



STATE OF ALABAMA  
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**MEMORANDUM**

**TO:** All Legislative Fiscal Officers  
All Legislative Personnel Officers

**FROM:** Thomas L. White, Jr.  
State Comptroller

**DATE:** January 15, 2015

**RE:** 2014 Form W-2 for Legislators

The following recaps the calculation of the boxes on the Form W-2 as it applies to State Legislators. This will assist you in responding to questions. If a legislator received pay other than for legislative service for 2014, refer to the memorandum titled "2014 Wage and Tax Statement, Form W-2", attached for your convenience. Use of the QPSM and QDSM screens in GHRS will also assist you in responding to questions.

**Box 1** -- "Wages, tips and other compensation" is the total wages subject to Federal tax and should be used on the Federal tax return. This box is calculated as follows:

- + Legislative monthly expense allowance (LEGEX)
- + Legislative per diem (PDIEM)
- + Legislative salary (LEGIS)
- + Taxable travel (TXTRV)
- Deferred Compensation contributions
- Exempt Health Insurance premiums
- = **Federal Taxable Wages**

**Box 2** -- "Federal income tax withheld" is the total amount withheld from legislative earnings for Federal income tax.

**Box 5** -- "Medicare wages and tips" is the amount of wages subject to Medicare tax. This box is calculated as follows:

- + Legislative salary (LEGIS)
- + Taxable travel (TXTRV)
- = **Medicare Taxable Wages**

- Box 6** -- “Medicare tax withheld” is the amount of tax deducted from the Legislative earnings (salary only) for Medicare tax. It is calculated by multiplying the amount in Box 5 up to \$200,000 by .0145 and wages in excess of \$200,000 by .0235.
- Box 16** -- “State wages, tips, etc.” is the total wages subject to State tax and should be used on the State tax return. This box is calculated as follows:
- + Legislative monthly expense allowance (LEGEX)
  - + Legislative per diem (PDIEM)
  - + Legislative salary (LEGIS)
  - Deferred Compensation contributions
  - Exempt Health Insurance premiums
  - = **State Taxable Wages**
- Box 17** -- “State income tax” is the total tax withheld from legislative earnings for State income tax.

If you have any additional questions, please call the GHRS Hotline at 334-242-2188.

TLWjr/shk

Attachment

