Santa Clara County Office of Education
Dr. David M. Toston, Sr.
County Superintendent of Schools

Bulletin
For Santa Clara School Districts

District Business and Advisory Services

Bulletin: 27010

Date: November 2, 2026

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

From: Reema Popli, Director - District Business Services
Dennis Loo, Supervisor- Payroll, Taxes and Retirement

Re: 2026 Calendar Year *W-2 Employee Wage and Tax Statements*

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 2026. In addition, 2026 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, 2027.**

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 11, 2026, if not properly withheld in each payroll period.** If required corrections or other updates are not completed by December 11, 2026, 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 14, 2026, by 10:00 am
• December End of Month Payroll Close	December 11, 2026, by 5:00 pm
• Group Term Life Insurance (GLI) correction cutoff	December 11, 2026, by 5:00 pm
• Other Non-GLI W-2 correction cutoff	December 11, 2026, by 5:00 pm
• W-2 Processing by DBAS	December 30, 2026, through January 21, 2027
• W-2 Employee address changes	January 13, 2027, by 5:00 pm
• W2-C Forms due from the districts, if needed	February 5, 2027, by 5:00 pm

County Board of Education: Maimona Afzal Berta, Victoria Chon, Raeena Lari, Jorge Pacheco Jr, Don Rocha, Jessica Speiser, Tara Sreekrishnan

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 – 2026 Year W-2 changes Group Life Insurance Form/2026 Year W-2 changes other Non-GLI Form

Please distribute this memo within your District as deemed appropriate.