

Explanation of Amounts Reported on 2006 Form W-2

Box 1 – Federal Wages

The Federal Wage amount reported in Box 1 consists of gross wages (listed on your final pay stub for 2006) paid during calendar year 2006 plus miscellaneous income minus salary reductions for pretax insurance premiums, Ohio Public Employees Retirement System (OPERS), deferred compensation plan contributions, and Tax Def Back Pay PERS.

Gross wages include base salary plus overtime.

Miscellaneous income amounts include; health insurance waivers, cell phone benefits, awards, vehicle use benefits, excess mileage amounts, OPERS refunds, and tuition benefits.

Box 2 – Income Tax Withheld

The Federal Income Tax withheld that is reported in Box 2 is the sum of federal tax withheld from each paycheck issued in Calendar Year 2006.

Boxes 3 & 4 – Social Security Wages and Social Security Taxes

County employees contribute to OPERS and therefore do not have reportable wages to the Social Security Administration.

Boxes 5 & 6 – Medicare Wages and Tax Withheld

Medicare wages include gross wages plus miscellaneous income minus salary reductions for pretax insurance premiums. Unlike the Federal taxable wages, these wages are not reduced by salary reductions for retirement plan contributions.

There is no maximum dollar limit for the Medicare wages. The Medicare tax reported in box 6 is withheld at a rate of 1.45% of the Medicare wages reported in Box 5.

Employees hired prior to April 1, 1986 are not subject to Medicare tax. These employees will show zeros in boxes 5 and 6.

On the 2006 W2 you will see a slight difference between what appeared on your last pay stub. This difference is the amount of Medicare taxes the County paid on your behalf due to the calculation error that occurred the first three pays of 2006.

Boxes 12 & 13

The “Deferred Comp.” in Box 13 will be checked if you contribute to a Deferred Compensation plan. The amount contributed will be listed in Box 12

Boxes 16 & 17 – State Wage Base and Income Tax Withheld

In the same manner as Federal taxable wages, Ohio taxable wages consist of gross wages plus miscellaneous income minus salary reductions for pretax insurance premiums, OPERS contributions and deferred compensation contributions.

The State Income Tax shown in Box 17 is the sum of State Income Tax withheld from each paycheck paid during 2006.

Boxes 18, 19 & 20– Local Taxable Wages, Taxes & Locality Name

Local wages include gross wages plus miscellaneous income minus salary reductions for pretax insurance premiums. Unlike the Federal taxable wages, these wages are not reduced by salary reductions for retirement plan contributions.

Local tax reported in Box 19 is withheld based on the locality’s rate. The locality for which you have paid tax is listed in Box 20. For those who are subject to taxation by more than one locality, additional W2 forms will be provided for each locality.

School District Income Tax follows the State Wage calculation: gross wages plus miscellaneous income minus salary reductions for pretax insurance premiums, OPERS contributions and deferred compensation contributions.

Tax Information available via the Web:

Information about filing individual Federal and State tax returns, along with downloadable tax forms, instructions and publications, can be accessed via the Web at the following sites:

- Federal Information and Forms (IRS): www.irs.gov
- State Information and Forms (OH): <http://tax.ohio.gov>