

CALCULATION GUIDELINES

RECONCILIATION OF GROSS EARNINGS TO FEDERAL TAXABLE WAGES

The amount of Federal Taxable Wages (Wages, Tips, Other Compensation) shown in Box 1 of the **2024** W-2, “Wage and Tax Statement”, may differ from the amount of Gross Earnings received during the calendar year as shown on the “Employee Pay Statement”. Any difference is a result of one or more adjustments to federal taxable wages shown below:

GROSS EARNINGS

As shown on the last Employee Pay Statement for **2024 (12/20 or 12/27)** \$ xxxx.xx

PLUS

- *TAXABLE BENEFIT STATE VEHICLE – For those employees who were permanently assigned State Vehicles and park the vehicle overnight at their residence. (IRS Code Sections 61 and 132)..... xxxx.xx
- *TAXABLE BENEFIT MOVING EXPENSE – For those employees who were reimbursed for taxable moving expenses incurred. (IRS Code Section 132) xxxx.xx
- *TAXABLE BENEFIT PARKING – For those employees who have employer-provided parking more than **\$315.00** per month. (IRS Code Section 132) xxxx.xx
- *TAXABLE BENEFIT GROUP LEGAL SERVICES – For those employees who are provided with an employer-prepaid group legal service. (IRS Code Section 120) xxxx.xx
- *TAXABLE MEAL PAYMENTS AND TRAVEL OT MEAL PAYMENTS (TOM) – If you received a non-overnight meal reimbursement in **2024**, you will be taxed on this payment (IRS Code Section 132). xxxx.xx

MINUS EARNINGS

- *HEART AND LUNG ACT OR ACT 534/632 EARNINGS – Nontaxable Earnings provided by statute in lieu of Workers Compensation benefits..... xxxx.xx
- *INSURANCE PREMIUM PAYMENTS – Amounts paid to an employee for reimbursement of employee-paid medical insurance premium as part of a grievance settlement..... xxxx.xx
- *NONTAXABLE PAYMENTS – Amounts paid to an employee for nontaxable reimbursements and payments. xxxx.xx

MINUS DEDUCTIONS

- *RETIREMENT PICKUP CONTRIBUTIONS (Non-Heart & Lung, or Act 534/632 Earnings). xxxx.xx
- *RETIREMENT SSI PICKUP CONTRIBUTIONS..... xxxx.xx
- *PRE-TAX MEDICAL DEDUCTIONS – (IRS Code Section 125) xxxx.xx
- *NONTAXABLE MAINTENANCE DEDUCTIONS – For those employees who had Nontaxable Maintenance Deductions during the year..... xxxx.xx
- *DEFERRED COMPENSATION DEDUCTIONS – (IRS Code Section 457) xxxx.xx
- *DEPENDENT CARE ASSISTANCE PROGRAM DEDUCTIONS – (IRS Code Section 129) xxxx.xx
- *MEDICAL FLEXIBLE SPENDING ACCOUNT (FSA) – (IRS Code Section 125) xxxx.xx
- *OVERPAYMENT RECOVERY – Taxable overpayments from a prior period reduce current period gross taxable earnings..... xxxx.xx

EQUALS FEDERAL TAXABLE WAGES..... **\$ xxxx.xx**

MISCELLANEOUS INCOME

*MISCELLANEOUS INCOME PAYMENTS – Amounts paid to an employee for a taxable grievance settlement, or a reimbursement of overpaid retirement contribution (IRS Form 1099-MISC)	XXXX.XX
*INTEREST PAYMENTS – Amounts paid to an employee for interest award by a court or arbitrator, or interest on overpaid retirement contribution (IRS Form 1099-INT)	XXXX.XX
*SURVIVOR PAYMENTS – Payments made on behalf of deceased employees to a survivor, beneficiary, or personal representative (IRS Form 1099-MISC)	XXXX.XX