

Social Security Administration

Internal Revenue Service

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Reporter

Winter 2004

A Newsletter
for Employers

IRS Set to Debut Redesigned Form 941 in 2005


The Internal Revenue Service has redesigned Form 941, Employer's Quarterly Federal Tax Return. The new version will be used for the first quarter of 2005 (3/31/05).

A team of subject matter experts from across the IRS worked closely together since 2002 to redesign Form 941. Each line of the form was critically reviewed. In addition, IRS brought in "plain language" contractors to help ensure the form and accompanying instructions are clear and easy to understand.

In November 2003, an early draft of the form was shared with key stakeholders in the payroll community to solicit their comments and feedback. These comments were reviewed and incorporated to the extent possible by the team. The form was placed on IRS.gov for public comment as well. IRS conducted focus group testing. Many focus group participants liked the new format and felt the redesigned form would be easier for new users to learn.

There are a number of highlights to note about the format changes including:

- Open Design
- Plain Language
- Darkened background, which highlights entry spaces
- Form divided into six distinct parts
- Quarters clearly identified
- Checkbox added
- Adjustments grouped
- Deposit reporting simplified
- Paid Preparer Identification Section added
- Two pages instead of one
- Form is scannable
- Better layout; more white space

To view the draft version of Form 941 please visit the IRS.gov Web site at <http://www.irs.gov/pub/irs-dft/d941.pdf>. 

Social Security Announces Changes for 2005

The Social Security wage base for 2005 is \$90,000 up from \$87,900 in 2004. Beginning January 1, 2005, employers should withhold Social Security taxes (6.2 percent) from employees' wages up to \$90,000 and withhold the Medicare tax (1.45 percent) on all wages.

Employers must match the tax payments withheld from employees' wages. Employees earn one Social Security credit for each \$920 in earnings, up to a maximum of four credits for the year.

How Work Affects Social Security Benefits

An employee can get Social Security retirement or survivors benefits and work at the same time. However, benefits could be reduced if the employee is not full retirement age* and earns more than \$12,000 in 2005. (In 2005, full retirement age is age 65 and 6 months.) If an employee is younger than age 65 and 6 months for all of 2005, Social Security will deduct \$1 from the Social Security benefit for each \$2 earned above \$12,000.

If an employee reaches full retirement age during 2005, Social Security will

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Penalty Prevention on Employment Returns

Many proposed and/or assessed Failure To Deposit (FTD) penalties can be avoided by conducting a final review. Take these steps before submitting Form 941, *Employer's Quarterly Federal Tax Return*, Form 943, *Employer's Annual Tax Return for Agricultural Employees*, or Form 945, *Annual Return of Withheld Federal Income Tax*, to the IRS.

Employer Identification Number (EIN)

- Verify that the correct EIN is used.
- Check for possible transposition of numbers.
- If a business has more than one EIN, ensure that the correct number and corresponding name is used on each form.

Business Name

- Verify that the correct name line is used. The name of the business must be stated the same as on the SS-4 Application for EIN. Problems may occur when the business submits the employment tax return under the secondary line name, or doing business as (DBA) name.
- Check correspondence from IRS. The correspondence will have the correct name on the first line of the addressee.

Liability Breakdown Monthly Scheduled Depositor:

- Report monthly liabilities on the monthly schedule of Federal tax liability section located at the bottom of the return.
- Verify that the total tax liability equals the total net tax. The liability breakdown is not a listing of tax deposits.

For example:

Form 941, line 17 must equal Form 941, line 13 net tax (2004 and Prior)

New Form 941 revision 2005

- Form 941, line 15 must equal Form 941, line 10 net tax
- Form 943, line 8 must equal Form 943 line 11 net tax
- Form 945, line 15 must equal Form 931 line 4

Semi-weekly Scheduled Depositor:

- Report tax liabilities on:
 - Form 941, *Schedule B Employer's Record of Federal Tax Liability*,
 - Form 943A, *Agricultural Employer's Record of Federal Tax Liability*,
 - Form 945A, *Annual Record of Federal Tax Liability*

- Verify that the total tax liability equals the total net tax. The liability breakdown is not a listing of tax deposits.

