

Attention!

This form is provided for informational purposes and should not be reproduced on personal computer printers by individual taxpayers for filing. The printed version of this form is a "machine readable" form. As such, it must be printed using special paper, special inks, and within precise specifications.

Additional information about the printing of these specialized tax forms can be found in: Publication 1167, *Substitute Printed, Computer-Prepared, and Computer-Generated Tax Forms and Schedules*; and, Publication 1179, *Specifications for Paper Document Reporting and Paper Substitutes for Forms 1096, 1098, 1099 Series, 5498, and W-2G*.

The publications listed above may be obtained by calling 1-800-TAX-FORM (1-800-829-3676). Be sure to order using the IRS publication number.

DO NOT STAPLE

a Control number		33333		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer 	941	Military	943	1 Wages, tips, other compensation	2 Federal income tax withheld
	☐	☐	☐	3 Social security wages	4 Social security tax withheld
	CT-1	Hshld.	Medicare govt. emp.		
☐	☐	☐			
c Total number of statements		d Establishment number		5 Medicare wages and tips	6 Medicare tax withheld
e Employer's identification number				7 Social security tips	8 Allocated tips
f Employer's name				9 Advance EIC payments	10 Dependent care benefits
				11 Nonqualified plans	12 Deferred compensation
				13 Adjusted total social security wages and tips	
				14 Adjusted total Medicare wages and tips	
g Employer's address and ZIP code				15 Income tax withheld by third-party payer	
h Other EIN used this year					
i Employer's state I.D. No.					

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature ▶ _____ Title ▶ _____ Date ▶ _____
 Telephone number () _____

Form **W-3** Transmittal of Wage and Tax Statements **1996**

Department of the Treasury
Internal Revenue Service

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.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 27 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 Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do NOT** send the form to this address. Instead, see **Where To File** on page 2.

Need Help?

Information Reporting Call Site.—The IRS operates a centralized call site to answer questions about reporting on Forms W-3, W-2, 1099, and other information returns. If you have questions related to reporting on information returns, you may call (304) 263-8700 (not a toll-free number).

Bulletin Board Services.—Using a personal computer and a modem, you can get information from either of two electronic Bulletin Board Systems (BBS)—the SSA-BBS or the IRP-BBS (IRS). You can access the SSA-BBS by dialing (410) 965-1133 or the IRP-BBS (IRS) by dialing (304) 264-7070.

Information available includes magnetic media and paper filing information, some IRS and SSA forms and publications, correct social security number information, information on electronic filing, and general topics of interest about information reporting. You can also use the bulletin board systems to ask questions about magnetic media or electronic filing programs, and reporting on information returns.

Substitute Forms.—Employers filing privately printed Forms W-2 must file Forms W-3 that are the same width as Form W-2. The forms must meet the requirements in **Pub. 1141**, General Rules and Specifications for Private Printing of Substitute Forms W-2 and W-3.

Forms and Publications.—You can get any of the forms and publications mentioned in these instructions by calling 1-800-TAX-FORM (1-800-829-3676).

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b Kind of Payer 	941	Military	943	1 Wages, tips, other compensation		2 Federal income tax withheld	
	☐	☐	☐	3 Social security wages		4 Social security tax withheld	
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f Employer's name				9 Advance EIC payments		10 Dependent care benefits	
YOUR COPY				11 Nonqualified plans		12 Deferred compensation	
				13 Adjusted total social security wages and tips			
				14 Adjusted total Medicare wages and tips			
				15 Income tax withheld by third-party payer			
g Employer's address and ZIP code							
h Other EIN used this year							
i Employer's state I.D. No.							

Form W-3 Transmittal of Wage and Tax Statements 1996

Department of the Treasury
Internal Revenue Service

General Instructions

Purpose of Form.—Use this form to transmit Copy A of Forms W-2. Keep page 2 (Your Copy) and Copy D of Form W-2 for your records.

Who Must File.—Employers and other payers must file Form W-3 to send Copy A of Forms W-2. Use Form W-3 for the correct year.

If you buy or sell a business during the year, see Rev. Proc. 84-77, 1984-2 C.B. 753, for details on who should file the employment tax returns.

A household employer is not required to file a Form W-3 if filing a single Form W-2.

A transmitter or sender (including a service bureau, paying agent, or disbursing agent) may sign Form W-3 for the employer or payer only if the sender:

1. Is authorized to sign by an agency agreement (either oral, written, or implied) that is valid under state law; and
2. Writes "For (name of payer)" next to the signature.

If an authorized sender signs for the payer, the payer is still responsible for filing, when due, a correct and complete Form W-3 and related Forms W-2, and is subject to any penalties that result from not complying with these requirements. Be sure the payer's name and employer identification number (EIN) on Forms W-2 and W-3 are the same as those used on the Form 941 or 943 filed by or for the payer.

Where To File.—Send the entire first page of this form with Copy A of Forms W-2 to the Social Security Administration (SSA) at the following address:

Social Security Administration
Data Operations Center
1150 E. Mountain Dr.
Wilkes-Barre, PA 18769-0001

Note: If you use "Certified Mail" to file, change the ZIP code to "18769-0002."

