

DO NOT STAPLE OR FOLD

a Control number		33333		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	941-SS	Military	943	1 Wages, tips, other compensation	2 Income tax withheld
	<input type="checkbox"/> Hshld. emp.	<input type="checkbox"/> Medicare govt. emp.	<input type="checkbox"/> Third-party sick pay	\$	\$
c Total number of Forms W-2		d Establishment number		3 Social security wages	4 Social security tax withheld
				\$	\$
e Employer identification number				5 Medicare wages and tips	6 Medicare tax withheld
				\$	\$
f Employer's name				7 Social security tips	8
				\$	
				9 Advance EIC payments	10
				\$	
				11 Nonqualified plans	12 Deferred compensation
				\$	\$
g Employer's address and ZIP code				13 For third-party sick pay use only	
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay	
15 Employer's territorial ID number					
Contact person		Telephone number		For Official Use Only	
		()			
E-mail address		Fax number			
		()			

Copy A—For Social Security Administration

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-3SS** Transmittal of Wage and Tax Statements **2001**

Department of the Treasury
Internal Revenue Service

Send this entire page with the entire Copy A page of Forms W-2AS, W-2GU, W-2CM, or W-2VI to the Social Security Administration (SSA). Photocopies are not acceptable.

Do not send any remittance (cash, checks, money orders, etc.) with Forms W-2AS, W-2GU, W-2CM, W-2VI, and W-3SS.

Instructions for Forms W-2AS, W-2GU, W-2VI, and W-3SS

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

Items To Note

Changes to Forms W-2AS, W-2GU, and W-2VI. Forms W-2AS, W-2GU, and W-2VI have been reformatted and resized to 8.5 inches wide. Box e has been revised for more accurate reporting of the employee's name.

For Forms W-2AS, W-2GU, and W-2VI, do **not** make entries in box 8 (formerly titled "Benefits included in box 1"). Report the lease value of a vehicle provided to your employee (and shown in box 1) in box 14 or on a separate statement to your employee.

New box 12 (former box 13) has been reformatted for reporting of up to four entries. See **Box 12—Codes**, on page 5.

New box 13 (former box 15) shows a checkbox for "Retirement Plan." This check box was formerly named "Pension plan." A new checkbox has been added for "Third-party sick pay." Mark "Third-party sick pay" checkbox in (new) box 13 **only** if you are a third-party sick pay payer filing a Form W-2AS, W-2GU, or W-2VI for an insured's employee.

Note: The "Deferred compensation" checkbox in (old) box 15 has been discontinued.

Changes to Form W-3SS. Form W-3SS has been reformatted and resized to 8.5 inches wide. Mark the "Third-party sick pay" checkbox in box b ("Kind of Payer") of Form W-3SS **only** if you are a third-party sick pay

payer transmitting Forms W-2AS, W-2GU, or W-2VI for your insured's employee(s).

When the "Third-party sick pay" checkbox in box b of Form W-3SS is marked, transmit **only** Forms W-2AS, W-2GU, or W-2VI that show a marked "Third-party sick pay" checkbox in (new) box 13 with that Form W-3SS.

Employees may be required to make an entry in (new) box 14. See **Box 14—Income tax withheld by payer of third-party sick pay** on page 6.

New reporting code for box 12. Report income from your employee's exercise of nonstatutory stock option(s) in box 12 using code V. See **Code V—Income from the exercise of nonstatutory stock option(s)** on page 5.

When To File

File Copy A of Form W-3SS with Copy A of Form W-2AS, W-2GU, W-2CM, or W-2VI by **February 28, 2002**. However, if you file **electronically**, you may file by April 1, 2002. See the SSA Web Site at www.ssa.gov/employer/ for electronic filing options.

Extension to file. You may request an extension of time to file Forms W-2AS, W-2GU, W-2CM, or W-2VI by sending **Form 8809**, Request for Extension of Time To File Information Returns, to the address shown on that form. You must request the extension by the due date of the forms for your request to be considered. If approved, you will have an additional 30 days to file. See Form 8809 for more details.

Caution: Even if you receive an extension of time to file Forms W-2AS, W-2GU, W-2CM, or W-2VI, you must still furnish the forms to your employees by January 31, 2002. But see **Extension to furnish Forms W-2 to employees** on page 3.

