

Completion of IRS

Form W-3

Instructions for completing IRS Form W-3

Church treasurers need to submit a Form W-3 which summarizes all Form W-2s that the church issued to its employees. If you need additional information, you can download the 2009 Instructions for Forms W-2 and W-3 at www.irs.gov.


Form W-3 Overview

DO NOT STAPLE						
33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008		
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2		d Establishment number		5 Medicare wages and tips	6 Medicare tax withheld	
e Employer identification number (EIN)				7 Social security tips	8 Allocated tips	
f Employer's name				9 Advance EIC payments	10 Dependent care benefits	
g Employer's address and ZIP code				11 Nonqualified plans	12 Deferred compensation	
				13 For third-party sick pay use only		
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay		
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax	
				18 Local wages, tips, etc.	19 Local income tax	
Contact person				Telephone number ()	For Official Use Only	
Email address				Fax number ()		

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.

Step One

Box a – Control Number – This is an optional box that the church may use for numbering the whole transmittal.



Control number			For Official Use Only ▶ OMB No. 1545-0008			
b Kind of Payer	<input type="checkbox"/> 941	Military	<input type="checkbox"/> 943	<input type="checkbox"/> 944	1 Wages, tips, other compensation	2 Federal income tax withheld
	<input type="checkbox"/> CT-1	Hshid. emp.	Medicare gov. emp.	Third-party sick pay	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2		d Establishment number		5 Medicare wages and tips	6 Medicare tax withheld	
e Employer identification number (EIN)			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 For third-party sick pay use only			
g Employer's address and ZIP code			14 Income tax withheld by payer of third-party sick pay			
h Other EIN used this year						
15 State	Employer's state ID number		16 State wages, tips, etc.	17 State income tax		
			18 Local wages, tips, etc.	19 Local income tax		
Contact person			Telephone number ()	For Official Use Only		
Email address			Fax number ()			

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.

Step Two

Box b – Kind of payer – A church would check the 941 box.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare gov. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	2 Federal income tax withheld
c Total number of Forms W-2		d Establishment number		3 Social security wages	4 Social security tax withheld
e Employer identification number (EIN)				5 Medicare wages and tips	6 Medicare tax withheld
f Employer's name				7 Social security tips	8 Allocated tips
				9 Advance EIC payments	10 Dependent care benefits
				11 Nonqualified plans	12 Deferred compensation
g Employer's address and ZIP code				13 For third-party sick pay use only	
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay	
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax
				18 Local wages, tips, etc.	19 Local income tax
Contact person		Telephone number ()		For Official Use Only	
Email address		Fax number ()			

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.

Step Three

Box c – Total number of Forms W-2 – Insert the number of completed individual Forms W-2 that is being submitted with this transmittance.



DO NOT STAPLE						
33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008		
b Kind of Payer	<input type="checkbox"/> 941	Military	<input type="checkbox"/> 943	<input type="checkbox"/> 944	1 Wages, tips, other compensation	2 Federal income tax withheld
	<input type="checkbox"/> CT-1	Hshid. emp.	Medicare gov. emp.	Third-party sick pay	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2		d Establishment number		5 Medicare wages and tips	6 Medicare tax withheld	
e Employer identification number (EIN)				7 Social security tips	8 Allocated tips	
f Employer's name				9 Advance EIC payments	10 Dependent care benefits	
g Employer's address and ZIP code				11 Nonqualified plans	12 Deferred compensation	
				13 For third-party sick pay use only		14 Income tax withheld by payer of third-party sick pay
h Other EIN used this year						
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax	
				18 Local wages, tips, etc.	19 Local income tax	
Contact person				Telephone number ()	For Official Use Only	
Email address				Fax number ()		

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.

Step Four

Box d – This box is usually blank for churches.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008		
b Kind of Payer ▶	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld
	CT-1 <input type="checkbox"/>	Hchld. emp. <input type="checkbox"/>	Medicare gov. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2	d Establishment number			5 Medicare wages and tips	6 Medicare tax withheld	
e Employer identification number (EIN)				7 Social security tips	8 Allocated tips	
f Employer's name				9 Advance EIC payments	10 Dependent care benefits	
g Employer's address and ZIP code				11 Nonqualified plans	12 Deferred compensation	
				13 For third-party sick pay use only		14 Income tax withheld by payer of third-party sick pay
h Other EIN used this year						
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax	
				18 Local wages, tips, etc.	19 Local income tax	
Contact person				Telephone number ()	For Official Use Only	
Email address				Fax number ()		

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.

