

Attention!

This form is provided for informational purposes and should not be reproduced on personal computer printers by individual taxpayers for filing. The printed version of this form is a "machine readable" form. As such, it must be printed using special paper, special inks, and within precise specifications.

Additional information about the printing of these specialized tax forms can be found in: Publication 1167, *Substitute Printed, Computer-Prepared, and Computer-Generated Tax Forms and Schedules*; and, Publication 1179, *Specifications for Paper Document Reporting and Paper Substitutes for Forms 1096, 1098, 1099 Series, 5498, and W-2G*.

The publications listed above may be obtained by calling 1-800-TAX-FORM (1-800-829-3676). Be sure to order using the IRS publication number.

DO NOT STAPLE

a Control number		33333		For Official Use Only ▶ OMB No. 1545-0008			
b Kind of Payer ▶	941	Military	943	1 Wages, tips, other compensation		2 Federal income tax withheld	
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3 Social security wages		4 Social security tax withheld	
	CT-1	Hshld.	Medicare govt. emp.				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
c Total number of statements		d Establishment number		5 Medicare wages and tips		6 Medicare tax withheld	
e Employer's identification number				7 Social security tips		8 Allocated tips	
f Employer's name				9 Advance EIC payments		10 Dependent care benefits	
				11 Nonqualified plans		12 Deferred compensation	
				13			
				14			
g Employer's address and ZIP code							
h Other EIN used this year				15 Income tax withheld by third-party payer			
i Employer's state I.D. No.							

Under penalties of perjury, I declare that I have examined this return and accompanying documents, and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature ▶ _____ Title ▶ _____ Date ▶ _____

Telephone number () _____

Form **W-3** Transmittal of Wage and Tax Statements **1997**

Department of the Treasury
Internal Revenue Service

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 25 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the form to this address.

Changes To Note

Household Employers.—All household employers, even those with only one household employee, must file Form W-3 with their 1997 Forms W-2.

Boxes 13 and 14 Eliminated.—Entries are not needed for *Adjusted total social security wages and tips* (formerly box 13) and *Adjusted total Medicare wages and tips* (formerly box 14).

Need Help?

For information about the Information Reporting Call Site, Bulletin Board Services, substitute forms, and how to get forms and publications, see page 1 of the 1997 **Instructions for Form W-2**.

Where To File

Send the entire first page of this form with Copy A of Forms W-2 to:

Social Security Administration
Data Operations Center
Wilkes-Barre, PA 18769-0001

Note: If you use "Certified Mail" to file, change the ZIP code to "18769-0002." Also see **Shipping and Mailing** on page 2 for additional information. If you use a **carrier other than the U.S. Postal Service** to deliver this information, add "1150 E. Mountain Dr." to the address and change the ZIP code to "18769."

a Control number		OMB No. 1545-0008					
b Kind of Payer	941	Military	943	1 Wages, tips, other compensation	2 Federal income tax withheld		
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3 Social security wages	4 Social security tax withheld		
	CT-1	Hshld.	Medicare govt. emp.				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
c Total number of statements	d Establishment number			5 Medicare wages and tips	6 Medicare tax withheld		
e Employer's identification number				7 Social security tips	8 Allocated tips		
f Employer's name				9 Advance EIC payments	10 Dependent care benefits		
YOUR COPY KEEP FOR YOUR RECORDS				11 Nonqualified plans	12 Deferred compensation		
				13			
				14			
				g Employer's address and ZIP code			
h Other EIN used this year				15 Income tax withheld by third-party payer			
i Employer's state I.D. No.							

Form W-3 Transmittal of Wage and Tax Statements 1997

Department of the Treasury
Internal Revenue Service

General Instructions

Purpose of Form.—Use this form to transmit Copy A of Forms W-2. Keep page 2 (Your Copy) and Copy D of Forms W-2 for your records.

Who Must File.—Employers and other payers must file Form W-3 to send Copy A of Forms W-2. Use Form W-3 for the correct year.

If you buy or sell a business during the year, see Rev. Proc. 96-60, 1996-53 I.R.B. 24, for details on who should file the employment tax returns.

A household employer must file a Form W-3 even if only filing a single Form W-2.

A transmitter or sender (including a service bureau, paying agent, or disbursing agent) may sign Form W-3 for the employer or payer only if the sender:

1. Is authorized to sign by an agency agreement (either oral, written, or implied) that is valid under state law; and
2. Writes "For (name of payer)" next to the signature.

If an authorized sender signs for the payer, the payer is still responsible for filing, when due, a correct and complete Form W-3 and related Forms W-2, and is subject to any penalties that result from not complying with these requirements. Be sure the payer's name and employer identification number (EIN) on Forms W-2 and W-3 are the same as those used on the Form 941, 943, or CT-1 filed by or for the payer.

