

UNDERSTANDING YOUR FORM W-2 AND 1042-S

INFORMATION REGARDING YOUR FORM W-2 WAGE AND TAX STATEMENT

The Form W-2 is your wage and tax statement provided by your employer to provide information on your taxable wages and taxes withheld for the calendar year. The information on this form is needed by the employee for filing their personal income tax return.

The Form W-2 is a substitute wage and tax statement as allowed by IRS and is acceptable for filing with Federal and State Income tax returns. The Form W-2 conforms to the official issued IRS Form W-2. The W-2 Wage and Tax Statement prints with three copies of the Form W-2 on one self sealer page:

COPY 2 for filing with the employee's **STATE** tax return, and
COPY B for filing with the employee's **FEDERAL** tax return
COPY C for the employee's records.

Form W-2 must be furnished to employees or postmarked by January 31 each year.

The University of Arizona Payroll Operations maintains returned Form W-2 for four years. The information provided in "Understanding your Form W-2" and "Reconciling your Form W-2" is designed to provide an explanation of the amounts in the numbered boxes on the W-2 and how the information in each box was derived.

If you have questions or need additional clarifications, contact the Payroll Operations at 520-621-9097 or email payroll at FNSV-Payroll-Info@arizona.edu.

UNDERSTANDING YOUR FORM W-2 WAGE AND TAX STATEMENT

Box a - Employee's Social Security Number: This is your Social Security Number as provided to the University. This number should be an exact match to the number appearing on your Social Security card. If this number is incorrect, contact Payroll Operations for instructions. If you have not provided a valid Social Security Number "Applied For" will appear in this box. Once you provide a copy of the card issued by Social Security Administration to Payroll Operations, you will receive a W-2C Corrected Wage and Tax Statement. Only the last four digits of the employee's Social Security Number will be visible for security of the employee's information.

Box b - Employer's Identification Number: This is the University's employer identification number (State of Arizona).

Box c - Employer's Name, Address, and Zip Code: This is the University of Arizona Payroll Department's U.S. mail address for W-2 purposes.

Box d & e - Employee's Name, Address, and Zip Code: This is your name and last address on file as it appears on the University's current payroll records. The name should be an exact match to the name appearing on your Social Security Card. If there is a discrepancy, please contact Payroll Operations for instructions on how to correct. If there is an address change, please change your address through [UAccess Employee](#).

Box 1 - Wages, Tips, Other Compensation: This amount includes total wages, tips and other compensation paid to you during the calendar year based on dollars received from the first pay day in January to the last pay day in December. In addition, any amounts received as fringe benefits -- for example, the value of group-term life insurance plan coverage in excess of \$50,000 -- are also added to the wages in Box 1. However, salary reductions for health and dental insurance plan coverage, flexible spending account for health, flexible spending account for dependent care benefits up to \$5000, and contributions to a retirement plan, will reduce the income reported in this box.

Box 2 - Federal Income Tax Withheld: This is the amount of federal income tax withheld from your wages reported in Box 1. Your W-4 Employee Withholding Allowance Certificate on file with Payroll Operations was used to determine the rate which tax was withheld. Changes to your W-4 can be made via [UAccess Employee](#) under the Payroll & Compensation tile.

Box 3 - Social Security Wages (OASDI): This amount represents total wages, tips and other compensation plus imputed income minus salary reductions for health insurance plan coverage and spending accounts up to the maximum Social Security wage base for each year that was subject to Social Security tax. Therefore, this box may differ from Federal (Box 1) wages in that salary reductions for retirement plan contributions do not reduce the wages reported in Boxes 3 and 5.

Box 4 - Social Security Tax Withheld: This amount represents 6.20% of the total Social Security tax that was withheld from Social Security wages during the year.

Box 5 - Medicare Wages (HI): The wages and tips subject to Medicare tax are the same as those subject to Social Security tax (Box 3), except that there is no income base limit for Medicare tax.

Box 6 - Medicare Tax Withheld (HI): This amount represents 1.45% of the total Social Security tax that was withheld from Medicare wages during the year. Please note: Employees with Medicare wages over \$200,000 will have an additional tax of .9% withheld.

Box 10 - Dependent Care Benefits: The amount represents the combined total of the following:

- Spending Account for Dependent Care benefits (Section 125 cafeteria plan)
- Sick Child Care and Emergency Back-up Care Program
- University of Arizona Child Choice Employee Reimbursement for Qualified Expenses

Note: The total includes any amount in excess of the \$5,000 exclusion. The excess amount over \$5,000 is included in wages reported in Boxes 1, 3, and 5.

Box 12 - See Instructions for Box 12: Certain specified payments and amounts are reported in Box 12 and are identified with an alpha code. The amount in this box may include one or more of the following codes and the amount related to the code. Listed below are the explanations of the alpha codes in Box 12:

BB - After-tax contributions to a Roth 403(b) retirement plan. This amount is included as part of your box 1 wages.

