan for any tax year that he or she is eligible to participate in or (b) a defined contribution plan (for example, a section 401(k) plan) for any tax year that employer or employee contributions (or forfeitures) are added to his or her account. For additional information on employees who are eligible to participate in a plan, contact your plan administrator. For details on the active participant rules, see Notice 87-16, 1987-1 C.B. 446; Notice 98-49, 1998-2 C.B. 365; section 219(g)(5); and Pub. 590, Individual Retirement Arrangements (IRAs). You can find Notice 98-49 on page 5 of Internal Revenue Bulletin 1998-38 at www.irs.gov/pub/irs-irbs/irb98-38.pdf. Also see Notice 2000-30, which is on page 1266 of Internal Revenue Bulletin 2000-25 at www.irs.gov/pub/irs-irbs/irb00-25.pdf.



Do not check this box for contributions made to a nonqualified or section 457(b) plan.

• **Third-party sick pay.** Check this box only if you are a third-party sick pay payer filing a Form W-2 for an insured's employee or are an employer reporting sick pay

payments made by a third party. See *Sick Pay Reporting* in section 6 of Pub. 15-A.

Box 14—Other. If you included 100% of a vehicle's annual lease value in the employee's income, it also must be reported here or on a separate statement to your employee. You also may use this box for any other information that you want to give to your employee. Label each item. Examples include state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance payments, or a member of the clergy's parsonage allowance and utilities. In addition, you may enter the following contributions to a pension plan: (a) nonelective employer contributions made on behalf of an employee, (b) voluntary after-tax contributions (but not designated Roth contributions) that are deducted from an employee's pay, (c) required employee contributions, and (d) employer matching contributions.

If you are reporting prior year contributions under USERRA (see the *TIP* above Code D on page 15 and *Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) makeup amounts to a pension plan* on page 10), you may report in box 14 makeup amounts for nonelective employer contributions, voluntary after-tax contributions, required employee contributions, and employer matching contributions. Report such amounts separately for each year. Railroad employers, see page 9.

Boxes 15 through 20—State and local income tax information (not applicable to Forms W-2AS, W-2GU, or W-2VI). Use these boxes to report state and local income tax information. Enter the two-letter abbreviation for the name of the state. The employer's state ID numbers are assigned by the individual states. The state and local information boxes can be used to report wages and taxes for two states and two localities. Keep each state's and locality's information separated by the broken line. If you need to report information for more than two states or localities, prepare a second Form W-2. See *Multiple forms* on page 12. Contact your state or locality for specific reporting information.

Specific Instructions for Form W-3

How to complete Form W-3. The instructions under *How to complete Form W-2* on page 11 generally apply to Form W-3. Use black ink for all entries. Scanners cannot read entries if the type is too light. Be sure to send the entire page of the Form W-3.



Amounts reported on related employment tax forms (for example, Form W-2, Form 941, Form 941-SS, Form 943, or Form 944) should agree with the amounts reported on Form W-3. If there are differences, you may be contacted by the IRS and SSA. Retain your reconciliation information for future reference. See Reconciling Forms W-2, W-3, 941, 941-SS, 943, 944, CT-1, and Schedule H (Form 1040) on page 19.

Box a—Control number. This is an optional box that you may use for numbering the whole transmittal.

Box b—Kind of Payer. Check the box that applies to you. Check only one box. If you have more than one type of Form W-2, send each type with a separate Form W-3. **Note.** The "Third-party sick pay" indicator box does not designate a separate kind of payer.

941 or 941-SS. Check this box if you file Form 941 or Form 941-SS and no other category applies. A church or church organization should check this box even if it is not required to file Form 941, Form 941-SS, or Form 944.

Military. Check this box if you are a military employer sending Forms W-2 for members of the uniformed services.

943. Check this box if you are an agricultural employer and file Form 943 and you are sending Forms W-2 for agricultural employees. For nonagricultural employees, send their Forms W-2 with a separate Form W-3, checking the appropriate box.

944. Check this box if you file Form 944 (or Formulario 944(SP), its Spanish-language version), and no other category applies.

CT-1. Check this box if you are a railroad employer sending Forms W-2 for employees covered under the Railroad Retirement Tax Act (RRTA). Do not show employee RRTA tax in boxes 3 through 7. These boxes are only for social security and Medicare information. If you also have employees who are subject to social security and Medicare taxes, send that group's Forms W-2 with a separate Form W-3 and check the "941" checkbox on that Form W-3.

Hshld. emp. Check this box if you are a household employer sending Forms W-2 for household employees and you did not include the household employee's taxes on Form 941, Form 941-SS, Form 943, or Form 944.

Medicare govt. emp. Check this box if you are a U.S., state, or local agency filing Forms W-2 for employees subject only to the 1.45% Medicare tax. See *Government employers* on page 8.

Box b—Kind of Employer. Check the box that applies to you. Check only one box unless the second checked box is "Third-party sick pay." See Pub. 557, *Tax-Exempt Status for Your Organization*, for information about 501(c)(3) tax-exempt organizations.

None apply. Check this box if none of the checkboxes discussed next apply to you.

501c non-govt. Check this box if you are a non-governmental tax-exempt section 501(c) organization. Types of 501(c) non-governmental organizations include private foundations, public charities, social and recreation clubs, and veterans organizations. For additional examples of 501(c) non-governmental organizations, see chapters 3 and 4 of Pub. 557, *Tax-Exempt Status for Your Organization*.

State/local non-501c. Check this box if you are a state or local government or instrumentality. This includes cities, townships, counties, special-purpose districts, public schools districts, or other publicly-owned entities with governmental authority.

State/local 501c. Check this box if you are a state or local government or instrumentality, and you have received a determination letter from the IRS indicating that you are also a tax-exempt organization under section 501(c)(3).

- Do not report a nonzero amount in box 4 if boxes 3 and 7 are both zero.
- Do not report a nonzero amount in box 6 if box 5 is zero.
- Do not report an amount in box 5 that is less than the sum of boxes 3 and 7.
- Make sure that the social security wage amount for each employee does not exceed the annual social security wage base limit (\$110,100 for 2012).
- Do not report noncash wages that are not subject to social security or Medicare taxes as social security or Medicare wages.
- If you use an EIN on any quarterly Form 941 or Form 941-SS for the year (or annual Forms 943, 944, CT-1, or Schedule H (Form 1040)) that is different from the EIN reported in box e on Form W-3, enter the other EIN in box h on Form W-3.

To reduce the discrepancies between amounts reported on Forms W-2 and W-3, and Forms 941, 941-SS, 943, 944, CT-1, and Schedule H (Form 1040):

- Be sure that the amounts on Form W-3 are the total amounts from Forms W-2.
- Reconcile Form W-3 with your four quarterly Forms 941 or 941-SS (or annual Forms 943, 944, CT-1, or Schedule H (Form 1040)) by comparing amounts reported for:

1. Income tax withholding (box 2).
2. Social security wages, Medicare wages and tips, and social security tips (boxes 3, 5, and 7). Form W-3 should include Form 941 or 941-SS or Forms 943, 944, or Schedule H (Form 1040) adjustments only for the current year. If the Form 941, Form 941-SS, Form 943, or Form 944 adjustments include amounts for a prior year, do not report those prior year adjustments on the current year Forms W-2 and W-3.
3. Social security and Medicare taxes (boxes 4 and 6). The amounts shown on the four quarterly Forms 941 or 941-SS (or annual Form 943, Form 944, or Schedule H (Form 1040)), including current year adjustments, should be approximately twice the amounts shown on Form W-3.

Amounts reported on Forms W-2 and W-3, and Forms 941, 941-SS, 943, 944, CT-1, or Schedule H (Form 1040) may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Retain your reconciliation information in case you receive inquiries from the IRS or the SSA.

General Instructions for Forms W-2c and W-3c

Applicable forms. Use with the February 2009 revision of Form W-2c and the December 2011 revision of Form W-3c.

Purpose of forms. Use Form W-2c to correct errors on Form W-2, W-2AS, W-2CM, W-2GU, W-2VI, or W-2c filed with the SSA. Also use Form W-2c to provide a corrected Form W-2, W-2AS, W-2CM, W-2GU, W-2VI, or W-2c to employees.

Corrections reported on Form W-2c may require you to make corrections to your previously filed employment tax

returns using the corresponding "X" form, such as Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund; Form 943-X, Adjusted Employer's Annual Federal Tax Return for Agricultural Employees or Claim for Refund; Form 944-X, Adjusted Employer's ANNUAL Federal Tax Return or Claim for Refund; or Form CT-1X, Adjusted Employer's Annual Railroad Retirement Tax Return or Claim for Refund. See section 13 of Pub. 15 (Circular E) for more information. If you are making corrections to a previously filed Schedule H (Form 1040), see Pub. 926, Household Employer's Tax Guide. If an employee repaid you for wages received in a prior year, also see *Repayments* on page 9.

Do not use Form W-2c to report corrections to back pay. Instead, see Pub. 957, Reporting Back Pay and Special Wage Payments to the Social Security Administration, and Form SSA-131, Employer Report of Special Wage Payments.

Do not use Form W-2c to correct Form W-2G, Certain Gambling Winnings. Instead, see the General Instructions for Certain Information Returns for the current reporting year.

Use Form W-3c to send Copy A of Form W-2c to the SSA. Always file Form W-3c when submitting one or more Forms W-2c.

E-filing Forms W-2c and W-3c. The SSA encourages all employers to *e-file* using its secure BSO website. E-filing can save you effort and helps ensure accuracy. See *E-filing* on page 2 for more information.

Where to file paper Forms W-2c and W-3c. If you use the U.S. Postal Service, send Forms W-2c and W-3c to:

Social Security Administration
Data Operations Center
P.O. Box 3333
Wilkes-Barre, PA 18767-3333

If you use a carrier other than the U.S. Postal Service, send Forms W-2c and W-3c to:

Social Security Administration
Data Operations Center
Attn: W-2c Process
1150 E. Mountain Drive
Wilkes-Barre, PA 18702-7997

See Pub. 15 (Circular E) for a list of IRS-designated private delivery services.



Do not send Forms W-2, W-2AS, W-2GU, or W-2VI to either of these addresses. Instead, see Where to file paper Forms W-2 and W-3 on page 4.

When to file. File Forms W-2c and W-3c as soon as possible after you discover an error. Also provide Form W-2c to employees as soon as possible.

How to complete. If you file Forms W-2c and W-3c on paper, make all entries using dark or black ink in 12-point Courier font, if possible, and make sure all copies are legible. See *How to complete Form W-2* on page 11.

If any item shows a change in the dollar amount and one of the amounts is zero, enter "-0-." Do not leave the box blank.

Who may sign Form W-3c. Generally, employers must sign Form W-3c. See *Who may sign Form W-3* on page 4 for more information.

Special Situations for Forms W-2c and W-3c

HIRE wages and tips paid to qualified employees.

Employers who hired a qualified employee under the HIRE Act must report the amount of social security wages and tips paid after March 18, 2010, and before January 1, 2011, for which the employer claimed the payroll tax exemption. A qualified employee is one who:

- Was hired after February 3, 2010, and before January 1, 2011;
- Was not hired to replace another employee unless the other employee separated from employment voluntarily or for cause (including downsizing);
- Was not a family member or other related individual of the employer; and
- Signed Form W-11, Hiring Incentives to Restore Employment (HIRE) Act Employee Affidavit, or other similar statement under penalties of perjury, certifying under penalties of perjury that he or she had not worked more than 40 hours during the 60 days prior to beginning employment.

Report any corrections to the amount of wages and tips paid to the qualified employee for which you claimed the payroll tax exemption in box 12 using code CC. This will include wages and tips paid to the qualified employee from April 1, 2010, through December 31, 2010, for which you claimed the payroll tax exemption, plus wages and tips paid to the qualified employee from March 19, 2010, through March 31, 2010, for which you claimed a payroll tax credit. The amount may not exceed \$106,800 (2010 maximum social security wage base). For more information, visit IRS.gov and enter "Payroll Tax Exemption for Hiring Unemployed Workers" in the search box.

Undeliverable Forms W-2c. See *Undeliverable Forms W-2* on page 5 for more information.

Correcting Forms W-2 and W-3

Corrections. Use the current version of Form W-2c to correct errors (such as incorrect name, SSN, or amount) on a previously filed Form W-2 or Form W-2c. File Copy A of Form W-2c with the SSA. To *e-file* your corrections, see *Correcting wage reports* on page 2.

If the SSA issues your employee a replacement card after a name change, or a new card with a different social security number after a change in alien work status, file a Form W-2c to correct the name/SSN reported on the most recently filed Form W-2. It is not necessary to correct the prior years if the previous name and number were used for the years prior to the most recently filed Form W-2.

File Form W-3c whenever you file a Form W-2c with the SSA, even if you are only filing a Form W-2c to correct an employee's name or SSN. However, see *Employee's*

incorrect address on Form W-2, later, for information on correcting an employee's address. See *Correcting an incorrect tax year and/or EIN incorrectly reported on Form W-2 or Form W-3*, below, if an error was made on a previously filed Form W-3.

If you discover an error on Form W-2 after you issue it to your employee but before you send it to the SSA, check the "Void" box at the top of the incorrect Form W-2 on Copy A. Prepare a new Form W-2 with the correct information, and send Copy A to the SSA. Write "CORRECTED" on the employee's new copies (B, C, and 2), and furnish them to the employee. If the "Void" Form W-2 is on a page with a correct Form W-2, send the entire page to the SSA. The "Void" form will not be processed. Do not write "CORRECTED" on Copy A of Form W-2.

If you are making a correction for a previously filed Form 941, Form 941-SS, Form 943, Form 944, Form 944-SS, or Form CT-1, use the corresponding "X" form, such as Form 941-X, Form 943-X, Form 944-X, or Form CT-1X for the return period in which you found the error. See section 13 of Pub. 15 (Circular E) for more details. If you are making corrections to a previously filed Schedule H (Form 1040), see Pub. 926. Issue the employee a Form W-2c if the error discovered was for the prior year.

Correcting an employee's name and/or SSN only. If you are correcting only an employee's name and/or SSN, complete Form W-2c boxes d through i. Do not complete boxes 1 through 20. Advise your employee to correct the SSN and/or name on his or her original Form W-2.

If your employee is given a new social security card following an adjustment to his or her resident status that shows a different name or SSN, file a Form W-2c for the most current year only.

Correcting an employee's name and SSN if the SSN was reported as blanks or zeros and the employee name was reported as blanks. If you need to correct an employee's name and SSN, and the SSN was reported as blanks or zeros and the employee's name was reported as blanks, do not use Form W-2c to report the corrections. You must contact the SSA at 1-800-772-6270 for instructions.

Correcting an incorrect tax year and/or EIN incorrectly reported on Form W-2 or Form W-3. To correct an incorrect tax year and/or EIN on a previously submitted Form W-2 or Form W-3, file one Form W-3c along with a Form W-2c for each affected employee. Enter the tax year and EIN originally reported, and enter in the "Previously reported" boxes the money amounts that were on the original Form W-2. In the "Correct information" boxes, enter zeros. Prepare a second Form W-3c along with a second Form W-2c for each affected employee. Enter zeros in the "Previously reported" boxes, and enter the correct money amounts in the "Correct information" boxes. Enter the correct tax year and/or correct EIN.

Correcting more than one Form W-2 for an employee. There are two ways to prepare a correction for an employee for whom more than one Form W-2 was filed under the same EIN for the tax year. You can (1) consider all the Forms W-2 when determining the amounts to enter

employer identification number (EIN). Failure to provide this information in a timely manner or providing false or fraudulent information may subject you to penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law.

Generally, tax returns and return information are confidential, as required by section 6103. However, section 6103 allows or requires the Internal Revenue Service to disclose or give the information shown on your return to others as described in the Code. For example, we may disclose your tax information to the Department of Justice for civil and/or criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws.

We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The time needed to complete and file these forms will vary depending on individual circumstances. The estimated average times are: Form W-2—30 minutes; Form W-3—28 minutes; Form W-2c—40 minutes; Form W-3c—51 minutes. If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send Forms W-2 and W-3 to this address. Instead, see *Where to file paper Forms W-2 and W-3* on page 4.

Form W-2 Reference Guide for Box 12 Codes (See the box 12 instructions.)

A	Uncollected social security or RRTA tax on tips	K	20% excise tax on excess golden parachute payments	V	Income from exercise of nonstatutory stock option(s)
B	Uncollected Medicare tax on tips	L	Substantiated employee business expense reimbursements	W	Employer contributions (including employee contributions through a cafeteria plan) to an employee's health savings account (HSA)
C	Taxable cost of group-term life insurance over \$50,000	M	Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (former employees only)	Y	Deferrals under a section 409A nonqualified deferred compensation plan
D	Elective deferrals to a section 401(k) cash or deferred arrangement plan (including a SIMPLE 401(k) arrangement)	N	Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (former employees only)	Z	Income under section 409A on a nonqualified deferred compensation plan
E	Elective deferrals under a section 403(b) salary reduction agreement	P	Excludable moving expense reimbursements paid directly to employee	AA	Designated Roth contributions under a section 401(k) plan
F	Elective deferrals under a section 408(k)(6) salary reduction SEP	Q	Nontaxable combat pay	BB	Designated Roth contributions under a section 403(b) plan
G	Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan	R	Employer contributions to an Archer MSA	CC	HIRE exempt wages and tips (2010 only)
H	Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan	S	Employee salary reduction contributions under a section 408(p) SIMPLE plan	DD	Cost of employer-sponsored health coverage
J	Nontaxable sick pay	T	Adoption benefits	EE	Designated Roth contributions under a governmental section 457(b) plan

W-2

Attention:

This form is provided for informational purposes only. Copy A appears in red, similar to the official IRS form. Do **not** file copy A downloaded from this website with the SSA. The official printed version of this IRS form is scannable, but the online version of it, printed from this website, is not. A penalty may be imposed for filing forms that can't be scanned. See the penalties section in the current General Instructions for Forms W-2 and W-3 for more information.

To order official IRS forms, call 1-800-TAX-FORM (1-800-829-3676) or [Order Information Returns and Employer Returns Online](#), and we'll mail you the scannable forms and other products.

You may file Forms W-2 and W-3 electronically on the SSA's website at [Employer Reporting Instructions & Information](#). You can create fill-in versions of Forms W-2 and W-3 for filing with SSA. You may also print out copies for filing with state or local governments, distribution to your employees, and for your records.

See IRS Publications 1141, 1167, 1179 and other IRS resources for information about printing these tax forms.