Shipping and Mailing.—If you file more than one type of employment tax form, please group Forms W-2 of the same type and send them in separate groups. See the specific instructions for box b.

Please do not staple or tape Form W-3 to the related Forms W-2. These forms are machine read. Staple holes or tears cause the machine to jam.

If you have a large number of Forms W-2 to send with one Form W-3, you may send them in separate packages. Show your name and EIN on each package. Number them in order (1 of 4, 2 of 4, etc.) and place Form W-3 in package 1. Show the number of packages at the bottom of Form W-3 below the title. If you mail them, you must send them First-Class.

Note: *Extra postage may be necessary if the report you send contains more than a few pages or if the envelope is larger than letter size.*

When To File.—File Form W-3 with Copy A of Forms W-2 by March 2, 1998. You may owe a penalty for each Form W-2 you file late.

Extension To File.—You may request an extension of time to file by sending **Form 8809**, Request for Extension of Time To File Information Returns, to the address shown on that form. You must request the extension before the due date of the returns for your request to be considered. See Form 8809 for more details.

Magnetic Media Reporting.—If you file 250 or more Forms W-2, you must report on magnetic media. You may be charged a penalty if you fail to file on magnetic media when required.

If you are filing Forms W-2 using magnetic media, you will need **Form 6559**, Transmitter Report and Summary of Magnetic Media, and you may also need

Form 6559-A, Continuation Sheet for Form 6559.

If you file on magnetic media, do not file the same returns on paper.

You can get magnetic media reporting specifications by contacting any of the Social Security Magnetic Media Coordinators. Call 1-800-SSA-1213 for the phone number of the coordinator in your area. You may also write to the Social Security Administration, Attn: Resubmittal Unit, 3-E-10 NB, Metro West, P.O. Box 2317, Baltimore, MD 21235 or use the electronic Bulletin Board Systems. See **Bulletin Board Services** on page 1 of the Instructions for Form W-2.

A waiver can be requested on **Form 8508**, Request for Waiver From Filing Information Returns on Magnetic Media. That form must be submitted to the IRS at least 45 days before the due date of the return. Get Form 8508 for filing information.

Making Corrections.—Use **Form W-3c**, Transmittal of Corrected Wage and Tax Statements, to make corrections to a previously filed Form W-3.

Specific Instructions

This form is read by machines, so please type entries if possible. Send the entire first page of this form with Copy A of Forms W-2. Make all dollar entries without the dollar sign and comma but with the decimal point (0000.00).

Note: *Amounts reported on related employment tax forms (W-2, 941, or 943) should agree with the amounts reported on Form W-3. If there are differences, you may be contacted by the IRS and SSA. You should retain your reconciliation for future reference. See **Reconciling Forms W-2, W-3, 941, and 943** on page 3.*

The following instructions are for the boxes on Form W-3. If any entry does not apply to you, leave it blank. Third-party payers of sick pay and employers who use such payers should see **Sick Pay Reporting in Pub. 15-A**, Employer's Supplemental Tax Guide.

Box a—Control number.—This is an optional box that you may use for numbering the whole transmittal.

Box b—Kind of Payer.—Mark the checkbox that applies to you. **Mark only one box.** If you have more than one type of Form W-2, send each type with a separate Form W-3.

941.—Mark this box if you file **Form 941**, Employer's Quarterly Federal Tax Return, and no other category applies.

Military.—Mark this box if you are a military employer sending Forms W-2 for members of the uniformed services.

943.—Mark this box if you file **Form 943**, Employer's Annual Tax Return for Agricultural Employees, and you are sending Forms W-2 for agricultural employees. For nonagricultural employees, send their Forms W-2 with a separate Form W-3.

CT-1.—Mark this box if you are a railroad employer sending Forms W-2 for employees covered under the Railroad Retirement Tax Act (RRTA). **Do not** show employee RRTA tax in boxes 3 through 7. These boxes are **ONLY** for social security and Medicare information. If you also have employees who are subject to social security and Medicare taxes, send each group's Forms W-2 with a separate Form W-3. Mark the 941 box of the Form W-3 used to send the Forms W-2 for employees subject to social security and Medicare taxes.

Hshld.—Mark this box if you are a household employer sending Forms W-2 for household employees.

Medicare government employee.—Mark this box if you are a U.S., state, or local agency filing Forms W-2 for employees subject only to the 1.45% Medicare tax. See **Government Employers in the Instructions for Form W-2** for additional information.

Box c—Total number of statements.—Show the number of completed individual Forms W-2 you are transmitting. Do not count void or subtotal statements.

