Understanding Your W2 Wages

Most W-2 questions that Payroll receives each year focus on understanding the amounts in the numbered boxes on the form. For example, how Federal and State Wages are calculated and why those wages are different from Social Security and Medicare Wages. The answer is in how each of the different types of earnings and deduction types are regulated by taxing authorities. The following will help explain how these wages are determined.

- The worksheet below illustrates how Federal and State taxable wages on your W2 were calculated. You can obtain your amounts for each of the below items from your online pay statement available through My.NewSchool.edu

YTD TOTAL EARNINGS:	**$**
SUBTRACT **PRE-TAX DEDUCTIONS** for Federal and State Tax:	
• Medical deductions YTD	-
• Dental deductions YTD	-
• Long Term Disability YTD	-
• FSA Health deductions YTD	-
• FSA Dependent Care deductions YTD	-
• Pre-tax Parking deductions YTD	-
• 403B deductions YTD	-
• 457 Plan deductions YTD	-
ADD **NON-CASH INCOME IMPUTED INCOME**, If applicable, for taxable for Federal and State purposes:	
• GTL imputed income from Box 12C on your W2	+
• Domestic Partner Medical/Dental employer contributions	+
• Taxable Tuition Remission	+
RESULT = FEDERAL AND NY STATE WAGES • Box 1 Federal Wages and Box 16 State Wages on your W2	**$**

- To calculate Social Security and Medicare taxable wages add back deductions considered pre-tax for Federal but not for Social Security Wages:

W2 FEDERAL WAGES BOX 1:	**$**
ADD **PRE-TAX DEDUCTIONS** for Federal Wages that are not pre-tax for Social Security:	
• 403B deductions YTD	+
• 457 Plan deductions YTD	+
RESULT = SOCIAL SECURITY AND MEDICARE WAGES • Box 3 and Box 5 on your W2 Refer to Payroll W2 Explanation Guide for current year SS/M wage limits.	**$**

ADDITIONAL INFORMATION :

For instructions on how to use Employee Self Service to access Online Pay Statements, please go to the **Payroll webpage: Forms and Guides** and click 'Viewing Payroll Online Through Alvin'.

Current year Tax W-4 and IT-2104 Forms can be downloaded from the Payroll webpage.

Below are additional resources available through the internet. Information about filing individual Federal and State tax returns, along with downloadable tax forms, instructions and publications, can be found at the following sites:

- Federal Information and Forms (IRS): www.irs.gov
- State Information and Forms (NY): http://www.tax.state.ny.us