Following are some common FAQ’s concerning W2’s

Q: Why is my taxable income different than the amount that I earned during the year?

A: Your federal taxable income (Box 1 of your W2) is determined by:
   - calculating your total earnings for the year, and
   - subtracting your pre-tax deductions (insurance premiums for health, dental, life, vision, and ADD coverage, as well as contributions to your TexFlex, TRS, ORP, TSA, or 457 deferred comp accounts), and
   - adding your imputed income, if any (reported in Box 12C of your W2).

Q: Why are my Social Security and Medicare taxable wages different than the wages in Box 1 of my W2?

A: Some deductions (TRS, ORP, TSA, and 457 Plan contributions) are subject to Social Security and Medicare taxes, yet they are exempt from Federal taxes.

Q: Why are my Social Security wages different than my Medicare wages?

A: Social Security wages are limited to $132,900 for tax year 2019; however, there is no limit on Medicare wages. Consequently, if you had Medicare wages in excess of $132,900, Boxes 3 and 5 will be different.

Q: What do the codes in Box 12 represent?

A: There are several types of compensation and benefits recorded in Box 12. Following are the most common ones for our institution.

   Code C – Taxable benefit of group term-life insurance over $50,000 (included as part of your taxable wages in Boxes 1, 3, and 5)

   Code E – Non-taxable elective salary deferrals to a 403(b) retirement plan (commonly known as TDA or TSA)

   Code G – Non-taxable elective salary deferrals and non-elective employer contributions to a 457(b) retirement plan

   Code DD – Cost of health insurance that your employer provides (includes the Employee and Employer share of the cost)
Q: Why was there no federal income tax withheld from my wages?

A: Federal Income Taxes are calculated based on a combination of factors:

- the amount of your wages
- your pre-tax deductions
- the status and allowances claimed on your W4

If you had no federal income taxes withheld from your pay, then your taxable wages were below the threshold for the status and number of allowances you claimed on your W4.