22222		Void <input type="checkbox"/>	a Employee's social security number		For Official Use Only ▶ OMB No. 1545-0008						
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld						
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld						
			5 Medicare wages and tips		6 Medicare tax withheld						
			7 Social security tips		8 Allocated tips						
d Control number			9		10 Dependent care benefits						
e Employee's first name and initial		Last name		Suff.	11 Nonqualified plans		12a See instructions for box 12				
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/>		Retirement plan <input type="checkbox"/>		Third-party sick pay <input type="checkbox"/>		12b		
			14 Other				12c		12d		
15 State	Employer's state ID 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

2012

Department of the Treasury—Internal Revenue Service
For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Copy A For Social Security Administration — Send this entire page with Form W-3 to the Social Security Administration; photocopies are not acceptable.

Cat. No. 10134D

Do Not Cut, Fold, or Staple Forms on This Page

Notice to Employee

Refund. Even if you do not have to file a tax return, you should file to get a refund if box 2 shows federal income tax withheld or if you can take the earned income credit.

Earned income credit (EIC). You may be able to take the EIC for 2012 if (a) you do not have a qualifying child and you earned less than \$13,980 (\$19,190 if married filing jointly), (b) you have one qualifying child and you earned less than \$36,920 (\$42,130 if married filing jointly), (c) you have two qualifying children and you earned less than \$41,952 (\$47,162 if married filing jointly), or (d) you have three or more qualifying children and you earned less than \$45,060 (\$50,270 if married filing jointly). You and any qualifying children must have valid social security numbers (SSNs). You cannot take the EIC if your investment income is more than \$3,200, or if income is earned for services provided while you were an inmate at a penal institution. **Any EIC that is more than your tax liability is refunded to you, but only if you file a tax return.**

Clergy and religious workers. If you are not subject to social security and Medicare taxes, see Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Corrections. If your name, SSN, or address is incorrect, correct Copies B, C, and 2 and ask your employer to correct your employment record. Be sure to ask the employer to file Form W-2c, Corrected Wage and Tax Statement, with the Social Security Administration (SSA)

to correct any name, SSN, or money amount error reported to the SSA on Form W-2. If your name and SSN are correct but are not the same as shown on your social security card, you should ask for a new card that displays your correct name at any SSA office or by calling 1-800-772-1213. You also may visit the SSA at www.socialsecurity.gov.

Cost of employer-sponsored health coverage (if such cost is provided by the employer). The reporting in Box 12, using Code DD, of the cost of employer-sponsored health coverage is for your information only. **The amount reported with Code DD is not taxable.**

Credit for excess taxes. If you had more than one employer in 2012 and more than \$4,624.20 in social security and/or Tier I railroad retirement (RRTA) taxes were withheld, you may be able to claim a credit for the excess against your federal income tax. If you had more than one railroad employer and more than \$3,192.90 in Tier II RRRA tax was withheld, you also may be able to claim a credit. See your Form 1040 or Form 1040A instructions and Pub. 505, Tax Withholding and Estimated Tax.

(Also see *Instructions for Employee* on the back of Copy C.)

Instructions for Employee (Also see *Notice to Employee*, on the back of Copy B.)

Box 1. Enter this amount on the wages line of your tax return.

Box 2. Enter this amount on the federal income tax withheld line of your tax return.

Box 8. This amount is **not** included in boxes 1, 3, 5, or 7. For information on how to report tips on your tax return, see your Form 1040 instructions.

Unless you have records that show you did not receive the amount reported in box 8 as allocated tips, you must file Form 4137, Social Security and Medicare Tax on Unreported Tip Income, with your income tax return to report the allocated tip amount. On Form 4137 you will figure the social security and Medicare tax owed on the allocated tips shown on your Form(s) W-2 that you must report as income and on other tips you did not report to your employer. By filing Form 4137, your social security tips will be credited to your social security record (used to figure your benefits).

Box 10. This amount is the total dependent care benefits that your employer paid to you or incurred on your behalf (including amounts from a section 125 (cafeteria) plan). Any amount over \$5,000 is also included in box 1. Complete Form 2441, Child and Dependent Care Expenses, to compute any taxable and nontaxable amounts.

Box 11. This amount is (a) reported in box 1 if it is a distribution made to you from a nonqualified deferred compensation or nongovernmental section 457(b) plan or (b) included in box 3 and/or 5 if it is a prior year deferral under a nonqualified or section 457(b) plan that became taxable for social security and Medicare taxes this year because there is no longer a substantial risk of forfeiture of your right to the deferred amount.

Box 12. The following list explains the codes shown in box 12. You may need this information to complete your tax return. Elective deferrals (codes D, E, F, and S) and designated Roth

contributions (codes AA, BB, and EE) under all plans are generally limited to a total of \$17,000 (\$11,500 if you only have SIMPLE plans; \$20,000 for section 403(b) plans if you qualify for the 15-year rule explained in Pub. 571). Deferrals under code G are limited to \$17,000. Deferrals under code H are limited to \$7,000.

However, if you were at least age 50 in 2012, your employer may have allowed an additional deferral of up to \$5,500 (\$2,500 for section 401(k)(11) and 408(p) SIMPLE plans). This additional deferral amount is not subject to the overall limit on elective deferrals. For code G, the limit on elective deferrals may be higher for the last 3 years before you reach retirement age. Contact your plan administrator for more information. Amounts in excess of the overall elective deferral limit must be included in income. See the "Wages, Salaries, Tips, etc." line instructions for Form 1040.

Note. If a year follows code D through H, S, Y, AA, BB, or EE, you made a make-up pension contribution for a prior year(s) when you were in military service. To figure whether you made excess deferrals, consider these amounts for the year shown, not the current year. If no year is shown, the contributions are for the current year.

A—Uncollected social security or RRTA tax on tips. Include this tax on Form 1040. See "Other Taxes" in the Form 1040 instructions.

B—Uncollected Medicare tax on tips. Include this tax on Form 1040. See "Other Taxes" in the Form 1040 instructions.

C—Taxable cost of group-term life insurance over \$50,000 (included in boxes 1, 3 (up to social security wage base), and 5)

D—Elective deferrals to a section 401(k) cash or deferred arrangement. Also includes deferrals under a SIMPLE retirement account that is part of a section 401(k) arrangement.

E—Elective deferrals under a section 403(b) salary reduction agreement

(continued on back of Copy 2)

Instructions for Employee *(continued from back of Copy C)*

F—Elective deferrals under a section 408(k)(6) salary reduction SEP

G—Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan

H—Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan. See "Adjusted Gross Income" in the Form 1040 instructions for how to deduct.

J—Nontaxable sick pay (information only, not included in boxes 1, 3, or 5)

K—20% excise tax on excess golden parachute payments. See "Other Taxes" in the Form 1040 instructions.

L—Substantiated employee business expense reimbursements (nontaxable)

M—Uncollected social security or RRTA tax on taxable cost of group-term life insurance over \$50,000 (former employees only). See "Other Taxes" in the Form 1040 instructions.

N—Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (former employees only). See "Other Taxes" in the Form 1040 instructions.

P—Excludable moving expense reimbursements paid directly to employee (not included in boxes 1, 3, or 5)

Q—Nontaxable combat pay. See the instructions for Form 1040 or Form 1040A for details on reporting this amount.

R—Employer contributions to your Archer MSA. Report on Form 8853, Archer MSAs and Long-Term Care Insurance Contracts.

S—Employee salary reduction contributions under a section 408(p) SIMPLE plan (not included in box 1)

T—Adoption benefits (not included in box 1). Complete Form 8839, Qualified Adoption Expenses, to compute any taxable and nontaxable amounts.

V—Income from exercise of nonstatutory stock option(s) (included in boxes 1, 3 (up to social security wage base), and 5). See Pub. 525 and instructions for Schedule D (Form 1040) for reporting requirements.

W—Employer contributions (including amounts the employee elected to contribute using a section 125 (cafeteria) plan) to your health savings account. Report on Form 8889, Health Savings Accounts (HSAs).

Y—Deferrals under a section 409A nonqualified deferred compensation plan

Z—Income under section 409A on a nonqualified deferred compensation plan. This amount is also included in box 1. It is subject to an additional 20% tax plus interest. See "Other Taxes" in the Form 1040 instructions.

AA—Designated Roth contributions under a section 401(k) plan

BB—Designated Roth contributions under a section 403(b) plan

DD—Cost of employer-sponsored health coverage. **The amount reported with Code DD is not taxable.**

EE—Designated Roth contributions under a governmental section 457(b) plan. This amount does not apply to contributions under a tax-exempt organization section 457(b) plan.

Box 13. If the "Retirement plan" box is checked, special limits may apply to the amount of traditional IRA contributions you may deduct.

Note. Keep **Copy C** of Form W-2 for at least 3 years after the due date for filing your income tax return. However, to help **protect your social security benefits**, keep Copy C until you begin receiving social security benefits, just in case there is a question about your work record and/or earnings in a particular year.

Employers, Please Note—

Specific information needed to complete Form W-2 is available in a separate booklet titled the 2012 General Instructions for Forms W-2 and W-3. You can order those instructions and additional forms by calling 1-800-TAX-FORM (1-800-829-3676). You also can get forms and instructions at IRS.gov.

Caution. *Do not send the SSA Forms W-2 and W-3 that you have printed from IRS.gov. The SSA is unable to process these forms. Instead, you can create and submit them online. See E-filing, later.*

Due dates. By January 31, 2013, furnish Copies B, C, and 2 to each person who was your employee during 2012. By February 28, 2013, send Copy A of Form(s) W-2 and W-3 to the SSA. However, if you file electronically, the due date is April 1, 2013. See the separate instructions.

Need help? If you have questions about reporting on Form W-2, call the information reporting customer service site toll free at 1-866-455-7438 or 304-263-8700 (not toll free). For TTY/TDD equipment, call 304-579-4827 (not toll free). The hours of operation are 8:30 a.m. to 4:30 p.m. Eastern time.

E-filing. If you file 250 or more Form(s) W-2, you must file electronically. E-filing can save you time and effort, even if you are not required to do so. Employers may now use the SSA's W-2 Online service to create, save, print, and submit up to 50 Form(s) W-2 at a time over the internet. For information, visit the SSA's Employer W-2 Filing Instructions & Information website at www.socialsecurity.gov/employer.

Future developments. The IRS has created a page on IRS.gov for information about Form W-2 and its instructions at www.irs.gov/w2. Information about any future developments affecting Form W-2 (such as legislation enacted after we release it) will be posted on that page.

W-3

Attention:

This form is provided for informational purposes only. Copy A appears in red, similar to the official IRS form. Do **not** file copy A downloaded from this website with the SSA. The official printed version of this IRS form is scannable, but the online version of it, printed from this website, is not. A penalty may be imposed for filing forms that can't be scanned. See the penalties section in the current General Instructions for Forms W-2 and W-3 for more information.

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You may file Forms W-2 and W-3 electronically on the SSA's website at [Employer Reporting Instructions & Information](#). You can create fill-in versions of Forms W-2 and W-3 for filing with SSA. You may also print out copies for filing with state or local governments, distribution to your employees, and for your records.

See IRS Publications 1141, 1167, 1179 and other IRS resources for information about printing these tax forms.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer (Check one)		Kind of Employer (Check one)		Third-party sick pay (Check if applicable)	
<input type="checkbox"/> 941 Military <input type="checkbox"/> CT-1 <input type="checkbox"/> 943 Hshld. emp. <input type="checkbox"/> Medicare govt. emp. <input type="checkbox"/> 944		<input type="checkbox"/> None apply <input type="checkbox"/> State/local non-501c <input type="checkbox"/> 501c non-govt. <input type="checkbox"/> State/local 501c <input type="checkbox"/> Federal govt.		<input type="checkbox"/>	
c Total number of Forms W-2		d Establishment number		1 Wages, tips, other compensation	
e Employer identification number (EIN)		3 Social security wages		2 Federal income tax withheld	
f Employer's name		5 Medicare wages and tips		4 Social security tax withheld	
g Employer's address and ZIP code		7 Social security tips		6 Medicare tax withheld	
		9		8 Allocated tips	
		11 Nonqualified plans		10 Dependent care benefits	
h Other EIN used this year		13 For third-party sick pay use only		12a Deferred compensation	
15 State Employer's state ID number		14 Income tax withheld by payer of third-party sick pay		12b	
16 State wages, tips, etc.		17 State income tax		18 Local wages, tips, etc.	
19 Local income tax		Contact person		Telephone number	
Email address		Fax number		For Official Use Only	

Under penalties of perjury, I declare that I have examined this return and accompanying documents and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature ▶

Title ▶

Date ▶

Form W-3 Transmittal of Wage and Tax Statements 2012

Department of the Treasury
Internal Revenue Service

Send this entire page with the entire Copy A page of Form(s) W-2 to the Social Security Administration (SSA). Photocopies are not acceptable. Do not send Form W-3 if you filed electronically with the SSA. Do not send any payment (cash, checks, money orders, etc.) with Forms W-2 and W-3.

Reminder

Separate instructions. See the 2012 General Instructions for Forms W-2 and W-3 for information on completing this form.

Purpose of Form

A Form W-3 Transmittal is completed only when paper Copy A of Form(s) W-2, Wage and Tax Statement, is being filed. Do not file Form W-3 alone. Do not file Form W-3 for Form(s) W-2 that were submitted electronically to the SSA (see below). All paper forms must comply with IRS standards and be machine readable. Photocopies are not acceptable. Use a Form W-3 even if only one paper Form W-2 is being filed. Make sure both the Form W-3 and Form(s) W-2 show the correct tax year and Employer Identification Number (EIN). Make a copy of this form and keep it with Copy D (For Employer) of Form(s) W-2 for your records. The IRS recommends retaining copies of these forms for four years.

E-Filing

The SSA strongly suggests employers report Form W-3 and Forms W-2 Copy A electronically instead of on paper. The SSA provides two free e-filing options on its Business Services Online (BSO) website:

- **W-2 Online.** Use fill-in forms to create, save, print, and submit up to 50 Forms W-2 at a time to the SSA.
- **File Upload.** Upload wage files to the SSA you have created using payroll or tax software that formats the files according to the SSA's *Specifications for Filing Forms W-2 Electronically (EFW2)*.

W-2 Online fill-in forms or file uploads will be on time if submitted by April 1, 2013. For more information, go to www.socialsecurity.gov/employer and select "First Time Filers" or "Returning Filers" under "BEFORE YOU FILE."

When To File

Mail Copy A of Form W-3 with Form(s) W-2 by February 28, 2013.

Where To File Paper Forms

Send this entire page with the entire Copy A page of Form(s) W-2 to:

**Social Security Administration
Data Operations Center
Wilkes-Barre, PA 18769-0001**

Note. If you use "Certified Mail" to file, change the ZIP code to "18769-0002." If you use an IRS-approved private delivery service, add "ATTN: W-2 Process, 1150 E. Mountain Dr." to the address and change the ZIP code to "18702-7997." See Publication 15 (Circular E), Employer's Tax Guide, for a list of IRS-approved private delivery services.

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

W-2c

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DO NOT CUT, FOLD, OR STAPLE THIS FORM

44444	For Official Use Only ▶ OMB No. 1545-0008
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a Employer's name, address, and ZIP code	c Tax year/Form corrected / W-2	d Employee's correct SSN
e Corrected SSN and/or name (Check this box and complete boxes f and/or g if incorrect on form previously filed.) <input type="checkbox"/>		
Complete boxes f and/or g only if incorrect on form previously filed ▶		
f Employee's previously reported SSN		

b Employer's Federal EIN	g Employee's previously reported name		
	h Employee's first name and initial	Last name	Suff.

Note: Only complete money fields that are being corrected (exception: for corrections involving MQGE, see the Instructions for Forms W-2c and W-3c, boxes 5 and 6).

Previously reported		Correct information		Previously reported		Correct information	
1	Wages, tips, other compensation	1	Wages, tips, other compensation	2	Federal income tax withheld	2	Federal income tax withheld
3	Social security wages	3	Social security wages	4	Social security tax withheld	4	Social security tax withheld
5	Medicare wages and tips	5	Medicare wages and tips	6	Medicare tax withheld	6	Medicare tax withheld
7	Social security tips	7	Social security tips	8	Allocated tips	8	Allocated tips
9	Advance EIC payment	9	Advance EIC payment	10	Dependent care benefits	10	Dependent care benefits
11	Nonqualified plans	11	Nonqualified plans	12a	See instructions for box 12	12a	See instructions for box 12
13	Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	13	Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>	12b		12b	
14	Other (see instructions)	14	Other (see instructions)	12c		12c	
				12d		12d	

State Correction Information

Previously reported		Correct information		Previously reported		Correct information	
15	State	15	State	15	State	15	State
Employer's state ID number		Employer's state ID number		Employer's state ID number		Employer's state ID number	
16	State wages, tips, etc.	16	State wages, tips, etc.	16	State wages, tips, etc.	16	State wages, tips, etc.
17	State income tax	17	State income tax	17	State income tax	17	State income tax

Locality Correction Information

Previously reported		Correct information		Previously reported		Correct information	
18	Local wages, tips, etc.	18	Local wages, tips, etc.	18	Local wages, tips, etc.	18	Local wages, tips, etc.
19	Local income tax	19	Local income tax	19	Local income tax	19	Local income tax
20	Locality name	20	Locality name	20	Locality name	20	Locality name

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Copy A—For Social Security Administration

Form **W-2c** (Rev. 2-2009)

Corrected Wage and Tax Statement

Cat. No. 61437D

Department of the Treasury
Internal Revenue Service

Notice to Employee

This is a corrected Form W-2, Wage and Tax Statement, (or Form W-2AS, W-2CM, W-2GU, W-2VI or W-2c) for the tax year shown in box c. If you have filed an income tax return for the year shown, you may have to file an amended return. Compare amounts on this form with those reported on your income tax return. If the corrected amounts change your U.S. income tax, file Form 1040X, Amended U.S. Individual Income Tax Return, with Copy B of this Form W-2c to amend the return you already filed.

If you have not filed your return for the year shown in box c, attach Copy B of the original Form W-2 you received from your employer and Copy B of this Form W-2c to your return when you file it.

For more information, contact your nearest Internal Revenue Service office. Employees in American Samoa, Commonwealth of the Northern Mariana Islands, Guam, or the U.S. Virgin Islands should contact their local taxing authority for more information.

Employers, Please Note:

Specific information needed to complete Form W-2c is given in the separate *Instructions for Forms W-2c and W-3c*. You can order those instructions and additional forms by calling 1-800-TAX-FORM (1-800-829-3676).

