

Instructions for Forms W-2c and W-3c

(Revised January 1999)



Department of the Treasury
Internal Revenue Service

Change To Note

Instructions for preparing Forms W-2c and W-3c. The instructions for preparing **Forms W-2c**, Corrected Wage and Tax Statement, and **W-3c**, Transmittal of Corrected Wage and Tax Statements, were removed from the forms and combined into these separate instructions.

General Instructions

Purpose of forms. Use Form W-2c to correct errors on Forms W-2, W-2AS, W-2GU, W-2CM, or W-2VI filed with the SSA. Also use Form W-2c to provide corrected Forms W-2, W-2AS, W-2GU, W-2CM, or W-2VI to employees.

Do not use Form W-2c to report back pay. Instead, see **Pub. 957**, Reporting Back Pay and Special Wage Payments to the Social Security Administration, and **Form SSA-131**, Employer Report of Special Wage Payments.

Use Form W-3c to send Copy A of Form W-2c to the Social Security Administration (SSA). Form W-3c is required to be filed with a single Form W-2c as well as with multiple Forms W-2c. However, if you are correcting only an employee's name or social security number, you **do not** have to file Form W-3c with Form W-2c. You may file Form W-3c separately if you are simply correcting a previously filed **Form W-3**, Transmittal of Wage and Tax Statements, or **W-3SS**, Transmittal of Wage and Tax Statements (for Forms W-2AS, W-2GU, W-2CM, and W-2VI).

Where to file Forms W-2c and W-3c only. If you use the **U.S. Postal Service**, send Forms W-2c and W-3c to:

Social Security Administration
Data Operations Center
P.O. Box 3333
Wilkes-Barre, PA 18767-3333.

If you use a **carrier other than the U.S. Postal Service**, send Forms W-2c and W-3c to:

Social Security Administration
Data Operations Center
Attn: W-2c Process
1150 E. Mountain Drive
Wilkes-Barre, PA 18702-7997.

Note: *Do not send Form W-2 to either of these addresses. Instead, see the **Instructions for Forms W-2 and W-3**.*

When to file. File Forms W-2c and W-3c as soon as possible after you discover an error. Also provide Form W-2c to employees as soon as possible.

How to file. You may file Forms W-2c and W-3c on paper. Please type all entries, if possible, and make sure all copies are legible.

If any item shows a dollar change and one of the amounts is zero, enter “-0-.” Do not leave the box blank. Show negative amounts (decreases) in column (c) of

Form W-2c and the third column of Form W-3c in parentheses.

Magnetic media or electronic reporting. To submit Forms W-2c on magnetic media or electronically, contact the Social Security Magnetic Media Coordinator for your state. Call 1-800-772-6270 for your coordinator's phone number. Employers in the U.S. Virgin Islands may call 787-766-5574. Employers in American Samoa and Guam may call 510-970-8247. Specifications for filing Form W-2c on magnetic media or electronically are contained in SSA Pub. MMREF-2. Forms W-2c are not required to be filed on magnetic media or electronically.

Shipping and mailing. If you have a large number of forms, you may send them in separate packages. Show your name and employer identification number (EIN) on each package. Number them in order (1 of 4, 2 of 4, etc.), and place Form W-3c in package 1. Show the number of packages at the bottom of Form W-3c below the title. You must send Forms W-2c and W-3c by First-Class Mail.

Who may sign Form W-3c. Generally, employers must sign Form W-3c. However, the transmitter or sender (including a service bureau, paying agent, or disbursing agent) may sign Form W-3c 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.

Even though an authorized sender signs for the payer, the payer still has the responsibility for making sure the Form W-3c and attachments are filed correctly and timely. The payer is subject to any penalties that result from not complying with these requirements.

Bulletin board services. Using a personal computer and a modem, you can obtain 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 IRP-BBS by dialing 304-264-7070.

Information available includes Forms W-2c magnetic media filing instructions, selected IRS and SSA forms and publications, information on electronic filing, and general topics about information reporting. The BBS can also be used to ask questions about those same items.

Special Situations

Correcting more than one kind of form. You must use a **separate** Form W-3c for each type of Form W-2 (i.e., W-2, W-2AS, W-2GU, W-2CM, or W-2VI) being corrected. You must also use a separate Form W-3c for each kind of payer in box f. If you are correcting more than one kind of form, please group forms of the same kind, and send them in separate groups.

