

W-2C Request Instructions

To obtain a corrected W-2C for an employee, complete the “Request for Corrected W-2 Form” on the Central Payroll website (under the “Year-End Information Header”, <http://www.colorado.gov/dpa/dfp/sco/payroll.htm>). This form must be faxed or mailed to the Central Payroll office, along with a photocopy of the original W-2 for the year of correction. These forms should not be e-mailed, as they contain Social Security Numbers.

For all W-2C requests, the following fields must be completed on the request form:

- Name
 - Name of payroll officer who completed the form
- Phone
 - Phone number of payroll officer
- CPPS ORG Code
 - ORG code for employee whose W-2 requires correction
- Year
 - Year of W-2 that requires correction
- Employee’s Correct Name and Address
- Agency’s Name and Address
- Employee’s CPPS EID
- Employee’s correct SSN
- Reason for request
- Authorized Signature and Date

Additional Fields to Complete Based on W-2C Situation:

Incorrect Name and/or SSN on Original W-2:

- Employee’s incorrect name
 - As printed on original W-2
- Employee’s incorrect SSN
 - As printed on original W-2

Situations That Trigger W-2C’s

Each situation requires different treatment. Please find the applicable situation below, then follow the instructions to complete the W-2C request.

Receipt of Prior Year Workers’ Compensation Checks:

- *Worker’s compensation must be tracked in CPPS. Enter the WKC or WKM in the current year. **Once Central Payroll receives the W-2C Request, an adjustment to correct the current year will be processed.***
- Box 1 – Federal Taxable Gross
 - Original W-2: enter amount from box 1 on employee’s original W-2
 - Correct Info: enter original W-2 amount less the amount of the worker’s compensation check
 - Difference: subtract Original W-2 amount from Correct Info amount
- Box 5 – Medicare Gross (if employee is Medicare-eligible)
 - Original W-2: enter amount from box 5 on employee’s original W-2

- Correct Info: enter original W-2 amount less the amount of the worker's compensation check
- Difference: subtract Original W-2 amount from Correct Info amount
- Box 6 – Medicare Tax (if employee is Medicare-eligible)
 - Original W-2: enter amount from box 6 on employee's original W-2
 - Correct Info: enter 1.45% of Correct Info Medicare Gross
 - Difference: subtract Original W-2 amount from Correct Info amount
- Reason for request
 - Include schedule number that prior year WKC or WKM was entered on
- Employee Signature and Date (if employee is Medicare-eligible)
 - If the employee is Medicare-eligible, he/she will receive a Medicare refund when WKM is entered in CPPS. The employee must sign the W-2C Request to state that he/she will not apply for another Medicare refund from the IRS.

Employee Was Overpaid in Prior Year:

- *A completed overpayment form and payment must be sent with the W-2C request. The overpayment form cannot include deductions for federal, state, or local taxes.*
 - *If the employee does not sign the W-2C request, do not include GTN 036 on the overpayment form.*
- *Only the employee's Medicare gross and tax will be affected. The employee's federal and state taxable grosses will not be reduced, as IRS taxes are based on cash receipt. As the employee received the pay in the prior year, it remains taxable for that year. In the current year, the employee may claim a deduction or tax credit for the repayment of wages (direct employee to Repayments section in IRS Publication 525 for details).*
- *If the employee is not Medicare-eligible, only the overpayment needs to be processed. No W-2C is required.*
- Box 5 – Medicare Gross
 - Original W-2: enter amount from box 5 on employee's original W-2
 - Correct Info: enter Medicare gross per the overpayment form
 - Contact Central Payroll for assistance with this calculation
 - Difference: subtract Original W-2 amount from Correct Info amount
- Box 6 – Medicare Tax
 - Original W-2: enter amount from box 6 on employee's original W-2
 - Correct Info: enter 1.45% of Correct Info Medicare Gross
 - Difference: subtract Original W-2 amount from Correct Info amount
- Employee Signature and Date
 - If the employee is Medicare-eligible, he/she will receive a Medicare refund through the overpayment process.
 - If the employee does not sign the W-2C request, GTN 036 should not be included on the overpayment form.

Employee was Incorrectly Coded as Medicare-Ineligible; Should Collect Medicare Tax:

- *Contact Central Payroll – Tax Desk to receive instruction on updating the Medicare status, notifying the employee, and calculating Medicare gross and tax for prior years.*

- *Current year Medicare tax will be collected from current pay via adjustments entered by Central Payroll.*
- *Prior year Medicare tax should be collected from the employee. Employee can write the agency a check, or agency can enter one-time deductions to GTN 101 on current payrolls.*
- *Only the last three years can be corrected per the IRS.*
- Payment of employee and state shares of Medicare tax must be sent with the W-2C request.
 - Fund 100, Agency 998, Balance Sheet Account 2216
- Box 5 – Medicare Gross
 - Original W-2: enter amount from box 5 on employee’s original W-2 (should be \$0.00)
 - Correct Info: enter calculated Medicare gross for the year
 - Difference: same as Correct Info
- Box 6 – Medicare Tax
 - Original W-2: enter amount from box 6 on employee’s original W-2 (should be \$0.00)
 - Correct Info: enter 1.45% of Correct Info Medicare Gross
 - Difference: same as Correct Info

Employee was Incorrectly Coded as Medicare-Eligible; Should Refund Medicare Tax

- *Contact Central Payroll – Tax Desk to receive instruction on updating the Medicare status and notifying the employee.*
- *Current year Medicare tax refund will be processed through current payroll via adjustments entered by Central Payroll.*
- *Prior year Medicare tax will be refunded to the agency on an IT, and to the employee with a warrant. The warrant will be included with the completed W-2Cs, and sent to the agency for distribution.*
- *Only the last three years can be corrected per the IRS.*
- Include IT coding for agency refund with W-2C request.
- Box 5 – Medicare Gross
 - Original W-2: enter amount from box 5 on employee’s original W-2
 - Correct Info: \$0.00
 - Difference: same as Original W-2
- Box 6 – Medicare Tax
 - Original W-2: enter amount from box 6 on employee’s original W-2
 - Correct Info: \$0.00
 - Difference: same as Original W-2
- Employee Signature and Date
 - If the employee does not sign the W-2C request, the W-2Cs will be processed but the employee will not receive a Medicare tax refund for the prior year(s).