Step Five

Box e – Employer Identification number (EIN)
 – Insert the church’s EIN number.

DO NOT STAPLE

33333		a Control number	For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare gov. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>
c Total number of Forms W-2		d Establishment number		1 Wages, tips, other compensation
e Employer identification number (EIN)				2 Federal income tax withheld
f Employer's name				3 Social security wages
				4 Social security tax withheld
				5 Medicare wages and tips
				6 Medicare tax withheld
				7 Social security tips
				8 Allocated tips
				9 Advance EIC payments
				10 Dependent care benefits
				11 Nonqualified plans
				12 Deferred compensation
				13 For third-party sick pay use only
				14 Income tax withheld by payer of third-party sick pay
g Employer's address and ZIP code				
h Other EIN used this year				
15 State	Employer's state ID number			16 State wages, tips, etc.
				17 State income tax
				18 Local wages, tips, etc.
				19 Local income tax
Contact person		Telephone number ()		For Official Use Only
Email address		Fax number ()		

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.

Step Six

Box f – Employer’s name – Insert the name of the church as it appears on the Form 941.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	2 Federal income tax withheld
c Total number of Forms W-2		d Establishment number		3 Social security wages	4 Social security tax withheld
e Employer identification number (EIN)				5 Medicare wages and tips	6 Medicare tax withheld
f Employer's name				7 Social security tips	8 Allocated tips
				9 Advance EIC payments	10 Dependent care benefits
				11 Nonqualified plans	12 Deferred compensation
				13 For third-party sick pay use only	
				14 Income tax withheld by payer of third-party sick pay	
g Employer's address and ZIP code					
h Other EIN used this year					
15 State	Employer's state ID number		16 State wages, tips, etc.		17 State income tax
				18 Local wages, tips, etc.	19 Local income tax
Contact person		Telephone number ()		For Official Use Only	
Email address		Fax number ()			



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.

Step Seven

Box g – Employer’s address and ZIP code –
Insert the church’s address.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	2 Federal income tax withheld
c Total number of Forms W-2		d Establishment number		3 Social security wages	4 Social security tax withheld
e Employer identification number (EIN)				5 Medicare wages and tips	6 Medicare tax withheld
f Employer's name				7 Social security tips	8 Allocated tips
				9 Advance EIC payments	10 Dependent care benefits
				11 Nonqualified plans	12 Deferred compensation
				13 For third-party sick pay use only	
				14 Income tax withheld by payer of third-party sick pay	
g Employer's address and ZIP code					
h Other EIN used this year					
15 State	Employer's state ID number		16 State wages, tips, etc.		17 State income tax
				18 Local wages, tips, etc.	19 Local income tax
Contact person		Telephone number ()		For Official Use Only	
Email address		Fax number ()			

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.



Step Eight

Box h – Other EIN used this year – Usually this box should remain blank.

DO NOT STAPLE

33333		a Control number	For Official Use Only ► OMB No. 1545-0008			
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare gov. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2	d Establishment number			5 Medicare wages and tips	6 Medicare tax withheld	
e Employer identification number (EIN)				7 Social security tips		8 Allocated tips
f Employer's name				9 Advance EIC payments		10 Dependent care benefits
g Employer's address and ZIP code				11 Nonqualified plans		12 Deferred compensation
				13 For third-party sick pay use only		
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay		
15 State	Employer's state ID number			16 State wages, tips, etc.		17 State income tax
				18 Local wages, tips, etc.		19 Local income tax
Contact person				Telephone number ()		For Official Use Only
Email address				Fax number ()		

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.

Step Nine

Boxes 1 through 10 – Insert the totals from all the individual Forms W-2 into each individual box.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0047			
b Kind of Payer ▶	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld	
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld	
c Total number of Forms W-2		d Establishment number				5 Medicare wages and tips	6 Medicare tax withheld
e Employer identification number (EIN)						7 Social security tips	8 Allocated tips
f Employer's name						9 Advance EIC payments	10 Dependent care benefits
g Employer's address and ZIP code						11 Nonqualified plans	12 Deferred compensation
						h Other EIN used this year	
15 State Employer's state ID number						16 State wages, tips, etc.	17 State income tax
Contact person						18 Local wages, tips, etc.	19 Local income tax
						Telephone number ()	
Email address						Fax number ()	

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.