Correcting employees' names and/or SSNs only. If you are correcting only the employees' names and/or SSNs, send Form W-2c only **without** Form W-3c. Complete Form W-2c through box I, as appropriate; do not complete the CHANGES area (boxes 1 through 8, and State/Local boxes). Advise your employees to correct their SSN and/or name on their original Form W-2.

Alien residence status change. If your employee got a new social security card because of a change to his or her alien residence status and that card shows a different name or SSN than you showed on a Form W-2, file Form W-2c to correct the name and/or number. Use a separate Form W-2c to correct each prior year. Advise the employee to contact the local SSA office no earlier than 9 months after you file Form W-2c to be sure his or her records are updated.

Employee's incorrect address on Form W-2. If you filed a Form W-2 with the SSA showing an incorrect address for the employee but all other information on the Form W-2 is correct, **do not** file Form W-2c with the SSA merely to correct the address.

However, if the address was incorrect on the Form W-2 furnished to the employee, **you must do one of the following:**

- Issue a new Form W-2 containing all correct information, including the new address. Indicate "REISSUED STATEMENT" on the new copies. **Do not** send Copy A to the SSA.
- Issue a Form W-2c to the employee showing the correct address in box b. **Do not** send Copy A to the SSA.
- Reissue Form W-2 with the incorrect address to the employee in an envelope showing the correct address.

Correcting more than one Form W-2 for an employee.

There are two ways to prepare a correction for an employee who got more than one Form W-2 under the same employer identification number (EIN) for the tax year. You can (1) consider all the Forms W-2 when determining the amounts to enter on Form W-2c, as shown in the example below, or (2) file a single Form W-2c to correct one of the multiple Forms W-2 issued. However, state, local, and Federal government employers who are preparing corrections for employees subject to Medicare Qualified Government Employment (MQGE) must follow the instructions in the **Note** under **Boxes 5 and 6** under **Specific Instructions for Form W-2c** on this page.

Method (1) example: Mary Smith received two Forms W-2 for tax year 1998 under the same EIN. One form incorrectly reported social security wages of \$30,000 and the second reported social security wages of \$20,000. A Form W-2c filed to change \$30,000 to \$25,000 (correct amount) should show \$50,000 in column (a), \$45,000 in column (b), and a (\$5,000) decrease in column (c).

Repayments. If an employee repays you for wages received in error in a prior year, file Form W-2c to correct only social security and Medicare wages and tax. Do not correct wages reported in box 1 for the amount paid in error. Report an adjustment on **Form 941**, Employer's Quarterly Federal Tax Return (or 941-SS, 943, or CT-1) for the period during which the repayment was made to recover the social security and Medicare taxes. Instead

of making an adjustment on Form 941 (or 941-SS, 943, or CT-1) you may file a claim for these taxes using **Form 843**, Claim for Refund and Request for Abatement. You may not make an adjustment for income tax withholding because the wages were paid in a prior year.

Note: *Please tell your employee that the wages paid in error in a prior year remain taxable to the employee for that year. This is because the employee received and had use of those funds during that year. The employee is not entitled to file an amended return (Form 1040X) to recover the income tax on these wages. Instead, the employee is entitled to a deduction (or a credit, in some cases) for the repaid wages on his or her Form 1040 for the year of repayment.*

Undeliverable Forms W-2c. Keep for 4 years any employee copies of Forms W-2c you tried to deliver but could not.

Specific Instructions for Form W-2c

Box a—Year/Form corrected. If you are correcting Form W-2, enter **all four digits** of the year of the form you are correcting. If you are correcting Form W-2AS, W-2GU, W-2CM, or W-2VI, enter **all four digits** of the year you are correcting, and **also enter** AS, GU, CM, or VI to designate the form you are correcting. For example, "1998" and "GU" shows that you are correcting a 1998 Form W-2GU.

Void. If you make an error in completing a Form W-2c, mark the "Void" box to void the form. Go to the next form on the page, or use another page of Forms W-2c, and enter the correct information. Submit the entire page if at least one of the forms on the page is correct.

Box b—Employee's name, address, and ZIP code. Enter the employee's correct name and address. If you are correcting the name, mark the "Corrected Name" checkbox and also complete box I.