For example:

Schedule B (Form 941) line D equals Form 941 line 13 net tax (2004 and Prior)

New Form 941 revision 2005

- Schedule B (Form 941) Total Tax Liability for the Quarter equals Form 941 line 10 net tax.
 - Form 943A line M equals Form 943 line 11 net tax
 - Form 945A line M equals Form 945 line 4
- Do not list negative figures. If necessary, apply the credit to the specific liability.

Do not include any liability that is outside of the specific return tax period. For example, if a year-end bonus is distributed on January 4, 2005, for income tax withheld on December 31, 2004, the liability must be recorded on January 4, 2005, the year in which the individual actually received the payment.

Errors in the liability breakdown on full paid returns may result in the systemic generation of letter CP 207, *Proposed Failure To Deposit Penalty, Request for Correct ROFT Information, (Record of Federal Tax Liability)* which states that the liability breakdown was not received or could not be used. If the employer does not respond to the CP 207 within the time frame given, the IRS will assess the initial Failure To Deposit penalty based on averaging the tax liability.

Misapplied Tax Deposits

- Identify the correct form and tax period when sending payments to the IRS.
- Correct any errors prior to the return filing due date to avoid a possible penalty.

Note: Corrections to tax deposits can be made by calling 800-829-4933.

Late or Insufficient Tax Deposits

- Identify the error and make the payment
 - Use EFTPS if required
- Taxpayer may request Designation of Payment by telephone or correspondence
 - Request must be received within 90 days of penalty assessment

IRS/SSA Reconciliation

Avoid errors by comparing, and reconciling, the amounts to be reported to SSA on Form W-3 to the sum of the amounts you reported to IRS on Forms 941, 943, 945 or Schedule H for the entire tax year. **IRS**

Social Security Announces New e-filing Changes

Social Security has incorporated two changes into its Magnetic Media Reporting and Electronic Filing (MMREF) publication. Magnetic tapes and cartridges will be eliminated beginning with the tax year (TY) 2005 W-2 reports (due to Social Security in calendar year 2006). This means that TY 2004 (calendar year 2005) is the last year Social Security will accept tapes and cartridges. Also, diskettes will be eliminated beginning with the TY 2006 W-2 reports (due to Social Security in calendar year 2007). TY 2005 (calendar year 2006) is the last year Social Security will accept diskettes.

Instead, wage reports must be filed electronically via Social Security's Business Services Online (BSO). BSO is a suite of Internet services for companies conducting business with Social Security. The MMREF publication and additional information on wage report filing can be obtained by accessing Social Security's employer reporting Web site at <http://www.socialsecurity.gov/employer> or by calling 800-772-6270.

Social Security receives more than 236 million Forms W-2 a year. Fifty-eight percent of them are now transmitted electronically. Find out why so many businesses choose e-filing. Visit <http://www.socialsecurity.gov/bsowelcome.htm> today. You'll be glad you did. **SSA**

Changes for 2005 continued from page 1

deduct \$1 in benefits for every \$3 earned above \$31,800 in 2005 until the month the employee turns 65 and 6 months.

If employees reach full retirement age or older and choose not to receive Social Security benefits right away, it could mean a higher benefit for them later in life and an increase in the future benefit amounts for their families and survivors. However, when employees reach full retirement age, they can work and receive unreduced Social Security retirement benefits no matter how much they earn.

Employees receiving Social Security disability or Supplemental Security Income benefits must report all wages, no matter how little they earn.

For more detailed information on how work affects Social Security benefits, visit Social Security's Web site for the Publication "How Work Affects Your Benefits" at www.socialsecurity.gov/pubs/10069.html or call toll-free 800-772-1213 and ask for the publication.

*The full retirement age is increasing in gradual steps until it reaches age 67. This change began in 2003, and it affects people born in 1938 or later. **SSA**

SSA/IRS

Reporter

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Small Business/Self-Employed
Communications

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Denver, CO 80202-2490

e-mail (NOT for change of address):

SSA.IRS.REPORTER@irs.gov

Fax: 303-446-1764

CHANGE OF ADDRESS? OUT OF BUSINESS?

Notify the IRS. Send a letter to the IRS center to which you sent your business returns. Please include your employer Identification Number (EIN).

Cincinnati IRS Center,
Cincinnati, OH 45999

Ogden IRS Center,
Ogden, UT 84201

Outside U.S.:

Philadelphia IRS Center,
Philadelphia, PA 19255.

