

# 9

## Employer Taxes, Payments, and Reports

### STUDY GUIDE QUESTIONS

#### PART 1 True/False

For each of the following statements, circle T if the statement is true and F if the statement is false.

- |   |   |   |
|---|---|---|
| T | F | 1. Companies must furnish their employees with W-2 forms by April 15.   |
| T | F | 2. The payroll Tax Expense account handles the unemployment taxes as well as the employer's and employee's FICA taxes.  |
| T | F | 3. Form 941 is completed for times a year.  |
| T | F | 4. The times for making deposits of FICA taxes and employees' income taxes withheld depend strictly on the number of employees involved.  |
| T | F | 5. Form 940 is an annual tax return that relates to federal unemployment tax.   |
| T | F | 6. A premium for workers' compensation insurance is paid at the beginning of the year.  |
| T | F | 7. The state unemployment tax is determined by multiplying the net amount as shown in the payroll register by the state unemployment tax rate.  |
| T | F | 8. The federal unemployment tax is paid by the employer only.   |
| T | F | 9. If the Unemployment Taxable Earnings column of the payroll register is blank, this indicates that the employee has cumulative earnings for the calendar year of more than the maximum unemployment taxable income. |
| T | F | 10. Form W-4 is submitted to the Internal Revenue Service along with copies of the employees' W-2 forms.  |

#### PART 2 Completion—Language of Business

Complete each of the following statements by writing the appropriate word(s) in the spaces provided.

1. The second \_\_\_\_\_ of the year consists of the months of April, May, and June.
2. \_\_\_\_\_ provided an employee with his or her total earnings and tax deductions.
3. Employers' reports submitted to the Internal Revenue Service all must contain the \_\_\_\_\_.

4. The \_\_\_\_\_ account is used to record the employer's matching portion of the FICA tax, the federal unemployment tax, and the state unemployment tax.
5. \_\_\_\_\_ is used to provide benefits for employees injured on the job.
6. Form \_\_\_\_\_ is submitted to the Social Security Administration accompanied by copies of W-2 forms.
7. \_\_\_\_\_ is the Employer's Quarterly Federal Tax Return.

### PART 3 Completing Form W-2

Complete the Form W-2 provided for June Clara Perkins. Perkins is employed by Barclay Company, 1620 Hampton Place, Boston, Massachusetts 02116. Barclay Company's federal employer identification number is 72-1162127, and its state identification number is 42-6916. The following information is taken from Perkins's Individual Earnings Record. Her address is 2219 Henderson Street, Boston, Massachusetts 02121. Her Social Security number is 561-24-5229. During the year, Perkins earned \$34,218.42. Her withholdings were as follows: federal income tax, \$3,716.22; state income tax, \$1,780.04; Social Security tax withheld, \$2,121.54; Medicare tax withheld, \$496.17.

a Control number		22222		Void <input type="checkbox"/>		For Official Use Only ▶ OMB No. 1545-0008							
b Employer identification number				1 Wages, tips, other compensation		2 Federal income tax withheld							
				\$		\$							
c Employer's name, address, and ZIP code				3 Social security wages		4 Social security tax withheld							
				\$		\$							
				5 Medicare wages and tips		6 Medicare tax withheld							
				\$		\$							
d Employee's social security number				7 Social security tips		8 Allocated tips							
				\$		\$							
e Employee's first name and initial		Last name		9 Advance EIC payment		10 Dependent care benefits							
				\$		\$							
f Employee's address and ZIP code				11 Nonqualified plans		12a See instructions for box 12							
				\$		\$							
				13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b							
				14 Other		\$							
12c		\$		12d		\$							
15 State		Employer's state ID number		16 State wages, tips, etc.		17 State income tax		18 Local wages, tips, etc.		19 Local income tax		20 Locality name	
				\$		\$		\$		\$			
				\$		\$		\$		\$			

Form **W-2** Wage and Tax Statement (99) 20\_\_ Department of the Treasury—Internal Revenue Service  
**Copy A For Social Security Administration**—Send this entire page with Form W-3 to the Social Security Administration; photocopies are **not** acceptable. For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.  
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