You can also get forms and instructions from the IRS website at www.irs.gov. Electronic filing of Form W-2c is preferred. For information on how to file electronically, go to the Social Security Administration website at www.socialsecurity.gov/employer.



Indian Tribal Gov'ts Topics

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Taxpayer Identification Number (TIN) Matching

TIN Matching is part of a suite of internet based pre-filing e-services that allow taxpayers the opportunity to match 1099 payee information against IRS records prior to filing returns. An authorized payer is one who has filed information returns with the IRS in the two past tax years. Interactive TIN Matching will accept up to 25 payee TIN/Name combinations on-screen while Bulk TIN Matching will allow up to 100,000 payee TIN/Name combinations to be matched via a text file submission.

Both programs will:

- Match the payee with W-9 name and TIN with IRS records;
- Decrease backup withholding and penalty notices;
- Reduce the error rate in TIN validation.

The TIN Matching system is accessible 24 hours a day, 7 days a week. Support services on-line tutorial to assist customers with the registration, application and TIN Matching services customer assistants are also available toll-free at 1-866-255-0654, 7:30 a.m. EST, Monday through Friday.

E-services users must register to have access to products such as TIN Matching. If you are using TIN Matching, please visit our [e-services](#).

Page Last Reviewed or Updated

2012



Department of the Treasury
Internal Revenue Service

General Instructions for Certain Information Returns

(Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G)

Section references are to the Internal Revenue Code unless otherwise noted.

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What's New

Truncating individual's identification number on paper payee statements. Notice 2011-38 allows filers of Forms 1098, 1099, and 5498 to truncate an individual's identification number (social security number (SSN), individual taxpayer identification number (ITIN), or adoption taxpayer identification number (ATIN)) on paper payee statements for tax years 2011 and 2012. See Part M.

Compensation paid to H-2A visa holders. Generally, compensation of \$600 or more paid to foreign agricultural workers who entered the country on H-2A visas is reported on Form W-2, Wage and Tax Statement, and Form 943, Employer's Annual Tax Return for Agricultural Employees. However, if an H-2A visa worker did not provide the employer with a taxpayer identification number (TIN), the employee is subject to backup withholding. The employer must report the wages and backup withholding on Form 1099-MISC, Miscellaneous Income. The employer must also report the backup withholding on line 2 of Form 945. For the rules relating to backup withholding and reporting when the H-2A worker does not furnish a TIN, see the 2012 Instructions for Form 1099-MISC and the Instructions for Form 945.

Form 1098-MA. New Form 1099-MA, Mortgage Assistance Payments, is used to report mortgage assistance payments made from the Emergency Homeowners' Loan Program, the HFA Hardest Hit Fund, or similar state programs. See Form 1098-MA for more information.

Reminders

Due date for certain statements sent to recipients. The due date for furnishing statements to recipients for Forms 1099-B, 1099-S, and 1099-MISC (if amounts are reported in Boxes 8 or 14) is **February 15**. This also applies to statements furnished as part of a consolidated reporting statement.

Electronic filing. *E-filers* are reminded that using the FIRE system requires following the specifications contained in Pub. 1220, Specifications for Filing Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G Electronically. Also, the IRS does not provide a fill-in form option. See part F for information on *e-file*.

Payee. Throughout these instructions the term "payee" means any recipient of Forms 1097, 1098, 1099, 3921, 3922, 5498, or W-2G including borrowers, debtors, donors, employees, insureds, participants, policyholders, students, transferors, and winners on certain forms.

Where to file. All information returns filed on paper will be filed with only two Internal Revenue Service Centers: Austin, TX, and Kansas City, MO. See part D and Form 1096, Annual Summary and Transmittal of U.S. Information Returns.

Items You Should Note

Photographs of Missing Children

The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Available Products

In addition to these general instructions, which contain general information concerning Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G, we provide specific form instructions as separate products. Get the instructions you need for completing a specific form from the following list of separate instructions.

- Instructions for Forms W-2G and 5754
- Instructions for Form 1097-BTC
- Instructions for Form 1098
- Instructions for Form 1098-C
- Instructions for Forms 1098-E and 1098-T
- Instructions for Forms 1099-A and 1099-C
- Instructions for Form 1099-B
- Instructions for Form 1099-CAP
- Instructions for Form 1099-DIV
- Instructions for Form 1099-G
- Instructions for Form 1099-H
- Instructions for Forms 1099-INT and 1099-OID
- Instructions for Form 1099-K
- Instructions for Form 1099-LTC
- Instructions for Form 1099-MISC
- Instructions for Form 1099-PATR
- Instructions for Form 1099-Q
- Instructions for Forms 1099-R and 5498
- Instructions for Form 1099-S
- Instructions for Forms 1099-SA and 5498-SA
- Instructions for Forms 3921 and 3922
- Instructions for Form 5498-ESA

You can also obtain the latest developments for each of the forms and instructions listed above by visiting their information pages at IRS.gov. See the separate instructions for each form for the link to their webpage.

See *How To Get Forms, Publications, and Other Assistance* on page 14.

Guide to Information Returns

See the chart on pages 16 and 17 for a brief summary of information return reporting rules.

Use Form 1096 To Send Paper Forms to the IRS

You must send Copies A of all paper Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G to the IRS with Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Instructions for completing Form 1096 are contained on Form 1096. Also see part E.

Reporting Backup Withholding on Forms 1099 and W-2G

If you backup withhold on a payment, you must file the appropriate Form 1099 or Form W-2G with the IRS and furnish a statement to the recipient to report the amount of the payment and the amount withheld. This applies even though the amount of the payment may be below the normal threshold for filing Form 1099 or Form W-2G. For how to report backup withholding, see part N.

Substitute Statements to Recipients

If you are using a substitute form to furnish information statements to recipients (generally Copy B), be sure your substitute statements comply with the rules in Pub. 1179. Pub. 1179, which is revised annually, explains the requirements for format and content of substitute statements to recipients. See part M for additional information.



All substitute statements to recipients must contain the tax year, form number, and form name prominently displayed together in one area of the statement. For example, they could be shown in the upper right part of the statement.

Taxpayer Identification Number (TIN) Matching

TIN Matching allows a payer or authorized agent who is required to file Forms 1099-B, DIV, INT, K, MISC, OID, and/or PATR, which report income subject to backup withholding, to match TIN and name combinations with IRS records before submitting the forms to the IRS. TIN Matching is one of the e-services products that is offered and is accessible through the IRS website. For program guidelines, see Pub. 2108-A, On-Line Taxpayer Identification (TIN) Matching Program, or go to IRS.gov and enter keyword "TIN matching" in the upper right corner. It is anticipated that payers who validate the TIN and name combinations before filing information returns will receive fewer backup withholding (CP2100) notices and penalty notices. E-services technical support is available by calling 1-866-255-0654.

A. Who Must File

See the separate specific instructions for each form.

Nominee/middleman returns. Generally, if you receive a Form 1099 for amounts that actually belong to another person, you are considered a nominee recipient. You must file a Form 1099 with the IRS (the same type of Form 1099 you received) for each of the other owners showing the amounts allocable to each. You must also furnish a Form 1099 to each of the other owners. File the new Form 1099 with Form 1096 with the Internal Revenue Service Center for your area. On each new Form 1099, list yourself as the "payer" and the other owner as the "recipient." On Form 1096, list yourself as the "filer." A husband or wife is not required to file a nominee return to show amounts owned by the other. The nominee, not the original payer, is responsible for filing the subsequent Forms 1099 to show the amount allocable to each owner.

Successor/predecessor reporting. A successor business (a corporation, partnership, or sole proprietorship) and a predecessor business (a corporation, partnership, or sole proprietorship) may agree that the successor will assume all or some of the predecessor's information reporting responsibilities. This would permit the successor to file one Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G for each recipient combining the predecessor's and successor's reportable amounts, including any withholding. If they so agree and the successor satisfies the predecessor's obligations and the conditions described on this page, the predecessor does not have to file the specified information returns for the acquisition year. If the

successor and predecessor do not agree, or if the requirements described are not met, the predecessor and the successor each must file Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G for their own reportable amounts as they usually would. For more information and the rules that apply to filing combined Forms 1042-S, Foreign Person's U.S. Income Subject to Withholding, see Rev. Proc. 99-50, which is available on page 757 of Internal Revenue Bulletin 1999-52 at www.irs.gov/pub/irs-irbs/irb99-52.pdf.

The combined reporting procedure is available when all the following conditions are met.

1. The successor acquires from the predecessor substantially all the property (a) used in the trade or business of the predecessor, including when one or more corporations are absorbed by another corporation under a merger agreement, or

(b) used in a separate unit of a trade or business of the predecessor.

2. The predecessor is required to report amounts, including any withholding, on information returns for the year of acquisition for the period before the acquisition.

3. The predecessor is not required to report amounts, including withholding, on information returns for the year of acquisition for the period after the acquisition.

Combined reporting agreement. The predecessor and the successor must agree on the specific forms to which the combined reporting procedure applies and that the successor assumes the predecessor's entire information reporting obligations for these forms. The predecessor and successor may agree to:

1. Use the combined reporting procedure for all Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G; or
2. Limit the use of the combined reporting procedure to (a) specific forms or (b) specific reporting entities, including any unit, branch, or location within a particular business entity that files its own separate information returns. For example, if the predecessor's and successor's only compatible computer or recordkeeping systems are their dividends paid ledgers, they may agree to use the combined reporting procedure for Forms 1099-DIV only. Similarly, if the only compatible systems are in their midwest branches, they may agree to use the combined reporting procedure for only the midwest branches.

Combined reporting procedure. On each Form 1097, 1098, 1099, 3921, 3922, 5498, and W-2G filed by the successor, the successor must combine the predecessor's (before the acquisition) and successor's reportable amounts, including any withholding, for the acquisition year and report the aggregate. For transactional reporting on Form 1099-B, Proceeds From Broker and Barter Exchange Transactions, the successor must report each of the predecessor's transactions and each of its own transactions on each Form 1099-B. These same reporting requirements apply to Form 3921, Exercise of an Incentive Stock Option under Section 422(b); and Form 3922, Transfer of Stock Acquired Through an Employee Stock Purchase Plan under Section 423(c). The successor may include with the form sent to the recipient additional information explaining the combined reporting.

For purposes of the combined reporting procedure, the sharing of TINs and other information obtained under section 3406 for information reporting and backup withholding purposes does not violate the confidentiality rules in section 3406(f).

Statement required. The successor must file a statement with the IRS indicating the forms that are being filed on a combined basis under Rev. Proc. 99-50. The statement must:

1. Include the predecessor's and successor's names, addresses, telephone numbers, EINs, and the name and telephone number of the person responsible for preparing the statement.
2. Reflect separately the amount of federal income tax withheld by the predecessor and by the successor for each type of form being filed on a combined basis (for example, Form 1099-R or 1099-MISC).
3. Be sent separately from Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G by the forms' due date to: Internal Revenue Service, Information Returns Branch, 230 Murall Drive, Mail Stop 4360, Kearneysville, WV 25430. Do not send Form 1042-S statements to this address. Instead, use the address given in the Instructions for Form 1042-S; see Rev. Proc. 99-50.

Qualified settlement funds. A qualified settlement fund must file information returns for distributions to claimants if any transferor to the fund would have been required to file if the transferor had made the distributions directly to the claimants.

For distributions to transferors, a fund is subject to the information reporting requirements of sections 6041 and 6041A and may be required to file Form 1099-MISC. For payments made by the fund on behalf of a claimant or transferor, the fund is subject to these same rules and may have to file Form 1099-MISC for the payment to a third party. For information reporting purposes, a payment made by the fund on behalf of a claimant or transferor is considered a distribution to the claimant or transferor and is also subject to information reporting requirements.

The same filing requirements, exceptions, and thresholds may apply to qualified settlement funds as apply to any other payer. That is, the fund must determine the character of the payment (for example, interest, fixed and determinable income, or gross proceeds from broker transactions) and to whom the payment is made (for example, corporation or individual).

For more information, see Regulations section 1.468B-2(l). Also, see Treasury Decision (TD) 9249, 2006-10 I.R.B. 546, available at www.irs.gov/irb/2006-10_IRB/ar05.html. TD 9249 relates to escrow and similar funds.

Payments to foreign persons. See the Instructions for Form 1042-S, relating to U.S. source income of foreign persons, for reporting requirements relating to payments to foreign persons.

Widely held fixed investment trusts (WHFITs). Trustees and middlemen of WHFITs are required to report all items of gross income and proceeds on the appropriate Form 1099. For the definition of a WHFIT, see Regulations section 1.671-5(b)(22). A tax information statement that includes the information provided to the IRS on Forms 1099, as well as additional information identified in Regulations section 1.671-5(e), must be furnished to trust interest holders (TIHs).

Items of gross income (including OID) attributable to the TIH for the calendar year including all amounts of income attributable to selling, purchasing, or redeeming of a trust holder's interest in the WHFIT must be reported. Items of income that are required to be reported including non *pro-rata* partial principal payments, trust sales proceeds, redemption asset proceeds, and sales of a trust interest on a secondary market must be reported on Form 1099-B. See Regulations section 1.671-5(d).

Safe harbor rules for determining the amount of an item to be reported on Form 1099 and a tax information statement with respect to a TIH in a non-mortgage WHFIT (NMWHFIT) and a widely held mortgage trust (WHMT) are found in Regulations sections 1.671-5(f) and (g), respectively.

Trustees and middlemen must follow all the rules for filing Forms 1099 with the IRS and furnishing a statement to the TIH (except as noted below) as described in parts A through S of these instructions. For transition year reporting, see Notice 2010-4, 2010-2 I.R.B. 253, available at www.irs.gov/irb/2010-02_IRB/ar11.html. Trustees and middlemen should also follow the separate instructions for Forms 1099-B, 1099-DIV, 1099-INT, 1099-MISC, and 1099-OID, as applicable, which may address additional income reporting requirements.

Due date exception and other requirements for furnishing statement to TIH. The written tax information for 2012 furnished to the TIH is due on or before March 15, 2013. For other items of expense and credit that must be reported to the TIH, see Regulations section 1.671-5(c).

There is no reporting requirement if the TIH is an exempt recipient unless the trustee or middleman backup withholds under section 3406. If the trustee or middleman backup withholds, then follow the rules in part N. An exempt recipient for this purpose is defined in Regulations section 1.671-5(b)(7).

Reporting to foreign persons. Items of a WHFIT attributable to a TIH who is not a U.S. person must be reported and amounts withheld following the provisions of sections 1441 through 1464. See Form 1042-S and its separate instructions for more information.

B. Other Information Returns

The income information you report on the following forms must not be repeated on Forms 1099 or W-2G.

- Form W-2, Wage and Tax Statement, reporting wages and other employee compensation.
- Forms 1042-S and 1000 reporting income to foreign persons.
- Form 2439 reporting undistributed long-term capital gains of a regulated investment company (RIC) or real estate investment trust (REIT).
- Schedule K-1 of Forms 1065 or 1065-B reporting distributive shares to members of a partnership.
- Schedule K-1 of Form 1041 reporting distributions to beneficiaries of trusts or estates.
- Schedule K-1 of Form 1120-S reporting distributive shares to shareholders of S corporations.
- Schedule K of Form 1120-IC-DISC reporting actual and constructive distributions to shareholders and deferred DISC income.
- Schedule Q of Form 1066 reporting income from a real estate mortgage investment conduit (REMIC) to a residual interest holder.

C. When To File

File Forms 1097, 1098, 1099, 3921, 3922, or W-2G on paper by February 28, 2013, or April 1, 2013, if filing electronically. Also file Form 1096 with paper forms. File Form 1096 with Forms 5498, 5498-ESA, and 5498-SA by May 31, 2013.

You will meet the requirement to file if the form is properly addressed and mailed on or before the due date. If the regular due date falls on a Saturday, Sunday, or legal holiday, file by the next business day. A business day is any day that is not a Saturday, Sunday, or legal holiday. See part M about providing Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G or statements to recipients.

Private delivery services. You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing" rule for information returns. The list includes only the following.

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2 Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

Reporting period. Forms 1097, 1098, 1099, 3921, 3922, and W-2G are used to report amounts received, paid, credited, donated, transferred, or canceled, in the case of Form 1099-C, during the calendar year. Forms 5498, 5498-ESA, and 5498-SA are used to report amounts contributed and the fair market value of an account for the calendar year.

Extension. You can get an automatic 30-day extension of time to file by completing Form 8809, Application for Extension of Time To File Information Returns. The form may be submitted on paper, or through the FIRE system either as a fill-in form or an electronic file. No signature or explanation is required for the extension. However, you must file Form 8809 by the due date of the returns in order to get the 30-day extension. Under certain hardship conditions you may apply for an additional 30-day extension. See the instructions for Form 8809 for more information.

How to apply. As soon as you know that a 30-day extension of time to file is needed, file Form 8809.

- If you are requesting an extension for 10 or fewer filers, follow the instructions on Form 8809 and mail it to the address listed in the instructions on the form or you can fax it. See the instructions for Form 8809 for more information.
- If you are requesting an extension for more than 10 filers, you must submit the extension request online or electronically through the FIRE system. You are encouraged to submit requests for 10 or fewer filers using the online fill-in form. See Pub. 1220, Part B, for more information on filing online or electronically.

Extension for statements to recipients. For information on requesting an extension of time to furnish statements to recipients, see *Extension* under part O.

D. Where To File



Use the 3-line address for your state found below for mailing information returns.

Send all information returns filed on paper to the following:

If your principal business, office or agency, or legal residence in the case of an individual, is located in

Use the following address

Alabama, Arizona, Arkansas, Connecticut, Delaware, Florida, Georgia, Kentucky, Louisiana, Maine, Massachusetts, Mississippi, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, West Virginia

Department of the Treasury
Internal Revenue Service Center
Austin, TX 73301

Alaska, California, Colorado, District of Columbia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Maryland, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Utah, Washington, Wisconsin, Wyoming

Department of the Treasury
Internal Revenue Service Center
Kansas City, MO 64999

If your legal residence or principal place of business or principal office or agency is outside the United States, file with the Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301.

State and local tax departments. Contact the applicable state and local tax department as necessary for reporting requirements and where to file.

E. Filing Returns With the IRS

The IRS strongly encourages the quality review of data before filing to prevent erroneous notices from being mailed to payees (or others for whom information is being reported).

If you must file any Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G with the IRS and you are filing paper forms, you must send a Form 1096 with each type of form as the transmittal document. You must group the forms by form number and submit each group with a separate Form 1096. For example, if you file Forms 1098, 1099-A, and 1099-MISC, complete one Form 1096 to transmit Forms 1098, another for Forms 1099-A, and a third for Forms 1099-MISC. Specific instructions for completing Form 1096 are included on the form. Also, see *Transmitters, paying agents, etc.*, below. For information about filing corrected paper returns, see part H.