About Reprinting Articles

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Collecting "Taxable Benefit" Information

One of the challenges of the payroll year-end process is collecting information about any and all taxable fringe benefits so that they are reported on Forms W-2 and so that taxes are withheld and deposited. Besides educating yourself about the various benefits that may be either taxable or excludable from wages, you'll want to talk to other departments in your company, such as accounts payable or human resources, as they may be unaware that a benefit or payment they are handling is taxable.

The correct treatment of various fringe benefits is vital in order to save your company the expense of tax deposit penalties, the time involved in making corrections (Form W-2c), and/or the cost of paying the taxes on behalf of the employee (such as if the employee has terminated before you realize he or she received a taxable benefit). Good communication between all departments throughout the year is essential to a successful and accurate year-end.

Where to Begin

Compile a list of possible taxable fringe benefits for your company. A good resource, which includes the rules on valuing and taxing various benefits, is IRS' *Employer's Tax Guide to Fringe Benefits* (Publication 15-B). Read any employee handbooks or policy manuals. Examples of potentially taxable benefits include:

- Personal use of company cars
- Educational assistance
- Moving/relocation expenses
- Life insurance
- Loans
- Awards, prizes, gifts
- Third-party sick pay
- Dependent care
- Employee business expenses

You may want to examine the Forms W-2c that were prepared for the last tax year to see if there were certain benefits that were often overlooked, and you may want to look at last year's Forms W-2 to see which benefits were reported in box 12.

Set Up Your Meeting

Once you have compiled this list, hold a meeting to review it with representatives of other departments, including accounts payable, human resources, benefits, accounting, and tax. Be sure to include someone from your information technology department or from your payroll service provider if any programming changes will be required to collect or report new information. For

any newly "discovered" wages, you'll probably also need to consider how it will be recorded in the general ledger, whether it is subject to regular or supplemental wage withholding, and whether it is subject to state income tax or unemployment tax.

When Fringe Benefits Are Considered Paid

This communication should take place more often than just at year-end. Any fringe benefit paid in cash and any taxable relocation expenses must be included in wages and are subject to withholding at the time they are paid. There is more flexibility with non-cash taxable fringe benefits, which may be considered "paid" at any time during the year in which they were provided. However, once they are considered paid, the withholding and reporting must take place in the same pay period.

"Grossing up" a benefit

If, at the time you consider a benefit to be paid, the employee is no longer receiving wages from which to withhold income tax (federal, state, and/or local), social security tax, and Medicare tax, the employer must pay these taxes on behalf of the employee. However, doing so is another taxable benefit! Therefore, the original taxable benefit must be "grossed-up" by dividing its value by an amount equal to one minus the sum of all the applicable tax percentages.

For example, if an employee working in Kansas was awarded a \$500 television, but is no longer receiving wages at the time the payroll department learns about it, the total benefit to be included in the employee's W-2 is calculated as follows, using these tax rates: federal supplemental wage withholding = 25%, social security tax = 6.2%, Medicare tax = 1.45%; Kansas supplemental wage withholding = 5%.

\$500	\$500	\$801.92
1-.25-.062-.0145-.05	0.6235	

The employer will include \$801.92 as taxable wages on the employee's W-2, pay the \$301.92 in taxes on the employee's behalf (and, as always, match the social security and Medicare taxes), and include the tax amounts in their respective boxes on the W-2.

The American Payroll Association's strong partnership with the IRS and SSA allows it to include the most accurate and up-to-date information in its classes and publications, such as its book, *The Payroll Source*®. More information about the APA is available at <http://www.americanpayroll.org>. **APA**

SB/SE Listserv

The SB/SE Listserv is an email generated message delivered to your email box. Subscribers receive messages highlighting IRS outreach programs for small business, and new products.

To subscribe go to <http://www.irs.gov/businesses/small/page/0,,id=81399,00.html>.

Social Security Unveils 2005 Enhancements for Electronic Registration and Wage Reporting Services

Social Security has enhanced its online registration and electronic wage reporting services for the upcoming tax filing season. These new and enhanced services will be available January 10, 2005 via the Business Services Online (BSO) Web page – Social Security's secure, interactive suite of Internet services for the business community. The Web page can be found at <http://www.socialsecurity.gov/bsowelcome.htm>.

