

W-2 News and More

January 2009

BASIC W-2 NEWS

Payroll is working on finalizing W-2s. The W-2 forms will be available on BannerWeb no later than January 31st. Employees will be notified by email when the forms are available on-line. Read "Consenting to Electronic W-2" on p. 2 for information on how to consent to this option.

For those who opt to receive the W-2 in paper form, those W-2s will be mailed to the permanent address on record, postmarked no later than January 31st.

ALERT! Employees who claimed "exempt" on Federal Form W-4 for Tax Year 2008 need to read "Review Your Withholding" on Page 2.

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Electronic W-2s - Fast, Easy and Secure

University of Richmond employees may choose to receive their W-2 statements online through the BannerWeb system. An employee who consented to receive Form W-2 via BannerWeb last year does not need to complete the consent again. First-time consentors must provide consent via BannerWeb to receive all future W-2 statements only in electronic format.

There are multiple benefits to receiving an electronic Form W-2:

- Earlier access to the Form W-2.
- No possibility an employee's Form W-2 might be lost, stolen, delayed or misplaced by the U.S mail service or by the employee, once received.
- Access is available at the same easy-to-use, secure web site at which an employee can access his/her wage and general account information.
- Access can be attained even if the employee is not presently at his/her residence, for example, if participating in a University foreign program.
- Multiple levels of security, including the employee's ID number and personally chosen PIN number, protect all information within the BannerWeb System.

Turn to page 2 for more information on how to receive your W-2 electronically.



Direct Deposit

We encourage all employees to take advantage of direct deposit, thus you will not have to worry about waiting on the mail, inclement weather or making a special trip to the bank to deposit your check.

A direct deposit authorization form is easily submitted to the Payroll Office in order to have your direct deposit begin.

The direct deposit authorization form is available to download from our webpage or please feel free to stop by our office (Maryland Hall G-13) to pick up a form.

Consenting to Electronic W-2

So you want to receive your W-2 as soon as possible without worrying about mail delays— complete the consent to receive your W-2 electronically via BannerWeb! In order to ensure that you do not receive your W-2 in paper format, complete the consent on BannerWeb no later than January 16th.

Employees who consented for previous tax years do not need to consent again unless a written request to revoke consent had been sent to the Payroll Office.

In order to indicate your consent:

Log into BannerWeb. If you are a

first-time BannerWeb user, you will need to call the Help Desk, at 289-6400, to receive an initial PIN.

At the Main Menu, click Employee.

Then, click on Tax Forms.

Finally, click on Electronic W-2 Consent.

On the Electronic Consent form, please read the required disclosure statements. Then click the box to indicate your consent, and click on Submit at the bottom of the page.

There will not be a confirmation message that the submit was suc-

cessful. If you wish to double check, return to the employee menu ,re-enter into Tax Forms, then Electronic W-2 Consent, and confirm that the consent box is checked.

Employees who consented for previous tax years do not need to consent again.

You are done! You can exit the form.

You will receive an email notification from Payroll when your W-2 is available on BannerWeb. W-2 Forms will be available no later than January 31st.

Review your W-4 Tax Withholding Status- Exempt filers must submit new form

This is a good time of year to review the number of allowances that you are currently claiming on your federal W-4 form and your state withholding form. If you need to make a change to marital status and/or number of allowances you are claiming, you can download the appropriate forms from <http://>

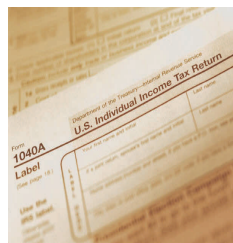
controller.richmond.edu/payroll/forms.htm. If you claimed “exempt” on your W-4 form for the tax year 2008, you **must** file a new form W-4 for tax year 2009 by February 15th. If Payroll does not receive a new tax form

from you by the deadline, we are required to change your withholding allowances to the default status of single with 1 allowance.

If you claimed “exempt” on your W-4 form for the tax year 2008, you must file a new form W-4 for tax year 2009 by February 15th.

What is Taxable Gross?