See Pub. 1179 for specifications for private printing of substitute information returns. You may not request special consideration. Only forms that conform to the official form and the specifications in Pub. 1179 are acceptable for filing with the IRS.

Transmitters, paying agents, etc. A transmitter, service bureau, paying agent, or disbursing agent (hereafter referred to as "agent") may sign Form 1096 on behalf of any person required to file (hereafter referred to as "payer") if the conditions in 1 and 2 below are met.

1. The agent has the authority to sign the form under an agency agreement (oral, written, or implied) that is valid under state law and
2. The agent signs the form and adds the caption "For: (Name of payer)."

Signing of the form by an authorized agent on behalf of the payer does not relieve the payer of the liability for penalties for not filing a correct, complete, and timely Form 1096 and accompanying returns.

Forms 1097, 1098, 1099, 3921, 3922, 5498, W-2G, or acceptable substitute statements to recipients issued by a service bureau or agent should show the same payer's name as shown on the information returns filed with the IRS.

For information about the election to report and deposit backup withholding under the agent's TIN and how to prepare forms if the election is made, see Rev. Proc. 84-33, 1984-1 C.B. 502, and the Instructions for Form 945.

Keeping copies. Generally, keep copies of information returns you filed with the IRS or have the ability to reconstruct the data for at least 3 years, 4 years for Form 1099-C, from the due date of the returns. Keep copies of information returns for 4 years if backup withholding was imposed.

Shipping and mailing. Send the forms to the IRS in a flat mailing (not folded). If you are sending many forms, you may send them in conveniently sized packages. On each package, write your name, number the packages consecutively, and place Form 1096 in package number one. Postal regulations require forms and packages to be sent by First-Class Mail.

F. Electronic Reporting

Electronic reporting may be required for filing all information returns discussed in these instructions (see *Who must file electronically*, below). Different types of payments, such as interest, dividends, and rents, may be reported in the same submission.

Pub. 1220 provides the procedures for reporting electronically and is updated annually. Pub. 1220 is available at IRS.gov.



You can file electronically through the Filing Information Returns Electronically System (FIRE

System); however, you must have software that can produce a file in the proper format according to Pub. 1220. The FIRE System does not provide a fill-in form option for information return reporting. The FIRE System operates 24 hours a day, 7 days a week. You may access the FIRE System via the Internet at fire.irs.gov. See Pub. 1220 for more information.

Due dates. File Forms 1097, 1098, 1099, 3921, 3922, or W-2G electronically through the FIRE System by April 1, 2013. File Forms 5498, 5498-ESA, or 5498-SA by May 31, 2013. See part M about providing Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G or statements to recipients.

Extension of time to file. For information about requesting an extension of time to file, see *Extension* under part C.



If you file electronically, do not file the same returns on paper.

Who must file electronically. If you are required to file 250 or more information returns, you must file electronically. The 250-or-more requirement applies separately to each type of form. For example, if you must file 500 Forms 1098 and 100 Forms 1099-A, you must file Forms 1098 electronically, but you are not required to file Forms 1099-A electronically.

The electronic filing requirement does not apply if you apply for and receive a hardship waiver. See *How to request a waiver from filing electronically*, later.



The IRS encourages you to file electronically even though you are filing fewer than 250 returns.

Filing requirement applies separately to originals and corrections. The electronic filing requirements apply separately to original returns and corrected returns. Originals and corrections are not aggregated to determine whether you are required to file electronically. For example, if you file 400 Forms 1098 electronically and you are making 75 corrections, your corrections can be filed on paper because the number of corrections for Form 1098 is less than the 250 filing requirement. However, if you were filing 250 or more Form 1098 corrections, they would have to be filed electronically.

Reporting incorrect payer name and/or TIN. If a payer discovers an error in reporting the payer (not recipient) name and/or TIN, write a letter containing the following information:

1. Name and address of the payer
2. Type of error (including the incorrect payer name/TIN that was reported)
3. Tax year

4. Payer TIN
5. Transmitter Control Code (TCC)
6. Type of return
7. Number of payees
8. Filing method (paper or electronic)
9. Was federal income tax withheld?

Send the letter to Internal Revenue Service, Information Returns Branch, 230 Murall Drive, Mail Stop 4360, Kearneysville, WV 25430.

If a payer realizes duplicate reporting or a large percentage of incorrect information has been filed, contact the information reporting customer service site at 1-866-455-7438 for further instructions.

How to get approval to file electronically. File Form 4419, Application for Filing Information Returns Electronically, at least 30 days before the due date of the returns. File Form 4419 for all types of returns that will be filed electronically. See Form 4419 for more information. Once you have received approval, you need not reapply each year. The IRS will provide a written reply to the applicant and further instructions at the time of approval, usually within 30 days.

How to request a waiver from filing electronically. To receive a waiver from the required filing of information returns electronically, submit Form 8508, Request for Waiver From Filing Information Returns Electronically, at least 45 days before the due date of the returns. You cannot apply for a waiver for more than 1 tax year at a time. If you need a waiver for more than 1 tax year, you must reapply at the appropriate time each year.

If a waiver for original returns is approved, any corrections for the same types of returns will be covered under the waiver. However, if you submit original returns electronically but you want to submit your corrections on paper, a waiver must be approved for the corrections if you must file 250 or more corrections.

If you receive an approved waiver, do not send a copy of it to the service center where you file your paper returns. Keep the waiver for your records only.

Penalty. If you are required to file electronically but fail to do so, and you do not have an approved waiver, you may be subject to a penalty of up to \$100 per return for failure to file electronically unless you establish reasonable cause. However, you can file up to 250 returns on paper; those returns will not be subject to a penalty for failure to file electronically. See part O.

The penalty applies separately to original returns and corrected returns. See *Filing requirement applies separately to originals and corrections*, later.

G. Paper Document Reporting

If you are required to file 250 or more information returns, see part F.

Follow these guidelines.

1. Although handwritten forms are acceptable, they must be completely legible and accurate to avoid processing errors. Handwritten forms often result in name/TIN mismatches. Use block print, not script characters. If you have a small number of forms, consider contacting an IRS business partner who may be able to prepare them with little or no cost to you. See 5, below, for details. Type entries using black ink in 12-point Courier font. Copy A is read by machine and must be typed clearly using no corrections in the data entry fields. Data must be printed in the middle of the blocks, well separated from other printing and guidelines. Entries completed by hand, or using script, italic, or proportional spaced fonts, or in colors other than black, cannot be read correctly by machine. Make all dollar entries without the dollar sign, but include the decimal point (00000.00). Show the cents portion of the money amounts. If a box does not apply, leave it blank.

2. Do not enter 0 (zero) or "None" in money amount boxes when no entry is required. Leave the boxes blank unless the instructions specifically require that you enter a 0 (zero). For example, in some cases, you must enter 0 (zero) to make corrections. See part H.

3. Do not enter number signs (#)—RT 2, not Rt. #2.

4. Send the entire page of Copy A of your information returns with Form 1096 to the IRS even if some of the forms are blank or void. Do not use staples on any forms.

5. To locate an IRS business partner who may be able to offer low-cost or even free filing of certain forms, enter *e-file for Business Partners* in the Search box on IRS.gov.

Multiple filings. If, after you file Forms 1097, 1098, 1099, 3921, 3922, 5498, or W-2G, you discover additional forms that are required to be filed, file these forms with a new Form 1096. Do not include copies or information from previously filed returns.

Required format. Because paper forms are scanned, all Forms 1096 and Copies A of Forms 1097, 1098, 1099, 3921, 3922, and 5498 must be prepared in accordance with the following instructions. If these instructions are not followed, you may be subject to a penalty for each incorrectly filed document. See part O.

1. Do not cut or separate Copies A of the forms that are printed two or three to a sheet (except Forms W-2G and 1098-C). Generally, Forms 1097, 1098, 1099, 3921, 3922, and 5498 are printed two or three to an 8 x 11 inch sheet. Form 1096 is printed one to an 8 x 11 inch sheet. These forms must be submitted to the IRS on the 8 x 11 inch sheet. If at least one form on the page is correctly completed, you must submit the entire page. Forms W-2G may be separated and submitted as single forms. Send the forms to the IRS in a flat mailing (not folded).

2. No photocopies of any forms are acceptable. See *How To Get Forms, Publications, and Other Assistance*, later.

3. Do not staple, tear, or tape any of these forms. It will interfere with the IRS' ability to scan the documents.

4. Pinfeed holes on the form are not acceptable. Pinfeed strips outside the 8 x 11 inch area must be removed before submission, without tearing or ripping the form. Substitute forms prepared in continuous or strip form must be burst and stripped to conform to the size specified for a single sheet (8 x 11 inches) before they are filed with the IRS.

5. Do not change the title of any box on any form. Do not use a form to report information that is not properly reportable on that form. If you are unsure of where to report the data, call the information reporting call site at 1-866-455-7438 (toll free).

6. Report information only in the appropriate boxes provided on the forms. Make only one entry in each box unless otherwise indicated in the form's specific instructions.

7. Do not submit any copy other than Copy A to the IRS.

8. Do not use prior year forms unless you are reporting prior year information. Do not use subsequent year forms for the current year. Because forms are scanned, you must use the current year form to report current year information.

9. Use the official forms or substitute forms that meet the specifications in Pub. 1179. If you submit substitute forms that do not meet the current specifications and that are not scannable, you may be subject to a penalty for each return for improper format. See part O.

10. Do not use dollar signs (\$) (they are preprinted on the forms), ampersands (&), asterisks (*), commas (,), or other special characters in money amount boxes.

11. Do not use apostrophes ('), asterisks (*), or other special characters on the payee name line.

Common errors. Be sure to check your returns to prevent the following common errors.

1. Duplicate filing. Do not send the same information to the IRS more than once. Also see *Multiple filings*, earlier.

2. Filer's name, address, and TIN are not the same on Form 1096 and the attached Forms 1097, 1098, 1099, 3921, 3922, 5498, or W-2G.

3. Decimal point to show dollars and cents omitted. For example, 1230.00 is correct, not 1230.

4. Two or more types of returns submitted with one Form 1096 (for example, Forms 1099-INT and 1099-MISC with one Form 1096). You must submit a separate Form 1096 with each type of return.

H. Corrected Returns on Paper Forms



To file corrections for electronically filed forms, see part F and Pub. 1220.

If you filed a return with the IRS and later discover you made an error on it, you must:

Correct it as soon as possible and file the Copy A and Form 1096 with your Internal Revenue Service Center (see part D).

- Furnish statements to recipients showing the correction.
- When making a correction, complete all information (see *Filing corrected returns on paper forms*, later).
- Do not cut or separate forms that are two or three to a page. Submit the entire page even if only one of the forms on the page is completed.
- Do not staple the forms to Form 1096.
- Do not state the forms to Form 1096.
- Do not send corrected returns to the IRS if you are correcting state or local information only. Contact the state or local tax department for help with this type of correction.
- To correct payer information, see *Reporting incorrect payer name and/or TIN*, earlier.

Form 1096. Use a separate Form 1096 for each type of return you are correcting. For the same type of return, you may use one Form 1096 for both originals and corrections. You do not need to correct a previously filed Form 1096.

CORRECTED checkbox. Enter an "X" in the corrected checkbox only when correcting a form previously filed with the IRS or furnished to the recipient. Certain errors require two returns to make the correction. See *Filing corrected returns on paper forms* below to determine when to mark the "CORRECTED" checkbox.

Account number. If the account number was provided on the original return, the same account number must be included on both the original and corrected returns to properly identify and process the correction. If the account number was not provided on the original return, do not include it on the corrected return. See part L.

Recipient's statement. You may enter a date next to the "CORRECTED" checkbox. This will help the recipient in the case of multiple corrections.

Filing corrected returns on paper forms. The error charts, later, give step-by-step instructions for filing corrected returns for the most frequently made errors. They are grouped under Error Type 1 or 2. Correction of errors may require the submission of more than one return. Be sure to read and follow the steps given.

If you fail to file correct information returns or furnish a correct payee statement, you may be subject to a 301.6724-1 penalty. See part O, *Regulations section 301.6724-1* (relating to information return penalties) does not require you to file corrected returns for missing or incorrect TINs if you meet the reasonable cause criteria. You are merely required to include the correct TIN on the next original return you are required to file.

In addition, even if you meet the reasonable cause criteria, the IRS encourages you to file corrections for incorrect or missing TINs so that the IRS can update the payees' records.

I. Void Returns

An "X" in the "VOID" box at the top of the form will not correct a previously filed return. See part H for instructions for making corrections.

VOID box. If a completed or partially completed Form 1097, 1098, 1099, 3921, or 5498 is incorrect and you want to void it before submission to the IRS, enter an "X" in the "VOID" box at the top of the form. For example, if you make an error while typing or printing a form, you should void it. The return will then be disregarded during processing by the IRS. Go to the next form on the page, or to another page, and enter the correct information, but do not mark the "CORRECTED" box. Do not cut or separate the forms that are two or three to a page. Submit the entire page even if only one of the forms on the page is a good return.

J. Recipient Names and Taxpayer Identification Numbers (TINs)

Recipient name. Show the full name and address in the section provided on the information return. If payments have been made to more than one recipient or the account is in more than one name, show on the first name line the name of the recipient whose TIN is first shown on the return. You may show the names of any other individual recipients in the area below the first line, if desired. Form W-2G filers, see the instructions for Forms W-2G and 5754.

Sole proprietors. You must show the individual's name on the first name line; on the second name line, you may enter the "doing business as (DBA)" name. You may not enter only the DBA name. For the TIN, enter either the individual's SSN or the EIN of the business (sole proprietorship). The IRS prefers that you enter the SSN.

Limited liability company (LLC). For a single-member LLC (including a foreign LLC with a U.S. owner) that is disregarded as an entity separate from its owner under Regulations section 301.7701-3, enter the individual's name only on the first name line and the LLC's name on the second name line. For the TIN, enter the individual's SSN (or EIN, if applicable). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Bankruptcy estate. If an individual (the debtor) for whom you are required to file an information return is in Chapter 11 bankruptcy, and the debtor notified you of the bankruptcy estate's EIN, report post-petition gross income, gross proceeds, or other reportable payments on the applicable information return using the estate's name and EIN. The debtor should notify you when the bankruptcy is closed, dismissed, or converted, so that any subsequent information returns will be filed with the correct name and EIN. Different rules apply if the bankruptcy is converted to Chapter 7, 12, or 13 of the Bankruptcy Code. For additional guidance, see Notice 2006-83, 2006-40 IRB 596, available at www.irs.gov/irb/2006-40_IRB/ar12.html.

TINs. TINs are used to associate and verify amounts you report to the IRS with corresponding amounts on tax returns. Therefore, it is important that you furnish correct names, social security numbers (SSNs), individual taxpayer identification numbers (ITINs), employer identification numbers (EINs), or adoption taxpayer identification numbers (ATINs) for recipients on the forms sent to the IRS.

Requesting a recipient's TIN. If the recipient is a U.S. person (including a U.S. resident alien), the IRS suggests that you request the recipient complete Form W-9. Request for Taxpayer Identification Number and Certification, or Form W-9S, Request for Student or Borrower's Taxpayer Identification Number and Certification, if appropriate. See the instructions for the Requester of Form W-9 for more information on how to request a TIN.

If the recipient is a foreign person, the IRS suggests that you request the recipient complete the appropriate Form W-8. See the instructions for the Requester of Forms W-8BEN, W-8ECI, W-8EXP, and W-8IMY.

CAUTION U.S. resident aliens who rely on a "saving clause" of a tax treaty are to complete Form W-9, not Form W-8BEN. See Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and Pub. 519, *U.S. Tax Guide for Aliens*. You may be subject to a penalty for an incorrect or missing TIN on an information return. See part O. You are required to maintain the confidentiality of information obtained on a Form W-9/W-9S relating to the taxpayer's identity (including SSNs, EINs, ITINs, and ATINs), and you may use such information only to comply with the tax laws.

TIP If the recipient does not provide a TIN, leave the box for the recipient's TIN blank on the Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G. Only one recipient TIN can be entered on the form. Backup withholding may apply; see part N.

The TIN for individual recipients of information returns is the SSN, ITIN, or ATIN. See *Sole proprietors*, earlier. For other recipients, including corporations, partnerships, and estates, the individual must reflect the TIN of the payee, that is, of the estate or of the surviving joint owner. For more information, see *Personal Representative* in Pub. 559, *Survivors, Executors, and Administrators*. For LLCs, see the information on LLC, earlier. SSNs, ITINs, and ATINs have nine digits separated by two hyphens (000-00-0000), and EINs have nine digits separated by only one hyphen (00-0000000).

Electronic submission of Forms W-9. Requesters may establish a system for payees and payees' agents to submit Forms W-9 electronically, including by fax. A requester is anyone required to file an information return. A payee is anyone required to provide a TIN to the requester.

Payee's agent. A payee's agent can be an investment advisor (corporation, partnership, or individual) or an

Filing Corrected Returns on Paper Forms

Identify the correction needed based on **Error Type 1 or 2**; then follow the steps to make the corrections and file the form(s). Also see Part H on page 5.

Error Type 1	Correction
<p>Incorrect money amount(s), code, or checkbox, or Incorrect payee name, or</p> <p>A return was filed when one should not have been filed.</p> <p>These errors require only one return to make the correction.</p> <p><i>Caution: If you must correct a TIN and/or a name and address, follow the instructions under Error Type 2.</i></p>	<p>A. Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G</p> <ol style="list-style-type: none"> 1. Prepare a new information return. 2. Enter an "X" in the "CORRECTED" box (and date (optional)) at the top of the form. 3. Correct any recipient information such as money amounts. Report other information as per the original return. <p>B. Form 1096</p> <ol style="list-style-type: none"> 1. Prepare a new transmittal Form 1096. 2. Provide all requested information on the form as it applies to Part A, 1 and 2. 3. File Form 1096 and Copy A of the return with the appropriate service center. 4. Do not include a copy of the original return that was filed incorrectly.