Box c—Employer's name, address, and ZIP code. These should be the same as shown on your Forms 941, **943**, Employer's Annual Return for Agricultural Employees, **CT-1**, Employer's Annual Railroad Retirement Tax Return, or **Schedule H (Form 1040)**, Household Employment Taxes.

The IRS will not use Form W-2c to update your address of record. To change your address, file **Form 8822**, Change of Address. To get Form 8822, or any other IRS form, call 1-800-TAX-FORM (1-800-829-3676) or visit the IRS's Web Site at www.irs.ustreas.gov.

Box d—Employee's correct SSN. You must enter the employee's correct SSN even if it was correct on the original Form W-2.

Box e—Employer's SSA number. Only state and local government employers that have a special agreement with the SSA can use this box. Contact your State Social Security Administrator before making pre-1987 tax year corrections.

Box f—Employer's Federal EIN. Show the correct EIN assigned to you by the IRS in the format 00-0000000.

Box g—Employer's state I.D. number. You do not have to complete this box. This number is assigned by the individual states. You may want to complete the box if you use copies of this form for your state returns.

Boxes h and i. Mark the boxes in box h as they were marked on the original Form W-2; in box i, mark them as they should have been marked. For example, if you marked the pension plan box on the original Form W-2 by mistake, mark the pension plan box in box h, but do not mark the pension plan box in box i.

Box j—Employer's use. This is an optional box you may use to identify individual forms or enter the date the form is prepared.

Boxes k and l. Complete these boxes only if you are correcting an employee's SSN or name.

Boxes 1–8 and State/Local boxes. For the items you are changing, enter in column (a) the amount reported on the original Form W-2. Enter in column (b) the correct amount. Enter in column (c) the difference between columns (a) and (b). Show any decrease in parentheses.

Do not make an entry in any of these boxes unless you are making a change.

Box 2—Federal income tax withheld. Use this box only to make corrections because of administrative errors. If correcting Forms W-2AS, W-2GU, W-2CM, or W-2VI, box 2 is for income tax withheld for the applicable possession.

Boxes 5 and 6. Complete these boxes to correct Medicare wages and tips and Medicare tax withheld. State, local, or Federal government employers should also use these boxes to correct MQGE wages for any year.

Note: A state, local, or Federal government employer correcting only social security wages and/or social security tips (boxes 3 and/or 7) for an MQGE employee for 1991 and later years must also complete Medicare wages and tips in box 5, columns (a), (b), and (c). Enter the total Medicare wages and tips, including MQGE-only wages, even if there is no change to the total Medicare wages and tips previously reported.

Blank boxes. Use these boxes to correct items on Form W-2, W-2AS, W-2GU, W-2CM, or W-2VI not shown separately on this form. Enter the box number, box name, and code (if applicable) from the form. Use these boxes to correct an advance EIC payment, dependent care benefits, nonqualified plans, benefits included in box 1, uncollected social security and/or Medicare taxes on tips, cost of group-term life insurance coverage over \$50,000, elective deferrals (codes D through H and S, box 13), sick pay not includible as income, employee business expenses, and any other item you reported on your employee's original Form W-2. Be sure to label the items. If a single Form W-2c does not provide enough blank spaces for corrections, use additional Forms W-2c.

State/Local boxes. If your only changes to the original Form W-2 are to state or local data, **do not** send Copy A of Form W-2c to the SSA. Just send Form W-2c to the appropriate state or local agency, and furnish copies to your employees.

Specific Instructions for Form W-3c

Please do not staple or tape the forms to Form W-3c. File a separate Form W-3c for each tax year, for each type of form, and for each kind of payer. **Make a copy** for your records.

Form W-3c can be filed **alone** (without Forms W-2c) to correct your EIN or other information on a previously filed Form W-3. If the EIN is the only change you need to make, complete only boxes a, b, d, e, and i, and sign the form.

In the Changes section of Form W-3c, total the amounts from each box and column on the Forms W-2c you are sending. However, if you are sending Form W-3c without Forms W-2c to correct a previously filed Form W-3 or Form W-3SS, enter amounts from the previous Form W-3 or Form W-3SS and any necessary corrections.

Box a—Year/Form corrected. Enter **all four digits** of the year of the form you are correcting and the type of form you are correcting. For the type of form, enter 2, 2AS, 2GU, 2CM, 2VI, 3, or 3SS. For example, entering "1998" and "2" indicates that all the forms being corrected are 1998 Forms W-2.