Where To File Copy A

Send the entire first page of this form (Copy A) with the entire Copy A page of Form W-2AS, W-2GU, W-2CM, or W-2VI 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 **Circular E, Employer's Tax Guide (Pub. 15)**, for a list of IRS approved private delivery services.*

Also see **Where to file Copy 1** and **Shipping and mailing** below.

Notice to Employers in the Commonwealth of the Northern Mariana Islands

If you are an employer in the Commonwealth of the Northern Mariana Islands, you must contact the Division of Revenue and Taxation, Capital Hill, Saipan, MP 96950, to get Form W-2CM and the instructions for completing and filing that form.

General Instructions for Form W-3SS

Purpose of forms. Use Copy A of Form W-3SS to transmit Copy A of Form W-2AS, W-2GU, W-2CM, or W-2VI to the Social Security Administration. File Copy 1 of Form W-3SS and Copy 1 of Form W-2AS, W-2GU, W-2CM, or W-2VI with your local tax department. Form W-2AS is used to report American Samoa wages, Form W-2GU is used to report Guam wages, Form W-2CM is used to report the Commonwealth of the

Northern Mariana Islands wages, and Form W-2VI is used to report U.S. Virgin Islands wages. **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.

Who must file. Employers and other payers in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands must report wages and withheld income, U.S. social security, and U.S. Medicare taxes to their local tax department and to the U.S. Social Security Administration (SSA).

Household employers, even those with only one household employee, must file Form W-3SS with Form W-2AS, W-2GU, W-2CM, or W-2VI. On Form W-3SS, mark the "Hshld. emp." checkbox in box b.

Where to file Copy 1. File Copy 1 of **Forms W-2AS** and **W-3SS** with the American Samoa Tax Office, Government of American Samoa, Pago Pago, AS 96799.

File Copy 1 of **Forms W-2GU** and **W-3SS** with the Department of Revenue and Taxation, Government of Guam, P.O. Box 23607, GMF, GU 96921.

File Copy 1 of **Forms W-2VI** and **W-3SS** with the V.I. Bureau of Internal Revenue, 9601 Estate Thomas, Charlotte Amalie, St. Thomas, VI 00802.

Contact the Division of Revenue and Taxation, Commonwealth of the Northern Mariana Islands, for the address to send Copy 1 of **Forms W-2CM** and **W-3SS**.

Shipping and mailing. If you file more than one type of form, please group forms of the same type with a separate Form W-3SS for each type, and send them in separate groups. For example, send Forms W-2GU with one Form W-3SS and Forms W-2AS with a second Form W-3SS. Forms W-2AS, W-2GU, W-2CM, or W-2VI are printed two forms to a page. Send

DO NOT STAPLE OR FOLD

a Control number		33333		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer ▶	941-SS	Military	943	1 Wages, tips, other compensation	2 Income tax withheld
	<input type="checkbox"/> Hshld. emp.	<input type="checkbox"/> Medicare govt. emp.	<input type="checkbox"/> Third-party sick pay	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2	d Establishment number			5 Medicare wages and tips	6 Medicare tax withheld
e Employer identification number				7 Social security tips	8
f Employer's name				9 Advance EIC payments	10
				11 Nonqualified plans	12 Deferred compensation
				13 For third-party sick pay use only	
				14 Income tax withheld by payer of third-party sick pay	
g Employer's address and ZIP code					
h Other EIN used this year					
15 Employer's territorial ID number					
Contact person		Telephone number ()		For Official Use Only	
E-mail address		Fax number ()			

Copy 1—For Local Tax Department

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-3SS Transmittal of Wage and Tax Statements** **2001** Department of the Treasury Internal Revenue Service

the whole page of Copies A and 1 even if one of the forms is blank or "Void." Prepare and file Forms W-2 either alphabetically by employees' last names or numerically by employees' social security numbers. Do not staple or tape the forms together and do not fold them. Send the forms in a flat mailing.

If you have a large number of forms with one Form W-3SS, you may send them in separate packages. Show your name and employer identification number (EIN) on each package. Number them in order (1 of 4, 2 of 4, etc.), and place Form W-3SS in package 1. Show the number of packages at the bottom of Form W-3SS. If you mail them, you must send them First-Class.

