

W-2 Reporting

Year-end is fast approaching, and we want to remind you about information that requires reporting on W-2s.

For S Corporations, health insurance paid by the corporation for a greater than 2% owner must be added to W-2s as compensation. The amount added is not subject to FICA, Medicare or FUTA taxes.

The cost of providing group term life insurance **in excess of \$50,000** is taxable compensation to the employee. Use the following table to calculate the cost to include in taxable income.

Age of Employee	Cost per 1,000 of protection per month
under 25	\$ 0.05
25 to 29	0.06
30 to 34	0.08
35 to 39	0.09
40 to 44	0.10
45 to 49	0.15
50 to 54	0.23
55 to 59	0.43
60 to 64	0.66
65 to 69	1.27
70 or over	2.06

If you provide a company-owned or company-leased vehicle to an employee, and there is any personal use, the value of the personal use should be reported on W-2s. If you need assistance with this calculation, please contact our office.