



OFFICE OF THE
COUNTY AUDITOR-CONTROLLER

County Administrative Center
4080 Lemon Street, 11th Floor
P.O. Box 1326
Riverside, CA 92502-1326



Paul Angulo, CPA, MA
AUDITOR-CONTROLLER

Guide to Understanding Your 2011 W-2 and Earnings Summary

When Will My 2011 W-2 Be Available?

As of January 26, 2012, W-2s containing your 2011 information are available electronically in PeopleSoft Employee Self Service (ESS). By IRS regulations, all employers must have 2011 W-2s available no later than January 31, 2012. Printed/paper W-2s will be mailed before Tuesday January 31, 2012.

Employees who would like to access their e-W-2 may still do so. For instructions on how to obtain your W-2 electronically, you can obtain the *Electronic W-2 Consent PeopleSoft Guide* from the Auditor-Controller's website at www.auditorcontroller.org (the link to the guide is located on the right side of the web page).

For further assistance contact the W-2 Payroll Administrator in ACO Payroll at (951) 955-3810 or send your questions via e-mail to ACO_Payroll@co.riverside.ca.us.

The following describes the data that appears in various boxes on your W-2:

The information provided here applies to all W-2s—both electronic as well as traditional paper copies. This brief guide is designed to assist you with reading your W-2 once you have received it via U.S. Mail or online for those who signed up for e-W-2.

BOX 1 WAGES TIPS AND OTHER COMPENSATION

Federal Taxable Wages (gross earnings less non-taxable items). Does not include employer paid benefits or non-taxable items such as Workers' Compensation, mileage, or short-term disability to list a few.

BOX 2 FEDERAL INCOME TAX WITHHELD

Federal Income taxes withheld based on (1) taxable earnings [Box 1], (2) IRS Withholding Tax Tables, and (3) an employee's W-4 Form (W-4 data appears on paycheck advice/pay stub under box titled "Tax Data").

BOX 3 SOCIAL SECURITY WAGES

Social Security (coded as "OASDI"—Old Age Survivor's Disability Insurance on your pay stub). Social Security wages are gross earnings less non-taxable items to a maximum of \$106,800 in wages.

BOX 4 SOCIAL SECURITY TAX WITHHELD

Social Security Tax is calculated at 4.2% on wages reported in Box 3.

BOX 5 MEDICARE WAGES AND TIPS

Medicare taxable wages are gross earnings less non-taxable items with no maximum on gross wages.

BOX 6 MEDICARE TAX WITHHELD

Medicare Tax is calculated at 1.45% on Medicare wages and tips reported in Box 5.

BOX 10 DEPENDENT CARE BENEFITS

Amount paid into a Flexible Spending Account for Dependent Care (appears on paycheck advice/pay stub as FSA Dependent Care).

BOX 12 BENEFITS INCLUDED

Below are some examples of the items contained in this box:

1. The amount of money paid into a Deferred Compensation plan subject to section 457 of the Federal Tax Code (the County's plan falls under this guideline). This dollar amount is preceded by a "G" (e.g., G 2000.00). This may be Employer or Employee Paid.

2. Short-Term Disability (STD) not included as income (appears on paycheck advice/pay stub as earning code TPA). This dollar amount is preceded by a "J" (e.g., J 1000.00).
3. Non-taxable mileage reimbursed (appears on paycheck advice/pay stub as earning code M51 and/or M53). This dollar amount is preceded by an "L" (e.g., L 500.00).
4. Tool reimbursements (appears on paycheck advice/pay stub as earning code TLR). This dollar amount is preceded by an "L" (e.g., L 250.00).
5. Moving expense reimbursements (appears on paycheck advice/pay stub as earning code REN). This dollar amount is preceded by a "P" (e.g., P 1500.00).

BOX 13 RETIREMENT PLAN

This box will be marked with an "x" if the employee was an active participant (for any part of the year) in a qualified pension plan.

BOX 14 OTHER

Items such as employer paid 401(a) benefit and/or Supplemental benefit (LIUNA; SEIU). These will show as "SUPPEN." on the W-2. For Special District employees, California State Disability Insurance will be included here and show as "CASDI." Employee Campaign deductions "EECAMP," and educational support reimbursements "ED RMB".

BOX 16 STATE WAGES, TIPS, ETC.

State Taxable Wages (gross earnings less non-taxable items) does not include employer paid benefits or non-taxable items such as Flex Benefits, mileage reimbursement, or short-term disability to list a few.

BOX 17 STATE INCOME TAX

State taxes withheld (appears on paycheck advice/pay stub as code "CA Withholding") based on (1) taxable earnings [Box 16], (2) State Withholding Tax Tables, and (3) an employee's Form DE 4 (state withholding) or Form W-4 (federal withholding) if Form DE 4 was not filed.

Paycheck Advice/Pay Stub Information

Data on W-2s is derived from information on employee paycheck advices/pay stubs. Year-to-date totals found on your last paycheck advice/pay stub of the calendar year can be compared to information found on your W-2. The information below is provided to assist you in reading and understanding your paycheck advice/pay stub. The following is not all inclusive, but lists the most common codes found on paycheck advices/pay stubs.

GROSS EARNINGS

Earning codes are 3 digit codes that appear on the paycheck advice/pay stub under the box titled "Hours and Earnings."

- Regular earnings (REG)
- Leave usage (HLU, SCK, and VAC)
- Non-work time (NWT) for items like paid administrative leave, bereavement, jury duty, military leave
- Overtime earnings (OVT)
- Additional pay/given for items like bi-lingual pay (BL1), holiday pay (HOL), shift differentials (Z02, Z07), etc.
- Administrative Leave payoff (ALP)
- Annual Leave buy down (ANB)
- Payoffs of accrued leaves (HLP, SKP, VCP) - Holiday, Sick, and Vacation Payoffs
- Flex Benefits (FLX, FX2)
- Bonus pay (BNS)
- Workers' Compensation (IIU non-taxable)
- Short-Term Disability—Third Party Sick Pay (TPA non-taxable)
- Mileage (M51 and/or M53 non-taxable)

NON-TAXABLE ITEMS

Deductions that appear on the paycheck advice/pay stub under the box titled "Before Tax Deductions" (some items are not subject to all four tax types: federal, state, Social Security, and Medicare taxes; some are not subject to federal and state taxes but are subject to Social Security and Medicare taxes):

- Employee paid retirement (not subject to federal and state taxes)
- Employee paid 401A retirement contributions (not subject to federal and state taxes)
- Medical, dental and vision insurance premiums (not subject to all 4 tax types)
- Employee elected 457a plan contributions (not subject to federal and state taxes)
- Flexible Spending Account Health Care (FSA Health Care not subject to all 4 tax types)
- Flexible Spending Account Dependent Care (FSA Dependent Care not subject to all 4 tax types)
- Employee elected deductions for parking (not subject to federal and state taxes)