General Instructions for Forms W-2AS, W-2GU, and W-2VI

Furnishing Copies B and C to employees. Furnish Copies B and C of Forms W-2AS, W-2GU, W-2CM, and W-2VI to your employees by **January 31, 2002**. If employment ends before December 31, 2001, you may give the copies any time after employment ends but by January 31. If the employee asks for the form, furnish him or her the completed copies within 30 days of the request or within 30 days of the last wage payment, whichever is later. If an employee loses a form, write "REISSUED STATEMENT" on the new copy, but **do not send Copy A of the reissued statement to the SSA**. Employers are not prohibited (by the Internal Revenue Code) from charging a fee for the issuance of a duplicate Form W-2AS, W-2GU, W-2CM, or W-2VI.

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

IRS-Martinsburg Computing Center
Information Reporting Program
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:

1. Your name and address,
2. Your employer identification number,
3. Type of return,
4. A statement that you are requesting an extension to furnish Forms W-2 to employees,
5. Reason for delay, and
6. Your signature or that of your authorized agent.

Undeliverable forms. Keep for 4 years any employee copies of Forms W-2AS, W-2GU, W-2CM, or W-2VI that you tried to deliver but could not. **Do not send undeliverable forms to the SSA.**

Calendar year basis. Base all entries on Forms W-2AS, W-2GU, W-2CM, W-2VI, and W-3SS on a calendar year. Use the current year form.

Magnetic media/electronic reporting. If you must file 250 or more Forms W-2AS, W-2GU, or W-2VI, you must file them on magnetic media or electronically. You can get specifications for furnishing this information on magnetic media or electronically by contacting the SSA Web Site at www.ssa.gov/employer/ or an SSA Employer Service Liaison Officer (ESLO) at 787-766-5574 for the U.S. Virgin Islands or 510-970-8247 for Guam and American Samoa.

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

Note: You are encouraged to file on magnetic media or electronically even if you file fewer than 250 Forms W-2.

You may request a waiver on **Form 8508**, Request for Waiver From Filing Information Returns on Magnetic Media. Submit Form 8508 to the IRS at least 45 days before the due date of Form W-2. See Form 8508 for filing information.

Taxpayer identification numbers. 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.

Social security numbers are used to record employee earnings for future social security and Medicare benefits. Please be sure to show the correct social security number in box d on the Form W-2AS, W-2GU, or W-2VI.

Special Reporting Situations

Corrections. Use **Form W-2c**, Corrected Wage and Tax Statement, to correct errors on previously filed Forms W-2AS, W-2GU, W-2CM, or W-2VI. Generally, send **Form W-3c**, Transmittal of Corrected Wage and Tax Statements, with Forms W-2c to the SSA. See the separate **Instructions for Forms W-2c and W-3c**. Also, see below for information on correcting an employee's address.

If you are making an adjustment in 2001 to correct social security and Medicare taxes for a prior year, you must file **Form 941c**, Supporting Statement To Correct Information, with your **Form 941-SS**, Employer's Quarterly Federal Tax Return (**Form 941**, Employer's Quarterly Federal Tax Return); or **Form 943**, Employer's Annual Tax Return for Agricultural Employees, for the return period you find the error. File Copy A of Forms W-2c and W-3c with the SSA and give the employee a copy of Form W-2c for the prior year.

Incorrect address on employee's Form W-2. If you filed a Form W-2 with the SSA showing an incorrect address for the employee but all other information on Form W-2 is correct, **do not file Form W-2c with the SSA merely to correct the address.**

However, if the address was incorrect on the Form W-2 furnished to the employee, **you must do one of the following:**

- Issue a new Form W-2 containing all correct information, including the new address. Indicate "REISSUED STATEMENT" on the new copies. **Do not send Copy A to the SSA.**
- Issue a Form W-2c to the employee showing the correct address in box b and all other correct information. **Do not send copy A to the SSA.**
- Mail the Form W-2 with the incorrect address to the employee in an envelope showing the correct address or otherwise deliver it to the employee.

Educational assistance programs. The \$5,250 exclusion for employer-provided educational assistance applies to courses starting before January 1, 2002. However, the exclusion does not apply to graduate courses. Generally, a course starts on the first regular day of class. See **Pub. 508**, Tax Benefits for Work-Related Education, and **Pub. 15-A**, Employer's Supplemental Tax Guide, for more information.

Election workers. Report on Form W-2AS, W-2GU, or W-2VI payments of \$600 or more to election workers for services performed in territorial, county, and municipal elections. File Form W-2AS, W-2GU, or W-2VI 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.

