

District Business and Advisory Services

Judy Lee Kershaw, Director, DBAS: 408-453-6599

Bulletin: 17-013

Date: November 15, 2016

To: District Fiscal Directors
District Payroll and Personnel Directors

From: Judy Lee Kershaw, Director-DBAS
Ann Jones, Interim Chief Business Officer

Re: 2016 Calendar Year *W-2 Employee Wage and Tax Statements*

This bulletin provides important deadline information for the 2016 Calendar Year End Payroll Processing. District Business and Advisory Services (DBAS) will produce the annual *W-2 Employee Wage and Tax Statements* for all Santa Clara County dependent district employees with taxable wages in 2016. In addition, 2016 wage and tax data will be electronically transmitted by DBAS to the Social Security Administration (SSA) as part of the annual W-2 production process. Districts do not need to submit a *Form W-3* for the W-2s to be produced in QCC.

W-2s are created based on final year-to-date data in QCC. During December, as DBAS staff reconciles this data and identifies discrepancies, we will need the support of the districts working with their assigned DBAS Advisory teams to resolve any errors. Any corrections will need to be processed during December for timely production of the W-2 forms.

Occasionally, there are a variety of year-end “additional compensation” transactions that may require special processing in order to be included on the W-2. DBAS staff will reach out to district staff to work through these items. Generally, Internal Revenue Service (IRS) publication 15-B requires that all fringe benefits be reported as taxable compensation unless specifically excluded by law. A copy of the latest Publication 15-B is attached for reference.

Important Deadlines

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| • December End of Month Payroll Close | December 12, 2016 | 5:00 pm |
| • Group Term Life Insurance (GLI) change cutoff | December 15, 2016 | 5:00 pm |
| • Other Non GLI W-2 change cut off | December 15, 2016 | 5:00 pm |
| • W2 Processing by DBAS | December 27, 2016 through January 20, 2017 | |
| • W2-C Forms due from Districts | February 3, 2017 | 5:00 pm |

This bulletin and its attachments are not intended as tax advice, but included as background information on the W-2 reporting requirements.

Attachment A – *IRS Publication 15-B for 2016*

Attachment B – *2016 Year W-2 changes Group Life Insurance Form*

Attachment C – *2016 Year W-2 changes other Non GLI Form*

Attachment D – *2016 Calendar Year W-2 Employee Wage and Tax Statement Guide*

Please distribute this information within your District as deemed appropriate.