“Taxable Gross” is the amount of earnings and benefits you have received that are subject to taxation. Your taxable gross can be less than your total gross if you take advantage of any pre-tax benefits such as health insurance, retirement, medical reim-



bursment, dental, disability, and dependent care reimbursement. The amounts deducted from your checks for these benefits reduce your taxable income. The figure that appears in Box 1 of your W-2 is your federal taxable

gross. This figure is your yearly income less all reductions from your pay, (retirement, health, dental, etc.) Your state taxable gross found in Box 15 should be the same as your federal taxable gross figure. Social Security and Medicare Taxable Wages found in W-2 boxes 3 and 5

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Printing your Electronic W-2

Printing your W-2 from BannerWeb is very easy. There are a few things to be aware of; so, you should follow these directions closely the first time you print.

Log into BannerWeb.

At the Main Menu, click on Employee.

On the Employee menu, click on Tax Forms.

Then click on W-2 Year End Earnings Statement.

On the "Select W-2" page, make sure that the appropriate tax year has defaulted in. Then click on Display.

Your year end earnings statement information will display. **DO NOT PRINT THIS SCREEN.** Scroll to the bottom of the page and click the print button.

The printable format of Form W-2 will display on the

screen. Before printing, select "landscape" as the directional format for printing, and then print your W-2. You may need to print multiple copies for federal, state, and local taxes.

If you experience any problems, please call Payroll at 289-8171 for assistance.



Who's on First?

The Payroll Office has had some staff changes this past year. Shelle Flowers has been promoted to Payroll Supervisor, and we welcomed a new staff member, Courtney Kos. Sharon Condrey's role has changed from Payroll Manager to Director of Tax Compliance and Payroll.

Questions for the Payroll Office should be directed to Courtney,

Alisia, or Shelle. Questions can also be emailed to:

payroll@richmond.edu.

Primary responsibilities are as follows:

Alisia Jones Stone ext 8170 —
Monthly Payroll Processing

Courtney Kos ext 6077 —Student

and Biweekly Staff Payroll Processing

Shelle Flowers ext 8171—wage orders and problem resolution.

Questions regarding tax compliance can be directed to Sharon Condrey, ext 8828.

What is Taxable Gross? , cont.

...continued from pg 2.

will differ from the Box 1 figure in the amount of retirement withheld for the year. Retirement deductions do not reduce taxable income for Social Security and Medicare taxation.



If you have any questions about your W-2, please call the Payroll Office at 804-289-8171 for assistance. The Payroll Office can only provide answers to questions about the information in the W-2. We cannot provide advice for completing tax returns .

You should consult a professional tax advisor if you require additional assistance with filing.

UR PAYROLL OFFICE

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Phone: 804-289-8171
Fax: 804-287-6080
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Payroll Staff

Alisia Jones Stone, Payroll Specialist ext 8170

Courtney Kos, . Payroll Specialist ext 6077

Shelle Flowers, Payroll Supervisor ext 8171

We're on the Web!
http://
controller.richmond
.edu/payroll/

Do you need to update your address?

It is especially important for an employee opting to receive a paper W-2 to provide the University with a his or her most current address. Updates to your address can be made on BannerWeb or sent to HR in writing. Student Employees will need to notify the Registrar's Office of address changes. Updates to addresses should be made by January 20th to ensure mailing of the W-2 to the correct address.

Tuition Remission–Tax Consequences

Tuition Remission is a wonderful benefit. However, when it is used for credit courses taken after the individual has received an undergraduate degree, be careful of the tax consequences.

An employee with an undergraduate degree and enrolled in classes is subject to taxation for the tuition remission amount exceeding \$5,250 for the calendar year. If the employee's spouse/same sex domestic partner is receiving tuition remission and is the holder of an undergraduate degree, the entire amount of the tuition remission in a calen-

dar year is taxable income.

The taxable portion of the benefit amount is added to your taxable income over a series of paychecks and the additional tax is withheld.

Many employees are surprised at the amount of additional tax that is withheld because of this benefit amount. The tax rate on the benefit will vary based on each individual's tax circumstances (annual salary, number of allowances, etc.) It will range from 23.4% to 48.4% of the benefit amount. The breakdown of tax withholdings is as follows:

Federal Tax 10 - 35% based upon your tax bracket. (The addition of the tuition benefit could change your tax bracket.)

Fica Medicare 1.45%

Fica OASDI 6.2%

Va tax generally 5.75%

We are providing this information so that you can plan your personal budgets for affected months accordingly. You may wish to consult with your tax advisor regarding adjusting your Federal form W-4 and your Virginia Va-4 form because of the tax consequences of this benefit.