Group-term life insurance. If you paid for group-term life insurance over \$50,000 for an employee or a former employee, you must report the amount determined by using the table in section 5 of Pub. 15-A in boxes 1, 3, and 5 of Form W-2AS, W-2GU, W-2CM, or W-2VI. Also, show the amount in box 12 with code **C**. For employees, you must withhold social security and Medicare taxes, but not income tax. Former employees must pay the employee part of social security and Medicare taxes on premiums for 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-2AS, W-2GU, or W-2VI.

Moving expenses. Report moving expenses as follows:

- Qualified moving expenses an employer pays **to a third party on behalf of the employee** (e.g., to a moving company) and services that an employer furnishes in kind to an employee are **not reported** on Form W-2AS, W-2GU, or W-2VI.
- Qualified moving expense reimbursements paid **directly to an employee** by an employer are reported only in box 12 of Form W-2AS, W-2GU, or W-2VI with code **P**.
- **Nonqualified** moving expense reimbursements are reported in box 1 of Form W-2AS, W-2GU, or W-2VI. These amounts are subject to income tax withholding and social security and Medicare taxes.

Sick pay. Sick pay paid to an employee by a third party, such as an insurance company or trust, requires special treatment because the IRS reconciles Forms 941-SS with the Forms W-2AS, W-2GU, W-2CM, or W-2VI and Form W-3SS. See **Sick Pay Reporting** in Pub. 15-A for specific reporting instructions.

Page 4

Terminating a business. If you terminate your business, you must provide Forms W-2AS, W-2GU, W-2CM, or W-2VI to your employees for the calendar year of termination by the due date of your final Form 941-SS (or 941) or 943. You must also file Forms W-2AS, W-2GU, W-2CM, or W-2VI with the SSA by the last day of the month that follows the due date of your final Form 941-SS (or 941) or 943. However, if any of your employees are immediately employed by a successor employer, see Rev. Proc. 96-60, 1996-2 C.B. 399. Also see Rev. Proc. 96-57, 1996-2 C.B. 389, for information on automatic extensions for furnishing Forms W-2AS, W-2GU, W-2CM, or W-2VI to employees and filing them with the SSA.

Specific Instructions for Forms W-2AS, W-2GU, and W-2VI

Because the forms are read by machine, **please type entries**, if possible, using 12-point Courier font. **Make all dollar entries without the dollar sign and comma but with the decimal point (00000.00).** If a box does not apply to you, leave it blank. **Keep Copy D, and a copy of Form W-3SS, with your records for 4 years.**

Box a—Control number. You may use this box to identify individual forms. **Make certain that entries do not cross over into the form identification box (2222).** You do not have to use this box.

Void. Mark this box when an error is made on a Form W-2AS, W-2GU, or W-2VI and you are voiding it because you will complete a new form. **Be careful not to include any amounts shown on "Void" forms in the totals you enter on Form W-3SS.**

Box b—Employer identification number. Show the employer identification number (EIN) assigned to you by the IRS (00-0000000). This should be the same number that you used on your Form 941-SS (or 941) or 943. Do not use a prior owner's EIN. If you do not have an EIN, enter "Applied For" in box b, not your SSN. File **Form SS-4**, Application for Employer Identification Number, to get an EIN.

Box c—Employer's name, address, and ZIP code. This entry should be the same as shown on your Form 941-SS (or 941) or 943.

Box d—Employee's social security number. Enter the number shown on the employee's social security card. If the employee does not have a card, he or she should apply for one by completing **Form SS-5**, Application for a Social Security Card. If the employee has applied for a card, enter "Applied For" in box d.

Boxes e and f—Employee's name and address. Enter the name as shown on the employee's social security card (first, middle initial, last). If the name does not fit, you may show first name initial, middle initial, and last name (and ignore the vertical line). If the name has changed, the employee must get a corrected card from any SSA office. Use the name on the original card until you see the corrected one. **Do not show titles or academic degrees, such as "Dr.," "RN," or "Esq.," with the name.**

Include in the address the number, street, apartment or suite number, or P.O. box number if mail is not delivered to a street address.

Third-party payers of sick pay filing third-party sick pay recap Forms W-2AS, W-2GU, or W-2VI must enter "Third-Party Sick Pay Recap" in place of the employee's name in box e. See **Sick Pay Reporting** in Pub. 15-A.