Online Registration Enhancements

The 2005 changes will make the registration process easier to use and allow for even greater flexibility and security. For example,

- When registering for a PIN, users will self-select their own password.
- New registrants can choose the service(s) that best suits the type of business that they want to conduct with

Social Security (described in more detail below).

- Access to some BSO services will now require an activation code. Depending on the service(s) requested, an activation code will be mailed to either the registrant or the employer.

As a user of the BSO Web page, you will be able to register for three basic types of services:


1. **Wage Reporting** – Allows you to report wages by uploading files or by directly keying data into an online Form W-2 or Form W-2c.
2. **File/Wage Report Status, Error and Error Notices** – With this service you can view the processing status of your report, request a 15-day extension to resubmit a rejected file, view errors, resubmission notices, and wage reports submitted by or for your company.
3. **View Name and Social Security Number (SSN) Errors** – Allows you to

view not only the processing status, errors and resubmission notices, but also the name and SSN mismatches, error information and facsimiles of the Name/SSN Validation Employer Notices. This service requires a more stringent authentication process and company approval before access is granted.

New Wage Reporting Enhancements Include:

- Direct Input of Forms W-2c – You will be able to create and submit Forms W-2c online to correct information previously submitted on Forms W-2. You will also be able to print the W-2c information for distribution to your employees. You can use the W-2c online service even if your original Forms W-2 were submitted on paper or magnetic media!
- Submission Status Information – You can now view the status of all reports within a submission.

Error Information – Social Security now indicates the severity (critical or informational) of each error encountered within a submission or employer report. Electronic filers enjoy a later filing deadline (the last day of March versus the last day of February for all other filing methods) and an online receipt for proof of timely filing. Visit <http://www.socialsecurity.gov/bsowelcome.htm> to view the online tutorial, which walks you through the screens so that you can see the services before you actually use them. You also can access the *Business Services Online Handbook* for instructions on how to access and use all of the registration and electronic filing services mentioned above.

You also may call the Employer Reporting Service Center from Monday-Friday, 7:00 a.m. to 7:00 p.m., Eastern Time, at 800-772-6270 or e-mail us at employerinfo@ssa.gov. 

TEST YOUR

KNOWLEDGE

Kerry, controller for Spruce Designs, was reviewing the Forms 1099-MISC (*Miscellaneous Income*) prepared by a staff assistant. Even though the non-employee compensation payments exceeded the reporting threshold (i.e. \$600 or more), Kerry was unsure about issuing a "1099" form to one of the contractors, Maple Services LLC. Maple provided contract equipment maintenance and had received payments totaling \$5,700 for the year. Patrick, the owner of Maple, or one of Maple's employees provided the services under the contract.

Kerry noted that although Maple Services was a limited liability company (LLC), the *Individual/Sole Proprietor* status box was checked on the Form W-9 (*Request for Taxpayer Identification Number and Certification*). Kerry thought that the Form W-9 otherwise looked complete but was uncertain why the Maple "company" would have the status of sole proprietor.

Question: Is a Form 1099-MISC required for Maple? (See "Spotlight on Information Reporting—Form 1099-MISC", right, for answer.)

Spotlight on Information Reporting— Form 1099-MISC (Miscellaneous Income)

Answer: Spruce Designs should issue a Form 1099-MISC to Maples Services LLC since, as discussed below, Maple is treated as a sole proprietorship under the applicable default classification.

A limited liability company (LLC) is a relatively new structure under state law for organizing a business. Under the default classification of an LLC with a single owner, the LLC is disregarded for federal taxation purposes as an entity separate from its owner (e.g. an LLC with only a single individual owner, such as Maple, would be treated as a sole proprietorship under the default classification). For an LLC with more than one owner, the default classification is a partnership. An election can be also be filed by an LLC to be treated as a corporation, instead of the applicable default classification. Special rules are provided regarding foreign LLCs.

