

UNDERSTANDING YOUR 2023 W-2

Box 1-Wages, tips, and other compensation. This amount is your YTD Gross Pay **LESS** health/dental/vision insurance; and Health Care Spend; Box 10 - Dependent care benefits; Box 12 – Code E 403(b) and Code G 457(b); Box 14 - Retirement/pension; **PLUS** Box 12 – Code C tax cost for group-term life insurance coverage over \$50,000. The amounts are found on your final 2023 pay stub and your W-2.

Box 3-Social security wages (maximum \$160,200). This amount is your YTD Gross Pay **LESS** health/dental/vision insurance; and Health Care Spend; Box 10 - Dependent care benefits; **PLUS** Box 12 – Code C tax cost for group-term life insurance coverage over \$50,000. The amounts are found on your final 2023 pay stub and your W-2.

Box 5-Medicare wages and tips (no maximum). This amount is your YTD Gross Pay **LESS** health/dental/vision insurance; and Health Care Spend; Box 10 - Dependent care benefits; **PLUS** Box 12 – Code C tax cost for group-term life insurance coverage over \$50,000. The amounts are found on your final 2023 pay stub and your W-2.

Box 10-Dependent care benefits - deduction for 2023.

Box 12-Adjustments to wages (amounts added/subtracted).

Code C Taxable cost of group-term life insurance over \$50,000. The taxable cost of the life insurance premium for more than \$50,000. Coverage is paid by HCPSS.

Code E Elective deferrals under a section 403(b) salary reduction agreement. Deductions are exempt from federal and Maryland income taxes. Non-Maryland residents should check the income tax regulations for their states.

Code G 457(b) Elective deferrals to any 457(b) deferred compensation plan. Deductions are exempt from Federal and Maryland income taxes.

Code DD Cost of employer-sponsored health coverage. The amount reported with Code DD is not taxable.

Code EE Roth Designated Roth contributions under a governmental section 457(b) plan. The amount reported with Code EE is a post tax deduction and does not reduce taxable wages.

Box 13-Retirement plan. This box will be marked if you were an “active” participant in the retirement/pension plans during any part of the calendar year, or if you had 403(b) or 457(b) deductions.

Box 14-Other (amounts added/subtracted from gross wages).

Code FRINGE – Auto allowance/commuting tax has been included in your YTD Gross Pay.

Code STPICKUP - State Retirement/Pension Employee Contribution has been subtracted from gross wages in box 1 only. This data is being provided for information purposes only. The amount shown has already been deducted from Box 1—Wages, tips, other compensation.

District of Columbia, Pennsylvania, Virginia, West Virginia residents only:

Code STPICKUP displays employee contributions, if any, to the state retirement/pension systems.

Maryland residents only:

Code STPICKUP Maryland state retirement pickup amount \$X,XXX.XX. If you are a member of the retirement/pension systems and are receiving a *Maryland W-2*, the display of this item is for the Maryland State Income Tax Division. While this amount is deferred for federal purposes, it is not for the state of Maryland. The Maryland state income tax return requires federal adjusted gross income to be used as a starting point. The state pickup amount is added back to gross income at a different point within your Maryland state income tax return.

Box 16—State Wages, Tips, etc.

Maryland, District of Columbia, Virginia, and West Virginia Residents: Although an amount is shown, these states/district annual income tax forms require the federal adjusted gross income from your completed federal income tax form to be used as the starting point to obtain the required state/district starting gross income data.

Pennsylvania residents: The W-2s will display a state gross amount in Box 16 because Pennsylvania taxable income regulations do not adhere to federal regulation.

Box 17-State income tax: State and local income tax withholdings have been added together to obtain total taxes and are displayed in Box 17.

Important Information:

- W-2 totals are based on the calendar year
- Final pay stubs are based on the calendar year
- Your “Compensation” shown in Workday is based on fiscal year.
- Your “Compensation” shown in Workday is your gross base and any additional allowance plans. Please note this does not reflect other types of wages that would be included in your taxable wages.