Shipping and Mailing.—If you file more than one type of employment tax form, please group Forms W-2 of the same type and send them in separate groups. See the specific instructions for box b.

Please do not staple or tape Form W-3 to the related Forms W-2. These forms are machine read. Staple holes or tears cause the machine to jam.

If you have a large number of Forms W-2 to send with one Form W-3, you may send them in separate packages. Show your name and EIN on each package. Number them in order (1 of 4, 2 of 4, etc.) and place Form W-3 in package 1. Show the number of packages at the bottom of Form W-3 below the title. If you mail them, you must send them First-Class.

Note: Extra postage may be necessary if the report you send contains more than a few pages or if the envelope is larger than letter size.

When To File.—File Form W-3 with Copy A of Forms W-2 by February 28, 1997. You may be penalized for each W-2 you file late.

Extension To File.—You may request an extension of time to file by sending **Form 8809**, Request for Extension of Time To File Information Returns, to the address shown on that form. You must request the extension before the due date of the returns for your request to be considered. See Form 8809 for more details.

Magnetic Media Reporting.—If you file 250 or more Forms W-2, you must report on magnetic media. You may be charged a penalty if you fail to file on magnetic media when required.

If you are filing Forms W-2 using magnetic media, you will need **Form 6559**, Transmitter Report and Summary of Magnetic Media, and you may also need

Form 6559-A, Continuation Sheet for Form 6559, etc.

If you file on magnetic media, do not file the same returns on paper.

You can get magnetic media reporting specifications by contacting any of the Social Security Magnetic Media Coordinators. Call 1-800-SSA-1213 for a phone number of the coordinator in your area. You may also write to the Social Security Administration, OCRO, DEA Attn: Resubmittal Unit, 3-E-10 NB, Metro West, 300 North Greene Street, Baltimore, MD 21201 or use the electronic Bulletin Board Systems. See **Bulletin Board Services** on page 1.

A waiver can be requested on **Form 8508**, Request for Waiver From Filing Information Returns on Magnetic Media. That form must be submitted to the IRS 45 days before the due date of the return. Get Form 8508 for filing information.

Making Corrections.—Use **Form W-3c**, Transmittal of Corrected Income and Tax Statements, to make corrections to a previously filed Form W-3.

Specific Instructions

This form is imaged and character recognized by machines, so please type entries if possible. Send the entire first page of this form with Copy A of Forms W-2. Make all dollar entries without the dollar sign and comma but with the decimal point (00000.00).

Note: Amounts reported on related employment tax forms (W-2, 941, or 943) should agree with the amounts reported on Form W-3. If there are differences, you may be contacted by the IRS and SSA. You should retain your reconciliation for future reference. See **Reconciling Forms W-2, W-3, and 941** on page 3.

The following instructions are for boxes on the form. If any entry does not apply to

you, leave it blank. Third-party payers of sick pay and employers who use such payers should see Sick Pay Reporting in **Pub. 15-A**, Employer's Supplemental Tax Guide.

Box a—Control number.—This is an optional box which you may use for numbering the whole transmittal.

Box b—Kind of Payer.—Mark the checkbox that applies to you. **Mark only one box.** If you have more than one type, send each with a separate Form W-3.

941.—Mark this box if you file **Form 941**, Employer's Quarterly Federal Tax Return, and no other category applies.

Military.—Mark this box if you are a military employer sending Forms W-2 for members of the uniformed services.

943.—Mark this box if you file **Form 943**, Employer's Annual Tax Return for Agricultural Employees, and you are sending forms for agricultural employees. For nonagricultural employees, send their Forms W-2 with a separate Form W-3.

CT-1.—Mark this box if you are a railroad employer sending Forms W-2 for employees covered under the Railroad Retirement Tax Act (RRTA). Do NOT show employee RRTA tax in boxes 3 through 7. These boxes are ONLY for social security and Medicare information. If you also have employees who are subject to social security and Medicare taxes, send each group's Forms W-2 with a separate Form W-3. Mark the 941 box of the Form W-3 used to send the Forms W-2 for employees subject to social security and Medicare taxes.

Hshld.—Mark this box if you are a household employer sending Forms W-2 for household employees.

Medicare government employee.—Mark this box if you are a U.S., state, or local agency filing Forms W-2 for employees subject only to the 1.45% Medicare tax. See **Government Employers** in the **Instructions for Form W-2** for additional information.

Box c—Total number of statements.—Show the number of completed individual Forms W-2 you are transmitting. Do not count void or subtotal statements.

Box d—Establishment number.—You may use this box to identify separate establishments in your business. You may file a separate Form W-3, with Forms W-2, for each establishment even if they all have the same EIN; or you may use a single Form W-3 for all Forms W-2.

