Policy & Preparation: Form W-2

The IRS requires all employers to provide each employee with a Form W-2 to summarize annual wage earnings, withholding, and deductions. Clients must present paper copies of W-2's in order to properly prepare a tax return that can be e-filed.

For more specialized information, review these documents on CTC Resources:

- Entering W-2 Data from a Transcript or Paystub
- Understanding W-2 Codes
- Policy & Preparation: Using IRS Transcripts
- Redacted SSN on an ITIN Holder's W-2 - What Can We Do?

How to Assist the Taxpayer if the Taxpayer Hasn't Received Form W-2 From an Employer

The taxpayer should follow these steps:

- **For a current year tax return**

  - Contact the employer to have the W-2 reissued or resent;
    if that is unsuccessful after two (2) weeks:
  - Contact the IRS to report that you did not receive the tax document. See the handout Haven't Received W-2 or 1099? for specific instructions; **and**
  - Locate the final paystub from the employer and bring it to the Tax Help Program.

  Important: For the current year, a transcript may not be available or arrive until

summertime. For this reason, <u>beginning in March of the regular filing season (January through April), the Tax Help Program will prepare tax returns using the last paystub</u> received by the employee. In these "substitute W-2" cases, the return is **Paper**. See [Entering W-2 Data From a Transcript or Paystub](#).

Instruct the taxpayer to request a transcript in the summer so that it can be compared to the tax return that was prepared using the paystub and any needed corrections can be prepared as an amendment.

- **For a prior year tax return:** Request a Wage and Income Transcript from the IRS. See the handout [How Can I Order A Transcript?](#).

Reporting W-2 Data in TaxSlayer

Enter all data on the W-2 into TaxSlayer **<u>exactly as it appears on the W-2.</u>** E-filing relies upon a character match between the IRS records and the return being submitted.

- **If the taxpayer has an ITIN**, the TaxSlayer return is prepared using the ITIN. If an SSN appears on their W-2(s), <u>enter the SSN from the W-2 into TaxSlayer on the W-2 entry screen</u> in TaxSlayer. The return can be e-filed.

- **If the taxpayer has an ITIN** and there is a redacted SSN on Form W-2, refer to [Redacted SSN on an ITIN Holder's W-2 - What Can We Do?](#).

- **If the taxpayer has an SSN**, check that the SSN on the W-2 matches the number on their Social Security document. If the SSN on the W-2 does not match the taxpayer's SSN, continue preparation of the return. Per FC policy, the return will not be e-filed and is instead a **PAPER** return that is mailed to the IRS.

  If the taxpayer is still an employee of the W-2 provider, advise the taxpayer to correct the SSN on file with the employer for the future.