Box 1—Wages, tips, other compensation. Show, before any payroll deductions, the total wages, tips, and other compensation including (1) wages, prizes, and awards, (2) noncash payments, including certain fringe benefits, (3) tips reported, (4) group-term life insurance over \$50,000, and (5) distributions from a nonqualified or section 457 plan. Other compensation is amounts you pay the employee from which income tax is not withheld. You may show other compensation on a separate Form W-2AS, W-2GU, or W-2VI.

Note: Show payments to statutory employees that are subject to social security and Medicare taxes but not subject to income tax withholding in box 1 as other compensation. See **Circular SS**, Federal Tax Guide for Employers in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands (Pub. 80), for the definition of a statutory employee.

Box 2—Income tax withheld. Show the total American Samoa, Guam, or U.S. Virgin Islands income tax withheld. Do not reduce this amount by any advance EIC payments.

Box 3—Social security wages. Show the total wages paid (before payroll deductions) subject to employee social security tax. Do not include tips. **The total of boxes 3 and 7 cannot be more than \$80,400 (2001 maximum social security wage base).** Generally, noncash payments are considered wages. See Circular SS for more information.

Box 4—Social security tax withheld. Show the total employee social security tax (not your share) withheld or paid by you for the employee, including social security tax on tips. Include only tax withheld (or paid by you for the employee) for 2001 wages and tips. The amount shown should not exceed \$4,984.80 (\$80,400 × 6.2%).

Box 5—Medicare wages and tips. Show the total wages paid and tips reported subject to employee Medicare tax. There is no wage base limit for Medicare tax.

Box 6—Medicare tax withheld. Show the total employee Medicare tax (not your share) withheld or paid by you for the employee. Include only tax withheld for 2001 wages and tips. The rate is 1.45% of all wages and tips.

Box 7—Social security tips. Show the tips the employee reported to you even if you did not have enough employee funds to collect the social security tax for the tips. The total of boxes 3 and 7 should not be more than \$80,400 (for 2001). Report all tips in box 1 along with wages and other compensation.

Box 9—Advance EIC payment. Forms W-2GU and W-2VI only. Show the total advance earned income credit (EIC) paid to the employee.

Box 11—Nonqualified plans. Show distributions to an employee from a nonqualified or section 457 plan. Also report the distributions in box 1. **Make only one entry in this box.**

If you did not make distributions this year, show deferrals (plus earnings) under a nonqualified or section 457 plan that became taxable for social security and Medicare taxes during the year (but were for prior year services) because the deferred amounts were no longer subject to a substantial risk of forfeiture. Do not report in box 11 deferrals that are included in boxes 3 and/or 5 and that are for current year services.

Caution: If you made distributions and you are also reporting deferrals in boxes 3 and/or 5, do not complete box 11. 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, for special reporting instructions for these and other kinds of compensation earned in prior years. However, do not file Form SSA-131 if contributions and distributions occur in the same year and the employee will not be age 62 or older by the end of that year.

Box 12—Codes. Complete and code this box for all items described below. On Copy A, 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-2AS, W-2GU, or W-2VI for additional items. You may enter more than four items on all other copies.

Show the IRS code (using a capital letter) designated below for the item you are reporting followed by a space and the dollar amount for that item. Show the IRS code to the left of the vertical line in boxes 12a–d and the money amount to the right of the vertical line using decimal points but no dollar signs or commas, e.g., D 5300.00.

Code A—Uncollected social security tax on tips. Show the employee social security 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 4.

Code B—Uncollected Medicare tax on tips. Show the employee 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—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). Also include it in boxes 1, 3 (up to the social security wage base), and 5.

Codes D through H and S. Use these codes to show deferrals made to the plans listed. Do not report amounts for other types of plans. The Example following Code H shows how to report elective deferrals to a section 401(k) plan.

Report as elective deferrals only the part of the employee's salary (or other compensation) that he or she did not receive because of the deferrals. For section 457(b) plans, report both elective and nonelective deferrals using code G.

The following are not elective deferrals and may be reported in box 14, but not in box 12: (a) nonelective employer contributions on behalf of an employee; (b) after-tax contributions, such as voluntary contributions to a pension plan that are deducted from an employee's pay; and (c) required employee and employer matching contributions.

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

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 a section 457(b) deferred compensation plan for employees of state and local governments or tax-exempt organizations. Do not report section 457(f) amounts or amounts deferred under section 457(b) that are subject to a substantial risk of forfeiture.

