

# Earnings and Deductions Quick Reference

The Earnings and Deductions Quick Reference includes a complete list of the earnings and deductions that are provided in the payroll application.

For details on setting up earnings and deductions for your company, see “How Do I Add a Company Earning” and “How do I Add a Company Deduction” in the online help.

## For Companies Doing Business in Washington

For earnings that are not eligible for WA L&I, see “Which Earnings Are Not Eligible towards WA L&I Tax” in the online help.

## Changes at a Glance

As of	Category	Description
01/01/2020	<a href="#">Fringe Benefits</a> on page 14	New earnings: <ul style="list-style-type: none"> <li>• Employer Paid Expected Benefit HRA</li> <li>• Employer Paid Individual Coverage HRA</li> <li>• Employer Paid NY PFL</li> </ul>
01/01/2020	<a href="#">Standard Earnings</a> on page 3	New earning: <ul style="list-style-type: none"> <li>• 1.4 Sun/Hol Pay for MA</li> </ul>
01/01/2020	<a href="#">Standard Earnings</a> on page 3 <a href="#">Pre-Tax Insurances</a> on page 32 <a href="#">Retirement Deductions</a> on page 35	Updated Reimbursement and Contribution limits for 2020.

## Key for W-2 Reporting

- **Box 1:** Federal Gross Wages
- **Box 3:** Social Security Wages
- **Box 5:** Medicare Wages & Tips
- **Reported:** Not paid to employee, not taxable on payroll but reported on the W-2
- **Box 7:** Social Security Tips
- **Box 14:** Other \*
- **Box 16:** State Wages
- **Box 18:** Local Wages
- **N/T:** Not Taxable

\* This guide includes any default earnings and deductions literals (codes, for example AUTO for the Automobile Fringe earning) that are displayed in Box 14. If a code is not listed for an earning or deduction, the code is defined as a literal for the company on the Company Earnings and Deductions pages. For more information, search for **Box 14** in the online help.

Earnings Descriptions .....	3
Standard Earnings .....	3
Standard Earnings - 1099s .....	13
Fringe Benefits.....	14
Paid Time Off.....	20
Reimbursed Expenses .....	21
Union Earnings .....	23
Deduction Descriptions .....	24
Garnishment Deductions.....	24
Miscellaneous Deductions .....	26
Post-Tax Insurances .....	30
Pre-Tax Insurances.....	32
Retirement Deductions.....	35
Union Deductions.....	44

# Earnings Descriptions

In this section, earnings are listed by earnings category.

**Note:** You do not have to set up Third-Party Sick Pay as an earning because it is set up automatically when you set up your company. For more information, see “How Do I View Details for a Particular Third-Party Sick Payment” in the online help.

## Standard Earnings

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
1.3 Sun/Hol Pay for MA	This earning is only for certain Massachusetts retail businesses that are required to pay the premium rate on Sundays and Holidays in 2020. The amount paid to employees that is 1.3 times their regular rate, reported as taxable wages on the employee W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate (1.3 times regular rate) times hours
1.4 Sun/Hol Pay for MA	This earning is only for certain Massachusetts retail businesses that are required to pay the premium rate on Sundays and Holidays in 2019. The amount paid to employees that is 1.4 times their regular rate, reported as taxable wages on the employee W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate (1.4 times regular rate) times hours
Adjustment	The amount paid to employees as an adjustment to regular wages. The amount appears as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Absent	The hourly wage paid to an employee for time absent from work for an illness or for personal reasons. This amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Advance - Taxable	A taxable amount paid to employees in advance of their actually earning it. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Allocated Tips*	<p>Tips that are calculated after the last payroll of the year, based on hours worked, gross receipts, or good faith. Not required if the tips reported by the employee are equal to his or her share of required percentage of gross sales (typically 8%).</p> <p>If you use Tip Allocation, this earning is set up automatically.</p>	<ul style="list-style-type: none"> <li>• Box 8</li> </ul>	Reported (not paid to employee)	Amount based on tip allocation calculation
Back Pay	An amount paid to employees to make up the difference between what they were actually paid and the amount they should have been paid. This amount is also known as retro pay. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Bonus	The amount paid to employees in addition to their standard compensation. For tax purposes, this amount is treated as regular earnings. It is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Bonus - Supplemental	The amount paid to employees in addition to their standard compensation. For tax purposes, this amount is treated as supplemental earnings. It is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Cash Tips	The amount of tips the employee has already received as cash. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 7</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Commission	The amount paid to employees for completion of a task, usually selling a certain amount of goods or services. A commission may be paid in addition to or instead of a salary. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Credit Card Tips Owed	The amount of tips the employee received by credit card payment that still needs to be paid to the employee in a payroll. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 7</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Credit Card Tips Paid	The amount of tips the employee received by credit card payment that has already been paid to the employee in cash. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 7</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Reported (not paid to employee)	Dollar Amount
Daily Pay	The amount of regular wages paid to an employee on a daily basis. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Draw (Non-Taxable)	A non-taxable amount paid to employees in advance of their actually earning it. This amount is not displayed on the employee's W-2.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Paid to employee, not taxable, non-reportable	Dollar Amount
Draw (Taxable)	A taxable amount paid to employees in advance of their actually earning it. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Double-Time 1, 2, 3	An amount paid to employees, that is two times their regular rate. You can have up to 3 different Double-Time payments. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>Box 1</li> <li>Box 3 and 5</li> <li>Box 16</li> <li>Box 18</li> </ul>	Paid to employee	Rate times hours times 2
Gross Receipts*	The total amount of sales attributed to the employee. The amount is used to determine how tips are allocated. This amount is not displayed on the employee's W-2.	<ul style="list-style-type: none"> <li>Not taxable</li> </ul>	Not paid to employee, not taxable, non-reportable	Dollar Amount
Half Time	An amount paid to employees, that is half their regular rate. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>Box 1</li> <li>Box 3 and 5</li> <li>Box 16</li> <li>Box 18</li> </ul>	Paid to employee	Rate times hours divided by 2
Housing (Taxable)	The value of housing that is received by a member of the clergy.	<ul style="list-style-type: none"> <li>Box 3 and 5</li> </ul> Box/Code: 14/HOUSNG	Reported (not paid to employee)	Dollar Amount
Housing - Clergy Paid / State txbl var	The amount paid to a member of the clergy for housing. State taxability varies. For some states, this amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>Box 16, varies</li> </ul>	Paid to employee	Dollar Amount
Housing N/T	The non-taxable value of housing that is received by a member of the clergy.	<ul style="list-style-type: none"> <li>Not taxable</li> </ul> Box/Code: 14/HOUSNG	Reported (not paid to employee)	Dollar Amount
Housing P/NT	The non-taxable amount paid to a member of the clergy for housing.	<ul style="list-style-type: none"> <li>Not taxable</li> </ul> Box/Code: 14/HOUSNG	Paid to employee, non-reportable	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Housing - P/FIT Exempt	The housing allowance amount paid to a member of the clergy and used for expenses of the clergy's own housing.	<ul style="list-style-type: none"> <li>• Box 3 and 5</li> <li>• Box 14 optional</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul>	Paid to employee	Dollar Amount
Incentives	A taxable amount paid to employees as a performance or sales incentive. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Indirect Tips Owed*	The amount of indirect tips that still need to be paid to the employee in a payroll. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Indirect Tips Paid*	The amount of indirect tips the employee has already received in cash. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Insurance Reimbursement	The amount reimbursed to an employee as compensation for not participating in a company sponsored insurance plan. This amount is reported as regular wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Make Up Tip*	The amount paid by the employer to make up the difference if an employee's pay plus tips is less than minimum wage. This amount is not reported on the employee's W-2.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Not taxable, non-reportable	Dollar Amount
Meals (Employer Provided)	The value of meals received by the employee at the employer's convenience. The amount is taxable for the employer only for state unemployment insurance.	<ul style="list-style-type: none"> <li>• Box 16: AL and CO only</li> <li>• Box 18: Taxability varies</li> </ul>	Reported (not paid to employee)	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Meals (Taxable)	The value of meals received by the employee. The amount is fully taxable and is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Reported (not paid to employee)	Dollar Amount
Meetings	The amount of regular wages paid to an employee as compensation for attending meetings. The amount is reported as regular wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Misc. Pay 1, 2, 3	The amount paid to employees for any miscellaneous taxable wages that are not covered by any other earnings type. You can have up to 3 different Misc. earnings. The amount is reported as regular wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Non-Payable Memo Entry 1, 2, 3	Allows an amount to be posted based on client need. This amount is not payable to the employee and not taxable. You can have up to 3 different Non-Payable Memo Entry earnings.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Reportable (not paid to employee)	Dollar Amount
On Call	The hourly wage paid to an employee as compensation for being on call to work. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Overtime 1, 2, 3	The amount paid to employees that is 1 and 1/2 times their regular rate. You can have up to three different Overtime payments. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours times 1.5
Per Diem	The amount paid to an employee for daily expenses. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount



Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Regular	The amount paid to employees for the regular hours they work, or for their salaried amount. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Rental (Owed)	The amount owed to an employee for a rental, such as office space or equipment. The employee will receive a 1099-Misc in addition to a W-2. The amount is reported in Box 1 on the 1099-Misc.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Paid to contractor	Dollar Amount
Rental (Paid)	The amount already paid to an employee for a rental, such as office space or equipment. The employee will receive a 1099-Misc in addition to a W-2. The amount is reported in Box 1 on the 1099-Misc.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Paid to contractor	Dollar Amount
Retroactive Pay	The amount paid to employees to make up the difference between what they were actually paid and the amount they should have been paid. This amount is also known as back pay and is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Service Gratuity Owed*	The amount of the service gratuity that still needs to be paid to the employee in a payroll. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Service Gratuity Paid*	The amount of the service gratuity the employee has already received in cash. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Severance	The amount paid to employees as severance when their employment is terminated. Severance pay is taxed as regular pay for federal purposes and is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18</li> </ul> <p>Not taxable in AK, FL, NH, NV, SD, TN, TX, WA, WY.</p>	Paid to employee	Dollar Amount
Small ER Health Reimbursement - Single	The amount reimbursed to employees by their employer for medical expenses under a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA). <b>Reimbursement Limit (Individual): 5,250</b>	<ul style="list-style-type: none"> <li>• Box 16, varies</li> </ul>	Paid to employee	Dollar Amount
Small ER Health Reimbursement - Family	The amount reimbursed to employees by their employer for employee and dependent medical expenses under a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA). <b>Reimbursement Limit (Family): 10,600</b>	<ul style="list-style-type: none"> <li>• Box 16, varies</li> </ul>	Paid to employee	Dollar Amount
Small ER Health Reimb Permitted - Single	The maximum amount the company permits as a reimbursement that may be made to employees by their employer for medical expenses under a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA). The maximum amount the company permits must be reported without regard to what the employee actually received. <b>Reimbursement Limit (Individual): 5,250</b>	<ul style="list-style-type: none"> <li>• Box/Code 12/FF</li> </ul>	Reported (not paid to employee)	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Small ER Health Reimb Permitted - Family	<p>The maximum amount the company permits as a reimbursement that may be made to employees by their employer for employee and dependent medical expenses under a Qualified Small Employer Health Reimbursement Arrangement (QSEHRA). The maximum amount the company permits must be reported without regard to what the employee actually received.</p> <p><b>Reimbursement Limit (Family):</b> 10,600</p>	<ul style="list-style-type: none"> <li>Box/Code 12/FF</li> </ul>	Reported (not paid to employee)	Dollar Amount
Standby	The hourly wage paid to an employee as compensation for being on standby to work. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>Box 1</li> <li>Box 3 and 5</li> <li>Box 16</li> <li>Box 18</li> </ul>	Paid to employee	Rate times hours
Third Party Sick Pay - taxable	<p>The amount paid to employee while on leave.</p> <p>You don't have to set up Third Party Sick Pay as an earning because it is set up automatically when you set up your company.</p>	<ul style="list-style-type: none"> <li>Box 1</li> <li>Box 3 and 5</li> <li>Box 16/18 (varies)</li> </ul>	Paid to employee	Dollar Amount
Third Party Sick Pay	<p>The amount paid to employee while on leave that is not subject to tax.</p> <p>You don't have to set up Third Party Sick Pay as an earning because it is set up automatically when you set up your company.</p>	<ul style="list-style-type: none"> <li>Box 12J</li> </ul>	Paid to employee	Dollar Amount
Tip Credit*	The amount of tips the employer counts as wages and can then deduct from the amount they pay toward an employee's minimum wage payment. This amount is not reported on the employee's W-2.	<ul style="list-style-type: none"> <li>Not taxable</li> </ul>	Not taxable, non-reportable	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Tipped Hours*	The number of regular hours worked by an employee who receives tips. The amount is used to determine how tips are allocated. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Hours
Tipped Overtime Hours*	The number of overtime hours worked by an employee who receives tips. The amount is used to determine how tips are allocated. To see the details of overtime calculation for tipped employees, see the online help. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Hours
Travel	The amount paid to employees for job related travel. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Dollar Amount
Weekend	The hourly wage paid to an employee as compensation for working on the weekend. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours

\* Earning is available only if your company uses the Tipped Establishment feature.

