

CALCULATION GUIDELINES**RECONCILIATION OF GROSS EARNINGS TO FEDERAL TAXABLE WAGES**

The amount of Federal Taxable Wages (Wages, Tips, Other Compensation) shown in Box 1 of the **2021** W-2, "Wage and Tax Statement", may differ from the amount of Gross Earnings received during the calendar year as shown on the "Employee Pay Statement". Any difference is a result of one or more adjustments to federal taxable wages shown below:

GROSS EARNINGS

As shown on last Employee Pay Statement for **2021 (12/23 or 12/30)** \$ xxxx.xx

PLUS

*TAXABLE BENEFIT STATE VEHICLE – For those employees who were permanently assigned State Vehicles and park the vehicle overnight at their residence. (IRS Code Sections 61 and 132).....	xxxx.xx
*TAXABLE BENEFIT MOVING EXPENSE – For those employees who were reimbursed for taxable moving expenses incurred. (IRS Code Section 132).....	xxxx.xx
*TAXABLE BENEFIT PARKING – For those employees who have employer-provided parking in excess of \$270.00 per month. (IRS Code Section 132).....	xxxx.xx
*TAXABLE BENEFIT GROUP LEGAL SERVICES – For those employees who are provided with an employer-prepaid group legal service. (IRS Code Section 120).....	xxxx.xx
*TAXABLE MEAL PAYMENTS AND TRAVEL OT MEAL PAYMENTS (TOM) – If you received a non-overnight meal reimbursement in 2021 , you will be taxed on this payment (IRS Code Section 132).	xxxx.xx

MINUS EARNINGS

*HEART AND LUNG ACT OR ACT 534/632 EARNINGS – Nontaxable Earnings provided by statute in lieu of Workers Compensation benefits.....	xxxx.xx
*INSURANCE PREMIUM PAYMENTS – Amounts paid to an employee for reimbursement of employee-paid medical insurance premium as part of a grievance settlement.....	xxxx.xx
*NONTAXABLE PAYMENTS – Amounts paid to an employee for nontaxable reimbursements and payments.	xxxx.xx

MINUS DEDUCTIONS

*RETIREMENT PICKUP CONTRIBUTIONS (Non Heart & Lung, or Act 534/632 Earnings)..	xxxx.xx
*RETIREMENT SSI PICKUP CONTRIBUTIONS.....	xxxx.xx
*PRE-TAX MEDICAL DEDUCTIONS – (IRS Code Section 125)	xxxx.xx
*NONTAXABLE MAINTENANCE DEDUCTIONS – For those employees who had Nontaxable Maintenance Deductions during the year.....	xxxx.xx
*DEFERRED COMPENSATION DEDUCTIONS – (IRS Code Section 457)	xxxx.xx
*DEPENDENT CARE ASSISTANCE PROGRAM DEDUCTIONS – (IRS Code Section 129)	xxxx.xx
*MEDICAL FLEXIBLE SPENDING ACCOUNT (FSA) – (IRS Code Section 125)	xxxx.xx
*OVERPAYMENT RECOVERY – Taxable overpayments from a prior period reduce current period gross taxable earnings.....	xxxx.xx

EQUALS FEDERAL TAXABLE WAGES..... **\$ xxxx.xx**

MISCELLANEOUS INCOME

*MISCELLANEOUS INCOME PAYMENTS – Amounts paid to an employee for a taxable grievance settlement, or a reimbursement of overpaid retirement contribution (IRS Form 1099-MISC).....	XXXX.XX
*INTEREST PAYMENTS – Amounts paid to an employee for interest award by a court or arbitrator, or interest on overpaid retirement contribution (IRS Form 1099-INT).....	XXXX.XX
*SURVIVOR PAYMENTS – Payments made on behalf of deceased employees to a survivor, beneficiary, or personal representative (IRS Form 1099-MISC).....	XXXX.XX