C - This is the taxable amount of the cost of group-term life insurance coverage over \$50,000. The amount is also included in Boxes 1, 3, and 5.

D - This is the amount deferred into a 401(k), Federal Thrift Savings Plan. You are not required to pay federal or state income tax on the money contributed to this plan; however, the amounts deferred are subject to Social Security and Medicare taxes. The amount deferred **is not** included in Box 1.

DD - Cost of Employer-Sponsored Health Coverage. This is the cost of your employer sponsored health coverage. The amount reported is not taxable. This figure includes both the employee and the employer paid health insurance premiums and is for informational purposes only.

E - This is the amount deferred into a section 403(b) salary reduction agreement. You are is not required to pay federal or state income tax on the money contributed to the plan; however, the amounts deferred are subject to Social Security and Medicare taxes. The amount deferred **is not** included in Box 1.

EE - After-tax contributions to a Roth 457(b) retirement plan offered by government employers. This amount is included as part of your box 1 wages.

G - This is the amount of elective and non-elective contributions to a section 457(b) deferred compensation plan for employees of a state organization. You are is not required to pay federal or state income tax on the money contributed to the plan; however, the amounts deferred are subject to Social Security and Medicare taxes. The amount deferred **is not** included in Box 1.

W - Employer and employee contributions to a Health Savings Account.

Box 13 - Retirement Plan: will be checked if an employee was an active participant in a retirement plan for any part of the year. If the “Retirement plan” box is checked, special limits may apply to the amount of IRA contributions the employee may deduct.

Box 14 - Other: The following is a detailed description of the amounts considered taxable and included in Box 1, 3, and 5.

Auto (Automobile Expenses): This is the pro rata lease value of the personal use of an employer-provided automobile considered taxable income.

Box 15 - Name of State: This is the name of the state that issued the Form W-2 (Arizona) and the University’s state identification number.

Box 16 - State Wages, Tips, Etc.: The amount in this Box includes wages, tips and other compensation for the year.

Box 17 - State Income Tax Withheld: This is the total state income tax that was withheld from wages, tips and other compensation for the calendar year.

Taxable Year: This is the calendar year for which the W-2 is being issued.

INFORMATION REGARDING YOUR FORM 1042-S

Form 1042-S is used to report income paid to a non resident such as payments to an employee exempt under a tax treaty, payments to an independent contractor, and payments for scholarship or fellowship grants. A non resident employee could potentially receive both a Form 1042-S and Form W-2 or only a Form W2 if they did not claim a treaty allowance.

Please note: Employees receiving both Form W-2 and 1042-S will receive them **before January 31**. However, the Form 1042-S federal deadline to be sent out is after January 31.

The 1042-S, "Foreign Person's U.S. Source Income Subject to Withholding" statement prints with 3 copies of the Form 1042-S on one self sealer page:

COPY B for the employee's records,

COPY C for filing with the employee's **FEDERAL** tax return,

COPY D for filing with the employee's **STATE** tax return.

The information provided, "Understanding your 1042-S" will provide information on how some of the figures were calculated on the Form 1042-S.

UNDERSTANDING YOUR 1042-S

The payroll amounts that show on the 1042-S are based on the following criteria in this order:

1. **Start Date** - Any earnings after the 8233 start date would go on the Form 1042-S. Any earnings before the 8233 start date will appear on the Form W-2.
2. **Stop Date** - If there is an 8233 stop date, any earnings an employee had after the 8233 stop date would go on the Form W-2. Any earnings an employee had before the 8233 stop date would go on the Form 1042-S.
3. **Treaty Expiration Date** - If there is a treaty expiration date, any earnings an employee had after the treaty expiration date would go on the Form W-2. Any earnings an employee had before the treaty expiration date would go on the Form 1042-S.
4. **Treaty Allowance Amount** - If the employee reaches his/her treaty allowance limit amount anytime within the above criteria then any earnings over the treaty allowance amount would go on the Form W-2. Earnings up to the treaty allowance will go on the Form 1042-S.

The information on the 1042-S includes the following:

Box 1 - Income Code: This will be one or more of the following - 15 (Financial Aid or Accounts Payable), 16 (Accounts Payable), 18 (compensation for faculty), 19 (compensation for student). **Note:** A separate 1042-S will be issued for each income code. All forms must be filed.

Box 2 - Gross Income: For each income type, the gross amount paid during the calendar year.

Box 3 - Withholding Allowances: will display as blank.

Box 4 - Net Income: will display as blank.

Box 5 - Tax Rate: If the income is from Payroll then this field should always be equal to zero. If there was withholding on Financial Aid earnings then this field would contain the appropriate rate of withholding.

Box 6 - Exemption Code: If the Gross Income is exempt under an Internal Revenue Code section it will be equal to "2". If the Gross Income is exempt under a tax treaty the code will equal to "4". If there was any withholding on Financial Aid then the code will equal to "0".

Box 7 - U.S. Federal Tax Withheld: The total amount of federal tax withheld. If no tax has been withheld this box will display as zero 00.