Error Type 2	Correction				
<p>No payee TIN (SSN, EIN, QI-EIN, or ITIN), or Incorrect payee TIN, or Incorrect name and address, or</p> <p>Original return filed using wrong type of return (for example, a Form 1099-DIV was filed when a Form 1099-INT should have been filed).</p> <p>Two separate returns are required to make the correction properly. Follow all instructions for both Steps 1 and 2.</p>	<table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 30%;"> <p>Step 1. Identify incorrect return submitted.</p> </td> <td style="vertical-align: top;"> <ol style="list-style-type: none"> 1. Prepare a new information return. 2. Enter an "X" in the "CORRECTED" box (and date (optional)) at the top of the form. 3. Enter the payer, recipient, and account number information exactly as it appeared on the original incorrect return; however, enter 0 (zero) for all money amounts. </td> </tr> <tr> <td style="vertical-align: top;"> <p>Step 2. Report correct information.</p> </td> <td style="vertical-align: top;"> <p>A. Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G</p> <ol style="list-style-type: none"> 1. Prepare a new information return. 2. Do not enter an "X" in the "CORRECTED" box at the top of the form. Prepare the new return as though it is an original. 3. Include all the correct information on the form including the correct TIN, name, and address. <p>B. Form 1096</p> <ol style="list-style-type: none"> 1. Prepare a new transmittal Form 1096. 2. Enter the words "Filed To Correct TIN," "Filed To Correct Name and Address," or "Filed To Correct Return" in the bottom margin of the form. 3. Provide all requested information on the form as it applies to the returns prepared in Steps 1 and 2. 4. File Form 1096 and Copy A of the return with the appropriate service center. 5. Do not include a copy of the original return that was filed incorrectly. </td> </tr> </table>	<p>Step 1. Identify incorrect return submitted.</p>	<ol style="list-style-type: none"> 1. Prepare a new information return. 2. Enter an "X" in the "CORRECTED" box (and date (optional)) at the top of the form. 3. Enter the payer, recipient, and account number information exactly as it appeared on the original incorrect return; however, enter 0 (zero) for all money amounts. 	<p>Step 2. Report correct information.</p>	<p>A. Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G</p> <ol style="list-style-type: none"> 1. Prepare a new information return. 2. Do not enter an "X" in the "CORRECTED" box at the top of the form. Prepare the new return as though it is an original. 3. Include all the correct information on the form including the correct TIN, name, and address. <p>B. Form 1096</p> <ol style="list-style-type: none"> 1. Prepare a new transmittal Form 1096. 2. Enter the words "Filed To Correct TIN," "Filed To Correct Name and Address," or "Filed To Correct Return" in the bottom margin of the form. 3. Provide all requested information on the form as it applies to the returns prepared in Steps 1 and 2. 4. File Form 1096 and Copy A of the return with the appropriate service center. 5. Do not include a copy of the original return that was filed incorrectly.
<p>Step 1. Identify incorrect return submitted.</p>	<ol style="list-style-type: none"> 1. Prepare a new information return. 2. Enter an "X" in the "CORRECTED" box (and date (optional)) at the top of the form. 3. Enter the payer, recipient, and account number information exactly as it appeared on the original incorrect return; however, enter 0 (zero) for all money amounts. 				
<p>Step 2. Report correct information.</p>	<p>A. Form 1097, 1098, 1099, 3921, 3922, 5498, or W-2G</p> <ol style="list-style-type: none"> 1. Prepare a new information return. 2. Do not enter an "X" in the "CORRECTED" box at the top of the form. Prepare the new return as though it is an original. 3. Include all the correct information on the form including the correct TIN, name, and address. <p>B. Form 1096</p> <ol style="list-style-type: none"> 1. Prepare a new transmittal Form 1096. 2. Enter the words "Filed To Correct TIN," "Filed To Correct Name and Address," or "Filed To Correct Return" in the bottom margin of the form. 3. Provide all requested information on the form as it applies to the returns prepared in Steps 1 and 2. 4. File Form 1096 and Copy A of the return with the appropriate service center. 5. Do not include a copy of the original return that was filed incorrectly. 				

3. The IRS notifies you to impose backup withholding because the payee furnished an incorrect TIN. 4. For interest and dividend accounts or instruments, you are notified that the payee is subject to backup withholding (under section 3406(a)(1)(C)), or 5. For interest and dividend accounts opened or instruments acquired after 1983, the payee fails to certify to you, under penalties of perjury, that he or she is not subject to backup withholding under 4 under When to apply backup withholding, below.

If you do not collect and pay over backup withholding from affected payees as required, you may become liable for any uncollected amount. Some payees are exempt from backup withholding. For a list of exempt payees and other information, see Form W-9 and the separate instructions for the Requester of Form W-9. Examples of payments to which backup withholding does not apply include but are not limited to:

- Wages.
- Distributions from a pension, annuity, profit-sharing or stock bonus plan, any IRA, an owner-employee plan, or other deferred compensation plan.
- Distributions from a medical or health savings account and long-term care benefits.
- Certain surrenderers of life insurance contracts.
- Distribution from qualified tuition programs or Coverdell ESAs.
- Gambling winnings if regular gambling winnings withholding is required under section 3402(b). However, if regular gambling winnings withholding is not required under section 3402(g), backup withholding applies if the payee fails to furnish a TIN.
- Real estate transactions reportable under section 6045(e).
- Cancelled debts reportable under section 6050P.
- Fish purchases for cash reportable under section 6050R.

When to apply backup withholding. Generally, the period for which the 28% should be withheld is as follows: 1. Failure to furnish TIN in the manner required. Withhold on payments made until the TIN is furnished in the manner required. Special backup withholding rules may apply if the payee has applied for a TIN. The payee may certify to this on Form W-9 by noting "Applied For" in the TIN block and by signing the form. This form becomes an "awaiting-TIN" certificate, and the payee has 60 days to obtain a TIN and furnish it to you. If you do not receive a TIN from the payee within 60 days and you have not already begun backup withholding, begin backup withholding and continue until the TIN is provided.

2. Notice from the IRS that payee's TIN is incorrect. You may choose to withhold on any reportable payment made to the account(s) subject to backup withholding after receipt of a backup withholding notice, but you must withhold on any reportable payment made to the account more than 30 business days after you received the notice. Stop withholding within 30 days after you receive a certified Form W-9 (or other form that requires the payee to certify under penalty of perjury).

The IRS will furnish a notice to you, and you are required to promptly furnish a "B" notice, or an acceptable substitute, to the payee. For further information, see Regulations section 31.3406(d)-5 and Pub. 1281, Backup Withholding for Missing and Incorrect Name/TIN(s).

If you receive two incorrect TIN notices within 3 years for the same account, follow the procedures in Regulations section 31.3406(d)-5(g) and Pub. 1281. 3. Notice from the IRS that payee is subject to backup withholding due to notified payee underreporting. You may choose to withhold on any reportable payment made to the account(s) subject to backup withholding after receipt of the notice, but you must withhold on any reportable payment made to the account more than 30 business days after you receive the notice. The IRS will notify you in writing when to stop withholding due to notified payee underreporting.

3. The IRS notifies you to impose backup withholding because the payee furnished an incorrect TIN. 4. For interest and dividend accounts or instruments, you are notified that the payee is subject to backup withholding (under section 3406(a)(1)(C)), or 5. For interest and dividend accounts opened or instruments acquired after 1983, the payee fails to certify to you, under penalties of perjury, that he or she is not subject to backup withholding under 4 under When to apply backup withholding, below.

If you do not collect and pay over backup withholding from affected payees as required, you may become liable for any uncollected amount. Some payees are exempt from backup withholding. For a list of exempt payees and other information, see Form W-9 and the separate instructions for the Requester of Form W-9. Examples of payments to which backup withholding does not apply include but are not limited to:

- Wages.
- Distributions from a pension, annuity, profit-sharing or stock bonus plan, any IRA, an owner-employee plan, or other deferred compensation plan.
- Distributions from a medical or health savings account and long-term care benefits.
- Certain surrenderers of life insurance contracts.
- Distribution from qualified tuition programs or Coverdell ESAs.
- Gambling winnings if regular gambling winnings withholding is required under section 3402(b). However, if regular gambling winnings withholding is not required under section 3402(g), backup withholding applies if the payee fails to furnish a TIN.
- Real estate transactions reportable under section 6045(e).
- Cancelled debts reportable under section 6050P.
- Fish purchases for cash reportable under section 6050R.

When to apply backup withholding. Generally, the period for which the 28% should be withheld is as follows: 1. Failure to furnish TIN in the manner required. Withhold on payments made until the TIN is furnished in the manner required. Special backup withholding rules may apply if the payee has applied for a TIN. The payee may certify to this on Form W-9 by noting "Applied For" in the TIN block and by signing the form. This form becomes an "awaiting-TIN" certificate, and the payee has 60 days to obtain a TIN and furnish it to you. If you do not receive a TIN from the payee within 60 days and you have not already begun backup withholding, begin backup withholding and continue until the TIN is provided.

2. Notice from the IRS that payee's TIN is incorrect. You may choose to withhold on any reportable payment made to the account(s) subject to backup withholding after receipt of a backup withholding notice, but you must withhold on any reportable payment made to the account more than 30 business days after you received the notice. Stop withholding within 30 days after you receive a certified Form W-9 (or other form that requires the payee to certify under penalty of perjury).

The following penalties generally apply to the person required to file the information returns. The penalties apply to paper filers as well as to electronic filers. For information on the penalty for failure to file electronically, see Penalty on page 5. Failure to File Correct Information Returns by the Due Date (Section 6721)

If you fail to file a correct information return by the due date and you cannot show reasonable cause, you may be subject to a penalty. The penalty applies if you fail to file timely, you fail to include all information required to be shown on a return, or you include incorrect information on a return. The penalty also applies if you file on paper when you were required to file electronically, you report an incorrect TIN or fail to report a TIN, or you fail to file paper forms that are machine readable. The amount of the penalty is based on when you file the correct information return. The penalty is:

- \$30 per information return if you correctly file within 30 days (by March 30 if the due date is February 28); maximum penalty \$250,000 per year (\$75,000 for small businesses, defined below).
- \$60 per information return if you correctly file more than 30 days after the due date but by August 1; maximum penalty \$500,000 per year (\$200,000 for small businesses).
- \$100 per information return if you file after August 1 or you do not file required information returns; maximum penalty \$1,500,000 per year (\$500,000 for small businesses).

If you do not file corrections and you do not meet any of the exceptions to the penalty described on page 12, the penalty is \$100 per information return.

O. Penalties

Reporting backup withholding. Report backup withholding on Form 945, Annual Return of Withheld Federal Income Tax. Also, report backup withholding and the amount of the payment on Forms W-2G, 1099-B, DIV, G, INT, MISC, OID, or PATR even if the amount of the payment is less than the amount for which an information return is normally required.

Form 945. Report backup withholding, voluntary withholding on certain government payments, and withholding from gambling winnings, pensions, annuities, IRAs, military retirement, and Indian gaming profits on Form 945. Generally, file Form 945 for 2012 by January 31, 2013. For more information, including the deposit requirements for Form 945, see the separate instructions for Form 945 and Circular E, Employers' Tax Guide (Pub. 15).

Do not report on Form 945 any income tax withholding reported on the following forms:

- Form W-2 including withholding on distributions to plan participants from nonqualified plans that must be reported on Form 941, Employer's Quarterly Federal Tax Return.
- Form 1042-S must be reported on Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons.

Pub. 515 has more information on Form 1042 reporting partnership withholding on effectively connected income, and dispositions of U.S. real property interests by a foreign person. Additional information. For more information about backup withholding, see Pub. 1281.

4. Payee failure to certify that he or she is not subject to backup withholding. Withhold on reportable interest and dividends until the certification has been received. For exceptions to these general timing rules, see section 3406(e).

You must notify the payee when withholding under this procedure starts. For further information, see Regulations section 31.3406(c)-1(d).

For special rules on backup withholding on gambling winnings, see the separate instructions for Forms W-2G and 5754.

3. Enter the EIN of the QI, NQI, or FTE, if applicable, in the recipient's identification number box.

4. Furnish a copy of the Form 1099 with "unknown recipient" to the QI, NQI, or FTE who is acting on the recipient's behalf.



A payer that is required to report payments made to a U.S. nonexempt recipient account holder but does not receive the necessary allocation information cannot report those payments on a pro rata basis. Report unallocated payments using the presumption rules described above.

Rules for Non-U.S. Payers

Non-U.S. payers (foreign persons that are not U.S. payers) generally have the same reporting obligations as U.S. payers. A U.S. payer is anyone who is:

- A U.S. person,
- Any U.S. governmental agency,
- A controlled foreign corporation (CFC),
- A foreign partnership that has one or more U.S. partners who, in the aggregate, hold more than 50 percent of the gross income derived from the conduct of a U.S. trade or business,
- A foreign person who owns 50 percent or more of the gross income that is effectively connected with a U.S. trade or business, or
- A U.S. branch of a foreign bank or a foreign insurance company.

For more information, see Regulations section 1.6049-5(c)(5).

Exceptions. The following payments are not subject to reporting by a non-U.S. payer.

1. A foreign source reportable payment paid outside the United States. For example, see Regulations section 1.6049-5(b)(6).

2. Gross proceeds from a sale effected outside the United States. See Regulations section 1.6045-1(a).

3. An NQI or QI that provides another payer all the information sufficient for that payer to complete Form 1099 reporting. For example, see Regulations section 1.6049-5(b)(14). However, if an NQI or QI does not provide sufficient information for another payer to report a payment on Form 1099, the intermediary must report the payment.

Rules for Reporting Payments Initially Reported on Form 1042-S

If an NQI or QI receives a Form 1042-S made out to an "unknown recipient" and the NQI or QI has actual knowledge that the payee of the income is a U.S. nonexempt recipient, it must file a Form 1099 even if the payment has been subject to withholding by another payer. The NQI or QI reports the amount withheld by the other payer on Form 1099 as federal income tax withheld.

T. How To Get Tax Help

Information Reporting Program Customer Service Section

If you have questions about reporting on Forms 1096, 1097, 1098, 1099, 3921, 3922, 5498, W-2, W-2G, and W-3, **you may call a toll-free number, 1-866-455-7438.** You may still use the original telephone number, 304-263-8700 (not toll free). For TTY/TDD equipment, call 304-579-4827 (not toll free). The hours of operation are Monday through Friday from 8:30 a.m. to 4:30 p.m., Eastern time.

Other tax-related matters. For other tax information related to business returns or accounts, call 1-800-829-4933.

If you have access to TTY/TDD equipment, call 1-800-829-4059 to ask tax account questions or to order forms and publications.

Internal Revenue Bulletin

The Internal Revenue Bulletin (IRB), published weekly, contains newly issued regulations, notices, announcements, legislation, court decisions, and other items of general interest. You may find this publication useful to keep you up to date with current developments. See *How To Get Forms, Publications, and Other Assistance*, later.

Contacting Your Taxpayer Advocate

The Taxpayer Advocate Service (TAS) is your voice at the IRS. Its job is to ensure that every taxpayer is treated fairly, and that

you know and understand your rights. TAS offers free help to guide you through the often-confusing process of resolving tax problems that you haven't been able to solve on your own. Remember, the worst thing you can do is nothing at all.

TAS can help if you can't resolve your problem with the IRS and:

- Your problem is causing financial difficulties for you, your family, or your business.
- You face (or your business is facing) an immediate threat of adverse action.
- You have tried repeatedly to contact the IRS but no one has responded, or the IRS has not responded to you by the date promised.

If you qualify for help, TAS will do everything possible to get your problem resolved. You will be assigned to one advocate who will be with you at every turn. TAS has offices in every state, the District of Columbia, and Puerto Rico. Although TAS is independent within the IRS, the advocates know how to work with the IRS to get your problems resolved. TAS services are always free.

As a taxpayer, you have rights that the IRS must abide by in its dealings with you. The TAS advocate tax toolkit at www.taxpayeradvocate.irs.gov can help you understand these rights.

If you think TAS might be able to help you, call your local advocate, whose number is in your phone book and on the TAS website at www.irs.gov/advocate. You can also call the toll-free number at 1-877-777-4778 or TTY/TDD 1-800-829-4059 (toll free).

TAS also handles large-scale or systemic problems that affect many taxpayers. If you know of one of these broad issues, please report it through the Systemic Advocacy Management System at www.irs.gov/advocate.

Taxpayer Advocacy Panel (TAP). The TAP listens to taxpayers, identifies taxpayer issues, and makes suggestions for improving IRS services and customer satisfaction. If you have suggestions for improvements, contact the TAP, toll free at 1-888-912-1227 or go to www.improveirs.org.

How To Get Forms, Publications, and Other Assistance



Because the IRS processes paper forms by machine (optical character recognition equipment), you cannot file with the IRS Form 1096 or Copy A of Forms 1097, 1098, 1099, 3921, 3922, or 5498 that you print from the IRS website or the DVD. However, you can use Copy B from those sources to provide recipient statements.

Free Tax Services

Publication 910, IRS Guide to Free Tax Services, is your guide to IRS services and resources. Learn about free tax information from the IRS, including publications, services, and education and assistance programs. The publication also has an index of over 100 TeleTax topics (recorded tax information) you can listen to on the telephone. The majority of the information and services listed in this publication are available to you free of charge. If there is a fee associated with a resource or service, it is listed in the publication.

Accessible versions of IRS published products are available on request in a variety of alternative formats for people with disabilities.



Mail. You can send your order for forms, instructions, and publications to the address below. You should receive a response within 10 days after your request is received.

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613



Internet. You can access the IRS website at IRS.gov 24 hours a day, 7 days a week to:

- Access commercial tax preparation and *e-file* services.
- Download forms, including talking tax forms, instructions, and publications.
- Order IRS products online.
- Research your tax questions online.
- Search publications online by topic or keyword.
- Use the online Internal Revenue Code, regulations, or other official guidance.

