



District Business and Advisory Services

Bulletin: 26-011

Date: November 4, 2025

To: District Directors of Fiscal Services
District Human Resources and Payroll Managers

From: Susan Ady, Director - District Business Services
Dennis Loo Supervisor-Payroll, Taxes and Retirement

Re: 2025 Calendar Year *W-2 Employee Wage and Tax Statements*

This bulletin provides important information for the 2025 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 2025. In addition, 2025 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 QSS (Quintessential School Systems).

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 support from the districts to resolve any errors. Corrections will need to be processed during December for the timely production of the W-2 forms. **The last day to make employee address changes will be January 13, 2026.**

As a reminder, districts should record Group Term Life Insurance (GLI) payments in the QSS payroll system on a monthly basis to ensure proper withholding of applicable taxes as premiums are paid, using voluntary deduction code 8999. The last opportunity to enter the cumulative GLI excess premiums in the QSS system will be **December 12, 2025, if not properly withheld in each payroll period**. If required corrections or other updates are not completed by December 12, 2025, districts will be responsible for issuing supplemental W-2 Correction Forms and a per transaction error correction fee of \$50 may apply.

Occasionally, there are a variety of year-end “additional compensation” transactions that may require special processing 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 linked [here](#) for your reference.

Important Deadlines

• December payroll cancellations	December 15, 2025, by 10:00 am
• December End of Month Payroll Close	December 12, 2025, by 5:00 pm
• Group Term Life Insurance (GLI) correction cutoff	December 12, 2025, by 5:00 pm
• Other Non-GLI W-2 correction cutoff	December 12, 2025, by 5:00 pm
• W-2 Processing by DBAS	December 30, 2025, through January 21, 2026
• W-2 Employee address changes	January 13, 2026, by 5:00 pm
• W2-C Forms due from the Districts, if needed	February 6, 2026, by 5:00 pm

This bulletin and its attachments are not intended as tax advice but are included as background information on the W-2 reporting requirements and to coordinate the processing of W-2s. You can find the DBAS bulletin website and attachments here:

<https://www.sccoe.org/depts/bizserv/DBAS/Pages/bulletins.aspx>

<https://www.sccoe.org/depts/bizserv/DBAS/Pages/forms.aspx>

Attachment Excel – 2025 Year W-2 changes Group Life Insurance Form/2025 Year W-2 changes other Non-GLI Form

Please distribute this memo within your District as deemed appropriate.