Box e—Employer's identification number.—Enter the nine-digit number assigned to you by the IRS. The number should be the same as shown on your Form 941 or 943 and in the following format: 00-0000000. **Do not use a prior owner's EIN. See Box h on this page.** If available, use the label sent to you with Pub. 393 that shows your name, address, and EIN. Place the label at the top of box e in the space provided. Use of the label speeds processing. Make any necessary corrections on the label.

If you do not have an EIN when filing your Form W-3, enter "Applied For" in box e, not your social security number.

Box f—Employer's name.—This entry should be the same as that shown on your Form 941 or 943. If available, use the label sent to you with Pub. 393.

Box g—Employer's address and ZIP code.—If available, use the label sent to you with Pub. 393. Make any necessary corrections on the label. See **Box e**.

Box h—Other EIN used this year.—If you have used an EIN (including a prior owner's EIN) on Form 941 or 943 submitted for 1996 that is different from the EIN reported on Form W-3 in box e, enter the other EIN used.

Box i—Employer's state I.D. number.—This number is assigned by individual states where your business is located. You may want to complete this box if you use copies of this form for your state returns. If reporting for two states, keep each I.D. number separated by the broken line.

Boxes 1 through 10.—Enter the totals reported in boxes 1 through 10 on Forms W-2 being transmitted.

Box 11—Nonqualified plans.—Enter the total amounts reported in box 11 on Forms W-2. Do not show a code.

Box 12—Deferred compensation.—Enter the total of the amounts with codes D-H reported in box 13 on Forms W-2. The amounts you should report are for 401(k), 403(b), 408(k)(6), 457(b), and 501(c)(18)(D) plans. Do not include section 457(f) plans. Do not list each plan separately. Report these amounts as one lump sum on Form W-3 without a code.

Box 13—Adjusted total social security wages and tips.—The amount reported in this box in most cases should be the total social security wages and social security tips reported to the IRS on your Forms 941 or 943 for 1996. To get to the adjusted total of social security wages and social security tips, you must take into account any current year adjustments in social security wages and tips shown on Form 941 (or 941c) or 943. Do not include prior year adjustments in the adjusted total for the current year. If this amount does not match the total of the amounts shown in boxes 3 and 7, you should determine why there is a discrepancy and keep a record of it. See **Reconciling Forms W-2, W-3, and 941**.

Box 14—Adjusted total Medicare wages and tips.—Generally, the amounts reported in this box should agree with the total Medicare wages and tips reported to the IRS on Forms 941 or 943 for 1996. See **Box 13** above for more information. If this amount does not match the amount shown in box 5, Medicare wages and tips, you should determine why and keep a record of it.

Box 15—Income tax withheld by third-party payer.—Complete this box if you have employees who had income tax withheld on third-party payments of sick pay. Show the total income tax withheld by third-party payers on payments to all your employees. Although this tax is included in the box 2 total, it must be separately shown here.

Sick Pay.—Sick pay paid to an employee by a third-party, such as an insurance company or trust, requires special treatment at year end because the IRS reconciles an entity's Forms 941 with the

Forms W-2 and W-3 filed. If the third-party payer does not notify the employer about sick pay payments, the third-party payer should prepare Forms W-2 and W-3 with respect to the employee. See Pub. 15-A.

Reconciling Forms W-2, W-3, and 941

When there are discrepancies between amounts reported on Forms 941 filed with the IRS and Forms W-2 and W-3 filed with the SSA, we must contact you to resolve the discrepancies. This costs time and money, both for the Government and the employer.

To eliminate errors that can cause discrepancies—

1. Report bonuses as wages and as social security and Medicare wages on Forms W-2 and 941.
2. Report both social security and Medicare wages and taxes separately on Forms W-2, W-3, and 941.
3. Report social security taxes on Form W-2 in the box for social security tax withheld, not as social security wages.
4. Report Medicare taxes on Form W-2 in the box for Medicare tax withheld, not as Medicare wages.
5. Make sure the social security wage amount for each employee does not exceed the annual social security wage base. There is no wage base limit on Medicare wages and tips.
6. Do not report noncash wages not subject to social security or Medicare taxes as social security or Medicare wages.

To reduce the discrepancies between amounts reported on Forms W-2, W-3, and Form 941—

1. Be sure the amounts on Form W-3 are the total amounts from Forms W-2.
2. Reconcile Form W-3 with your four quarterly Forms 941 by comparing amounts reported for—
 - Social security wages, social security tips, and Medicare wages and tips. The amounts may not match if, for example, you made adjustments for the current year on Form 941c. In this case, the amounts reported in boxes 13 and 14 of Form W-3 should include Form 941c adjustments only for the current year (i.e., if the Form 941c adjustments include amounts for a prior year, do not report those adjustments on the current year Forms W-2 and W-3).
 - Social security taxes and Medicare taxes. The amounts shown on the four quarterly Forms 941 including current year adjustments should be approximately twice the amounts shown on Form W-3.
 - Advance earned income credit.

Amounts reported on Forms W-2, W-3, and 941 may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Keep your reconciliation in case there are inquiries from the IRS or the SSA.