

Redacted SSN on ITIN Holder's W-2: What Can and Should We Do?

Background

Beginning in 2020 in order to protect employees from identity theft, the IRS began to permit employers to voluntarily redact (or hide) employees' Social Security Numbers (SSNs) on employee copies of **Forms W-2, Wage and Tax Statement**. No redaction is permitted to employer or other EINs, or of SSNs on Employer Filings to Tax Authorities.

Redacted SSNs are formatted as **xxx-xx-1234** or *****-**-1234**.

In order to e-file a tax return prepared from a **Form W-2** that contains a redacted SSN, the complete and accurate SSN must be entered in TaxSlayer. This information can usually be verified from the taxpayer's SS card or other tax documents. Once the complete SSN is entered, the return can be e-filed as usual.

How to Assist the Taxpayer

If an ITIN holder presents **Form W-2** that contains a redacted TIN in **Box a** that is not the taxpayer's ITIN and is not an SSN issued to the taxpayer, the full SSN must be identified and entered in TaxSlayer in order to e-file the return.

If....	Then enter in the TaxSlayer W-2 screen:	And the Return Type will Be:
the unredacted SSN can be retrieved from: <ul style="list-style-type: none"> ● the taxpayers themselves ● a prior year tax return ● other tax documents or paystubs 	the full SSN	E-File
the unredacted SSN can be retrieved and the taxpayer is an ITIN applicant or renewer	the full SSN	Paper On the copy of Form W-2 that will be mailed with the tax return, write the full, unredacted SSN in Box a above the redacted SSN so that the IRS has access to the complete SSN for processing.
Continued...		

If....	Then enter in the TaxSlayer W-2 screen:	And the Return Type will Be:
<p>you are unable to verify the missing SSN digits</p>	<p>123-45-xxxx where xxxx is the unredacted digits visible on the W-2</p>	<p>Paper</p> <p>Notify the taxpayer that the IRS may contact them at a later date to request that they supply the full SSN in order to complete processing of the tax return.</p>

Note: Entering data from a redacted W-2 where you are replacing redacted information with actual information, is **not** considered a Substitute W-2. Do not select This is a substitute W-2 in TaxSlayer.