

AAM 350. TAX REPORTING

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AAM 350.010 W-2 Reporting

The Division of Finance is responsible for issuing W-2 Wage and Tax Statements to every employee paid through the payroll system during any portion of a calendar year. The division is responsible for reporting wage and tax information for all employees to the Social Security Administration (SSA) and tax information to the Internal Revenue Service (IRS).

Agency human resources offices must be familiar with the W-2 form and are responsible for addressing all tax form inquiries from their employees. Inquiries by employees who are separated from state service, on leave-without-pay, or on seasonal leave are referred to the human resources office of the agency in which the employee was most recently in active status.

AAM 350.020 Duplicate W-2 Forms

It is the responsibility of agency human resources offices to handle requests from their employees for duplicate copies of W-2 forms. Requests for duplicate W-2 forms by employees who are separated from state service, on leave-without-pay, or on seasonal leave are referred to the human resources office of the agency in which the employee was most recently in active status. Agency human resources offices are required to update address records for duplicate forms and submit memoranda to the Division of Finance, Accounting Control Section, to request duplicate W-2 forms for employees. The Division of Finance will not create or mail duplicate W-2 forms until ten calendar days after the date original forms are mailed.

To protect the State from privacy act violations, the Division of Finance will mail or fax duplicate tax forms to an employee's tax accountant or

other designee only when the employee requests such disposition in writing. Unless otherwise indicated, duplicate W-2 forms are returned to the employee's agency human resources offices.

AAM 350.030 W-2c Statement of Corrected Income and Tax Amounts

The Division of Finance issues a W-2c Statement of Corrected Income and Tax Amounts when a payroll warrant is reversed in a year subsequent to the year paid or as a result of other reporting errors. Agency human resources offices must contact the division for corrected tax forms on behalf of their employees.

W-2c forms are issued to employees and forwarded to the SSA to report corrections to earnings and withholdings. Employees use W-2c forms to substantiate income tax filing information. Employers use W-2c forms to substantiate corrected employee earnings and withholdings reported to the IRS. The Division of Finance sends copies B and C of a corrected W-2c form to the employee and copy A to the SSA.

AAM 350.040 1099-R Tax Reporting

The Division of Retirement and Benefits is responsible for issuing 1099-R, Distributions From Pensions, Annuities, Retirement, or Profit Sharing Plans, etc., to every individual who received a retiree benefit payment during any portion of a calendar year. The Division of Retirement and Benefits is also responsible for issuing 1099 forms to any recipient of refunds or lump sum death benefit payments from the Public Employees Retirement System (PERS), Teachers' Retirement System (TRS), Judicial Retirement System (JRS), Elected Public Officers' Retirement System (EPORS), or National Guard Naval Militia Retirement System (NGNMRS) during calendar years 1996 and later. The Division of Retirement and Benefits is responsible for reporting all benefit payments to the IRS. The Division of Finance was responsible for reporting retiree benefit payments for calendar years 1995 and earlier.

AAM 350.050 Duplicate 1099-R

Individuals requesting duplicate 1099-R forms should contact the Division of Retirement and Benefits. The Division of Retirement and Benefits is responsible for issuing duplicate 1099-R forms for retiree benefit payments made in calendar years 1996 and later. The Division of Retirement and Benefits is also responsible for issuing duplicate 1099-R forms to any recipient of refunds or lump sum death benefit payments from the Public Employees Retirement System (PERS), Teachers' Retirement System (TRS), Judicial Retirement System (JRS), Elected

Public Officers Retirement System (EPORS), or National Guard Naval Militia Retirement System (NGNMRS), during any calendar year. The Division of Finance is responsible for issuing duplicate 1099-R forms for retiree benefit payments issued in calendar years 1995 and earlier.

AAM 350.060 Corrected 1099-R

Individuals requesting corrected 1099-R forms should contact the Division of Retirement and Benefits. The Division of Retirement and Benefits is responsible for issuing corrected 1099-R forms for retiree benefit payments made in calendar years 1996 and later. The Division of Retirement and Benefits is also responsible for issuing corrected 1099-R forms to any recipient of refunds or lump sum death benefit payments from the Public Employees Retirement System (PERS), Teachers' Retirement System (TRS), Judicial Retirement System (JRS), Elected Public Officers Retirement System (EPORS), or National Guard Naval Militia Retirement System (NGNMRS) during any calendar year. The Division of Finance is responsible for issuing corrected 1099-R forms for retiree benefit payments issued in calendar years 1995 and earlier. The division responsible for issuing a corrected 1099-R is also responsible for making any necessary reporting corrections with the IRS.

AAM 350.070 Calendar Year-End

The payroll system accumulates federal income and Medicare tax information by calendar year to comply with tax reporting requirements of the IRS. The Division of Finance is responsible for producing tax statements for employees paid through the payroll system. The Payroll Section processes a special year-end supplemental payroll run to correct pay data with tax impact and to update accumulators for online warrants generated for the prior calendar year. This special run must be processed prior to creation of the tax tape that produces yearly tax statements and the data transmittal tape for the SSA.

The special year-end supplemental payroll run is processed in January. Agencies are responsible for processing adjustments to or notifying the Division of Finance of corrections to employee earnings or tax information prior to the special year-end supplemental payroll run.