## Standard Earnings - 1099s

Earning	Description	Paid / Reported	Amount / Rate
1099 Misc	The amount paid to independent contractors for the regular hours they work, or for their salaried amount. The amount is reported on Box 7 on the contractor's 1099-Misc.	Paid to contractor	Dollar Amount
1099 Reimbursement	The amount reimbursed to contractors for out-of-pocket expenses. This amount is for reimbursed expenses only, not earnings.	Paid to contractor	Dollar Amount
1099 Rental (Owed)	The amount owed to an independent contractor for a rental, such as office space or equipment. The amount is reported in Box 1 on the contractor's 1099-Misc.	Paid to contractor	Dollar Amount
1099 Rental (Paid)	The amount already paid to an independent contractor for a rental, such as office space or equipment. The amount is reported in Box 1 on the contractor's 1099-Misc.	Paid to contractor	Dollar Amount

## Fringe Benefits

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Automobile Fringe	The taxable amount of an employee's personal use of a company car.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 14/AUTO	Reported (not paid to employee)	Dollar Amount
Commodity Wages	The value of a commodity (such as grain, or livestock), that is paid to an employee for farm work.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 16</li> </ul> Box/Code: 14/C WAGE	Reported (not paid to employee)	Dollar Amount
Dependent ER HC Fed Txbl	The amount that the employer contributes to the healthcare plan of an employee's over-age dependent. The amount is subject to federal taxes only.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> </ul>	Reported (not paid to employee)	Dollar Amount
Dependent ER HC St/Loc Txbl	The amount that the employer contributes to the healthcare plan of an employee's over-age dependent. The amount is subject to state and local taxes only. Taxability rules for over-age dependents vary by state.	<ul style="list-style-type: none"> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul>	Reported (not paid to employee)	Dollar Amount
Dependent ER HC Txbl All	The amount that the employer contributes to the healthcare plan of an employee's over-age dependent. The amount is subject to federal, state, and local taxes. Taxability rules for over-age dependents vary by state.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul>	Reported (not paid to employee)	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
DP Benefit	The amount the employer contributes to an employee's Domestic Partner Benefits plan. The amount is reported as federal taxable wages on the employee's W-2. State and local taxability varies.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Reported (not paid to employee)	Dollar Amount
Employer Paid Adoption Assistance	The amount that the employer reimburses to the employee for qualified adoption expenses for an eligible child.	<ul style="list-style-type: none"> <li>• Box 3 and 5</li> <li>• Taxable for Social Security and Medicare</li> <li>• State taxability varies</li> </ul> Box/Code: 12/T	Paid to employee	Dollar Amount
Employer Paid Expected Benefit HRA	<p>The amount reimbursed to employees by their employer for medical expenses under an HRA (Health Reimbursement Account) used for qualified medical expenses not covered by their health insurance plan like copays and deductibles, even if the employee declines enrollment in the traditional group health plan. This is used in conjunction with Employers offering a Traditional Group health Plan.</p> <p>Check with your plan provider for details about your plan, including employer and employee eligibility.</p> <p>Reimbursement Limit (Individual): 1800 per year beginning in 2020. This limit will be adjusted for inflation in 2021, and in each following year.</p>	Box 14	Paid to employee	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Employer Paid Individual Coverage HRA	<p>The amount reimbursed to employees by their employer for individual health insurance premiums purchased on the individual market/public exchanges formed under the Affordable Care Act (ACA) and other medical expenses under an HRA (Health Reimbursement Account).</p> <p>Check with your plan provider for details about your plan, including employer and employee eligibility.</p> <p>Reimbursement Limit (Individual): No Limit.</p>	Box 14	Paid to employee	Dollar Amount
Employer Paid NY PFL	The amount that the employer contributes to the employee's share of a New York Paid Family Leave Plan.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• State and local taxability varies</li> </ul>	Reported (not paid to employee)	Dollar amount
ER-Sponsored Dental	The cost of employer-sponsored dental coverage, which should include both the portion paid by the employer and the portion paid by the employee.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul> Box/Code: 12/DD	Reported (not paid to employee)	Dollar Amount
ER-Sponsored Healthcare	The cost of employer-sponsored health coverage, which should include both the portion paid by the employer and the portion paid by the employee.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul> Box/Code: 12/DD	Reported (not paid to employee)	Dollar Amount
ER-Sponsored Vision	The cost of employer-sponsored vision coverage, which should include both the portion paid by the employer and the portion paid by the employee.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul> Box/Code: 12/DD	Reported (not paid to employee)	Dollar Amount
Fringe Benefit FICA Only	The value of a fringe benefit that an employee received. The benefit amount is taxable for Social Security and Medicare and is reported as federal, state and local taxable wages on the employee's W-2. State and local taxability varies.	<ul style="list-style-type: none"> <li>• Reportable</li> <li>• Box 3 and 5</li> <li>• Varies</li> <li>• Varies</li> </ul>	Reported (not paid to employee)	Dollar Amount



Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Group Term Life Insurance	The cost of the group term life insurance an employee receives in excess of \$50,000.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/C	Reported (not paid to employee)	Dollar Amount
HSA Employer Contribution Non-Caf 125 (no FED tax)	<p>The elective amount that the employer contributes to an employee's health savings account (HSA) that <b>IS NOT</b> part of an IRS Section 125 (cafeteria) plan. Check with your plan provider for details about your plan.</p> <p>State and local taxability may differ depending whether or not the contribution is part of a Cafeteria 125 Plan, so be sure to choose the correct earning for your company.</p>	<ul style="list-style-type: none"> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/W	Reported (not paid to employee)	Dollar Amount
HSA Employer Contribution Caf 125 (no FED tax)	<p>The elective amount that the employer contributes to an employee's health savings account (HSA) that <b>IS</b> part of an IRS Section 125 (cafeteria) plan. Check with your plan provider for details about your plan.</p> <p>State and local taxability may differ depending whether or not the contribution is part of a Cafeteria 125 Plan, so be sure to choose the correct earning for your company.</p>	<ul style="list-style-type: none"> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/W	Reported (not paid to employee)	Dollar Amount
Misc. Fringe Benefit	The value of a taxable fringe benefit that an employee received, such as a prize, club membership, or employer-provided vacation.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul>	Reported (not paid to employee)	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
MSA ER Contribution	The amount that the employer contributes to an employee's Medical Savings Account. This amount is not taxable to employees and is reported on the employee's W-2 in Box 12 (code R). Check with your plan provider for details about your plan. Both the employee and employer should not make contributions to an employee's MSA in the same year.	<ul style="list-style-type: none"> <li>Not taxable</li> </ul> Box/Code: 12/R	Reported (not paid to employee)	Dollar Amount
Nevada MBT Healthcare	The amount that the employer contributes to health insurance or health benefit plan for employees as defined in Nevada Revised Statutes Section 363B.115. DO NOT include any employee-paid amounts.	<ul style="list-style-type: none"> <li>Not taxable</li> </ul>	Reported (not paid to employee)	Dollar Amount
Non-Qualm Def Comp Deferral	The value of non-qualified deferred compensation provided to an employee that is being deferred. This amount is reported as FICA and FUTA taxable wages in W2 Boxes 3 & 5 but is not paid to the employee. State and Local taxability varies.	<ul style="list-style-type: none"> <li>Box 3 and 5</li> <li>Box 16, varies</li> <li>Box 18, varies</li> </ul> Box/Code: 14/ZN (PA only)	Reported (not paid to employee)	Dollar Amount
Non-Qual Def Comp Distribution	The value of non-qualified deferred compensation that was previously deferred and is now provided to an employee. This amount is reported as Federal taxable wages in W2 Boxes 1 & 11 but is not paid to the employee. State and Local taxability varies.	<ul style="list-style-type: none"> <li>Box 1 and 11</li> <li>Box 16, varies</li> <li>Box 18, varies</li> </ul> Box/Code: 14/YT (PA only)	Reported (not paid to employee)	Dollar Amount
PA S-Corp 2% Owner Non-Disc Med Prem	Use to report non-discriminatory medical plan premiums paid by PA S-Corps on behalf of ONLY 2% owner shareholder employees. DO NOT use for non-owner EEs or S-Corporations in any other state. The cost of the premium will be reported on the W-2 for FIT (but not FICA or PA SIT). Included in Box 14.	<ul style="list-style-type: none"> <li>Box 1</li> </ul> Box/Code: 14/S-CORP	Reported (not paid to employee)	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
S-Corp 2% Medical Plan	Use to report the value of medical coverage provided by an S-Corporation to its 2% shareholder employees. The cost of the premium must be reported on the employee's W-2 as federal wages (but not FICA). State and Local taxability varies.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 14/S-CORP	Reported (not paid to employee)	Dollar Amount
S-Corp FIT and FICA taxable	Use to report the value of medical coverage provided by an S-Corporation to its employees. The cost of the premium must be reported on the employee's W-2 for FIT and FICA. State and Local taxability varies.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 14/S-CORP	Reported (not paid to employee)	Dollar Amount
Stock Options - Non-Qualified	Income from the exercise of non-qualified (non-statutory) stock options. The amount is reported as federal taxable wages.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/V	Reported (not paid to employee)	Dollar Amount

