



# NEWS TO USE

A newsletter for PERSI employers

January 2013

- Completing W-2 Forms
- Change of Address
- IRIS Update



## TIME TO START THINKING ABOUT W-2 FORMS

22222		a Employee's social security number		OMB No. 1545-0008			
b Employer identification number (EIN)			1 Wages, tips, other compensation	2 Federal income tax withheld			
c Employer's name, address, and ZIP code			3 Social security wages	4 Social security tax withheld			
			5 Medicare wages and tips	6 Medicare tax withheld			
			7 Social security tips	8 Allocated tips			
d Control number			9	10 Dependent care benefits			
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans	12		
f Employee's address and ZIP code			13 Statutory employee <input type="checkbox"/>	Retirement plan <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>		
			14 Other			12a	12b
			14			12c	12d
15 State	Employer's state ID number	16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax		
20 Locality name							

Form **W-2** Wage and Tax Statement  
Copy 1 — For State, City, or Local Tax Department

2012

Department of the Treasury — Internal Revenue Service

### Box 1 Wages, Tips and Other Compensation

This is generally gross compensation less:

- Mandatory employee contributions to the PERSI Base Plan
- Voluntary employee contributions (elective deferrals) to a 401(k), 403(b), or 457 plan

### Box 3 Social Security Wages

Total wages paid (before payroll deductions) subject to Social Security tax. The total of boxes 3 and 7 should not exceed \$110,100 in 2012.

### Box 5 Medicare Wages

The same wages as those subject to Social Security tax (Box 3), except there is no wage base limit.

### Box 11 Nonqualified Plans

To show distributions to an employee from a nonqualified or nongovernmental section 457(b) plan.

### Box 12 Codes

List a separate code and amount for each type of elective deferral. For example, if an employee made elective deferrals to the PERSI Choice 401(k) Plan and a 403(b) plan, you would enter Code "D" and the amount contributed to the 401(k) in box 12a; the amount contributed to the 403(b) would go in box 12b and you would indicate Code E. (Code G is used for 457(b) plans.)

continued on back

### Box 13 Check Boxes

Check the *Retirement Plan* box if an employee is an active participant in a defined benefit plan [the Base Plan] or a defined contribution plan [the Choice 401(k) or other 401(k) plan, or a 403(a) or (b) plan].

### Box 14 Other

Although not required, you may use this box to provide additional information to your employee. There are several reasons you might use Box 14; however, the ones relating to pension plan contributions are:

- a) Nonelective employer contributions to a pension plan on behalf of an employee
- b) Voluntary after-tax contributions (but not

designated Roth contributions) that are deducted from an employee's pay

- c) Required employee contributions
- d) Employer matching contributions

For more detailed information and full instructions on completing the W-2 form, visit the IRS Web site at <http://www.irs.gov/pub/irs-pdf/iw2w3.pdf>. You can also reach the IRS Monday-Friday from 8:30 a.m. to 4:30 p.m. Eastern time by calling 1-866-455-7438 for answers to your questions.

*Employers are advised to consult with their own tax advisors for clarification on W-2 forms and other tax issues.*

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## REMINDER: CHANGING MAILING ADDRESSES WITH PERSI

When an active employee has a change to their mailing address, they should submit the change directly to their employer not to PERSI. Updating change of address information for active members in PERSI's system can only be done via the employer transmittal.

Employers should remind terminating employees to contact PERSI when or if their mailing address ever changes. PERSI provides an RS110 Change of Address form on its website ([www.persi.idaho.gov](http://www.persi.idaho.gov)). The form is for both Base Plan and Choice 401(k) Plan accounts.

Once an address change is received, all statements, correspondence, and tax documents will go to the new address of record.

Active members can use the form to notify their employer of a change by giving a completed form to their payroll department. The employer can then update their files and convey the new information to PERSI on the next transmittal. Terminated employees or retired members can use the form to notify PERSI directly about a change.



User-acceptance testing continues to progress at a steady pace along with the lifecycle testing, which you may recall is a means of ensuring the payroll data coming from employers is accurately recorded in both the new system and the old system.

This will continue until the data conversion component is fully implemented and the old system is officially retired.

Approximately a dozen vendors and employers who upload payroll files to PERSI have indicated they will be ready to send test files this month (January).

Another dozen employers who currently use PETRA for reporting have volunteered to assist PERSI with training. The 12 employers

will be trained on IRIS and will have the opportunity to try out the new system on test computers. These employers will provide valuable feedback to PERSI before the statewide training is rolled out by region beginning in April 2013. The training and testing for the initial 12 employers is currently scheduled to take place on January 30<sup>th</sup> and 31<sup>st</sup>.

The project remains on schedule.