Guide to Information Returns (Continued)

Form	Title	What To Report	Amounts To Report	Due Date	
				To IRS	To Recipient (unless indicated otherwise)
1099-MISC	Miscellaneous Income (Also, use to report direct sales of \$5,000 or more of consumer goods for resale.)	Rent or royalty payments; prizes and awards that are not for services, such as winnings on TV or radio shows.	\$600 or more, except \$10 or more for royalties	February 28*	January 31**
		Payments to crew members by owners or operators of fishing boats including payments of proceeds from sale of catch.	All amounts		
		Section 409A income from nonqualified deferred compensation plans (NQDCs).	All amounts		
		Payments to a physician, physicians' corporation, or other supplier of health and medical services. Issued mainly by medical assistance programs or health and accident insurance plans.	\$600 or more		
		Payments for services performed for a trade or business by people not treated as its employees. Examples: fees to subcontractors or directors and golden parachute payments.	\$600 or more		
		Fish purchases paid in cash for resale.	\$600 or more		
		Crop insurance proceeds.	\$600 or more		
		Substitute dividends and tax-exempt interest payments reportable by brokers.	\$10 or more		
	Gross proceeds paid to attorneys.	\$600 or more		February 15**	
1099-OID	Original Issue Discount	Original issue discount.	\$10 or more	February 28*	January 31**
1099-PATR	Taxable Distributions Received From Cooperatives	Distributions from cooperatives passed through to their patrons including any domestic production activities deduction and certain pass-through credits.	\$10 or more	February 28*	January 31
1099-Q	Payments From Qualified Education Programs (Under Sections 529 and 530)	Earnings from qualified tuition programs and Coverdell ESAs.	All amounts	February 28*	January 31
1099-R	Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.	Distributions from retirement or profit-sharing plans, any IRA, insurance contracts, and IRA recharacterizations.	\$10 or more	February 28*	January 31
1099-S	Proceeds From Real Estate Transactions	Gross proceeds from the sale or exchange of real estate and certain royalty payments.	Generally, \$600 or more	February 28*	February 15
1099-SA	Distributions From an HSA, Archer MSA, or Medicare Advantage MSA	Distributions from an HSA, Archer MSA, or Medicare Advantage MSA.	All amounts	February 28*	January 31
3921	Exercise of an Incentive Stock Option Under Section 422(b)	Transfer of stock pursuant to the exercise of an incentive stock option under section 422(b).	All amounts	February 28*	January 31
3922	Transfer of Stock Acquired Through an Employee Stock Purchase Plan Under Section 423(c)	Transfer of stock acquired through an employee stock purchase plan under section 423(c).	All amounts	February 28*	January 31
5498	IRA Contribution Information	Contributions (including rollover contributions) to any individual retirement arrangement (IRA) including a SEP, SIMPLE, and Roth IRA; Roth conversions; IRA recharacterizations; and the fair market value (FMV) of the account.	All amounts	May 31	(To Participant) For FMV/RMD Jan 31; For contributions, May 31
5498-ESA	Coverdell ESA Contribution Information	Contributions (including rollover contributions) to a Coverdell ESA.	All amounts	May 31	April 30
5498-SA	HSA, Archer MSA, or Medicare Advantage MSA Information	Contributions to an HSA (including transfers and rollovers) or Archer MSA and the FMV of an HSA, Archer MSA, or Medicare Advantage MSA.	All amounts	May 31	(To Participant) May 31
W-2G	Certain Gambling Winnings	Gambling winnings from horse racing, dog racing, jai alai, lotteries, keno, bingo, slot machines, sweepstakes, wagering pools, poker tournaments, etc.	Generally, \$600 or more; \$1,200 or more from bingo or slot machines; \$1,500 or more from keno	February 28*	January 31
W-2	Wage and Tax Statement	Wages, tips, other compensation; social security, Medicare, and withheld income taxes. Include bonuses, vacation allowances, severance pay, certain moving expense payments, some kinds of travel allowances, and third-party payments of sick pay.	See separate instructions	To SSA	To Recipient
				Last day of February*	January 31

*The due date is March 31 if filed electronically.

**The due date is March 15 for reporting by trustees and middlemen of WHFITs.

Types of Payments

Below is an alphabetic list of some payments and the forms to file and report them. However, it is not a complete list of all payments, and the absence of a payment from the list does not indicate that the payment is not reportable. For instructions on a specific type of payment, see the separate instructions in the form(s) listed.

Type of Payment	Report on Form	Type of Payment	Report on Form
Abandonment	1099-A	Indian gaming profits paid to tribal members	1099-MISC
Accelerated death benefits	1099-LTC	Interest income	1099-INT
Acquisition of control	1099-CAP	Tax-exempt	1099-INT
Advance health insurance payments	1099-H	Interest, mortgage	1098
Agriculture payments	1099-G	IRA contributions	5498
Allocated tips	W-2	IRA distributions	1099-R
Alternate TAA payments	1099-G	Life insurance contract distributions	1099-R, 1099-LTC
Annuities	1099-R	Liquidation, distributions in	1099-DIV
Archer MSAs:		Loans, distribution from pension plan	1099-R
Contributions	5498-SA	Long-term care benefits	1099-LTC
Distributions	1099-SA	Medicare Advantage MSAs:	
Attorney, fees and gross proceeds	1099-MISC	Contributions	5498-SA
Auto reimbursements, employee	W-2	Distributions	1099-SA
Auto reimbursements, nonemployee	1099-MISC	Medical services	1099-MISC
Awards, employee	W-2	Merchant card payments	1099-K
Awards, nonemployee	1099-MISC	Mileage, employee	W-2
Barter exchange income	1099-B	Mileage, nonemployee	1099-MISC
Bond tax credit	1097-BTC	Military retirement	1099-R
Bonuses, employee	W-2	Mortgage insurance premiums	1098
Bonuses, nonemployee	1099-MISC	Mortgage interest	1098
Broker transactions	1099-B	Moving expense	W-2
Cancellation of debt	1099-C	Nonemployee compensation	1099-MISC
Capital gain distributions	1099-DIV	Nonqualified deferred compensation:	
Car expense, employee	W-2	Beneficiary	1099-R
Car expense, nonemployee	1099-MISC	Employee	W-2
Changes in capital structure	1099-CAP	Nonemployee	1099-MISC
Charitable gift annuities	1099-R	Original issue discount (OID)	1099-OID
Commissions, employee	W-2	Patronage dividends	1099-PATR
Commissions, nonemployee	1099-MISC	Pensions	1099-R
Commodities transactions	1099-B	Points	1098
Compensation, employee	W-2	Prizes, employee	W-2
Compensation, nonemployee	1099-MISC	Prizes, nonemployee	1099-MISC
Contributions of motor vehicles, boats, and airplanes	1098-C	Profit-sharing plan	1099-R
Cost of current life insurance protection	1099-R	Punitive damages	1099-MISC
Coverdell ESA contributions	5498-ESA	Qualified plan distributions	1099-R
Coverdell ESA distributions	1099-Q	Qualified tuition program payments	1099-Q
Crop insurance proceeds	1099-MISC	Real estate transactions	1099-S
Damages	1099-MISC	Recharacterized IRA contributions	1099-R, 5498
Death benefits	1099-R	Refund, state and local tax	1099-G
Accelerated	1099-LTC	Rents	1099-MISC
Debt cancellation	1099-C	Retirement	1099-R
Dependent care payments	W-2	Roth conversion IRA contributions	5498
Direct rollovers	1099-Q, 1099-R, 5498	Roth conversion IRA distributions	1099-R
Direct sales of consumer products for resale	1099-MISC	Roth IRA contributions	5498
Directors' fees	1099-MISC	Roth IRA distributions	1099-R
Discharge of indebtedness	1099-C	Royalties	1099-MISC
Dividends	1099-DIV	Timber, pay-as-cut contract	1099-S
Donation of motor vehicle	1098-C	Sales:	
Education loan interest	1098-E	Real estate	1099-S
Employee business expense reimbursement	W-2	Securities	1099-B
Employee compensation	W-2	Section 1035 exchange	1099-R
Excess deferrals, excess contributions, distributions of	1099-R	SEP contributions	W-2, 5498
Exercise of incentive stock option under section 422(b)	3921	SEP distributions	1099-R
Fees, employee	W-2	Severance pay	W-2
Fees, nonemployee	1099-MISC	Sick pay	W-2
Fishing boat crew members proceeds	1099-MISC	SIMPLE contributions	W-2, 5498
Fish purchases for cash	1099-MISC	SIMPLE distributions	1099-R
Foreclosures	1099-A	Student loan interest	1098-E
Foreign persons' income	1042-S	Substitute payments in lieu of dividends or tax-exempt interest	1099-MISC
401(k) contributions	W-2	Supplemental unemployment	W-2
404(k) dividend	1099-DIV	Tax refunds, state and local	1099-G
Gambling winnings	W-2G	Third-party network payments	1099-K
Golden parachute, employee	W-2	Tips	W-2
Golden parachute, nonemployee	1099-MISC	Transfer of stock acquired through an employee stock purchase plan under section 423(c)	3922
Grants, taxable	1099-G	Tuition	1098-T
Health care services	1099-MISC	Unemployment benefits	1099-G
Health insurance advance payments	1099-H	Vacation allowance, employee	W-2
Health savings accounts:		Vacation allowance, nonemployee	1099-MISC
Contributions	5498-SA	Wages	W-2
Distributions	1099-SA		
Income attributable to domestic production activities, deduction for	1099-PATR		
Income tax refunds, state and local	1099-G		

2012

Instructions for Form 1099-MISC



Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

Information about any future developments that affect Form 1099-MISC (such as legislation) will be posted at www.irs.gov/form1099misc.

Truncating recipient's identification number on paper payee statements. Notice 2011-38 allows filers of this form to truncate a recipient's identification number (social security number (SSN), individual taxpayer identification number (ITIN), or adoption taxpayer identification number (ATIN)) on paper payee statements for tax years 2011 and 2012. See part M in the 2012 General Instructions for Certain Information Returns.

Repeal of reporting requirements for certain rental property expenses. The requirement described in the 2011 instructions for persons receiving rental income from real estate to report payments for certain rental property expenses on Form 1099-MISC was repealed by Congress. You do not have to report those payments on Form 1099-MISC.

Reminder

General Instructions. In addition to these specific instructions, you should also use the 2012 General Instructions for Certain Information Returns. Those general instructions include information about the following topics.

- Backup withholding.
- Electronic reporting requirements.
- Penalties.
- Who must file (nominee/middleman).
- When and where to file.
- Taxpayer identification numbers.
- Statements to recipients.
- Corrected and void returns.
- Other general topics.

You can get the general instructions from IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

Specific Instructions

File Form 1099-MISC, Miscellaneous Income, for each person to whom you have paid during the year:

- At least \$10 in royalties (see the instructions for box 2) or broker payments in lieu of dividends or tax-exempt interest (see the instructions for box 8);
- At least \$600 in rents, services (including parts and materials), prizes and awards, other income payments, medical and health care payments, crop insurance proceeds, cash payments for fish (or other aquatic life) you purchase from anyone engaged in the trade or business of catching fish, or, generally, the cash paid from a notional principal contract to an individual, partnership, or estate;
- Any fishing boat proceeds; or
- Gross proceeds of \$600 or more paid to an attorney. See *Payments to attorneys*, later.

In addition, use Form 1099-MISC to report that you made direct sales of at least \$5,000 of consumer products to a buyer for resale anywhere other than a permanent retail establishment. You must also file Form 1099-MISC for each person from whom you have withheld any federal income tax

under the backup withholding rules regardless of the amount of the payment.



Be sure to report each payment in the proper box because the IRS uses this information to determine whether the recipient has properly reported the payment.

Trade or business reporting only. Report on Form 1099-MISC only when payments are made in the course of your trade or business. Personal payments are not reportable. You are engaged in a trade or business if you operate for gain or profit. However, nonprofit organizations are considered to be engaged in a trade or business and are subject to these reporting requirements. Other organizations subject to these reporting requirements include trusts of qualified pension or profit-sharing plans of employers, certain organizations exempt from tax under section 501(c) or (d), farmers' cooperatives that are exempt from tax under section 521, and widely held fixed investment trusts. Payments by federal, state, or local government agencies are also reportable.

Exceptions. Some payments do not have to be reported on Form 1099-MISC, although they may be taxable to the recipient. Payments for which a Form 1099-MISC is not required include all of the following.

- Generally, payments to a corporation. But see *Reportable payments to corporations*, later.
- Payments for merchandise, telegrams, telephone, freight, storage, and similar items.
- Payments of rent to real estate agents. But the real estate agent must use Form 1099-MISC to report the rent paid over to the property owner. See Regulations section 1.6041-1(e)(5), Example 5, and the instructions for box 1.
- Wages paid to employees (report on Form W-2, Wage and Tax Statement).
- Military differential wage payments made to employees while they are on active duty in the Armed Forces or other uniformed services (report on Form W-2).
- Business travel allowances paid to employees (may be reportable on Form W-2).
- Cost of current life insurance protection (report on Form W-2 or Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.).
- Payments to a tax-exempt organization including tax-exempt trusts (IRAs, HSAs, Archer MSAs, and Coverdell ESAs), the United States, a state, the District of Columbia, a U.S. possession, or a foreign government.
- Payments made to or for homeowners from the HFA Hardest Hit Fund or the Emergency Homeowners' Loan Program or similar state program (report on Form 1098-MA).
- Certain payment card transactions if a payment card organization has assigned a merchant/payee a Merchant Category Code (MCC) indicating that reporting is not required. A cardholder/payor may rely on the MCC assigned to a merchant/payee to determine if a payment card transaction with that merchant/payee is subject to reporting under section 6041 or section 6041A. For more information and a list of merchant types with corresponding MCCs, see Revenue Procedure 2004-43 available at www.irs.gov/irb/2004-31_IRB/ar17.html.

Form 1099-K. Payment settlement entities may have to report merchant card payments and third party network payments on Form 1099-K instead of Form 1099-MISC. See the separate Instructions for Form 1099-K.

Fees paid to informers. A payment to an informer as an award, fee, or reward for information about criminal activity does not have to be reported if the payment is made by a federal, state, or local government agency, or by a nonprofit organization exempt from tax under section 501(c)(3) that makes the payment to further the charitable purpose of lessening the burdens of government. For more information, see Regulations section 1.6041-3(l).

Scholarships. Do not use Form 1099-MISC to report scholarship or fellowship grants. Scholarship or fellowship grants that are taxable to the recipient because they are paid for teaching, research, or other services as a condition for receiving the grant are considered wages and must be reported on Form W-2. Other taxable scholarship or fellowship payments (to a degree or nondegree candidate) do not have to be reported by you to the IRS on any form. See Notice 87-31, 1987-1 C.B. 475, and Regulations section 1.6041-3(n) for more information.

Difficulty-of-care payments. Do not use Form 1099-MISC to report difficulty-of-care payments that are excludable from the recipient's gross income. Difficulty-of-care payments to foster care providers are not reportable if paid for fewer than 11 children under age 19 and fewer than six individuals age 19 or older. Amounts paid for more than 10 children or more than five other individuals are reportable on Form 1099-MISC.

Canceled debt. A canceled debt is not reportable on Form 1099-MISC. Canceled debts must be reported on Form 1099-C, Cancellation of Debt, by financial institutions, credit unions, Federal Government agencies, certain agencies connected with the Federal Government, and an organization where the lending of money (such as finance and credit card companies) is a significant trade or business. See the Instructions for Forms 1099-A and 1099-C.

Reportable payments to corporations. The following payments made to corporations generally must be reported on Form 1099-MISC.

- Medical and health care payments reported in box 6.
- Fish purchases for cash reported in box 7.
- Attorneys' fees reported in box 7.
- Gross proceeds paid to an attorney reported in box 14.
- Substitute payments in lieu of dividends or tax-exempt interest reported in box 8.
- Payments by a federal executive agency for services (vendors) reported in box 7.



Federal executive agencies may also have to file Form 8596, Information Return for Federal Contracts, and Form 8596-A, Quarterly Transmittal of Information Returns for Federal Contracts, if a contracted amount for personal services is more than \$25,000. See Rev. Rul. 2003-66, which is on page 1115 of Internal Revenue Bulletin 2003-26 at www.irs.gov/pub/irs-irbs/irb03-26.pdf for details.

Payments to attorneys. The term attorney includes a law firm or other provider of legal services. Attorneys' fees of \$600 or more paid in the course of your trade or business are reportable in box 7 of Form 1099-MISC.

Gross proceeds paid to attorneys. Under section 6045(f), report in box 14 payments that:

- Are made to an attorney in the course of your trade or business in connection with legal services, for example, as in a settlement agreement,
- Total \$600 or more, and
- Are not reportable by you in box 7.

Generally, you are not required to report the claimant's attorney's fees. For example, an insurance company pays a claimant's attorney \$100,000 to settle a claim. The insurance company reports the payment as gross proceeds of \$100,000 in box 14. The insurance company does not have a reporting requirement for the claimant's attorney's fees subsequently paid from these funds.

These rules apply whether or not the legal services are provided to the payer and whether or not the attorney is exclusive payee (for example, the attorney's and claimant's names are on one check) or other information returns are

required for some or all of a payment under section 6041A(a)(1). For example, a person who, in the course of a trade or business, pays \$600 of taxable damages to a claimant by paying that amount to a claimant's attorney is required to furnish Form 1099-MISC to the claimant under section 6041 and furnish Form 1099-MISC to the claimant's attorney under section 6045(f). For more examples and exceptions relating to payments to attorneys, see Regulations section 1.6045-5.

However, these rules do not apply to wages paid to attorneys that are reportable on Form W-2 or to profits distributed by a partnership to its partners that are reportable on:

- Schedule K-1 (Form 1065), Partner's Share of Income, Deductions, Credits, etc., or
- Schedule K-1 (Form 1065-B), Partner's Share of Income (Loss) From an Electing Large Partnership.

Payments to corporations for legal services. The exemption from reporting payments made to corporations does not apply to payments for legal services. Therefore, you must report attorneys' fees (in box 7) or gross proceeds (in box 14) as described earlier to corporations that provide legal services.

Taxpayer identification numbers (TINs). To report payments to an attorney on Form 1099-MISC, you must obtain the attorney's TIN. You may use Form W-9, Request for Taxpayer Identification Number and Certification, to obtain the attorney's TIN. An attorney is required to promptly supply its TIN whether it is a corporation or other entity, but the attorney is not required to certify its TIN. If the attorney fails to provide its TIN, the attorney may be subject to a penalty under section 6723 and its regulations, and you must backup withhold on the reportable payments.

Fish purchases. If you are in the trade or business of purchasing fish for resale, you must report total cash payments of \$600 or more paid during the year to any person who is engaged in the trade or business of catching fish. Report these payments in box 7. You are required to keep records showing the date and amount of each cash payment made during the year, but you must report only the total amount paid for the year on Form 1099-MISC.

"Fish" means all fish and other forms of aquatic life. "Cash" means U.S. and foreign coin and currency and a cashier's check, bank draft, traveler's check, or money order. Cash does not include a check drawn on your personal or business account.

Deceased employee's wages. If an employee dies during the year, you must report the accrued wages, vacation pay, and other compensation paid after the date of death. If you made the payment in the same year the employee died, you must withhold social security and Medicare taxes on the payment and report them only as social security and Medicare wages on the employee's Form W-2 to ensure that proper social security and Medicare credit is received. On the Form W-2, show the payment as social security wages (box 3) and Medicare wages and tips (box 5) and the social security and Medicare taxes withheld in boxes 4 and 6; do not show the payment in box 1 of Form W-2.

