Form **941c** (Rev. October 1996)

Department of the Treasury Internal Revenue Service

Supporting Statement To Correct Information

Do Not File Separately

▶ **File with Form 941, 941-M, 941-SS, 943, 945, or 843.**

OMB No. 1545-0256

Page No.

Name

Employer identification number

Telephone number

A This form supports adjustments to: **Check one box.**

☐ Form 941 ☐ Form 941-SS ☐ Form 945
☐ Form 941-M ☐ Form 943

B This form is filed with the return for the period ending (month, year) ▶

C Enter the date you discovered the error(s) reported on this form. (If you are making more than one correction and the errors were not discovered at the same time, please explain in Part V.) . . . ▶

Part I Signature and Certification (You **MUST** complete this part for the IRS to process your adjustments for overpayments.) Skip Part I if all your adjustments are underpayments. (See the instructions for Part I.)

I certify that **Forms W-2c,** Corrected Wage and Tax Statement, have been filed (as necessary) with the Social Security Administration, and that (check appropriate boxes):

☐ All overcollected income taxes for the current calendar year and all social security and Medicare taxes for the current and prior calendar years have been repaid to employees. For claims of overcollected employee social security and Medicare taxes in earlier years, a written statement has been obtained from each employee stating that the employee has not claimed and will not claim refund or credit of the amount of the overcollection.

☐ All affected employees have given their written consent to the allowance of this credit or refund. For claims of overcollected employee social security and Medicare taxes in earlier years, a written statement has been obtained from each employee stating that the employee has not claimed and will not claim refund or credit of the amount of the overcollection.

☐ The social security tax and Medicare tax adjustments represent the employer's share only. An attempt was made to locate the employee(s) affected, but the affected employee(s) could not be located or will not comply with the certification requirements.

☐ None of this refund or credit was withheld from employee wages.

Sign Here Signature ▶ Title ▶ Date ▶

Part II Income Tax Withholding (Including Backup Withholding) Adjustment

	(a) Period Corrected (For quarterly returns, enter date quarter ended. For annual returns, enter year.)	**(b)** Withheld Income Tax Previously Reported for Period	**(c)** Correct Withheld Income Tax for Period	**(d)** Withheld Income Tax Adjustment
1				
2				
3				
4				

5 Net withheld income tax adjustment. If more than one page, enter total of **ALL** columns (d) on first page only. Enter here and on the **appropriate** line of the return with which you file this form . ▶ **5**

Part III Social Security Tax Adjustment (Use the tax rate in effect during the period(s) corrected. You must also complete Part IV.)

	(a) Period Corrected (For quarterly returns, enter date quarter ended. For annual returns, enter year.)	**(b)** Wages Previously Reported for Period	**(c)** Correct Wages for Period	**(d)** Tips Previously Reported for Period	**(e)** Correct Tips for Period	**(f)** Social Security Tax Adjustment
1						
2						
3						
4						
5	Totals.—If more than one page, enter totals on first page only . ▶					

6 Net social security tax adjustment. If more than one page, enter total of **ALL** columns (f) on first page only. Enter here and on the appropriate line of the return with which you file this form . . ▶ **6**

7 Net wage adjustment. If more than one page, enter total of **ALL** lines 7 on first page only. If line 5(c) is smaller than line 5(b), enter difference in parentheses . . . . ▶ **7**

8 Net tip adjustment. If more than one page, enter total of **ALL** lines 8 on first page only. If line 5(e) is smaller than line 5(d), enter difference in parentheses . . . . ▶ **8**

Part IV Medicare Tax Adjustment

	(a) Period Corrected (For quarterly returns, enter date quarter ended. For annual returns, enter year.)	(b) Wages and Tips Previously Reported for Period	(c) Correct Wages and Tips for Period	(d) Medicare Tax Adjustment
1				
2				
3				
4				
5	Totals.—If more than one page, enter totals on first page only . . ▶			

6 Net Medicare tax adjustment. If more than one page, enter total of **ALL** columns (d) on first page only. Enter here and on the appropriate line of the return with which you file this form . . . ▶ 6

7 Net wage and tip adjustment. If more than one page, enter total of **ALL** lines 7 on first page only. If line 5(c) is smaller than line 5(b), enter difference in parentheses . . . . ▶ 7

Part V Explanation of Adjustments

Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 9 hours and 12 minutes.

If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the IRS at the address listed in the instructions of the tax return with which you file this form.

General Instructions

Purpose of Form.—Use Form 941c to provide background information and certifications supporting adjustments to income, social security, and Medicare taxes reported on Forms 941, 941E, 941-M, 941-SS, 943, or 945. File it with the tax return on which you are claiming the adjustment (Form 941, 943, 945, etc.). You may use Form 941c even though you filed the original return on magnetic media. Do not use Form 941c as a supporting statement for current period adjustments (e.g., adjustment for uncollected employee share of social security and Medicare taxes on tips). No supporting statement is required for the fractions-of-cents and third-party sick pay adjustments. See your form instructions.

Adjustments To Correct Previously Filed Forms 941E.—If you discover an error on a previously filed **Form 941E,** Quarterly Return of Withheld Federal Income Tax and Medicare Tax, you may correct it by making an adjustment on the current period **Form 941,** Employer's Quarterly Federal Tax Return (to correct employment taxes), or **Form 945,** Annual Return of Withheld Federal Income Tax (to correct nonpayroll income tax). Form 941E became obsolete after 1993, and the statute of limitations on timely filed Forms 941E for 1993 will expire on April 15, 1997 (see **Statute of Limitations** on this page).

