



# University of Massachusetts

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**To:** UMass President's Office employees  
**From:** Barbara Cevallos, Assistant Vice President and University Controller  
**Re:** 2018 Tax Reporting  
**Date:** January 17, 2019

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This memo provides an explanation of some of the information for the 2018 Form W-2, Wage and Tax Statement. Employees who consented to receive their W2s electronically will not receive a printed form. An email will be sent to consented employees notifying them when W2s are accessible online. W2s are expected to be available in the HR Direct system starting on January 18.

For **federal** tax purposes, the following pre-tax benefits are excluded from the gross taxable federal wages in **Box 1 (Wages, Tips, Other Compensation)** on the employee's Form W-2:

- certain contributions to the Commonwealth Retirement Plan (SERS)
- contributions to the Optional Retirement Program (ORP)
- contributions to the 401(a) Gap Plan
- contributions to the Dependent Care Assistance Plan (DCAP)
- contributions to the 457(b) Deferred Compensation Plan (excluding the After Tax contributions to the 457(b) Roth Plan reported in Box 12EE)
- contributions to the 403(b) Elective Deferral Savings Plan (excluding the After Tax contributions to the 403(b) Roth Plan reported in Box 12BB)
- certain contributions to the Pre-Tax Parking and Transit Pass Programs
- certain payments of Health Insurance Premiums
- contributions to Health Care Saving Account (HSCA) and Health Care Saving Account Fee (HCSAF).

For **Massachusetts state** tax purposes, the following pre-tax benefits are excluded from the gross taxable state wages in **Box 16 (State Wages, Tips, etc.)** on the employee's Form W-2:

- contributions to the 401(a) Gap Plan
- certain contributions to the Dependent Care Assistance Plan (DCAP)
- contributions to the 457(b) Deferred Compensation Plan (excluding the After Tax contributions to the 457(b) Roth Plan reported in Box 12EE)
- contributions to the 403(b) Elective Deferral Savings Plan (excluding the After Tax contributions to the 403(b) Roth Plan reported in Box 12BB)
- certain contributions to the Pre-Tax Parking and Transit Pass Programs
- certain payments of Health Insurance Premiums
- contributions to Health Care Saving Account (HSCA)
- contributions to Health Care Saving Account HCSA Fee (HCSAF)

Generally, state wages (Box 16) are higher than federal wages (Box 1) because contributions to SERS and ORP are excluded from federal wages, but not from state wages. State wages include the value of tuition and fee waivers for graduate level courses for employee dependents.

Box 12DD displays the cost of employer-provided group health insurance. This is for informational purposes only and has no effect on your grosses or taxes. If there are more than five entries in Box 12, or more than four entries in Box 14, a second W-2 will print with only that information.

**Box 14 Codes** (if applicable) are as follows for 2016:

14O – Health Care Spending Account (with HCSA Fee)	14W – Qualified Transit/Parking
14S – Personal Use Auto	14X – Post-Tax Retirement
14T – Housing Allowance	14Y – Pre-Tax Retirement
14V – Pre-Tax Parking	14Z – Pre-Tax Health Insurance

**Note to foreign employees about 1042-S Forms:**

If you are an employee who claimed exemption from income tax withholding based on a tax treaty, your exempt treaty wages will be reported on a 1042-S form. Your taxable wages (if applicable) will be reported on a W-2 form. If you were not a U.S. citizen or U.S. resident for some portion of the tax year and you received a vendor payment or certain scholarships and awards (outside of payroll), you may receive one or more 1042-S forms.

The 1042-S forms will be delivered to the foreign employees separately from the W-2 forms. They are scheduled to be distributed by March 15, 2019 in accordance with IRS requirements.

**Please contact Chrissy Flagg ([CLFlagg@umassp.edu](mailto:CLFlagg@umassp.edu)) or Nicole Tirella ([ntirella@umassp.edu](mailto:ntirella@umassp.edu)):**

1. to obtain a reprint of your Form W-2 if your copy is misplaced or lost. You can do this yourself if you have access to the PeopleSoft self-service panel,
2. to obtain a Form W-2C (Statement of Corrected Income and Tax Amounts) if your name, social security number or any of the information reported on Form W-2 is incorrect, or
3. for information about the contents of specific boxes on Form W-2, or if you have any additional questions.

Thank you –  
Barbara