Resources for Additional Information:

Information Returns Processing

<http://www.irs.gov/taxpros/content/0,,id=98185,00.html>

Frequently Asked Questions and Answers—

Keyword: Limited Liability Company (LLC)

<http://www.irs.gov/faqs/faq-kw127.html>

Publication 3402, *Tax Issues for Limited Liability Companies*

<http://www.irs.gov/pub/irs-pdf/p3402.pdf> 


FIRE

(Filing Information Returns Electronically)

The new Internet system dedicated exclusively to the filing of information returns Forms 1042-S, 1098, 1099, 5498, 8027, W-2G, and QWF (Questionable Forms W-4), known as FIRE is available for use at <http://fire.irs.gov>. Files submitted electronically via the FIRE System have specific format requirements that must be prepared according to guidance found in Publication 1220, *Specifications for Filing Information Returns Electronically/Magnetically*.

Note: This system does not provide for filing in forms.

The Vendor List, Publication 1582 is available on the IRS Web site at <http://www.irs.gov/taxpros/providers/article/0,,id=98045,00.html>.

Instructions for Filing Information Returns Electronically can be found in Publication 1220 Part B and/or Publication 3609, and are available at www.irs.gov. If you have questions, call us at 866-455-7438 Monday through Friday from 8:30 a.m. to 4:30 p.m. ET, or email us at mccirp@irs.gov. (Outside the U.S. call 304-263-8700.) (TDD line 304-267-3367.) 

Outsourcing Payroll Duties Can be a Sound Business Practice, But...Know Your Tax Responsibilities as an Employer

Many employers outsource some of their payroll and related tax duties to third-party payroll service providers. They can help assure filing deadlines and deposit requirements are met and greatly streamline business operations. Some of the services they provide are:

- Administering payroll and employment taxes on behalf of the employer, where the employer provides the funds initially to the third-party.
- Reporting, collecting and depositing employment taxes with state and federal authorities.

Employers who outsource some or all of their payroll responsibilities should consider the following:

The employer is ultimately responsible for the deposit and payment of federal tax liabilities. Even though the third-party is making the deposits, the employer is the responsible party. If the third-party fails to make the federal tax

payments, the IRS may assess penalties and interest on the employer's account. The employer is liable for all taxes, penalties and interest due. The employer may also be held personally liable for certain unpaid federal taxes.

If there are any issues with an account, the IRS will contact the employer. IRS correspondence is sent to the address of record so it is strongly suggested that the address not be changed to that of the payroll service provider as it may significantly limit the employer's ability to be timely informed of tax matters involving their business.

For the employer's protection, the payroll service provider should be asked if they have a fiduciary bond in place. This could protect the employer in the event of default.

Employers should ask the service provider to enroll in and use EFTPS (Electronic Federal Tax Payment System), so they can confirm payments made on their behalf. EFTPS maintains a business's payment history for 16 months and can be viewed on-line after enrollment. The IRS recom-

mends employers verify EFTPS payments as part of their bank account reconciliation process.

EFTPS is fast, safe, accurate and provides an immediate confirmation for each transaction. The service is offered free of charge and enables employers to make and verify federal tax payments electronically 24 hours a day, 7 days a week through the Internet, or by phone. For more information, employers may call 800-555-4477, or enroll online by visiting the EFTPS Web site at <http://www.eftps.gov>.

There have been recent prosecutions of individuals and companies who have, acting under the guise of a service provider, stolen funds intended for payment of employment taxes. For more information, visit the IRS Web site at <http://www.irs.gov/irs/content/0,,id=106701,00.html>.

Remember, employers are ultimately responsible for the payment of income tax withheld and both the employer and employee portions of social security and Medicare taxes.

IRS

State Social Security Administrators Serve as Guide for State, Local Government Employers

As a State and local government employer, you are affected by special coverage provisions under the Social Security Act. Through a *sui generis* Federal and State agreement, State and local government employees may be eligible for Social Security and Medicare Hospital Insurance (HI), or Medicare HI only coverage. This agreement is referred to as the Section 218 Agreement and it brings about additional and unique responsibilities to government employers.

Each State has a delegated State Social Security Administrator who is available to assist new and existing government employers in understanding and complying with the Section 218 Agreement process. State and local government employers, including city and county governments, are encouraged to report all new components to their State Administrator as they are made aware of them.