## Paid Time Off

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Bereavement	The amount paid to employees for the time they take off for bereavement or to attend a funeral. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Holiday	The amount paid to employees for a company holiday. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Jury Duty	The amount paid to employees for the time they take off for jury duty. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Personal	The amount paid to employees for the time they take off for personal reasons. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Sick	<p>The amount paid to employees for the time they take off for illness. The amount is reported as taxable wages on the employee's W-2.</p> <p>If an employee is receiving sick payments from a third party, use the Third-Party Sick Pay Details page to report the payments.</p>	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Sick 1	The amount paid to the employee from a Qualified Sick Pay Plan that is sponsored by the employer. The amount may be eligible for special taxation in some states and local jurisdictions.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Training	The amount paid to employees for the time they spend in training. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours
Vacation	The amount paid to employees for the time they take off for vacation. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Paid to employee	Rate times hours

## Reimbursed Expenses

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Business Expense - Substantiated	Business expenses. If the expenses are accounted for completely with receipts, they are not reported as taxable wages.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul> Box/Code: 12/L	Reported (not paid to employee)	Dollar Amount
Business Expense - Unsubstantiated	Business expenses, for which receipts are not required and any amount not used for business does not have to be returned. The amount is reported as taxable wages on the employee's W-2.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16</li> <li>• Box 18</li> </ul>	Reported (not paid to employee)	Dollar Amount
Expense Reimbursement Non-Taxable	The amount reimbursed to employees for non-taxable expenses for which they have receipts. The reimbursement amount is not reported on the employee's W-2.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Paid to employee	Dollar Amount

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Mileage Reimbursement Non-Taxable	The amount reimbursed to employees for non-taxable mileage expenses incurred while using a personal car for business purposes. The reimbursement amount is not reported on the employee's W-2.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Paid to employee	Dollar Amount
Misc. Reimbursement Non-Taxable 1, 2, 3, 4	A non-taxable amount paid to employees in advance of their actually earning it. The company can have up to four miscellaneous reimbursement payments.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Paid to employee	Dollar Amount
Moving Expense Non Qualified	Non-qualified moving expenses or travel costs incurred by an employee for a job-related relocation. The amount is paid to a third party but is reported as federal taxable wages on the employee's W-2. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul>	Reported (not paid to employee)	Dollar Amount
Moving Expense Qualified	Qualified moving expenses or travel costs (considered reasonable by the IRS) paid to the employee for a job-related relocation.	<ul style="list-style-type: none"> <li>• Box 1</li> <li>• Box 3 and 5</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul>	Paid to employee	Dollar Amount
Tuition Reimbursement Non-Taxable	A reimbursement for tuition for accredited college or local professional courses. The tuition amount is not taxable and is not reported on the W-2 because it is reimbursed to the employees for money they already spent to further their careers.	<ul style="list-style-type: none"> <li>• Not taxable</li> </ul>	Paid to employee	Dollar Amount

## Union Earnings

Earning	Description	W-2 Reporting	Paid / Reported	Amount / Rate
Vacation In 1, 2, 3	A vacation benefit that is calculated for each hour works. This earning is added to the employee's gross pay and is fully taxable.	<ul style="list-style-type: none"> <li>Box 14 optional</li> </ul>	Paid to employee	Dollar Amount
Vacation Non-Taxable	A non-taxable amount paid to union employees for the time they take off for vacation.	<ul style="list-style-type: none"> <li>Not taxable</li> </ul>	Paid to employee	Dollar Amount

# Deduction Descriptions

In this section, deductions are listed by deduction category.

## Key for Deduction Limits

There may be limits on the amount that an employee can contribute toward retirement and other types of plans per calendar year. After the employee meets the applicable contribution limit, the deduction is stopped for the remainder of the year. This guide includes the contribution limits for the applicable deductions.

**Important:** This guide will be updated annually with the deduction contribution limits. However, it is possible that limits can change before the next publication of this guide. For the latest contribution limits, refer to [www.irs.gov](http://www.irs.gov).

## Garnishment Deductions

Deduction	Description
Bankruptcy	A portion of an employee's wages that is deducted for a bankruptcy garnishment. When a court orders bankruptcy payments, the amount must be withheld from the employee's disposable earnings as bankruptcy.
Child Support 1 - 10	A portion of an employee's wages that is deducted for a child support garnishment. When a court orders child support payments, the amount must be withheld from the employee's disposable earnings as child support. An employee can have up to 10 child support garnishments.
Creditor 1, 2	An amount that is deducted from an employee's wages for a creditor garnishment. A creditor garnishment is money that is deducted from an employee's pay, as a result of a court order, to pay a creditor. An employee can have up to 2 creditor garnishments.