Step Ten

Box 11 – Nonqualified plans – Insert the total reported in Box 11 on Forms W-2.

DO NOT STAPLE

33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	2 Federal income tax withheld
c Total number of Forms W-2		d Establishment number		3 Social security wages	4 Social security tax withheld
e Employer identification number (EIN)				5 Medicare wages and tips	6 Medicare tax withheld
f Employer's name				7 Social security tips	8 Allocated tips
				9 Advance EIC payments	10 Dependent care benefits
				11 Nonqualified plans	12 Deferred compensation
				13 For third-party sick pay use only	
g Employer's address and ZIP code				14 Income tax withheld by payer of third-party sick pay	
h Other EIN used this year					
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax
				18 Local wages, tips, etc.	19 Local income tax
Contact person				Telephone number ()	For Official Use Only
Email address				Fax number ()	

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.

Step Eleven

Box 12 – Deferred compensation – Enter one total for all amounts reported with codes D through H, S, Y, AA, and BB in Box 12 on Forms W-2. Do not enter a code.

33333				a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	<input type="checkbox"/> 941	Military	<input type="checkbox"/> 943	<input type="checkbox"/> 944	1 Wages, tips, other compensation	2 Federal income tax withheld	
	<input type="checkbox"/> CT-1	Hshld. emp.	Medicare govt. emp.	Third-party sick pay	3 Social security wages	4 Social security tax withheld	
c Total number of Forms W-2	d Establishment number			5 Medicare wages and tips	6 Medicare tax withheld		
e Employer identification number (EIN)				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 For third-party sick pay use only			
g Employer's address and ZIP code				14 Income tax withheld by payer of third-party sick pay			
h Other EIN used this year							
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax		
				18 Local wages, tips, etc.	19 Local income tax		
Contact person				Telephone number ()	For Official Use Only		
Email address				Fax number ()			

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.



Step Twelve

Box 13 – For third-party sick pay use only. This is usually blank for churches.

DO NOT STAPLE						
33333		a Control number		For Official Use Only ► OMB No. 1545-0008		
b Kind of Payer 	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2		d Establishment number		5 Medicare wages and tips	6 Medicare tax withheld	
e Employer identification number (EIN)				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	
				g Employer's address and ZIP code		
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay		
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax	
				18 Local wages, tips, etc.	19 Local income tax	
Contact person				Telephone number ()	For Official Use Only	
Email address				Fax number ()		

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.

Step Thirteen

Box 14 – Income tax withheld by payer of third-party sick pay. This box is usually blank for churches.

DO NOT STAPLE					
33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation
	CT-1 <input type="checkbox"/>	Hshhd. emp. <input type="checkbox"/>	Medicare gov't. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	2 Federal income tax withheld
c Total number of Forms W-2		d Establishment number		3 Social security wages	4 Social security tax withheld
e Employer identification number (EIN)				5 Medicare wages and tips	6 Medicare tax withheld
f Employer's name				7 Social security tips	8 Allocated tips
				9 Advance EIC payments	10 Dependent care benefits
				11 Nonqualified plans	12 Deferred compensation
				13 For third-party sick pay use only	
				14 Income tax withheld by payer of third-party sick pay	
g Employer's address and ZIP code					
h Other EIN used this year					
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax
				18 Local wages, tips, etc.	19 Local income tax
Contact person				Telephone number ()	For Official Use Only
Email address				Fax number ()	

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.

Step Fourteen

Box 15 – State/Employer’s state ID number –
 Insert the state abbreviation and the church’s
 state ID number (different from the EIN).

DO NOT STAPLE

33333		a Control number	For Official Use Only ► OMB No. 1545-0008	
b Kind of Payer	<input type="checkbox"/> 941	Military	<input type="checkbox"/> 943	<input type="checkbox"/> 944
	<input type="checkbox"/> CT-1	Hshld. emp.	Medicare gov. emp.	Third-party sick pay
c Total number of Forms W-2		d Establishment number		1 Wages, tips, other compensation
e Employer identification number (EIN)				2 Federal income tax withheld
f Employer's name				3 Social security wages
				4 Social security tax withheld
				5 Medicare wages and tips
				6 Medicare tax withheld
				7 Social security tips
				8 Allocated tips
				9 Advance EIC payments
				10 Dependent care benefits
				11 Nonqualified plans
				12 Deferred compensation
				13 For third-party sick pay use only
				14 Income tax withheld by payer of third-party sick pay
g Employer's address and ZIP code				
h Other EIN used this year				
15 State	Employer's state ID number			16 State wages, tips, etc.
				17 State income tax
				18 Local wages, tips, etc.
				19 Local income tax
Contact person		Telephone number		For Official Use Only
		()		
Email address		Fax number		
		()		

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.