Employers can find a listing of their respective State Administrators at the following link: <http://www.ncssa.org>. Select State Administrators from the side bar. SSA

How to Avoid an "Averaged" Failure-To-Deposit Penalty

IRS may assess an "averaged" failure-to-deposit (FTD) penalty of 2% to 10% if you are a monthly schedule depositor and did not properly complete the monthly liability section of Form 941 when your total adjusted tax liability shown on Form 941 exceeded \$2,500.

IRS may also assess an "averaged" FTD penalty of 2% to 10% if you are a semiweekly schedule depositor and your total adjusted tax liability shown on Form 941 exceeded \$2,500 and you (1) completed the monthly liability section of Form 941 instead of Schedule B (Form 941), (2) failed to attach a properly completed Schedule B (Form 941), or (3) improperly completed Schedule B (Form 941) by, for example, entering tax deposits instead of tax liabilities in the numbered spaces.

The FTD penalty is computed by taking your total adjusted tax liability shown on Form 941 and distributing it equally throughout the tax period. As a result, your deposits and payments may not be counted as timely because the actual dates of your tax liabilities cannot be accurately determined.

An "averaged" FTD penalty can be avoided by reviewing your return prior to filing it. Follow these steps before submitting your Form 941.

If you are a monthly schedule depositor, report your tax liabilities (not your deposits) in the monthly liability section shown on Form 941.

If you are a semiweekly schedule depositor, report your tax liabilities (not your deposits) on Schedule B (Form 941) in the lines that represent the dates your employees were paid.

Verify that your total liability shown on Form 941 or the bottom of Schedule B (Form 941) equals your total adjusted tax liability shown on Form 941.

Do not show negative amounts in the monthly liability section Schedule B (Form 941). If your prior period correction results in a decrease to your tax liability, reduce your liability for the day that you discovered the error by the tax decrease resulting from the error, but not below zero. Apply any remaining decrease to subsequent liabilities. IRS

Schedule D (Form 941) Helps Reconcile Employment Tax Discrepancies

When a company acquires, consolidates with, or goes through a statutory merger with another company, both companies often have discrepancies between the amounts reported to the Social Security Administration on Forms W-2 (*Wage and Tax Statement*) and the amounts reported to the IRS on Forms 941 (*Employer's Quarterly Federal Tax Return*). These discrepancies may occur in the totals of social security wages and tips, Medicare wages and tips, federal income tax withheld, and advanced earned income credit payments.

Schedule D (Form 941), *Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations*,

helps employers explain the discrepancies. The schedule is available to explain discrepancies caused by acquisitions, consolidations or statutory mergers that are effective on or after January 1, 2005.


Revenue Procedure 2004-53 (<http://www.irs.gov/pub/irs-drop/rp-04-53.pdf>) provides the guidance on the new schedule, along with guidance on preparing and filing employment tax and related returns for certain acquisitions. This revenue procedure supersedes Revenue Procedure 96-60, 1996-2 C.B. 399. This revenue procedure also amplifies Revenue Ruling 62-60, 1962-1 C.B. 186. The guidance also eliminates a barrier to electronic filing by removing the requirement that employers must paper file their

Forms 941 in the event of certain acquisitions, statutory mergers, or consolidations.

The new schedule should help reduce taxpayer burden, and allow the IRS to use its resources more productively since the schedule will allow the IRS to resolve apparent employment tax discrepancies without contacting the taxpayer in many cases.

The IRS and employers worked together utilizing the IRS Industry Issue Resolution (IIR) program to develop the new schedule and the accompanying guidance in Revenue Procedure 2004-53. The IIR program is a vehicle for taxpayers, associations, and other groups representing businesses to use and submit issues that are frequently disputed or burdensome for

their industry. The National Association of Tax Reporting and Payroll Management was the sponsor of the IIR submission that led to the new guidance.

Revenue Procedure 2004-53 appears in Internal Revenue Bulletin 2004-34, August 23, 2004 (<http://www.irs.gov/pub/irs-irbs/irb04-34.pdf>). Additional information about the revenue procedure or the Schedule D (Form 941) is in the IRS press release IR-2004-109, dated August 18, 2004, (<http://www.irs.gov/newsroom/article/0,,id=128499,00.html>) available in the Newsroom section of IRS.gov. Information about the IIR program may be found by searching IIR Program in the search box at <http://www.irs.gov>. 