Box 8 - Amount Repaid to Recipient: will display as zero 00

Box 9 - Withholding Agent's Employer Identification Number: The University's EIN (866004791).

Box 10 - Withholding Agent's Name and Address: Payroll Operations mailing address.

Box 11 - Recipient's Account Number: will display as blank

Box 12 - Recipient Code: will display as 01(individual).

Box 13 - Recipient's Name and Address: The individual's name and address as it appears in the Payroll, Student, or Financial Systems.

Box 14 - Recipient's U.S. Taxpayer Identification Number: The individual's SSN (Social Security Number) or ITIN (Individual Taxpayer Identification Number).

Box 15 - Recipient's Country of Residence for Tax Purposes: The full name of the country that corresponds with the two-digit country code.

Box 16 - Country Code: This is the two-digit country code from either the Payroll, Student, or Financial Systems.

Box 17-20 Nonqualified Intermediary's (NQI's) / Flow-through Entity's Name, Country Code, Address, and TIN : will display as blank or zero 00

Box 21 - Payer's Name and TIN: will display as blank

Box 22 - State Income Tax Withheld: will display as zero 00.

Box 23 -Payer's State Tax Number: The State of Arizona tax number (7-45400).

Box 24 - Name of State: Always Arizona.

For questions regarding information on your 1042-S form, contact: FNSV-nonresident-tax@arizona.edu.

FREQUENTLY ASKED QUESTIONS

1. When will I receive my Wage and Tax Statement (Form W-2 or Form 1042-S)?

We are required to have all Form W-2's distributed by January 31 of each year and Form 1042-S distributed on or before March 17 although we make every effort to distribute both prior to January 31. However, if you signed up to receive your W-2 and 1042-S electronically, you will be able to access it in early January.

2. Where will my W-2 be sent?

Employees who opted to access their W-2 electronically can view and download their W-2 through UAccess Employee. An email will be sent to you once the W-2 is available. The W-2 may be viewed and printed as often as needed.

Employees who **did not sign up** to receive their W-2 electronically will have their' W-2's mailed to the mailing address on file in UAccess Employee.

3. What should I do if I did not receive my Form W-2?

If you are an active employee you can obtain a duplicate copy of the Form W-2 via [UAccess Employee](#). If you are not able to access your Form W-2 via UAccess Employee you should contact Payroll Operations at 520-621-9097 or by email at FNSV-Payroll-Info@arizona.edu.

4. What if I lose my W-2?

If you are an active employee you can obtain a duplicate copy of the Form W-2 via [UAccess Employee](#). If you are not able to access your Form W-2 via UAccess Employee you should contact Payroll Operations at 520-621-9097 or by email FNSV-Payroll-Info@arizona.edu.

5. Why is the amount in Box 1 of my W-2 form different from the amounts in boxes 3 and 5?

Some Benefit deductions reduce the amount of taxable wages in Box 1 ("Wages, tips, other compensation") and some Benefit deductions do not reduce Box 3 ("Social Security wages") or Box 5 ("Medicare wages and tips").

6. I received a W-2 with the wrong Social Security number. Do I need to do anything? Contact Payroll Operations at 520-621-9097 or by email FNSV-Payroll-Info@arizona.edu to request a Form W-2C Corrected Wage and Tax Statement. Provide Payroll Operations with a copy of your Social Security card showing the correct number using [Payroll's Secure Document Upload](#). If the W-2 information is not corrected, your Social Security benefits will not be credited.

7. I received a corrected Form W-2 from the University of Arizona. I've already filed my taxes. What do I need to do now?

If you receive a corrected Form W-2 after your return is filed, you may need to file an amended tax return. If an amended tax return is necessary, contact a tax professional. University employees, while in their official role at the University, are not allowed to act as tax consultants or provide personal tax advice.

8. I received a 1099-INT form. What do these amounts represent?

If an employee died during the year, the accrued wages, vacation pay, and other compensation paid after the date of death will be reported on Form 1099-INT. If you are expecting a Form 1099-INT but have not received it, contact Payroll Operations at 520-621-9097.

9. I received a 1099R form and have questions on the amounts. Who do I contact? Contact the State of Arizona at 602-240-2000.

10. Where can I get U.S. tax filing forms?

You are able to download the federal tax filing forms from the [IRS Forms, Instructions & Publications web page](#). The state tax filing forms can be downloaded from the [Arizona Department of Revenue Individual Income Tax Forms web page](#).

11. Why am I receiving a Form 1042-S?

Form 1042-S is used for reporting income other than taxable wages to nonresident aliens. The form summarizes certain payments made to or on behalf of nonresident aliens during a calendar year and any taxes withheld. Amounts reported include salary or wages exempt under a tax treaty, fellowship payments, and scholarships.

12. All of my income was exempt from tax under an income tax treaty with my home country. Do I still have to file a tax return?

Yes. Even if you had no taxes withheld on your income because you were exempt from withholding because of the treaty benefit, you are required to submit a tax return to describe the treaty claim to the IRS.