W-2 EXPLANATION FOR 2020

# BOX 1 - Wages, Tips, Other Compensation

The taxable Federal wages listed in Box 1 are a cumulative total of gross wages paid during calendar year 2020, plus taxable benefits, minus before-tax deductions.

To Calculate Federal wages on your W-2, begin with your 2020 gross wages and add or subtract benefits/deductions as listed below:

|  |  |  |  |
| --- | --- | --- | --- |
| **PLAN TYPE** | **LOCATION ON W-2** | **Before Tax**  **(Subtract from gross)** | **Taxable Benefits (Add To Gross)** |
| Medical | Box 14 (PROPPL) | X |  |
| Dental | Box 14 (PROPPL) | X |  |
| Prescription | Box 14 (PROPPL) | X |  |
| FSA Medical | N/A | X |  |
| FSA Dependent Care | Box 10 | X |  |
| Parking/Transit | N/A | X |  |
| 403B (Supplemental Pension) | Box 12E | X |  |
| 414H (Mandatory Pension) | Box 14 | X |  |
| 457 (Deferred Compensation) | Box 12G | X |  |
| Group Term Life Ins above $50,000 | Box 12C |  | X |
| Domestic Partner | N/A |  | X |

# Box 2 - Federal Income Tax Withheld

Cumulative total of federal income tax withheld from each paycheck in calendar year 2020.

# Box 3 - Social Security Wages

The annual maximum for Social Security wages in 2020 was $137,700.

To Calculate Social Security wages on your W-2 begin with your 2020 gross wages and add or subtract deductions and benefits as listed below:

|  |  |  |  |
| --- | --- | --- | --- |
| **PLAN TYPE** | **LOCATION ON W-2** | **Before Tax (Subtract from gross)** | **Taxable**  **Benefits(Adds To Gross)** |
| Medical | Box 14 (PROPPL) | X |  |
| Dental | Box 14 (PROPPL) | X |  |
| Prescription | Box 14 (PROPPL) | X |  |
| FSA Medical | N/A | X |  |
| FSA Dependent Care | Box 10 | X |  |
| Parking/Transit | N/A | X |  |
| Group Term Life Ins over $50,000 | Box 12, Code C |  | X |
| Domestic Partner | N/A |  | X |

# Box 4 - Social Security Tax

The social security tax withheld is 6.2% of the Social Security wages reported in Box 3. The maximum social security tax withheld in 2020 was $8,537.40.

# Box 5 - Medicare Wages

Unlike social security wages, there is no annual maximum for Medicare wages. To calculate Medicare Wages, see explanation for Social Security wages.

# Box 6 - Medicare Tax

The Medicare tax is 1.45% of Medicare wages in Box 5.

Medicare Wages over $200,000.00 are subject to an additional 0.9% withholding tax. This is included in the amount shown in Box 6.

# Box 12 Code C

The cost of group term life insurance coverage that exceeds $50,000.

# Code DD

Cost of Employer Sponsored Health Coverage for calendar year 2020. This is for informational purposes only.

# Code E

Amount withheld for supplemental pension for calendar year 2020.

# Code G

Amount withheld for deferred compensation plans for calendar year 2020.

**Box 13** - The retirement box will be checked if the employee was active in a pension plan in calendar year 2020. The third-party sick pay box will be checked if the employee received state disability payments in calendar year 2020.

# Box 14

**PROPPL- Premium Option Plan**

Health, Dental and Prescription before-tax deductions for calendar year 2020.

# 414H

Mandatory pension deductions for calendar year 2020.

# FLI

NJ Family Leave Insurance tax withheld for calendar year 2020.

**NJ-UI/HC/WD**

NJ Unemployment

**NJ-SDI**

NJ Disability Insurance

# Box 16 - State Wages

The sum of state taxable wages for 2020.

To calculate NJ state wages, add the taxable benefit in Box 12, Code C to the gross wages paid in 2020:

|  |  |  |  |
| --- | --- | --- | --- |
| **PLAN TYPE** | **LOCATION ON**  **W-2** | **Before Tax (Subtract**  **from gross)** | **Taxable Benefits (Adds**  **To Gross)** |
| Group Term Life Ins over $50,000 | Box 12, Code C |  | X |

To calculate PA state wages, begin with your 2020 gross wages and add or subtract benefits/deductions as listed below:

|  |  |  |  |
| --- | --- | --- | --- |
| **PLAN TYPE** | **LOCATION ON W-2** | **Before**  **Tax (Subtract from gross)** | **Taxable Benefits (Adds To Gross)** |
| Medical | Box 14 (PROPPL) | X |  |
| Dental | Box 14 (PROPPL) | X |  |
| Prescription | Box 14 (PROPPL) | X |  |
| FSA Medical | N/A | X |  |
| Domestic  Partner | N/A |  | X |

# Box 17 - State Income Tax

State income tax withheld for 2020.

PA Local Taxes (including Philadelphia) are not withheld by TCNJ.