

Online W-2 Instructions and 2020 Tax Information for Contractors

Additional Resources:

Affordable Care Act Q&A:

<https://www.irs.gov/affordable-care-act>

Employee's Withholding Allowance Certificate (Form W-4):

<https://www.irs.gov/pub/irs-pdf/fw4.pdf>

Info Regarding My Tax Withholding:

<https://www.irs.gov/individuals/employees/tax-withholding>

IRS Withholding Calculator:

<https://apps.irs.gov/app/withholdingcalculator/>

2020 FICA Tax Rates

- The Social Security tax rate will remain at a combined total of 7.65% for 2020.
- **Medicare (MED)** wages are taxed at 1.45% on all earnings, no limit;
- **Old Age/Survivors (OASDI)** wages are taxed at 6.2% up to a maximum of \$137,700 for the year or \$8,537.40 tax; This is up from \$132,900 for 2019
- **Additional Medicare (ADDL MED)** Individuals earning over \$200,000 (or \$250,000 for couples who file taxes jointly) pay an additional Medicare tax of .9%;

Form W-4 Exempt Filing Status Expires

- 2019 Form W-4 (Federal Withholding Certificate) Exempt Status will expire on January 1, 2020.
- A new Form W-4 must be submitted to payroll by February 15, 2020 or withholding filing status will revert to Single/zero exemptions as required by the IRS.
- Employees should be aware to submit a new W-4 form in PeopleSoft Self Services at any time if there is a change in filing status, exemption allowances or exempt status.

Healthcare Reporting; Box 12DD

- Employers are required to report the cost of employer provided healthcare to the employee in Box 12, code "DD" for informational purposes only; this amount represents the total cost of employer provided healthcare coverage, including employer and employee contributions.

Form W2 Preparation

- Please review and validate your home mailing address and update if needed
- Employees should check their paystubs to ensure that the Federal and State withholding is accurate. For any questions/corrections to State, please contact Contractor Care.
- Changes after 12/22/19 will not be captured in time to be reflected on the 2019 W-2, however they will be reflected on your 2020 W-2

2019 W-2s

- Employees have the option of receiving printed and online W-2 forms.
- ADP Year End Services will notify employees that W2s are available online by the email noted at registration on the website.
- Be sure to register and take advantage of knowing that you can receive your W-2 online through a secure website, and avoid the risk of a lost W-2 in the mail that has your private information.
- Please contact Contractor Care for any questions pertaining to your W-2.