Deduction	Description
Employer Processing Fee	An amount that is deducted from an employee's wages for a garnishment processing payment to employer. Employer fees can be taken at all times, but also are restricted by the Consumer Credit Protection Agency limits.
Federal Agency 1, 2	A portion of an employee's wages that is deducted from the employee's disposable earnings when a court orders federal agency payments (i.e. FEMA Payments). An employee can have up to 2 agency fee garnishments.
Federal Student Loan 1, 2	A portion of an employee's wages that is deducted for a student loan garnishment that is totally under the rules and regulations of the Consumer Credit Protection. An employee can have up to 2 federal student loan garnishments.
Federal Tax Levy 1, 2, 3	A portion of an employee's wages that is deducted for a tax levy garnishment. When a court orders federal or state tax levy payments, the amount must be withheld from the employee's disposable earnings as the respective federal or state tax levy. An employee can have up to 3 federal tax levy garnishments.
Medical Support 1, 2	A portion of an employee's wages that is deducted for a medical support garnishment. When a court orders medical support payments, the amount must be withheld to provide coverage of the cost of health services to a child eligible for medical assistance. An employee can have up to 2 medical support garnishments.
Private Support	An amount that is deducted from an employee's wages as a voluntary private support deduction. A private support garnishment has no rules, regulations, or limitations governing it and the employee can stop it at any time.
State Student Loan 1, 2	A portion of an employee's wages that is deducted for a student loan garnishment that is totally under the rules and regulations of the Consumer Credit Protection. An employee can have up to 2 state student loan garnishments.
State Tax Levy 1, 2, 3	A portion of an employee's wages that is deducted for a tax levy garnishment. When a court orders federal or state tax levy payments, the amount must be withheld from the employee's disposable earnings as the respective federal or state tax levy. An employee can have up to 3 state tax levy garnishments.

Deduction	Description
Wage Assignment 1, 2, 3	An amount that is deducted from an employee's wages per a voluntary agreement by an employee to have a portion of the employee's wages assigned to a third party (assignee). An employee can have up to 10 child support garnishments.

## Miscellaneous Deductions

Deduction	Description
401(k) Loan \$1, 2, 3, 4, 5 *	An amount that is deducted from an employee's wages to repay a 401(k) loan. Check your plan to make sure it allows 401(k) loans. If the loan will be paid over time, you can set up a goal amount on the Employees - Deduction page. An employee can have up to 5 401(k) loan deductions.
529 Savings Plan	An amount that is deducted from an employee's wages for a contribution to a post-tax, Section 529 College Savings Plan. A 529 Plan is an investment plan offered by individual states to help families save money for future college expenses.
Advance	A fixed dollar amount that is deducted from an employee's wages to repay the employer an amount that was paid in advance of actually earning the money.
Auto Insurance	An amount that is deducted from an employee's wages for auto insurance.
Cents Per Hour 1, 2, 3	An amount that is deducted from an employee's wages, based on the number of hours an employee works. The calculation rate at which it calculates may vary by employee. An employee can have up to 3 Cents Per Hour deductions.
Charity	An amount that is deducted from an employee's wages to donate to a specific charity. The deduction can be for any charitable organization with which the employer has an arrangement.

Deduction	Description
Christmas Club	An amount that is deducted from an employee's wages for a contribution to a Christmas Club account. If applicable, you can set up a maximum deduction amount for the employee on the Employees - Deductions page.
Credit Union	An amount that is deducted from an employee's wages for a contribution to a credit union.
Draw (Post - Tax)	A dollar amount that is deducted from an employee's wages to repay the employer an amount that was paid in advance of actually earning the money.
Home Insurance	An amount that is deducted from an employee's wages for home insurance.
Initiation	An amount that is deducted one time from an employee's wages for union initiation fees.
Loan	An amount that is deducted from an employee's wages to repay an amount that was borrowed from the employer. If the loan will be paid over time, you can set up a goal amount for the employee on the Employees - Deductions page.
Meals	An amount that is deducted from an employee's wages, post-tax, to pay for meals eaten while on the job.
Miscellaneous \$1 - 4	An amount that is deducted from an employee's wages for a miscellaneous post-tax deduction that is not covered by any other deduction type. An employee can have up to 4 miscellaneous \$ deductions.
Miscellaneous %1 - 4	A percentage of an employee's wages that is deducted for a second miscellaneous post-tax deduction that is not covered by any other deduction type. An employee can have up to 4 miscellaneous % deductions.
NJ - Medical Malpractice Insurance Fee	A surcharge, per employee, for all employers who are subject to New Jersey unemployment compensation laws. The amount is set up as a payroll deduction of \$3.00 per employee and must be reported in Box 14 on the employee's Federal and New Jersey W-2.
PA LST	An amount that is deducted from an employee's post-tax wages for the Pennsylvania Local Services Tax.

Deduction	Description
Parking Pass Pre-tax	<p>An amount that is deducted from an employee's wages for a contribution to a pre-tax parking pass plan (IRC Section 132). Plan availability varies by state.</p> <ul style="list-style-type: none"> <li>• Decreases taxability</li> <li>• Decreases taxability</li> <li>• Varies</li> <li>• Decreases taxability</li> </ul> <p>Box/Code: 14/PKNGPASS</p> <p><b>Contribution Limit:</b> \$270 per month</p>
Transit Pass Pre-Tax	<p>An amount that is deducted from an employee's wages for a contribution to a pre-tax transit pass plan (IRC Section 132). Plan availability varies by state.</p> <ul style="list-style-type: none"> <li>• Decreases taxability</li> <li>• Decreases taxability</li> <li>• Varies</li> <li>• Decreases taxability</li> </ul> <p>Box/Code: 14/TRPASS</p> <p><b>Contribution Limit:</b> \$270 per month</p>
Uniform	<p>An amount that is deducted from an employee's wages to purchase uniforms through the company for use on the job. If applicable, you can set up a maximum deduction amount for the employee on the Employees - Deductions page.</p>
United Way	<p>An amount that is deducted from an employee's wages to donate to the United Way charity.</p>
Vacation Club	<p>An amount that is deducted from an employee's wages for a contribution to a Vacation Club account. If applicable, you can set up a maximum deduction amount for the employee on the Employees - Deductions page.</p>

Deduction	Description
Voluntary Paid Family Leave Employee \$	A flat dollar amount that is deducted from an employee's wages for a contribution to a voluntary Family Leave plan. This is a miscellaneous post-tax deduction.
Voluntary Paid Family Leave Employer \$	A flat dollar amount that is calculated for the employer as a contribution to a voluntary Family Leave plan. This is a miscellaneous employer paid amount.
Voluntary Paid Medical Leave Employee \$	A flat dollar amount that is deducted from an employee's wages for a contribution to a voluntary Medical Leave plan. This is a miscellaneous post-tax deduction.
Voluntary Paid Medical Leave Employer \$	A flat dollar amount that is calculated for the employer as a contribution to a voluntary Medical Leave plan. This is a miscellaneous employer paid amount.

\* If you have a plan set up with ADP Retirement Services, this deduction is no longer available after the Plan Deduction Start Date.

## Post-Tax Insurances

Unless it's mentioned in the description, post-tax deductions have no impact on W-2 taxability.