Step Fifteen

Boxes 16-19 – Insert totals for all state, local, and county amounts from Forms W-2.

DO NOT STAPLE

33333		a Control number			For Official Use Only ▶ OMB No. 1545-0008	
b Kind of Payer	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2		d Establishment number			5 Medicare wages and tips	6 Medicare tax withheld
e Employer identification number (EIN)				7 Social security tips		8 Allocated tips
f Employer's name				9 Advance EIC payments		10 Dependent care benefits
g Employer's address and ZIP code				11 Nonqualified plans		12 Deferred compensation
				13 For third-party sick pay use only		
h Other EIN used this year				14 Income tax withheld by payer of third-party sick pay		
15 State	Employer's state ID number			16 State wages, tips, etc.	17 State income tax	
				18 Local wages, tips, etc.	19 Local income tax	
Contact person				Telephone number	For Official Use Only	
				()		
Email address				Fax number		
				()		

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.

Step Sixteen

Insert name of contact person, a contact phone number, email address, and fax number.

DO NOT STAPLE						
33333		a Control number		For Official Use Only ▶ OMB No. 1545-0008		
b Kind of Payer ▶	941 <input type="checkbox"/>	Military <input type="checkbox"/>	943 <input type="checkbox"/>	944 <input type="checkbox"/>	1 Wages, tips, other compensation	2 Federal income tax withheld
	CT-1 <input type="checkbox"/>	Hshld. emp. <input type="checkbox"/>	Medicare govt. emp. <input type="checkbox"/>	Third-party sick pay <input type="checkbox"/>	3 Social security wages	4 Social security tax withheld
c Total number of Forms W-2		d Establishment number		5 Medicare wages and tips	6 Medicare tax withheld	
e Employer identification number (EIN)			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 For third-party sick pay use only			
			14 Income tax withheld by payer of third-party sick pay			
g Employer's address and ZIP code						
h Other EIN used this year						
15 State	Employer's state ID number		16 State wages, tips, etc.		17 State income tax	
			18 Local wages, tips, etc.		19 Local income tax	
Contact person			Telephone number		For Official Use Only	
			()			
Email address			Fax number			
			()			

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.

Step Seventeen

Below are tips to reduce discrepancies on Forms W-2, Forms W-3, and Forms 941.

For Forms W-2:

- Report bonuses as wages and as social security and Medicare wages on Form W-2 and Form 941.
- Report both social security and Medicare wages and taxes separately on Forms W-2, W-3, and Form 941.
- Report social security taxes withheld on Form W-2 in Box 4, not in Box 3. **Remember that social security taxes are not withheld on pastors.**

Step Seventeen - continued

- Report Medicare taxes withheld on Form W-2 in Box 6, not in Box 5. **Remember that Medicare taxes are not withheld on pastors.**
- Make sure that the social security wage amount for each employee does not exceed the annual social security wage base limit (\$106,800 for 2009).
- Do not report noncash wages that are not subject to social security to Medicare taxes as social security or Medicare wages.
- If you use an EIN on any quarterly Form 941 for the year that is different from the EIN reported in Box e on Form W-3, enter the other EIN in Box h on Form W-3.

Step Seventeen - continued

For Forms W-3 and Forms 941:

- Be sure that the amounts on Form W-3 are the total amounts from Forms W-2.
- Reconcile Form W-3 with your four quarterly Forms 941.
 1. Income tax withholding (Box 2).
 2. Social security wages, Medicare wages and tips, and social security tips (Boxes 3, 5, and 7). Form W-3 should include Form 941 adjustments only for the current year. If the Form 941 adjustments include amounts for a prior year, do not report those prior year adjustments on the current year Forms W-2 and W-3.
 3. Social security and Medicare taxes (Boxes 4 and 6). The amounts shown on the four quarterly Forms 941, including current year adjustments, should be approximately twice the amounts shown on Form W-3.

Step Seventeen - continued

4. Advance EIC (Earned Income Credit) payment (Box 9).
Amounts reported on Forms W-2, W-3, and Forms 941 may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Keep your reconciliation in case of inquiries from the IRS or the SSA.