Caution: The section 457 dollar limit should be reduced by deferrals to certain other deferred compensation plans. See section 457(c)(2).

Code H—Elective deferrals to a 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 income tax return.

Example of reporting elective deferrals to a section 401(k) plan. For 2001, Employee A elected to defer \$11,300 to a section 401(k) plan and made a voluntary after-tax contribution of \$600. In addition, the employer, on A's behalf, made a qualified nonelective contribution of \$1,000 to the plan and a nonelective profit-sharing employer contribution of \$2,000.

The total elective deferral of \$11,300 is reported in box 12 with code D (D 11300.00). Even though the 2001 limit for elective deferrals is \$10,500, the employer must report the total amount of \$11,300 in box 12. Do not report the excess in box 1. The \$600 voluntary after-tax contribution may be reported in box 14 (this is optional) but not in box 12. The \$1,000 nonelective contribution and the \$2,000 nonelective profit-sharing employer contribution are not required to be reported on Form W-2AS, W-2GU, or W-2VI, but may be reported in box 14.

Mark the "Retirement plan" checkbox in box 13.

Code J—Nontaxable sick pay. Show any sick pay not includible in income (and not shown in boxes 1, 3, and 5) because the employee contributed to the sick pay plan.

Code M—Uncollected social security tax on 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 tax on the coverage in box 12. See Group-term life insurance on page 4.

Code N—Uncollected Medicare tax on cost of group-term life insurance over \$50,000 (for former employees). Enter any uncollected Medicare tax on the cost of group-term life insurance coverage over \$50,000 for your former employees. See Code M above.

Code P—Excludable moving expense reimbursements paid directly to employee. Show the total moving expense reimbursements you paid directly to your employee for qualified (deductible) moving expenses. See Moving expenses on page 4.

Code Q—Military employee basic housing, subsistence, and combat zone compensation. If you are a military employer and provide your employee with basic housing, subsistence allowances, or combat zone compensation, report it in box 12.

Code R—Employer contributions to a medical savings account (MSA). Show any employer contributions to an MSA.

Code S—Employee salary reduction contributions under a section 408(p) SIMPLE. Show deferrals under a section 408(p) salary reduction SIMPLE retirement account. However, if the SIMPLE is part of a section 401(k) arrangement, use code D.

Code T—Adoption benefits. Show the total you paid or reimbursed your employee 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 to 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 \$5,000 or \$6,000 exclusion.

Code V—Income from the exercise of nonstatutory stock option(s). Show the spread (i.e., 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 social security wage base), and 5.

Box 13—Checkboxes. Mark all checkboxes that apply.

• **Statutory employee.** Mark this checkbox for statutory employees whose earnings are subject to social security and Medicare taxes but not subject to income tax withholding. Do not mark this checkbox for common law employees. See Circular SS for more information on statutory employees.

• **Retirement plan.** Mark this checkbox 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 plan).

For information 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).

Do not mark this checkbox for contributions made to a nonqualified or section 457 plan.

• **Third-party sick pay.** Mark this checkbox **only** if you are a third-party sick pay payer filing a Form W-2AS, W-2GU, or W-2VI for an insured's employee. See **Sick Pay Reporting** in section 7 of Pub. 15-A.

Box 14—Other. The lease value of a vehicle provided to your employee and reported in box 1 **must** be reported here or in a separate statement to your employee. You may use this box for any other information you want to give your employee, such as health insurance premiums deducted, union dues, voluntary after-tax contributions to a pension plan, or nontaxable income. Clearly label each entry.

Specific Instructions for Form W-3SS

How to complete Form W-3SS. Please type or print entries. Make all entries without the dollar sign and comma but with the decimal point (00000.00). If a box does not apply, leave it blank.

Box a—Control number. This is an optional box that you may use for numbering the whole transmittal. **Make certain that entries do not crossover into the form identification box (33333).**

Box b—Kind of Payer. Mark only **one** checkbox **unless** the second, marked checkbox is "Third-party sick pay." If you have more than one type of Form W-2AS, W-2GU, W-2CM, or W-2VI, send each type with a separate Form W-3SS.

941-SS. Mark this checkbox if you file Form 941-SS and **no other category** (except "Third-party sick pay") **applies**.

Military. Mark this checkbox if you are a military employer sending Forms W-2AS, W-2GU, W-2CM, or W-2VI for members of the uniformed services.