Deduction	Description
Accidental Death & Dismemberment	An amount that is deducted from an employee's wages for a post-tax contribution to an IRS Section 125 (cafeteria) accidental death and dismemberment plan. State taxability varies.
AFLAC Post-Tax	An amount that is deducted from an employees' wages for a contribution to a post-tax AFLAC medical plan.
Dental	An amount that is deducted from an employee's wages for a post-tax contribution to an IRS Section 125 (cafeteria) dental plan. State taxability varies.
Dependent Care	An amount that is deducted from an employee's wages for a contribution to a post-tax dependent care benefit plan that is over the current year's Federal limit for the pre-tax deduction. Dependent care covers the costs incurred to care for eligible dependents, as they are defined by the employer. The amount is reported in Box 10 and is also included as taxable in Boxes 1, 3, and 5 on the employee's W-2.
DP CAF 125	An amount that is deducted from an employee's wages for a post-tax contribution to a Domestic Partner Benefits plan. State taxability varies.
FSA Post-Tax \$	An amount that is deducted from an employee's wages for a post-tax contribution to a flexible savings account.
HSA Post-Tax \$ and %	An amount or percentage of an employee's wages that is deducted for a post-tax contribution to a health savings account.
HSA Post-Tax Catch-Up \$ and %	An amount or percentage that is deducted from an employee's wages for a post-tax contribution to a health savings account. Employees must be 55 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions.

Deduction	Description
MSA EE Contribution	The amount that is deducted from an employee's wages for a post-tax contribution to a Medical Savings Account (MSA). Both the employee and employer should not make contributions to an employee's MSA in the same year.
Life Insurance	An amount that is deducted from an employee's wages for a contribution to a post-tax life insurance benefit plan.
Long-Term Disability	An amount that is deducted from an employee's wages for a contribution to a post-tax long-term disability benefit plan.
Medical 1	An amount that is deducted from an employees' wages for a contribution to a post-tax medical benefit plan.
Medical 2	An amount that is deducted from an employee's wages for a contribution to a second post-tax medical benefit plan (in addition to Medical 1).
Short Term Disability \$ and %	The amount or percentage that is deducted from an employee's wages for a contribution to a post-tax short term disability benefit plan.
Vision	An amount that is deducted from an employee's wages for a contribution to a post-tax vision benefit plan.

## Pre-Tax Insurances

Cafeteria 125 plans are not required to display in a designated W-2 box, however the following boxes are reduced by pre-tax Cafeteria benefit amounts:

- Wages, tips, other compensation (Box 1)
- Social Security wages (Box 3)
- Medicare wages and tips (Box 5)

Depending on the jurisdiction, the following boxes may also be reduced by pre-tax Cafeteria benefit amounts:

- State wages, tips, etc. (Box 16)
- Local wages, tips, etc. (Box 18)

Deduction	Description	W-2 Reporting
Accidental Death & Dismemberment Pre-Tax	An amount that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) accidental death and dismemberment plan. State taxability varies. Does not decrease for NJ.	<ul style="list-style-type: none"> <li>• Box 1 - decreases taxability</li> <li>• Box 3 and 5 - decreases taxability</li> <li>• Box 16 - decreases taxability</li> <li>• Box 18, varies</li> </ul>
AFLAC Pre-Tax	An amount that is deducted from an employee's wages for a contribution to a pre-tax IRS Section 125 (cafeteria) AFLAC medical plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1 - decreases taxability</li> <li>• Box 3 and 5 - decreases taxability</li> <li>• Box 16 - decreases taxability</li> <li>• Box 18, varies</li> </ul>
Blue Cross (pre-tax) \$ and %	An amount or percentage that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) Blue Cross plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1 - decreases taxability</li> <li>• Box 3 and 5 - decreases taxability</li> <li>• Box 16 - decreases taxability</li> <li>• Box 18, varies</li> </ul>



Deduction	Description	W-2 Reporting
Dental Pre-Tax	An amount that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) dental plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1 - decreases taxability</li> <li>• Box 3 and 5 - decreases taxability</li> <li>• Box 16 - decreases taxability</li> <li>• Box 18, varies</li> </ul>
Dependent Care Pre-Tax	<p>An amount that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) dependent-care plan. State taxability varies.</p> <p>Box 10 on the W-2 is reserved for dependent care benefits. The entire amount of the benefits appears in the box.</p> <p>Any amount over the current year's Federal limit should be set up using the Post Tax Insurance Dependent Care deduction.</p> <p><b>Contribution Limit:</b> 5,000</p>	<ul style="list-style-type: none"> <li>• Box 1 - decreases taxability</li> <li>• Box 3 and 5 - decreases taxability</li> <li>• Box 10 - dependent care benefits</li> <li>• Box 16 - decreases taxability, varies</li> <li>• Box 18, varies</li> </ul>
FSA Pre-Tax \$	<p>An amount that is deducted from an employee's wages for a pre-tax contribution to a flexible savings account.</p> <p><b>Contribution Limit:</b> 2,750</p>	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16</li> <li>• Box 18</li> </ul>
HSA CAF125 Pre-Tax \$ and %	<p>An amount or percentage that is deducted from an employee's wages as a pre-tax elective deferral to a health savings account.</p> <p><b>Contribution Limit (Individual):</b> 3,550 <b>Contribution Limit (Family):</b> 7,100</p>	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16</li> <li>• Box 18</li> </ul> <p>Box/Code: 12/W</p>

Deduction	Description	W-2 Reporting
HSA CAF125 Pre-Tax Catch-Up \$ and %	An amount or percentage that is deducted from an employee's wages for an additional pre-tax contribution to a health savings account. Employees must be 55 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions.  <b>Contribution Limit:</b> 1,000	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16</li> <li>• Box 18</li> </ul> Box/Code: 12/W
Hospital (pre-tax) \$ and %	An amount or percentage that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) hospital plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16, decreases taxability</li> <li>• Box 18, varies</li> </ul>
Life Insurance Pre-Tax	An amount that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) life insurance plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16, decreases taxability</li> <li>• Box 18, decreases taxability</li> </ul>
Long-Term Disability Pre-Tax	An amount that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) long-term disability plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16, decreases taxability</li> <li>• Box 18, decreases taxability</li> </ul>
Medical Pre-Tax 1, 2, 3	An amount that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) medical plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16, decreases taxability</li> <li>• Box 18, varies</li> </ul>

Deduction	Description	W-2 Reporting
Short-Term Disability (Pre-tax) \$ and %	An amount or percentage that is deducted from an employee's wages for a pre-tax contribution to a short-term disability plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16, decreases taxability</li> <li>• Box 18, varies</li> </ul>
Vision Pre-Tax	An amount that is deducted from an employee's wages for a pre-tax contribution to an IRS Section 125 (cafeteria) vision plan. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, decreases taxability</li> <li>• Box 16</li> <li>• Box 18</li> </ul>

## Retirement Deductions

Deduction	Description	W-2 Reporting
401(k) Plan \$ and %*	An amount or percentage of an employee's wages that is deducted for a pre-tax contribution to the company's 401(k) plan. A 401(k) plan is a retirement savings plan that is funded by employee contributions and may be matched by contributions from the employer. State taxability varies.  <b>Contribution Limit:</b> 19,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> <p>Box/Code: 12/D and 13 Ret Plan</p>
401(k) Plan 2 \$ and %*	An amount or percentage of an employee's wages that is deducted for a pre-tax contribution to the company's second 401(k) plan. A 401(k) plan is a retirement savings plan that is funded by employee contributions and may be matched by contributions from the employer. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> <p>Box/Code: 12/D and 13 Ret Plan</p>