HELP Telephone Numbers and Web Addresses to Use When You Have Questions:

Internal Revenue Service

Business and Specialty Tax Line
800-829-4933

Electronic Federal Tax Payment System (EFTPS) Hotline
800-555-4477

Employee Plans Taxpayer Assistance Telephone Service
877-829-5500 (toll free)

Employer Identification Number (EIN) Requests
800-829-4933
Monday - Friday, 7:00 a.m. to 10:00 p.m., local time or <http://www.irs.gov>, key word (upper right) "EIN."

Form 941 and Form 940 Filing On-Line Filing Program / Austin Submission Center
New Toll Free Number for e-HELP 866-255-0654
Supports IRS e-file, TeleFile and future e-Services customers. Go to <http://www.irs.gov/efile/article/0,,id=118520,00.html> for specifics.

Forms (IRS)
Order at 800-829-3676.

General IRS Tax Law Questions and Account Information
800-829-1040

Information Reporting Program Customer Service Section

866-455-7438 (toll free)
304-263-8700 (non-toll free)
Monday - Friday, 8:30 a.m. to 4:30 p.m., ET.

Telecommunications Devices for the Deaf (TDD) may be reached non-toll free at 304-267-3367.

Taxpayers can contact this unit via e-mail at mccirp@irs.gov.

Information Reporting Program Web Page

<http://www.irs.gov/smallbiz>

IRS Tax Fax

703-368-9694 (non-toll free)
This service offers faxed topical tax information.

Keywords on IRS.gov

IRS.gov is now using keywords as another way to help makes your visit less taxing! Look for the IRS keywords in its public service, outreach, and other materials for taxpayers and tax professionals. For a current list and more information about IRS keywords, check out <http://www.irs.gov/help/article/0,,id=108258,00.html>.

National Taxpayer Advocate's Help Line
877-777-4778 (toll free)

Retirement Plans Web Page
<http://www.irs.gov/ep?>

Social Security Tax Questions

Social Security Tax questions should be referred to the IRS at 800-829-1040.

Taxpayer Advocacy Panel
888-912-1227 (toll-free)

Telephone Device for the Deaf (TDD)
800-829-4059

Tele-Tax System
800-829-4477

Child Support Web Site for Employers
<http://www.acf.hhs.gov/programs/cse/newhire/employer/home.htm>

Social Security Administration

Copy A / Form W-2 Reporting
Questions about wage reporting (submitting Copy A of Form W-2 to SSA) should be referred to the SSA's Employer Reporting Service at 800-772-6270 or e-mailed to employerinfo@ssa.gov.


General SSA Benefit Questions
General Social Security benefit questions should be referred to SSA's Tele Service Center at 800-772-1213.

Fifth Anniversary of Ticket to Work

On December 17, 2004, Social Security celebrated the fifth anniversary of the passage of the Ticket to Work and Work Incentives Improvement Act of 1999. This act offers unprecedented opportunities for Americans with disabilities, and Social Security is proud to help people use the "ticket" to return to the workforce.

In conjunction with *Ticket to Work*, the *Ticket to Hire Program* links employers to employment networks in their communities that have motivated, qualified candidates with disabilities who want to work. It provides a new source of talent and the following benefits for employers:

- Lower recruiting costs— it is absolutely free;
- Increased employee retention because employment networks may provide assistance to participants after they are hired to ensure success;
- Possible tax credits.

Almost 60,000 Tickets have been used by disability recipients. And on average, about 800 tickets per week are now being used for the first time by people with disabilities hoping to enter the workforce. To tap into this potential pool of employees, call toll free at 866-TTW-HIRE (866-889-4473). Or, for more information, log onto Social Security's Web site, <http://www.socialsecurity.gov/work>. 



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Form 941
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2004

Dear Taxpayer:

In an effort to save the cost of printing and mailing a tax package to electronic filers of Form 941 (that they may not need), we are sending this information as part of the *SSA/IRS Reporter*. This edition is also sent to tax professionals.

If you need forms or instructions, see the information below. For "HELP" telephone numbers and Web addresses, see page 6 of this issue of the *SSA/IRS Reporter*.

Mark W. Everson
Commissioner, Internal Revenue Service

How To Get a Tax Package or Other Forms and Instructions

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Go to **www.irs.gov**, select the **Forms and Publications** option and follow the directions or other forms and instructions.



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