Box d—Establishment number.—You may use this box to identify separate establishments in your business. You may file a separate Form W-3, with Forms W-2, for each establishment even if they all have the same EIN; or you may use a single Form W-3 for all Forms W-2.

Box e—Employer's identification number.—Enter the nine-digit number assigned to you by the IRS. The number should be the same as shown on your Form 941, 943, or CT-1 and in the following format: 00-0000000. **Do not use a prior owner's EIN.** See **Box h** on this

page. If available, use the label sent to you with Pub. 393 that shows your name, address, and EIN. Place the label at the top of box e in the space provided. Use of the label speeds processing. Make any necessary corrections on the label.

If you do not have an EIN when filing your Form W-3, enter "Applied For" in box e, not your social security number.

Box f—Employer's name.—This entry should be the same as that shown on your Form 941, 943, or CT-1. If available, use the label sent to you with Pub. 393.

Box g—Employer's address and ZIP code.—If available, use the label sent to you with Pub. 393. Make any necessary corrections on the label. Otherwise, enter your address. See **Box e**.

Box h—Other EIN used this year.—If you have used an EIN (including a prior owner's EIN) on Form 941, 943, or CT-1 submitted for 1997 that is different from the EIN reported on Form W-3 in box e, enter the other EIN used. In addition, agents must report the employer's EIN in box h (see the Instructions for Form W-2).

Box i—Employer's state I.D. number.—This number is assigned by individual states where your business is located. You may want to complete this box if you use copies of this form for your state returns. If reporting for two states, keep each I.D. number separated by the broken line.

Boxes 1 through 10.—Enter the totals reported in boxes 1 through 10 on Forms W-2 being transmitted.

Box 11—Nonqualified plans.—Enter the total amounts reported in box 11 on Forms W-2. Do not show a code.

Box 12—Deferred compensation.—Enter the total of the amounts with codes D-H and S reported in box 13 on Forms W-2. The amounts you should report are for 401(k), 403(b), 408(k)(6), 408(p), 457(b), and 501(c)(18)(D) plans. Do not include section 457(f) plans. Do not list each plan separately. Report these amounts as one lump sum on Form W-3 without a code.

Box 15—Income tax withheld by third-party payer.—Complete this box if you have employees who had income tax withheld on third-party payments of sick pay. Show the total income tax withheld by third-party payers on payments to all your employees. Although this tax is included in the box 2 total, it must be separately shown here.

Sick Pay.—Sick pay paid to an employee by a third-party, such as an insurance company or trust, requires special treatment at year end because the IRS reconciles an entity's Forms 941 with the Forms W-2 and W-3 filed. If the third-party payer does not notify the employer about sick pay payments, the third-party payer must prepare Forms W-2 and W-3 with respect to the employee. See Pub. 15-A.

Reconciling Forms W-2, W-3, 941, and 943

When there are discrepancies between amounts reported on Forms 941 or 943 filed with the IRS and Forms W-2 and W-3 filed with the SSA, we must contact you to resolve the discrepancies. This costs time and money, both for the Government and the employer.

To eliminate errors that can cause discrepancies—

1. Report bonuses as wages and as social security and Medicare wages on Forms W-2 and 941/943.
2. Report both social security and Medicare wages and taxes separately on Forms W-2, W-3, and 941/943.
3. Report social security taxes on Form W-2 in the box for social security tax withheld, not as social security wages.
4. Report Medicare taxes on Form W-2 in the box for Medicare tax withheld, not as Medicare wages.
5. Make sure the social security wage amount for each employee does not exceed the annual social security wage base.
6. Do not report noncash wages not subject to social security or Medicare taxes as social security or Medicare wages.
7. If you use an EIN on any quarterly Form 941 for the year (or annual Form 943) that is different from the EIN reported on Form W-3, enter the other EIN in box h on Form W-3.

To reduce the discrepancies between amounts reported on Forms W-2, W-3, and Form 941/943—

1. Be sure the amounts on Form W-3 are the total amounts from Forms W-2.
2. Reconcile Form W-3 with your four quarterly Forms 941 (or annual Form 943) by comparing amounts reported for—
 - Income tax withholding.
 - Social security wages, social security tips, and Medicare wages and tips. Form W-3 should include Form 941 or 943 adjustments only for the current year. If the Form 941c adjustments include amounts for a prior year, do not report those adjustments on the current year Forms W-2 and W-3.
 - Social security taxes and Medicare taxes. The amounts shown on the four quarterly Forms 941 (or annual Form 943), including current year adjustments, should be approximately twice the amounts shown on Form W-3.
 - Advance earned income credit.

Amounts reported on Forms W-2, W-3, and 941/943 may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Keep your reconciliation in case there are inquiries from the IRS or the SSA.