Deduction	Description	W-2 Reporting
401(k) Catch-Up \$ and %*	An amount or percentage of an employee's wages that is deducted for additional elective deferrals to the company's 401(k) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.  <b>Contribution Limit:</b> 6,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/D and 13 Ret Plan
401(k) Catch-Up 2 \$ and %*	An amount or percentage of an employee's wages that is deducted for additional elective deferrals to the company's second 401(k) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/D and 13 Ret Plan
403(b) Plan \$ and %*	The amount or percentage of an employee's wages that is deducted for a contribution to a 403(b) plan. A 403(b) retirement plan has the same characteristics and benefits of a 401(k) plan but is offered only by non-profit organizations. State taxability varies.  <b>Contribution Limit:</b> 19,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/E and 13 Ret Plan
403(b) Catch-Up \$ and %*	An amount or percentage of an employee's wages that is deducted for additional elective deferrals to a 403(b) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.  <b>Contribution Limit:</b> 6,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/E and 13 Ret Plan
403(b) 15yr Catch-Up \$ and %*	An amount or percentage of wages that is deducted for additional elective deferrals to a 403(b) plan. Employees must be 50 or older in the current year to participate and have 15 or more years of service. Make sure your plan allows catch-up contributions. State taxability varies.  <b>Contribution Limit:</b> 3,000	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/E and 13 Ret Plan

Deduction	Description	W-2 Reporting
403(b) 15yr Catch-Up \$ and % employer match*	The amount or percentage of the employer's elective matching contribution to an employee's 403(b) plan. The employer's contribution is based on a percentage of the employee's elective catch-up deferral. State taxability varies.	No impact on W-2 taxability.
408(k) SAR SEP \$ and %*	An amount or percentage of an employee's wages that is deducted for a contribution to a 408(k) SAR SEP plan. This retirement savings plan is for eligible businesses with fewer than 25 employees, has fewer restrictions than the standard 401(k) plan, and different limits. State taxability varies. <b>Contribution Limit:</b> 19,500	<ul style="list-style-type: none"> <li>• Box 1 (Fed) decreases taxability</li> <li>• Box 3 and 5 (SS/Med) no impact</li> <li>• Box 16 and 18 (State/Local) varies</li> </ul> Box/Code: 12/F and 13 Ret Plan
408(k) SAR SEP Catch-Up \$ and %*	An amount or percentage of an employee's wages that is deducted for a contribution to a 408(k) SAR SEP plan. This retirement savings plan is for eligible businesses with fewer than 25 employees, has fewer restrictions than the standard 401(k) plan, and different limits. State taxability varies. <b>Contribution Limit:</b> 6,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/F and 13 Ret Plan
414(h) Plan \$ and %*	The amount or percentage of an employee's wages, deducted for a pre-tax contribution to a 414(h) plan. This plan (for government employers) is funded with pre-tax employee contributions. The total YTD amount is displayed in Box 14 of the employee's W-2. State taxability varies.	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 14/STPICKUP for MD; 414H for Fed and all other states
457(b) Plan \$ and %	The amount or percentage of an employee's wages that is deducted for a pre-tax contribution to a 457(b) plan. A 457(b) plan is a retirement savings plan that is funded by employee contributions and may be matched by contributions from the employer. State taxability varies. <b>Contribution Limit:</b> 19,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/G

Deduction	Description	W-2 Reporting
457(b) Catch-Up \$ and %	The amount or percentage of an employee's wages that is deducted for additional elective deferrals to their 457(b) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies. <b>Contribution Limit:</b> 6,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/G
457(b) Double Limit Catch-Up \$ and %	The amount or percentage of an employee's wages that is deducted for additional elective deferrals to their 457(b) plan. Employees must be within 3 years of retirement age to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies. <b>Contribution Limit:</b> 19,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/G
501(C) EE Contribution *	The amount that is deducted from an employee's wages for a post-tax contribution to a 501(C) retirement plan. This plan is funded by the tax-exempt organization's employee contribution only. Federal tax is not withheld in payroll. State and local taxability varies. <b>Contribution Limit:</b> 19,500	<ul style="list-style-type: none"> <li>• Box 1, no impact</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> <li>• Box/Code: 12/H and 13 Ret Plan</li> </ul> <p><b>Note:</b> If a post-tax contribution is made, this may or may not be reportable.</p>
Employer Contribution to 401(k) \$ and %	The employer's non-elective contribution to an employee's 401(k) plan. The employer contributes an amount or a percentage of the employee's compensation. State taxability varies.	<ul style="list-style-type: none"> <li>• Box/Code: 13 Ret Plan</li> <li>• No impact on W-2 taxability.</li> </ul>
Employer Profit Sharing Contribution \$ and %	The employer's non-elective contribution to a profit-sharing plan that is qualified under IRC 401. The employer contributes an amount or percentage of the employee's compensation. State taxability varies.	<ul style="list-style-type: none"> <li>• Box/Code: 13 Ret Plan</li> <li>• No impact on W-2 taxability.</li> </ul>

Deduction	Description	W-2 Reporting
IRA Post-Tax*	A fixed amount of money that is deducted from an employee's wages for a post-tax contribution to an individual retirement account (IRA). State taxability varies.	No impact on W-2 taxability.
Roth 401(k) plan \$ and %*	The amount or percentage of an employee's wages that is deducted for a post-tax contribution to a Roth 401(k) plan. A 401(k) plan is a retirement savings plan that is funded by post-tax employee contributions and may be matched by contributions from the employer. State taxability varies. <b>Contribution Limit:</b> 19,500	Box/Code: 12/AA and 13 Ret Plan
Roth 401(k) Catch-Up \$ and %*	The amount or percentage of an employee's post-tax wages that is deducted for additional elective deferrals to a Roth 401(k) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies. <b>Contribution Limit:</b> 6,500	Box/Code: 12/AA and 13 Ret Plan
Roth 403(b) Plan \$ and %*	The amount or percentage of an employee's post-tax wages that is deducted for a contribution to a Roth 403(b) plan. A Roth 403(b) retirement plan has the same characteristics and benefits of a Roth 401(k) plan but is offered only by non-profit organizations. State taxability varies. <b>Contribution Limit:</b> 19,500	Box/Code: 12/BB and 13 Ret Plan
Roth 403(b) Plan Catch-Up \$ and %*	The amount or percentage of an employee's post-tax wages that is deducted for additional elective deferrals to a Roth 403(b) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies. <b>Contribution Limit:</b> 6,500	Box/Code: 12/BB and 13 Ret Plan

