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MEMORANDUM

TO: All Legislative Fiscal Officers
All Legislative Personnel Officers

FROM: Kathleen D. Baxter
State Comptroller 

DATE: January 18, 2019

SUBJECT: 2018 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 2018, refer to the memorandum titled "2018 Wage and Tax Statement, Form W-2." This memo is 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 calculated as follows:
- + Legislative salary (LEGIS)
 - + Taxable travel (TXTRV)
 - + Prior Year Ins Refund (PRYRR)
 - 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 \$128,400. This box is calculated as follows:
- + Legislative salary (LEGIS)
 - + Taxable travel (TXTRV)
 - + Prior Year Ins Refund (PRYRR)

- 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)
- + Prior Year Ins Refund (PRYRR)
- 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 is calculated as follows:

- + Legislative salary (LEGIS)
- + Prior Year Ins Refund (PRYRR)
- 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.

KB/shk

Attachment