If you made the payment after the year of death, do not report it on Form W-2, and do not withhold social security and Medicare taxes.

Whether the payment is made in the year of death or after the year of death, you also must report the payment to the estate or beneficiary on Form 1099-MISC. Report the payment in box 3 (rather than in box 7 as specified in Rev. Rul. 86-109, 1986-2 C.B. 196). See the *Example* that follows. Enter the name and TIN of the payment recipient on Form 1099-MISC. For example, if the recipient is an individual beneficiary, enter the name and social security number of the individual; if the recipient is the estate, enter the name and employer identification number of the estate. The general backup withholding rules apply to this payment.

Death benefits from nonqualified deferred compensation plans or section 457 plans paid to the estate or beneficiary of a deceased employee are reportable on Form 1099-MISC. Do not

report these death benefits on Form 1099-R. However, if the benefits are from a qualified plan, report them on Form 1099-R. See the Instructions for Forms 1099-R and 5498.

Example. Before Employee A's death on June 15, 2012, A was employed by Employer X and received \$10,000 in wages on which federal income tax of \$1,500 was withheld. When A died, X owed A \$2,000 in wages and \$1,000 in accrued vacation pay. The total of \$3,000 (less the social security and Medicare taxes withheld) was paid to A's estate on July 20, 2012. Because X made the payment during the year of death, X must withhold social security and Medicare taxes on the \$3,000 payment and must complete Form W-2 as follows.

- Box 1—10000.00 (does not include the \$3,000 accrued wages and vacation pay)
- Box 2—1500.00
- Box 3—13000.00 (includes the \$3,000 accrued wages and vacation pay)
- Box 4—Social security tax withheld on the amount in box 3
- Box 5—13000.00 (includes the \$3,000 accrued wages and vacation pay)
- Box 6—Medicare tax withheld on the amount in box 5

Employer X also must complete Form 1099-MISC as follows.

- Boxes for recipient's name, address, and TIN—the estate's name, address, and TIN.
- Box 3—3000.00 (Even though amounts were withheld for social security and Medicare taxes, the gross amount is reported here.)

If Employer X made the payment after the year of death, the \$3,000 would not be subject to social security and Medicare taxes and would not be shown on Form W-2. However, the employer would still file Form 1099-MISC.

Employee business expense reimbursements. Do not use Form 1099-MISC to report employee business expense reimbursements. Report payments made to employees under a nonaccountable plan as wages on Form W-2. Generally, payments made to employees under an accountable plan are not reportable on Form W-2, except in certain cases when you pay a *per diem* or mileage allowance. For more information, see the Instructions for Forms W-2 and W-3; Pub. 463, Travel, Entertainment, Gift, and Car Expenses; and Pub. 1542, Per Diem Rates. For information on reporting employee moving expense reimbursements on Form W-2, see the Instructions for Forms W-2 and W-3.

Independent contractor or employee. Generally, you must report payments to independent contractors on Form 1099-MISC in box 7. See the instructions for box 7.



Section 530 of the Revenue Act of 1978 as extended by section 269(c) of P.L. 97-248 deals with the employment tax status of independent contractors and employees.

To qualify for relief under section 530, employers must file Form 1099-MISC. Additional requirements for relief are discussed in Rev. Proc. 85-18, 1985-1 C.B. 518. Also see Pub. 15-A, Employer's Supplemental Tax Guide, for special rules that may apply to technical service specialists and test proctors and room supervisors.

Transit passes and parking for independent contractors. Although you cannot provide qualified transportation fringes to independent contractors, the working condition and *de minimis* fringe rules for transit passes and parking apply to independent contractors. Tokens or farecards that enable an independent contractor to commute on a public transit system (not including privately operated van pools) are excludable from the independent contractor's gross income and are not reportable on Form 1099-MISC if their value in any month is \$21 or less. However, if the value of a pass provided in a month is greater than \$21, the full value is includable in gross income and is reportable on Form 1099-MISC. The value of parking may be excludable from an independent contractor's gross income, and, therefore, not reportable on Form 1099-MISC if certain requirements are met. See Regulations section 1.132-9(b), Q/A-24.

Directors' fees. You must report directors' fees and other remuneration, including payments made after retirement, on Form 1099-MISC in the year paid. Report them in box 7.

Commissions paid to lottery ticket sales agents. A state that has control over and responsibility for online and instant lottery games must file Form 1099-MISC to report commissions paid, whether directly or indirectly, to licensed sales agents. For example, State X retains control over and liability for online and instant lottery games. For online ticket sales, State X pays commissions by allowing an agent to retain 5% of the ticket proceeds the agent remits to State X. For instant ticket sales, State X pays commissions by providing tickets to the agent for 5% less than the proceeds to be obtained by the agent from the sale of those tickets. If the commissions for the year total \$600 or more, they must be reported in box 7 on Form 1099-MISC. See Rev. Rul. 92-96, 1992-2 C.B. 281.

Escrow agent; construction project. When an escrow agent maintains owner-provided funds in an escrow account for a construction project, performs management and oversight functions relating to the construction project, and makes payments for the owner and the general contractor, the escrow agent must file Form 1099-MISC for reportable payments of \$600 or more. This requirement applies whether or not the escrow agent is a bank. If the contractor is the borrower of the funds, do not report on Form 1099-MISC any loan payments made to the contractor/borrower.

Indian gaming profits, payments to tribal members. If you make payments to members of Indian tribes from the net revenues of class II or class III gaming activities conducted or licensed by the tribes, you must withhold federal income tax on such payments. File Form 1099-MISC to report the payments and withholding to tribal members. Report the payments in box 3 and the federal income tax withheld in box 4. Pub. 15-A contains the necessary "Tables for Withholding on Distributions of Indian Gaming Profits to Tribal Members."

State or local sales taxes. If state or local sales taxes are imposed on the service provider and you (as the buyer) pay them to the service provider, report them on Form 1099-MISC as part of the reportable payment. However, if sales taxes are imposed on you (as the buyer) and collected from you by the service provider, do not report the sales taxes on Form 1099-MISC.

Widely held fixed investment trusts (WHFITs). Trustees and middlemen of WHFITs must report items of gross income attributable to a trust income holder (TIH) on the appropriate Form 1099. A tax information statement that includes the information provided to the IRS on Forms 1099, as well as additional information identified in Regulations section 1.671-5(e), must be furnished to TIHs. For details, see the 2012 General Instructions for Certain Information Returns.

Statements to recipients. If you are required to file Form 1099-MISC, you must provide a statement to the recipient. For more information about the requirement to furnish a statement to each recipient, see part M in the 2012 General Instructions for Certain Information Returns.

2nd TIN not. You may enter an "X" in this box if you were notified by the IRS twice within 3 calendar years that the payee provided an incorrect TIN. If you mark this box, the IRS will not send you any further notices about this account. However, if you received both IRS notices in the same year, or if you received them in different years but they both related to information returns filed for the same year, do not check the box at this time. For purposes of the two-notices-in-3-years rule, you are considered to have received one notice. You are not required to send a second "B" notice upon receipt of the second notice. See part N in the 2012 General Instructions for Certain Information Returns for more information.



For information on the TIN Matching System offered by the IRS, see the 2012 General Instructions for Certain Information Returns.

Recipient's Identification Number

Enter the recipient's identification number using hyphens in the proper format. SSNs, ITINs, and ATINs should be in the XXX-XX-XXXX format. EINs should be in the XX-XXXXXXX format.

Account Number

The account number is required if you have multiple accounts for a recipient for whom you are filing more than one Form 1099-MISC. Additionally, the IRS encourages you to designate an account number for all Forms 1099-MISC that you file. See part L in the 2012 General Instructions for Certain Information Returns.

Box 1. Rents

Enter amounts of \$600 or more for all types of rents, such as any of the following.

- Real estate rentals paid for office space. However, you do not have to report these payments on Form 1099-MISC if you paid them to a real estate agent. But the real estate agent must use Form 1099-MISC to report the rent paid over to the property owner. See Regulations section 1.6041-1(e)(5), Example 5.
- Machine rentals (for example, renting a bulldozer to level your parking lot). If the machine rental is part of a contract that includes both the use of the machine and the operator, prorate the rental between the rent of the machine (report that in box 1) and the operator's charge (report that as nonemployee compensation in box 7).
- Pasture rentals (for example, farmers paying for the use of grazing land).

Public housing agencies must report in box 1 rental assistance payments made to owners of housing projects. See Rev. Rul. 88-53, 1988-1 C.B. 384.

Coin-operated amusements. If an arrangement between an owner of coin-operated amusements and an owner of a business establishment where the amusements are placed is a lease of the amusements or the amusement space, the owner of the amusements or the owner of the space, whoever makes the payments, must report the lease payments in box 1 of Form 1099-MISC if the payments total at least \$600. However, if the arrangement is a joint venture, the joint venture must file a Form 1065, U.S. Return of Partnership Income, and provide each partner with the information necessary to report the partner's share of the taxable income. Coin-operated amusements include video games, pinball machines, jukeboxes, pool tables, slot machines, and other machines and gaming devices operated by coins or tokens inserted into the machines by individual users. For more information, see Rev. Rul. 92-49, 1992-1 C.B. 433.

Box 2. Royalties

Enter gross royalty payments (or similar amounts) of \$10 or more. Report royalties from oil, gas, or other mineral properties before reduction for severance and other taxes that may have been withheld and paid. Do not include surface royalties. They should be reported in box 1. Do not report oil or gas payments for a working interest in box 2; report payments for working interests in box 7. Do not report timber royalties made under a pay-as-cut contract; report these timber royalties on Form 1099-S, Proceeds From Real Estate Transactions.

Use box 2 to report royalty payments from intangible property such as patents, copyrights, trade names, and trademarks. Report the gross royalties (before reduction for fees, commissions, or expenses) paid by a publisher directly to an author or literary agent, unless the agent is a corporation. The literary agent (whether or not a corporation) that receives the royalty payment on behalf of the author must report the gross amount of royalty payments to the author on Form 1099-MISC whether or not the publisher reported the payment to the agent on its Form 1099-MISC.

Box 3. Other Income

Enter other income of \$600 or more required to be reported on Form 1099-MISC that is not reportable in one of the other boxes on the form.

Also enter in box 3 prizes and awards that are not for services performed. Include the fair market value (FMV) of merchandise won on game shows. Also include amounts paid to a winner of a sweepstakes not involving a wager. If a wager is made, report the winnings on Form W-2G, Certain Gambling Winnings.

TIP If, not later than 60 days after the winner becomes entitled to the prize, the winner can choose the option of a lump sum or an annuity payable over at least 10 years, the payment of winnings is considered made when actually paid. If the winner chooses an annuity, file Form 1099-MISC each year to report the annuity paid during that year.

Do not include prizes and awards paid to your employees. Report these on Form W-2. Do not include in box 3 prizes and awards for services performed by nonemployees, such as an award for the top commission salesperson. Report them in box 7.

Prizes and awards received in recognition of past accomplishments in religious, charitable, scientific, artistic, educational, literary, or civic fields are not reportable if:

- The winners are chosen without action on their part,
- The winners are not expected to perform future services, and
- The payer transfers the prize or award to a charitable organization or governmental unit under a designation made by the recipient. See Rev. Proc. 87-54, 1987-2 C.B. 669.

Other items required to be reported in box 3 include the following.

1. Payments as explained earlier under *Deceased employee's wages*.
2. Payments as explained earlier under *Indian gaming profits, payments to tribal members*.
3. A payment or series of payments made to individuals for participating in a medical research study or studies.
4. Termination payments to former self-employed insurance salespeople. These payments are not subject to self-employment tax and are reportable in box 3 (rather than box 7) if all the following apply.
 - a. The payments are received from an insurance company because of services performed as an insurance salesperson for the company.
 - b. The payments are received after termination of the salesperson's agreement to perform services for the company.
 - c. The salesperson did not perform any services for the company after termination and before the end of the year.
 - d. The salesperson enters into a covenant not to compete against the company for at least 1 year after the date of termination.
 - e. The amount of the payments depends primarily on policies sold by the salesperson or credited to the salesperson's account during the last year of the service agreement or to the extent those policies remain in force for some period after termination, or both.
 - f. The amount of the payments does not depend at all on length of service or overall earnings from the company (regardless of whether eligibility for payment depends on length of service).

If the termination payments do not meet all these requirements, report them in box 7.

5. Generally, all punitive damages, any damages for nonphysical injuries or sickness, and any other taxable damages. Report punitive damages even if they relate to physical injury or physical sickness. Generally, report all compensatory damages for nonphysical injuries or sickness, such as employment discrimination or defamation. However, do not report damages (other than punitive damages):

- a. Received on account of personal physical injuries or physical sickness;

1099

Illustrated example.

The completed Form 1099-MISC illustrates the following example. Z Builders is a contractor that subcontracts drywall work to Ronald Green, a sole proprietor who does business as Y Drywall. During the year, Z Builders pays Mr. Green \$5,500. Z Builders must file Form 1099-MISC because they paid Mr. Green \$600 or more in the course of their trade or business, and Mr. Green is not a corporation.

9595 VOID CORRECTED

PAYER'S name, street address, city, state, ZIP code, and telephone no. <i>Z Builders</i> 123 Maple Avenue Oaktown, AL 00000 555-555-1212		1 Rents	OMB No. 1545-0115		<div style="font-size: 2em; font-weight: bold;">2012</div> <div style="font-weight: bold;">Miscellaneous Income</div>
		\$			
		2 Royalties			
		\$	Form 1099-MISC		
		3 Other income	4 Federal income tax withheld	<div style="font-weight: bold;">Copy A</div> <div style="font-weight: bold;">For Internal Revenue Service Center</div> <div style="font-weight: bold;">File with Form 1096.</div> <div style="font-weight: bold;">For Privacy Act and Paperwork Reduction Act Notice, see the 2012 General Instructions for Certain Information Returns</div>	
		\$	\$		
PAYER'S Federal identification number	RECIPIENT'S identification number	5 Fishing boat proceeds	6 Medical and health care payments		
10-9999999	123-00-6789	\$	\$		
RECIPIENT'S name		7 Nonemployee compensation	8 Substitute payments in lieu of dividends or interest		
<i>Ronald Green</i> <i>dba/ Y Drywall</i>		\$ 5500.00	\$		
Street address (including apt. no.)		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds		
456 Flower Lane		\$	\$		
City, state, and ZIP code		11	12		
Oaktown, AL 00000					
Account number (see instructions)	2nd TIN not <input type="checkbox"/>	13 Excess golden parachute payments	14 Gross proceeds paid to an attorney		
		\$	\$		
15a Section 409A deferrals	15b Section 409A income	16 State tax withheld	17 State/Payer's state no.	18 State income	
\$	\$	\$		\$	

Form 1099-MISC

Cat. No. 14425J

Department of the Treasury - Internal Revenue Service

b. That do not exceed the amount paid for medical care for emotional distress;

c. Received on account of nonphysical injuries (for example, emotional distress) under a written binding agreement, court decree, or mediation award in effect on or issued by September 13, 1995; or

d. That are for a replacement of capital, such as damages paid to a buyer by a contractor who failed to complete construction of a building.

Damages received on account of emotional distress, including physical symptoms such as insomnia, headaches, and stomach disorders, are not considered received for a physical injury or physical sickness and are reportable unless described in b or c above. However, damages received on account of emotional distress due to physical injuries or physical sickness are not reportable.

Also report liquidated damages received under the Age Discrimination in Employment Act of 1967.

TIP Taxable back pay damages may be wages and reportable on Form W-2. See Pub. 957, Reporting Back Pay and Special Wage Payments to the Social Security Administration.

Foreign agricultural workers. Report in box 3 compensation of \$600 or more paid in a calendar year to an H-2A visa agricultural worker who did not give you a valid taxpayer identification number. You must also withhold federal income tax under the backup withholding rules. For more information, go to IRS.gov and enter "foreign agricultural workers" in the search box.

Box 4. Federal Income Tax Withheld

Enter backup withholding. For example, persons who have not furnished their TIN to you are subject to withholding on payments required to be reported in boxes 1, 2 (net of severance taxes), 3, 5 (to the extent paid in cash), 6, 7 (except fish purchases for cash), 8, 10, and 14. For more information on backup withholding, including the rate, see part N in the 2012 General Instructions for Certain Information Returns.

Also enter any income tax withheld from payments to members of Indian tribes from the net revenues of class II or class III gaming activities conducted or licensed by the tribes.

Exception

Regulations section 31.3406(g)-1(f) provides that backup withholding is not required for certain payment card transactions.



At the time these instructions went to print, the IRS had published proposed changes to Regulations section 31.3406(g)-1(f). Also, a proposed revenue procedure was published in Notice 2007-59. For more information, go to IRS.gov and enter "QPCA" in the upper right corner.

Box 5. Fishing Boat Proceeds

Enter the individual's share of all proceeds from the sale of a catch or the FMV of a distribution in kind to each crew member of fishing boats with normally fewer than 10 crew members. A fishing boat has normally fewer than 10 crew members if the average size of the operating crew was fewer than 10 on trips during the preceding 4 calendar quarters.

In addition, report cash payments of up to \$100 per trip that are contingent on a minimum catch and are paid solely for

additional duties (such as mate, engineer, or cook) for which additional cash payments are traditional in the industry. However, do not report on Form 1099-MISC any wages reportable on Form W-2.

Box 6. Medical and Health Care Payments

Enter payments of \$600 or more made in the course of your trade or business to each physician or other supplier or provider of medical or health care services. Include payments made by medical and health care insurers under health, accident, and sickness insurance programs. If payment is made to a corporation, list the corporation as the recipient rather than the individual providing the services. Payments to persons providing health care services often include charges for injections, drugs, dentures, and similar items. In these cases the entire payment is subject to information reporting. You are not required to report payments to pharmacies for prescription drugs.

The exemption from issuing Form 1099-MISC to a corporation does not apply to payments for medical or health care services provided by corporations, including professional corporations. However, you are not required to report payments made to a tax-exempt hospital or extended care facility or to a hospital or extended care facility owned and operated by the United States (or its possessions), a state, the District of Columbia, or any of their political subdivisions, agencies, or instrumentalities.



Generally, payments made under a flexible spending arrangement (as defined in section 106(c)(2)) or a health reimbursement arrangement which is treated as employer-provided coverage under an accident or health plan for purposes of section 106 are exempt from the reporting requirements of section 6041.

