

**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 **2022** 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 last Employee Pay Statement for **2022 (12/23 or 12/30)** \$ 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 in excess of **\$280.00** 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 **2022**, 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