Box b—Employer's name, address, and ZIP code. This should be the same as shown on your Form 941, 943, CT-1, or Schedule H (Form 1040). Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and you use a P.O. box, show the P.O. box number instead of the street address.

Note: *The IRS will not use Form W-3c to update your address of record. If you wish to change your address, file Form 8822. To get this or any other IRS form, call 1-800-TAX-FORM (1-800-829-3676) or visit the IRS's Web Site at www.irs.ustreas.gov.*

Box c—Number of Forms W-2c. Show the number of individual Forms W-2c filed with this Form W-3c (not including "Void" forms), or enter -0- if you are correcting only a previously filed Form W-3 or W-3SS.

Box d—Establishment number. You may use this box to identify separate establishments in your business. You may file a separate Form W-3c, with Forms W-2c, for each establishment, or you may use a single Form W-3c for all Forms W-2c. You do not have to complete this item; it is optional.

Box e—Employer's Federal EIN. Enter the correct number assigned to you by the IRS in the format 00-0000000. If you are correcting your EIN, also enter the incorrect EIN you used in box i.

Box f—Kind of payer. Mark the applicable checkbox.

941/941-SS. If you file Form 941 or 941-SS and no other category applies.

Hshld. emp. If you are a household employer correcting Forms W-2 for household employees and you file Schedule H (Form 1040) (or Form 942 before 1995). If you also have to correct forms of employees who are not household employees, complete a separate Form W-3c.

943. If you file Form 943 and you are correcting Forms W-2 for agricultural employees. For nonagricultural employees, send Forms W-2c with a separate Form W-3c, generally with the 941/941-SS box marked.

CT-1. If you are a railroad employer correcting Forms W-2 for employees covered under the Railroad Retirement Tax Act (RRTA). If you also have to correct forms of employees who are subject to social security and Medicare taxes, complete a separate Form W-3c with the 941/941-SS box marked instead.

Military. If you are a military employer correcting Forms W-2 for members of the uniformed services.

Medicare government employee. If you are a U.S., state, or local agency filing corrections for employees subject only to Medicare taxes.

Section 218. If you are a state or local government employer correcting 1986 or earlier Forms W-2 for employees covered under section 218 of the Social Security Act. You must also enter your employer's SSA number in box h.

Box g—Employer's state I.D. number. You are not required to complete this box. This number is assigned by the individual state where your business is located. However, you may want to complete this item if you use copies of this form for your state returns.

Box h—Employer's SSA number. Only state and local government employers that have a special agreement with the SSA may use this box. Contact your State Social Security Administrator before making pre-1987 tax year corrections.

Box i—Employer's incorrect Federal EIN. Your correct number must appear in box e. Make an entry here only if the number on the original form was incorrect.

Box j—Incorrect establishment number. You may use this box to correct an establishment number.

Box k—Employer's incorrect SSA number. You may use this box to correct an employer's SSA number. See Box h above.

Boxes 1–8. Enter the totals of each box from Forms W-2c.

Blank boxes. Use these boxes to enter the total corrections from the corresponding boxes on Forms W-2c. Enter the box number and box name as entered on Forms W-2c.

State/Local boxes. If your **only** changes to the original form are to the state and local data, **do not** send either

Copy A of Form W-2c or Form W-3c to the SSA. Just send the forms to the appropriate state or local agency. Furnish copies of Form W-2c to your employees.

Explain decreases here. Explain any decreases that appear in the third column.

Signature. Sign and date the form. Also enter your title, phone number, and the name of a person to contact. If you have a fax number and/or e-mail address, also enter them. If you are not the employer, see **Who may sign Form W-3c** on page 1.

Privacy Act and Paperwork Reduction Act Notice.

We ask for the information on Forms W-2c and W-3c to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Section 6051 of the Internal Revenue Code and its regulations require you to furnish wage and tax statements to employees and to the Social Security Administration. Section 6109 of the Code requires you to provide your employer identification number.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia for use in administering their tax laws. If you fail to provide this information in a timely manner, you may be subject to penalties.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete and file these forms will vary depending on individual circumstances. The estimated average times are: **Form W-2c** — 52 minutes; **Form W-3c** — 22 minutes. If you have comments concerning the accuracy of these time estimates or suggestions for making these forms 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 these tax forms to this address. Instead, see **Where to file Forms W-2c and W-3c only** on page 1.