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MEMORANDUM

TO: All Legislative Fiscal Officers
All Legislative Personnel Officers

FROM: Thomas L. White, Jr.
State Comptroller

Thomas L. White Jr.

DATE: January 18, 2017

RE: 2016 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 2016, refer to the memorandum titled "2016 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 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 3 -- "Social Security wages" is the amount of wages subject to Social Security tax and should not exceed \$118,500. This box is calculated as follows:

- + Legislative salary (LEGIS)
- + Taxable travel (TXTRV)
- Exempt Health Insurance premiums
- = **Social Security Wages**

- Box 4** -- "Social Security tax withheld" is the amount withheld from employees' wages for Social Security tax. It is calculated by multiplying the amounts in Box 3 by .062.
- 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)
- Exempt Health Insurance Premiums
= **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 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