



The Kentucky Division of Social Security

...leading the way

Local Edition

<http://sssa.state.ky.us>

Payroll Tax Seminars to Cover New Forms W-2 and W-3

New IRS Rep for Kentucky on Agenda

CERS Participating for First Time

2001--A Payroll Tax Odyssey is the title of the Kentucky Division of Social Security's education outreach seminars scheduled for October. The Internal Revenue Service, the Social Security Administration and other agencies from the Commonwealth of Kentucky are included on the agenda of about 20 seminars that will be held at various locations across the state.

Local government payroll officials and finance officers are the targets for the seminars which will cover numerous topics related to federal employment tax withholding, social security coverage and wage reporting.

Patrick L. Doyle, director of the DOSS, said he expects a large turnout for each of the seminars. "The 2001 Forms W-2 and W-3 have been completely redesigned and this is a chance for local governments to become familiar with the new reporting forms," he said.

Topics to be covered during the morning session of the seminars include:

Forms W-2 and W-3 Update and Reporting
What to Expect During an IRS Audit
Employer Perspective with the County Employees Retirement System
Who is covered for social security and medicare
Fringe Benefits
Employee or Contractor
Department for Local Government Accounting Standards

For the first time, the afternoon session will be dedicated solely for a discussion on 403(b) annuity plans for education agencies and the law changes for the 457 deferred compensation plans.

A list of the schedule and locations of the seminars begins on page 2 and are also listed on a calendar on the DOSS web site at: <http://sssa.state.ky.us>

These seminars are approved for CPE and CEU credits.

Please contact the Division of Social Security at 502/564-3952 to register for the seminar nearest you.

2001: A PAYROLL TAX ODYSSEY

Payroll seminars for Kentucky's governmental employers will feature presentations by the Division of Social Security, the Internal Revenue Service, the Social Security Administration, the County Employees Retirement System and the Department for Local Government. Please note the seminar listed for your county. Due to space considerations, please try to attend that seminar. If, however, you are unable to attend that particular session you may attend one at another location. All sessions will begin at 8:45 a.m.

Date	City	Location	Counties
Monday October 1	Somerset	The Center for Rural Development 2292 US 27 South 606/677-6000	Casey, Clinton, Lincoln, McCreary, Pulaski, Russell, Wayne
Tuesday October 2	London	Cumberland Valley ADD Office 342 Old Whitley Rd 606/864-7391	Clay, Jackson, Laurel, Rockcastle, Whitley
Wednesday October 3	Pineville	Pine Mountain State Resort Park Ray Harm Room 606/337-3066	Bell, Harlan, Knox
Thursday October 4	Hazard	Holiday Inn 200 Dawahare Dr 606/435-1170	Breathitt, Knott, Lee, Leslie, Letcher Owsley, Perry
Friday October 5	Prestonsburg	Holiday Inn 1887 US 23 N 606/886-0001	Floyd, Johnson, Magoffin, Martin, Pike, Wolfe
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Monday October 8	Burlington	Ellis Cooperative Extension Center 6028 Camp Ernst Rd (corner of KY 18 & Camp Ernst Rd) 859/586-6101	Boone, Campbell, Gallatin, Grant, Kenton, Pendleton
Tuesday October 9	Maysville	Mason Co Justice Center District Court Room 100 West 3rd St 606/564-4340	Bracken, Fleming, Lewis, Mason, Nicholas, Robertson
Wednesday October 10	Ashland	Ashland Plaza Hotel 1 Ashland Plaza 606/329-0055	Boyd, Carter, Elliott, Greenup, Lawrence
Thursday October 11	Mt Sterling	Montgomery Co Health & Civic Ctr 108 East Locust St 859/498-8743	Bath, Menifee, Montgomery, Powell, Rowan
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Monday October 15	Owensboro	Executive Inn Rivermont One Executive Blvd 270/926-8000	Daviess, Hancock, Henderson, McLean, Ohio