943. Mark this checkbox if you file Form 943 and are sending forms for agricultural employees. For nonagricultural employees, send their Forms W-2AS, W-2GU, W-2CM, or W-2VI with a separate Form W-3SS.

Hshld. emp. Mark this checkbox if you are a household employer sending Form W-2AS, W-2GU, W-2CM, or W-2VI for household employees, and you did not include the household employee's taxes on Form 941-SS (or 941) or 943.

Medicare government employee. Mark this checkbox if you are a U.S. or a U.S. Virgin Islands government employer with employees subject only to the 1.45% Medicare tax.

Third-party sick pay. Mark this checkbox (and **one** other checkbox) if you are a third-party sick pay payer filing Form(s) W-2AS, W-2GU, or W-2VI with the "Third-party sick pay" checkbox in box 13 marked.

Box c—Total number of Forms W-2. Show the number of completed individual Forms W-2AS, W-2GU, W-2CM, or W-2VI filed with this Form W-3SS. Do not count "Void" forms.

Box d—Establishment number. You may use this box to identify separate establishments in your business. You may file a separate Form W-3SS, with Forms W-2AS, W-2GU, W-2CM, or W-2VI, for each establishment even if they all have the same EIN, or you may use a single Form W-3SS for all Forms W-2 of the same type.

Box e—Employer identification number. If you received a preprinted Form W-3SS from the IRS with Circular SS, make any necessary corrections on the form. If you are not using a preprinted IRS Form W-3SS, enter the nine-digit number assigned to you by the IRS. The number should be the same as shown on your Form 941-SS (or 941) or 943 and in the following format: 00-0000000. **Do not use a prior owner's EIN.** If you do not have an EIN, see **Box b** on page 4. See **Box h** below.

Boxes f and g—Employer's name and address. If you are not using a preprinted Form W-3SS, enter your name (as shown on your Form 941-SS (or 941) or 943) and address. Make any necessary corrections on your preprinted Form W-3SS.

Box h—Other EIN used this year. If you have used an EIN (including a prior owner's EIN) on Form 941-SS (or 941) or 943 submitted for 2001 that is different from the EIN reported in box e on this form, enter the other EIN used.

Contact person, telephone number, fax number, and e-mail address. Please enter this information for use by the SSA if questions arise during processing.

Boxes 1 through 7. Enter the totals reported in boxes 1 through 7 of Forms W-2AS, W-2GU, W-2CM, or W-2VI being filed with this Form W-3SS.

Box 9—Advance EIC payments. Enter the total advance EIC payments shown on Form W-2GU or W-2VI only.

Box 11—Nonqualified plans. Enter the total reported in box 11 on Forms W-2AS, W-2GU, W-2CM, or W-2VI being filed with this Form W-3SS.

Box 12—Deferred compensation. Enter one total for all amounts reported with codes **D-H** and **S** in box 12 of Forms W-2AS, W-2GU, or W-2VI. Do not enter a code.

Box 13—For third-party sick pay use only. Third-party payers of sick pay (or employers using the optional rule for Form W-2 described in section 7 of Pub. 15-A) filing third-party sick pay recap Forms W-2 and W-3SS must enter "Third-Party Sick Pay Recap" in this box. See **Sick Pay Reporting** in Pub. 15-A for details.

Box 14—Income tax withheld by payer of third-party sick pay. Complete this box **only** if you are the employer and have employees who had income tax withheld on third-party payments of sick pay. Show the total income tax withheld by third-party payers on payments to all your employees. Although this tax is included in the box 2 total, it must be shown separately here.

Signature. The signature on **Copies A and 1** of Form W-3SS must be an **original** (not a copy).

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on Forms W-2AS, W-2GU, W-2CM, W-2VI, and W-3SS to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Section 6051 and its regulations require you to furnish wage and tax statements to employees and to the Social Security Administration. Section 6109 requires you to provide your employer identification number.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions and commonwealths for use in administering their tax laws. We may also give this information to other countries pursuant to tax treaties. If you fail to provide this information in a timely manner, you may be subject 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.

The time needed to complete and file these forms will vary depending on individual circumstances. The estimated average times are: **Form W-2AS—23 minutes; Form W-2GU—24 minutes; Form W-2VI—24 minutes; Form W-3SS—24 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 Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send these tax forms to this address. Instead, see **Where To File Copy A** on page 2.

