

# W2 FAQs

1. Why don't my wages, tips and other compensation in Box 1 match the year to date gross on my pay stub?
  - a. The wages in box 1 of your W2 reflect **taxable** wages only. This amount does not include tax deferred deductions (i.e. retirement, 403B annuities and 457 deferred compensation) or pre-tax deductions (ie. Medical insurance and parking). Box 1 also includes taxable reimbursements such as same day meal reimbursements, taxable moving expenses and taxable fringes that are not reflected in your payroll gross.
  
2. Where can I see the tax-deferred or pre-tax deductions?
  - a. Box 14 shows retirement, Choices and parking deductions. Other tax-deferred deductions are reflected in Box 12. Dependent care deductions are shown in Box 10.
  
3. Why don't my wages in Box 1 match the Social Security wages in Box 3?
  - a. Pre-tax deductions are exempt from FICA (Social Security and Medicare), however tax-deferred deductions are subject to FICA tax. The amount in Box 3 includes retirement and annuity deductions. The amount in Box 1 does not include retirement and other qualified deferred compensation.

OR

You were eligible for a FICA exemption due to tax treaty or you were a student enrolled in and attending at least 6 credits of courses during any given pay period in the year.
  
4. I want to adjust my withholding for next year what do I do?
  - a. You need to fill out a new W-4 and submit it to Human Resources/Personnel & Payroll. An online version of the form can be filled in and printed from [www.montana.edu/pps](http://www.montana.edu/pps) under the **taxes** link or at [www.irs.gov](http://www.irs.gov)
  
5. How do I know what exemptions to claim?
  - a. Increasing the number of exemptions decreases the amount of withholding. Those with a Married status withhold at a lesser rate than those with a Single status. HR/P&P cannot tell you what exemptions to claim on your form W-4. The IRS has a calculator that can help you determine the correct number of exemptions at the following url: <http://www.irs.gov/individuals/article/0,,id=96196,00.html>  
If you need further help please download publication 919 from the IRS website or visit your local tax accountant.