Date	City	Location	Counties
Tuesday October 16	Mayfield	Purchase ADD Office 1002 Medical Dr 270/247-7171	Ballard, Calloway, Carlisle, Fulton, Graves, Hickman, McCracken, Marshall
Wednesday October 17	Marion	Fohs Hall 143 North Walker St 270/965-4055	Caldwell, Crittenden, Livingston, Lyon, Union
Thursday October 18	Hopkinsville	Pennyrile ADD Office 300 Hammond Dr 270/886-9484	Christian, Trigg, Todd
Friday October 19	Madisonville	Days Inn 1900 Lantaff Blvd 270/821-8620	Hopkins, Muhlenberg, Webster
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Monday October 22	LaGrange	Oldham Co Convention Ctr 1551 North KY 393 502/225-0655	Carroll, Henry, Oldham, Shelby, Spencer, Taylor
Tuesday October 23	Frankfort	Capitol Annex Bldg Room 129 Capital Ave 502/564-3952	Anderson, Boyle, Franklin, Harrison, Mercer, Owen, Scott, Washington, Washington, Woodford
Wednesday October 24	Lexington	Ramada Inn & Conference Ctr 2143 North Broadway 859/299-1261	Bourbon, Clark, Estill, Fayette, Garrard, Jessamine, Madison
Thursday October 25	Louisville	University of Louisville Shelby Campus Founders Union Room FU-218A 502/852-8571	Jefferson
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Monday October 29	Columbia	Courthouse Annex 424 Public Square, Suite 1 270/384-4703	Adair, Cumberland, Green, Metcalfe, Monroe, Taylor
Tuesday October 30	Bowling Green	Barren River ADD Office 177 North Graham Rd 502/781-2381	Allen, Barren, Butler, Edmonson, Logan, Simpson, Warren
Wednesday October 31	Elizabethtown	Pritchard Community Ctr 404 South Mulberry St 270/765-5551	Breckinridge, Bullitt, Grayson, Hardin, Hart, LaRue, Marion, Meade Nelson

You may contact the Division of Social Security for more information at 502/564-3952 or by e-mail at Pat.Doyle@mail.state.ky.us

Forms W-2 and W-3 Changes for 2001

Form W-2, Copy A has been resized and reformatted to enable more accurate scanning of data and to delete boxes no longer needed. The changes to Form W-2, Copy A include:

- Increased form width to 8.5 inches
- Reformatted employee's name in box e into a separate box for the first name and another box for last name
- Enlarged boxes for money amounts, adding shading and dollar signs
- Deleted former box 12 (Benefits included in Box 1)
- Reformatted former box 13 (new box 12) for four entries
- Deleted "Deceased," Legal Rep." and "Deferred compensation" checkboxes in new box 13 (formerly box 15)
- Relabeled "Pension plan" checkbox in new box 13 as "Retirement plan"
- Added checkbox for "Third-party sick pay" in new box 13
- Relocated "Locality name," "Local wages, tips, etc." and "Local income tax" boxes (formerly boxes 19-21)

Form W-3 has been resized and reformatted to enable more accurate scanning of data and to enable the reporting of additional information. The changes are:

- Increased form width to 8.5 inches
- Enlarged boxes for money amounts, adding shading and dollar signs
- Added a checkbox for "Third-party sick pay" in box b (Kind of Payer)
- Moved former box 15 and renumbered it as box 14
- Added a new box 15 for state identification
- * Added boxes 16-19 for summary totals of state/local wages and withheld taxes
- Reformatted and enlarged contact person information boxes

How to File Wage Reports

There are three methods of filing wage reports with the Social Security Administration--electronically, magnetic media and paper.

Electronic Filing

Employers filing any number of wage reports may choose to file electronically. This method offers this advantages of immediate confirmation of receipt, reduced handling costs and an extended filing period.

To file electronically, one must register with SSA for a pin and password. SSA will verify the information and issue the password by mail.

The SSA's Online Wage Reporting Service provides a quick and easy way to electronically submit Forms W-2. Filing electronically offers the advantage of immediate confirmation of receipt, reduced handling costs and an extended filing period. Employers can also check the status of data submissions, send and electronic message to SSA and download file compression and file verification software. Beginning January 7, 2002, small employers with ten or fewer employees can file wage reports for tax year 2001 using the new OWRS feature titled *W2 Online*. The *W2 Online* process will format the wage report from W-2 data and prepare printable versions of the W-2 and W-3.

Magnetic Media Filing

Under the law, employers who file 250 or more Forms W-2 must file them on magnetic media or electronically. SSA accepts the following magnetic media for W-2 reporting:

- 3.5 inch diskettes
- .5 inch magnetic tape
- 3480/3480E cartridges
- 3490/3490E cartridges

If an employer chooses to prepare and file their own W-2s on magnetic media, the requirements found in SSA's Publication MMREF-1 must be followed. The MMREF-1 is available on the DOSS web site at ssa.state.ky.us.

One must register to file magnetic media reports for the tax year 2001. Registration can be completed via telephone at 1 (800) 772-6270 or on the SSA web site at www.ssa.gov/employer/esohome.htm.

Paper Filing

Employers filing fewer than 250 W-2s have the option of filing either electronically, via magnetic media or on paper. Instructions for preparing annual Forms W-2 and W-3 can be found in the IRS's tax year 2000 instructions or on the DOSS web site.

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