Box 7. Nonemployee Compensation

Enter nonemployee compensation of \$600 or more. Include fees, commissions, prizes and awards for services performed as a nonemployee, other forms of compensation for services performed for your trade or business by an individual who is not your employee, and fish purchases for cash. Include oil and gas payments for a working interest, whether or not services are performed. Also include expenses incurred for the use of an entertainment facility that you treat as compensation to a nonemployee. Federal executive agencies that make payments to vendors for services, including payments to corporations, must report the payments in this box. See Rev. Rul. 2003-66, which is on page 1115 of Internal Revenue Bulletin 2003-26 at www.irs.gov/pub/irs-irbs/irb03-26.pdf.

What is nonemployee compensation? If the following four conditions are met, you must generally report a payment as nonemployee compensation.

- You made the payment to someone who is not your employee;
- You made the payment for services in the course of your trade or business (including government agencies and nonprofit organizations);
- You made the payment to an individual, partnership, estate, or, in some cases, a corporation; and
- You made payments to the payee of at least \$600 during the year.

Self-employment tax. Generally, amounts reportable in box 7 are subject to self-employment tax. If payments to individuals are not subject to this tax and are not reportable elsewhere on Form 1099-MISC, report the payments in box 3. However, report section 530 (of the Revenue Act of 1978) worker payments in box 7.

Examples. The following are some examples of payments to be reported in box 7.

- Professional service fees, such as fees to attorneys (including corporations), accountants, architects, contractors, engineers, etc.
- Fees paid by one professional to another, such as fee-splitting or referral fees.

- Payments by attorneys to witnesses or experts in legal adjudication.
- Payment for services, including payment for parts or materials used to perform the services if supplying the parts or materials was incidental to providing the service. For example, report the total insurance company payments to an auto repair shop under a repair contract showing an amount for labor and another amount for parts, if furnishing parts was incidental to repairing the auto.
- Commissions paid to nonemployee salespersons that are subject to repayment but not repaid during the calendar year.
- A fee paid to a nonemployee, including an independent contractor, or travel reimbursement for which the nonemployee did not account to the payer, if the fee and reimbursement total at least \$600. To help you determine whether someone is an independent contractor or an employee, see Pub. 15-A.
- Payments to nonemployee entertainers for services. Use Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, for payments to nonresident aliens.
- Exchanges of services between individuals in the course of their trades or businesses. For example, an attorney represents a painter for nonpayment of business debts in exchange for the painting of the attorney's law offices. The amount reportable by each on Form 1099-MISC is the FMV of his or her own services performed. However, if the attorney represents the painter in a divorce proceeding, this is an activity that is unrelated to the painter's trade or business. The attorney must report on Form 1099-MISC the value of his or her services. But the painter need not report on Form 1099-MISC the value of painting the law offices because the work is in exchange for legal services that are separate from the painter's business.
- Taxable fringe benefits for nonemployees. For information on the valuation of fringe benefits, see Pub. 15-B, Employer's Tax Guide to Fringe Benefits.
- Gross oil and gas payments for a working interest.
- Payments to an insurance salesperson who is not your common law or statutory employee. See Pub. 15-A for the definition of employee. However, for termination payments to former insurance salespeople, see the instructions for box 3.
- Directors' fees as explained under *Directors' fees*, earlier.
- Commissions paid to licensed lottery ticket sales agents as explained under *Commissions paid to lottery ticket sales agents*, earlier.
- Payments to section 530 (of the Revenue Act of 1978) workers. See the *TIP* under *Independent contractor or employee*, earlier.
- Fish purchases for cash. See *Fish purchases*, earlier.

Nonqualified deferred compensation (Section 409A) income. Include in box 7 the amount of all deferrals (plus earnings) reported in box 15b that are includible in gross income because the nonqualified deferred compensation (NQDC) plan fails to satisfy the requirements of section 409A. See Regulations sections 1.409A-1 through 1.409A-6.

Golden parachute payments. A parachute payment is any payment that meets all of the following conditions.

1. The payment is in the nature of compensation.
2. The payment is to, or for the benefit of, a disqualified individual.
3. The payment is contingent on a change in the ownership of a corporation, the effective control of a corporation, or the ownership of a substantial portion of the assets of a corporation (a change in ownership or control).
4. The payment has (together with other payments described in 1, 2, and 3, above, made to the same individual) an aggregate present value of at least three times the individual's base amount.

A disqualified individual is one who at any time during the 12-month period prior to and ending on the date of the change in ownership or control of the corporation (the disqualified individual determination period) was an employee or independent contractor and was, in regard to that corporation, a shareholder, an officer, or a highly compensated individual.

1099- misc

Attention:

This form is provided for informational purposes only. Copy A appears in red, similar to the official IRS form. Do **not** file copy A downloaded from this website. The official printed version of this IRS form is scannable, but the online version of it, printed from this website, is not. A penalty may be imposed for filing forms that can't be scanned. See part O in the current General Instructions for Certain Information Returns for more information about penalties.

To order official IRS forms, call 1-800-TAX-FORM (1-800-829-3676) or [Order Information Returns and Employer Returns Online](#), and we'll mail you the scannable forms and other products.

See IRS Publications 1141, 1167, 1179 and other IRS resources for information about printing these tax forms.

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VOID CORRECTED

PAYER'S name, street address, city, state, ZIP code, and telephone no.		1 Rents	OMB No. 1545-0115	<div style="font-size: 2em; font-weight: bold;">2012</div>	<div style="font-weight: bold;">Miscellaneous Income</div>
		\$			
		2 Royalties	Form 1099-MISC		
PAYER'S federal identification number		3 Other income	4 Federal income tax withheld	<div style="font-weight: bold;">Copy A</div>	
		\$	\$		
PAYER'S federal identification number		5 Fishing boat proceeds	6 Medical and health care payments	<div style="font-weight: bold;">For Internal Revenue Service Center</div>	
RECIPIENT'S identification number		\$	\$		
RECIPIENT'S name		7 Nonemployee compensation	8 Substitute payments in lieu of dividends or interest	<div style="font-weight: bold;">File with Form 1096.</div>	
Street address (including apt. no.)		\$	\$		
City, state, and ZIP code		9 Payer made direct sales of \$5,000 or more of consumer products to a buyer (recipient) for resale <input type="checkbox"/>	10 Crop insurance proceeds		
Account number (see instructions)		11	12		
2nd TIN not <input type="checkbox"/>		13 Excess golden parachute payments	14 Gross proceeds paid to an attorney	<div style="font-weight: bold;">For Privacy Act and Paperwork Reduction Act Notice, see the 2012 General Instructions for Certain Information Returns.</div>	
15a Section 409A deferrals		\$	\$		
15b Section 409A income		\$	\$		
16 State tax withheld		\$	17 State/Payer's state no.	<div style="font-weight: bold;">18 State income</div>	
18 State income		\$	\$		

Form 1099-MISC

Cat. No. 14425J

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page

Instructions for Recipient

Recipient's identification number. For your protection, this form may show only the last four digits of your social security number (SSN), individual taxpayer identification number (ITIN), or adoption taxpayer identification number (ATIN). However, the issuer has reported your complete identification number to the IRS and, where applicable, to state and/or local governments.

Account number. May show an account or other unique number the payer assigned to distinguish your account.

Amounts shown may be subject to self-employment (SE) tax. If your net income from self-employment is \$400 or more, you must file a return and compute your SE tax on Schedule SE (Form 1040). See Pub. 334 for more information. If no income or social security and Medicare taxes were withheld and you are still receiving these payments, see Form 1040-ES (or Form 1040-ES(NR)). Individuals must report these amounts as explained in the box 7 instructions on this page. Corporations, fiduciaries, or partnerships must report the amounts on the proper line of their tax returns.

Form 1099-MISC incorrect? If this form is incorrect or has been issued in error, contact the payer. If you cannot get this form corrected, attach an explanation to your tax return and report your income correctly.

Box 1. Report rents from real estate on Schedule E (Form 1040). However, report rents on Schedule C (Form 1040) if you provided significant services to the tenant, sold real estate as a business, or rented personal property as a business.

Box 2. Report royalties from oil, gas, or mineral properties, copyrights, and patents on Schedule E (Form 1040). However, report payments for a working interest as explained in the box 7 instructions. For royalties on timber, coal, and iron ore, see Pub. 544.

Box 3. Generally, report this amount on the "Other income" line of Form 1040 (or Form 1040NR) and identify the payment. The amount shown may be payments received as the beneficiary of a deceased employee, prizes, awards, taxable damages, Indian gaming profits, or other taxable income. See Pub. 525. If it is trade or business income, report this amount on Schedule C or F (Form 1040).

Box 4. Shows backup withholding or withholding on Indian gaming profits. Generally, a payer must backup withhold if you did not furnish your taxpayer identification number. See Form W-9 and Pub. 505 for more information. Report this amount on your income tax return as tax withheld.

Box 5. An amount in this box means the fishing boat operator considers you self-employed. Report this amount on Schedule C (Form 1040). See Pub. 334.

Box 6. For individuals, report on Schedule C (Form 1040).

Box 7. Shows nonemployee compensation. If you are in the trade or business of catching fish, box 7 may show cash you received for the sale of fish. If the amount in this box is SE income, report it on Schedule C or F (Form 1040), and complete Schedule SE (Form 1040). You received this form instead of Form W-2 because the payer did not consider you an employee and did not withhold income tax or social security and Medicare tax. If you believe you are an employee and cannot get the payer to correct this form, report the amount from box 7 on Form 1040, line 7 (or Form 1040NR, line 8). You must also complete Form 8919 and attach it to your return. If you are not an employee but the amount in this box is not SE income (for example, it is income from a sporadic activity or a hobby), report it on Form 1040, line 21 (or Form 1040NR, line 21).

Box 8. Shows substitute payments in lieu of dividends or tax-exempt interest received by your broker on your behalf as a result of a loan of your securities. Report on the "Other income" line of Form 1040 (or Form 1040NR).

Box 9. If checked, \$5,000 or more of sales of consumer products was paid to you on a buy-sell, deposit-commission, or other basis. A dollar amount does not have to be shown. Generally, report any income from your sale of these products on Schedule C (Form 1040).

Box 10. Report this amount on Schedule F (Form 1040).

Box 13. Shows your total compensation of excess golden parachute payments subject to a 20% excise tax. See the Form 1040 (or Form 1040NR) instructions for where to report.

Box 14. Shows gross proceeds paid to an attorney in connection with legal services. Report only the taxable part as income on your return.

Box 15a. May show current year deferrals as a nonemployee under a nonqualified deferred compensation (NQDC) plan that is subject to the requirements of section 409A, plus any earnings on current and prior year deferrals.

Box 15b. Shows income as a nonemployee under an NQDC plan that does not meet the requirements of section 409A. This amount is also included in box 7 as nonemployee compensation. Any amount included in box 15a that is currently taxable is also included in this box. This income is also subject to a substantial additional tax to be reported on Form 1040 (or Form 1040NR). See "Total Tax" in the Form 1040 (or Form 1040NR) instructions.

Boxes 16–18. Shows state or local income tax withheld from the payments.

Instructions for Payer

General and specific form instructions are provided as separate products. The products you should use to complete Form 1099-MISC are the 2012 General Instructions for Certain Information Returns and the 2012 Instructions for Form 1099-MISC. A chart in the general instructions gives a quick guide to which form must be filed to report a particular payment. To order these instructions and additional forms, visit IRS.gov or call 1-800-TAX-FORM (1-800-829-3676).

Caution: *Because paper forms are scanned during processing, you cannot file with the IRS Forms 1096, 1097, 1098, 1099, 3921, 3922, or 5498 that you print from the IRS website.*

Due dates. Furnish Copy B of this form to the recipient by January 31, 2013. The due date is extended to February 15, 2013, if you are reporting payments in boxes 8 or 14.

File Copy A of this form with the IRS by February 28, 2013. If you file electronically, the due date is April 1, 2013. To file electronically, you must have software that generates a file according to the specifications in Pub. 1220, Specifications for Filing Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G Electronically. IRS does not provide a fill-in form option.

Need help? If you have questions about reporting on Form 1099-MISC, call the information reporting customer service site toll free at 1-866-455-7438 or 304-263-8700 (not toll free). For TTY/TDD equipment, call 304-579-4827 (not toll free). The hours of operation are Monday through Friday from 8:30 a.m. to 4:30 p.m., Eastern time.

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Attention:

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See IRS Publications 1141, 1167, 1179 and other IRS resources for information about printing these tax forms.

Form 1096 Department of the Treasury Internal Revenue Service	Annual Summary and Transmittal of U.S. Information Returns	OMB No. 1545-0108 2012											
FILER'S name Street address (including room or suite number) City, state, and ZIP code													
Name of person to contact		Telephone number											
Email address		Fax number											
For Official Use Only 													
1 Employer identification number	2 Social security number	3 Total number of forms											
4 Federal income tax withheld \$		5 Total amount reported with this Form 1096 \$											
6 Enter an "X" in only one box below to indicate the type of form being filed.												7 If this is your final return , enter an "X" here <input type="checkbox"/>	
W-2G 32	1097-BTC 50	1098 81	1098-C 78	1098-E 84	1098-T 83	1099-A 80	1099-B 79	1099-C 85	1099-CAP 73	1099-DIV 91	1099-G 86	1099-H 71	1099-INT 92
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1099-K 10	1099-LTC 93	1099-MISC 95	1099-OID 96	1099-PATR 97	1099-Q 31	1099-R 98	1099-S 75	1099-SA 94	3921 25	3922 26	5498 28	5498-ESA 72	5498-SA 27
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Return this entire page to the Internal Revenue Service. Photocopies are not acceptable.

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature Title Date

Instructions

Reminder. The only acceptable method of filing information returns with Internal Revenue Service/Information Returns Branch is electronically through the FIRE system. See Pub. 1220, Specifications for Filing Forms 1097, 1098, 1099, 3921, 3922, 5498, 8935, and W-2G Electronically.

Purpose of form. Use this form to transmit paper Forms 1097, 1098, 1099, 3921, 3922, 5498, and W-2G to the Internal Revenue Service. Do not use Form 1096 to transmit electronically. For electronic submissions, see Pub. 1220.

Caution. If you are required to file 250 or more information returns of any one type, you must file electronically. If you are required to file electronically but fail to do so, and you do not have an approved waiver, you may be subject to a penalty. For more information, see part F in the 2012 General Instructions for Certain Information Returns.

Who must file. The name, address, and TIN of the filer on this form must be the same as those you enter in the upper left area of Forms 1097, 1098, 1099, 3921, 3922, 5498, or W-2G. A filer is any person or entity who files any of the forms shown in line 6 above.

Enter the filer's name, address (including room, suite, or other unit number), and TIN in the spaces provided on the form.

When to file. File Form 1096 as follows.

- With Forms 1097, 1098, 1099, 3921, 3922, or W-2G, file by February 28, 2013.
- With Form 5498, file by May 31, 2013.

Where To File

Send all information returns filed on paper with Form 1096 to the following:

If your principal business, office or agency, or legal residence in the case of an individual, is located in

Use the following three-line address

Alabama, Arizona, Arkansas, Connecticut, Delaware, Florida, Georgia, Kentucky, Louisiana, Maine, Massachusetts, Mississippi, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, West Virginia

Department of the Treasury
 Internal Revenue Service Center
 Austin, TX 73301

Alaska, California, Colorado, District of Columbia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Maryland, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Utah, Washington, Wisconsin, Wyoming

Department of the Treasury
Internal Revenue Service Center
Kansas City, MO 64999

If your legal residence or principal place of business is outside the United States, file with the Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301.

Transmitting to the IRS. Group the forms by form number and transmit each group with a separate Form 1096. For example, if you must file both Forms 1098 and 1099-A, complete one Form 1096 to transmit your Forms 1098 and another Form 1096 to transmit your Forms 1099-A. You need not submit original and corrected returns separately. Do not send a form (1099, 5498, etc.) containing summary (subtotal) information with Form 1096. Summary information for the group of forms being sent is entered only in boxes 3, 4, and 5 of Form 1096.

Box 1 or 2. Complete only if you are not using a preaddressed Form 1096. Make an entry in either box 1 or 2; not both. Individuals not in a trade or business must enter their social security number (SSN) in box 2; sole proprietors and all others must enter their employer identification number (EIN) in box 1. However, sole proprietors who do not have an EIN must enter their SSN in box 2. Use the same EIN or SSN on Form 1096 that you use on Forms 1097, 1098, 1099, 3921, 3922, 5498, or W-2G.

Box 3. Enter the number of forms you are transmitting with this Form 1096. Do not include blank or voided forms or the Form 1096 in your total. Enter the number of correctly completed forms, not the number of pages, being transmitted. For example, if you send one page of three-to-a-page Forms 1098 with a Form 1096 and you have correctly completed two Forms 1098 on that page, enter "2" in box 3 of Form 1096.

Box 4. Enter the total federal income tax withheld shown on the forms being transmitted with this Form 1096.

Box 5. No entry is required if you are filing Form 1098-T, 1099-A, or 1099-G. For all other forms, enter the total of the amounts from the specific boxes of the forms listed below.

Form W-2G	Box 1
Form 1097-BTC	Box 1
Form 1098	Boxes 1 and 2
Form 1098-C	Box 4c
Form 1098-E	Box 1
Form 1099-B	Boxes 2a and 7
Form 1099-C	Box 2
Form 1099-CAP	Box 2
Form 1099-DIV	Boxes 1a, 2a, 3, 8, 9, and 10
Form 1099-H	Box 1
Form 1099-INT	Boxes 1, 3, and 8
Form 1099-K	Box 1
Form 1099-LTC	Boxes 1 and 2
Form 1099-MISC	Boxes 1, 2, 3, 5, 6, 7, 8, 10, 13, and 14
Form 1099-OID	Boxes 1, 2, and 6
Form 1099-PATR	Boxes 1, 2, 3, and 5
Form 1099-Q	Box 1
Form 1099-R	Box 1
Form 1099-S	Box 2
Form 1099-SA	Box 1
Form 3921	Boxes 3 and 4
Form 3922	Boxes 3, 4, and 5
Form 5498	Boxes 1, 2, 3, 4, 5, 8, 9, 10, 12b, 13a, and 14a
Form 5498-ESA	Boxes 1 and 2
Form 5498-SA	Box 1

Final return. If you will not be required to file Forms 1097, 1098, 1099, 3921, 3922, 5498, or W-2G in the future, either on paper or electronically, enter an "X" in the "final return" box.

Corrected returns. For information about filing corrections, see the 2012 General Instructions for Certain Information Returns. Originals and corrections of the same type of return can be submitted using one Form 1096.