Income Tax Withholding Errors.—Generally, you are not permitted to correct income tax withholding errors made in a prior calendar year. However, if you must correct an administrative error for nonpayroll income tax withholding (reported on Form 941 or 941E), you may make an adjustment on Form 945. Refer to **Circular E,** Employer's Tax Guide, and the instructions for Forms 941 and 945 for more information on making prior period adjustments.

More Information.—See the employer's tax guide (Circular E or **Circular A,** Agricultural Employer's Tax Guide) or your form instructions for more information about adjustments.

How To Use Form 941c.—Form 941c is not an amended return and **must never be filed separately.** You must make adjustments on the return (e.g., Form 941) for the period during which you discovered the error. There is no limit to the number of adjustments you can make, and these adjustments can be for corrections to more than one prior period. However, if you filed two or more types of tax returns that need correction (for example, Form 941 and Form 943), use a separate Form 941c for each type of return. The net adjustment increases or decreases your tax liability for the period in which the error was discovered and adjusted.

If your adjustment(s) corrects an overpayment, you may apply for a refund using **Form 843,** Claim for Refund and Request for Abatement, instead of making an adjustment as discussed above. If you choose to file Form 843, you will receive a refund check instead of reducing your current employment tax liability. When filing Form 843, attach Form 941c or an equivalent statement.

If you did not file a return for one or more return periods, do **not** use Form 941c to report the information. Instead, file the required returns.

Corrections Not Required.—You are not required to correct errors previously reported on the Summary of Federal Tax Liability (e.g., line 17, Form 941 or line 15, Form 943) or Schedule B (Form 941) or Form 943-A or 945-A. Also, you are not required to correct amounts previously reported on lines 1 or 2 of Form 941.

Statute of Limitations.—For adjustments for prior period returns, all of the above returns (quarterly and annual) are considered to be filed on April 15 of the year after the close of the tax year, and you may make an adjustment only within 3 years of that date or the date filed, whichever is later.

Specific Instructions

Complete all applicable columns on the line for each return period you are correcting. Show the total amount paid to all employees, not the amount for each individual employee, on Form 941c. If you need more space, use additional Forms 941c. If you use additional Forms 941c as continuation pages, be sure the total and net adjustment lines on the first form include the totals from the continuation pages. These lines are line 5 of Part II, lines 5 through 8 of Part III, and lines 5 through 7 of Part IV.

Item A—Check the box for the return on which you are making an adjustment.

Item B—Show the return period in which you are reporting tax adjustment(s). For example, if you are making an adjustment on Form 941 for the quarter ending June 30, 1996, enter 06-96. File Form 941c with the return for this period. **Do not** show the return period(s) being corrected in this entry space.

Item C—Enter the date you discovered the error(s). If you are making more than one correction and the errors were not discovered at the same time, please explain in Part V. The date you discover the error(s) is the date your tax liability increases or decreases. Your deposits for this date must be adjusted accordingly. See the return instructions for more information.

Part I—Signature and Certification—If any adjustment is for an overpayment, it cannot be processed unless you check at least one box in Part I and you sign the certification. If you obtained written consents or statements from some employees but you could not locate or secure the cooperation of the remaining employees, check both the second and third boxes. Provide a summary in Part V of the amount of the adjustments for both the employees who provided statements and for those who did not. You may make an adjustment for both the employer and employee shares of social security and Medicare taxes for those employees who provided the required written statement. But you may make adjustments for only the employer's share for those employees who did not provide statements.

Part II—Income Tax Withholding (Including Backup Withholding) Adjustment—Use this part to correct income tax withholding (including backup withholding) information you previously reported. Show the total amount of tax withheld, not the amount withheld from each individual.

After the end of the year, you cannot adjust the amounts reported as income tax withheld (including backup withholding) unless it is to correct an administrative error. An administrative error is any error that does not change the amount of income tax that was actually withheld. For example, if the total income tax actually withheld was incorrectly reported due to a mathematical computation or transposition error, this is an administrative error.

You will not be allowed a refund or credit for any prior year overpayment of income tax withheld (including backup withholding). This is because the amount of withholding shown on **Form W-2,** Wage and Tax Statement, **Form W-2G,** Certain Gambling Winnings, or Form 1099, is used as a credit on the employee's or income recipient's income tax return (Form 1040, etc.). If you are making an administrative error adjustment for a period during a prior calendar year, provide an explanation in Part V. If you are reducing social security taxes for an earlier period, be sure to read and check the appropriate boxes in Part I.

Part III—Social Security Tax Adjustment—Use this section to correct social security wages and tips information you previously reported. You may make corrections to social security taxes reported in prior calendar years, as long as the statute of limitations has not expired (see **Statute of Limitations** on page 3). If you are reducing social security taxes for an earlier period, be sure to read and check the appropriate boxes in Part I.

Because Form W-2 is used by the Social Security Administration (SSA) to post the employee's social security wages and tips to his or her earnings record, you must file a **Form W-2c,** Corrected Wage and Tax Statement, with the SSA and give copies to the employee for any social security correction made after you filed the Form W-2 with the SSA.

Part IV—Medicare Tax Adjustment—Use this part to correct Medicare wages and tips information you previously reported. You may make corrections to Medicare taxes reported in prior calendar years, as long as the statute of limitations has not expired (see **Statute of Limitations** on page 3).

If you are reducing Medicare taxes for an earlier period, be sure to read and check the appropriate boxes in Part I. You must file a Form W-2c with the SSA and give copies to the employee for any Medicare correction made after you filed Form W-2 with the SSA.