Deduction	Description	W-2 Reporting
Roth 403(b) plan 15yr Catch-Up \$ and %*	<p>The amount or percentage of an employee's post-tax wages that is deducted for additional elective deferrals to a Roth 403(b) plan. Employees must be 50 or older in the current year to participate and have 15 or more years of service. Check your plan to make sure it allows catch-up contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 3,000</p>	Box/Code: 12/BB and 13 Ret Plan
Roth 403(b) 15yr Catch-Up \$ and % Employer Match*	<p>The amount or percentage of the employer's elective matching contribution to an employee's 403(b) plan. The employer's contribution is based on a percentage of the employee's elective catch-up deferral. This deduction is set up automatically with the 403(b) 15yr Catch-Up deduction. State taxability varies.</p>	No impact on W-2 taxability.
Roth 457(b) Plan \$ and %	<p>The amount or % of an employee's wages that is deducted for a post-tax contribution to a Roth 457(b) plan. A Roth 457(b) plan is a retirement savings plan that is funded by employee contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 19,500</p>	Box/Code: 12/EE
Roth 457(b) Catch-Up \$ and %	<p>The amount or % of an employee's wages that is deducted for additional elective deferrals to a Roth 457(b) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 6,500</p>	Box/Code: 12/EE
Roth 457(b) Double Limit Catch-up \$ and %	<p>The amount or % of an employee's wages that is deducted for additional elective deferrals to a Roth 457(b) plan. Employees must be within 3 years of retirement age to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 19,500</p>	Box/Code: 12/EE



Deduction	Description	W-2 Reporting
Roth IRA \$ and %*	<p>The amount or percentage of an employee's wages that is deducted for a post-tax contribution to a Roth IRA plan. This plan is for eligible businesses that do not maintain or contribute to any other retirement plan. It may be matched with employer contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 6,000</p>	No impact on W-2 taxability.
Roth IRA Catch-Up \$ and %*	<p>The amount or percentage of an employee's wages that is deducted for additional elective post-tax deferrals to a Roth IRA plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 1,000</p>	No impact on W-2 taxability.
Roth Simple 401(k) \$ and %*	<p>The amount or percentage of an employee's wages that is deducted for a post-tax contribution to a Roth SIMPLE 401(k) plan. This retirement savings plan (for eligible businesses with fewer than 100 employees) has fewer restrictions and different limits than a standard 401(k) plan. It is funded with post-tax employee contributions and may be matched by employer contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 13,500</p>	Box/Code: 12/AA and 13 Ret Plan
Roth Simple 401(k) Catch-Up \$ and %*	<p>The percentage of an employee's wages that is deducted for additional elective post-tax deferrals to a Roth SIMPLE 401(k) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.</p> <p><b>Contribution Limit:</b> 3,000</p>	Box/Code: 12/AA and 13 Ret Plan
SEP IRA \$ and % (Employer Paid)	<p>The amount that the employer contributes to an employee's SEP IRA. This amount is not taxable to employees and W-2 Box 16 reportability varies by State/Local. The W-2 Box 13 retirement plan box is checked. Check with your plan provider for details about your plan. State taxability varies.</p>	<ul style="list-style-type: none"> <li>• Box/Code: 13 Ret Plan</li> <li>• Box 16 varies</li> </ul>

Deduction	Description	W-2 Reporting
Simple 401(k) \$ and %*	An amount or percentage of an employee's wages that is deducted for a pre-tax contribution to a SIMPLE 401(k) plan. This retirement savings plan (for eligible businesses with fewer than 100 employees) has fewer restrictions and different limits than a standard 401(k) plan. State taxability varies.  <b>Contribution Limit:</b> 13,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/D
Simplified Employee Pension (SEP) IRA ER Contribution*	The amount that the employer contributes to an employee's SEP IRA. This amount is non-taxable to employees and W-2 Box 16 reportability varies by State/Local. The W-2 Box 13 retirement plan box is checked. Confirm with your plan provider about your plan details. State taxability varies.	<ul style="list-style-type: none"> <li>• Not taxable for FIT, FICA, FUTA, SUI, or SDI.</li> <li>• SIT taxability varies.</li> <li>• No impact on W-2 taxability.</li> </ul>
Simple 401(k) Catch-Up \$ and %*	The amount or percentage of an employee's wages that is deducted for additional elective deferrals to a SIMPLE 401(k) plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.  <b>Contribution Limit:</b> 3,000	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/D
Simple 401(k) Non-Elective Contribution*	The employer's non-elective contribution to a SIMPLE 401(k) plan. The employer contributes 2% of the employee's compensation. State taxability varies.	No impact on W-2 taxability.
Simple IRA 408 (p) \$ and %*	An amount or percentage of an employee's wages that is deducted for a contribution to a SIMPLE IRA plan. This is a tax-deferred retirement plan for eligible businesses with fewer than 100 employees who do not maintain or contribute to any other retirement plan. State taxability varies.  <b>Contribution Limit:</b> 13,500	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/S

Deduction	Description	W-2 Reporting
Simple IRA 408 (p) Catch-Up \$ and %*	An amount or percentage of an employee's wages that is deducted for additional elective deferrals to a SIMPLE IRA plan. Employees must be 50 or older in the current year to participate. Check your plan to make sure it allows catch-up contributions. State taxability varies.  <b>Contribution Limit:</b> 3,000	<ul style="list-style-type: none"> <li>• Box 1, decreases taxability</li> <li>• Box 3 and 5, no impact</li> <li>• Box 16, varies</li> <li>• Box 18, varies</li> </ul> Box/Code: 12/S
Simple IRA Non-Elective Contribution*	The employer's non-elective contribution to a Simple IRA plan. The employer contributes 2% of the employee's compensation. State taxability varies.	No impact on W-2 taxability.

\* If you have a plan set up with ADP Retirement Services, this deduction is no longer available after the Plan Deduction Start Date.

### Voluntary Disability Insurance

- Voluntary Disability Insurance deductions are available for New York and Hawaii only (in every pay frequency).

## Union Deductions

Deduction	Description
Assessment Cents per Hour	An amount that is deducted from an employee's wages for a union assessment.
Assessment Flat Dollar	An amount that is deducted from an employee's wages for a union assessment.
Assessment Percentage of Gross	An amount that is deducted from an employee's wages for a union assessment.
Union 1, 2, 3	An amount that is deducted from an employee's wages for a union contribution, such as dues or initiation fees. An employee can have up to 3 Union deductions.
Union Cents Per Hour 1, 2, 3	An amount that is deducted from an employee's wages for a union due, based on the number of hours an employee works. The calculation rate may vary by employee. An employee can have up to 3 Union Cents per Hour deductions.
Union Percentage of Gross 1, 2, 3	An amount that is deducted from an employee's wages for a union due, based on the percentage of gross. An employee can have up to 3 Union Percentage of Gross deductions.
Vacation Out 1, 2, 3	The vacation benefit amount paid to employees that is equal to the Vacation In earning and is deducted from the net pay.  A Vacation Out deduction is created automatically when you add a Vacation In earning.