

## How to read your W-2 <sup>[1]</sup>

As a CU employee, you can view the Form W-2 Wage and Tax statement in the [employee portal](#) <sup>[2]</sup>. Each year, Employee Services mails W-2 forms to employees by Jan. 31.

The following guide is intended to answer the most frequently asked questions regarding the content and distribution of your W-2, which is needed to file your income tax returns.

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### **Box 1 - Wages, Tips, Other Compensation**

This amount includes total wages and other compensation paid during the calendar year. This includes taxable fringe benefits (e.g., the value of group-term life insurance in excess of \$50,000, tuition benefits greater than \$5,250.00, non-cash rewards, gifts and taxable moving reimbursements). Pretax deductions/ premiums, for insurance plans (health, dental and flexible spending accounts for health or dependent care benefits) and contributions to the retirement plan will reduce your total wages. This box reports your federal taxable wages.

**Note:** Wages exempt from tax under a Tax Treaty will not be included in Box 1 but will be reported in Box 2 of Form 1042-S.

### **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 was used to determine the tax withholding rate. Your filing status is available on the [employee portal](#) <sup>[2]</sup> and on your paystub (aka, your pay advice).

### **Box 3 - Social Security Wages**

This amount includes total wages and other compensation plus fringe benefits, minus pre-tax deductions for health insurance and any flexible spending accounts up to the annual maximum Social Security wage base. This box can differ from Federal wages (Box 1) as retirement plan contributions do not reduce the Social Security wages reported in Box 3.

The following groups are exceptions and are not subject to Social Security:

- PERA employees
- Full-time undergraduate student employees (enrolled in at least six credit hours)
- Full-time graduate student employees (enrolled in at least three credit hours)
- Nonresident alien employees

#### **Box 4 - Social Security Tax Withheld**

This amount represents 6.2 percent of the Social Security wages (Box 3) withheld from Social Security wages during the year.

#### **Box 5 - Medicare Wages and Tips**

The wages subject to Medicare tax are the same as those subject to Social Security tax; however, there is no wage limit for the Medicare Tax.

#### **Box 6 - Medicare Tax Withheld**

This amount represents 1.45 percent of the total Medicare wages (Box 5) during the year. However, employees who earn more than \$200,000 (single) or \$250,000 (married filing jointly) are also subject to an additional 0.9 percent Medicare tax.

#### **Box 10 - Dependent Care Benefits**

This amount is the total amount paid into your dependent care flexible spending account for the year.

#### **Box 12 - See Notice to Employee**

Certain payments are reported in Box 12 along with alpha codes. The Notice to Employee on the back of your Form W-2 shows a complete listing of the codes used. The following codes are among the most common.

- 12 C - Taxable Cost of GTL (Group Term Life)  
The calculated value of group-term life insurance exceeding \$50,000 that has been added into Box 1 as "other compensation"
- 12 E - Section 403(b) Salary Reductions  
Your total elective deferrals to your CU 403(b) Voluntary Retirement Plan
- 12 G - Section 457(b) Contributions

Any amount you contributed to the 457 Plan

- **12 P - Excludable Moving Expense Reimbursements**  
Non-taxable moving expenses for which you were reimbursed directly (not included in taxable wages in Box 1)
- **12 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 employer-paid health insurance premiums, and is for informational purposes only.

*Note: Form W-2 only allows space to report four "Box 12" codes. Employees with more than four codes will receive two W-2 forms. The second form will only include additional Box 12 codes.*

## **Box 13 – Retirement Plan**

This box is checked when an employee is an active retirement plan participant (CU 401(a) Retirement Plan or the Public Employees' Retirement Association (PERA) Retirement Plan) for any part of the year. When checked, special limits may apply to the amount of IRA contributions that an employee may deduct.

## **Box 14 – Other**

This box is used to report miscellaneous information, such as:

- **Vehicle** - The taxable value of the personal use of company-provided vehicles
- **PreTax** - The total amount of pretax deductions from your cafeteria plan elections
- **14M** - Moving expenses - Acard
- **14MT** - Moving expense - Taxable
- **14N** - Be Colorado's Brussels and Mussels program
- **14Q** - Business Expense – Taxable
- **14V** - Imputed Cash Award
- **14Y** - Be Colorado Move. Payment
- **14Z** - Weight Watchers Imputed Income

## **Box 16 – State wages, tips etc.**

This amount equals Box 1 and should be used with your state income tax return.

## **Box 17 – State income tax withheld**

This is the amount of state income tax withheld from your wages, reported in Box 16.

## **Box 18 – Local wages, tips, etc.**

This amount is your local taxable wages.

## **Box 19 – Local income tax withheld**

This is the amount of local income tax withheld from your wages, reported in Box 19. You may receive multiple W-2 forms if you lived in more than one location within the tax year (e.g., Denver and Aurora).

If you have further questions about your W-2, please contact your financial advisor.

### **Groups audience:**

Employee Services

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**Source URL:**<https://www.cu.edu/employee-services/how-read-your-w-2>

### **Links**

[1] <https://www.cu.edu/employee-services/how-read-your-w-2> [2] <http://my.cu.edu>