

2025 W-2 Questions and Answers: For Agency Payroll Offices

NEW 2025 INFO REGARDING OVERTIME REPORTING - OBBBA

1) The following questions and answers are just a few examples of what may be asked regarding this newly passed bill regarding the premium Overtime reporting. If there are additional questions, please reach out to our agency for help.

You can also view the IRS document regarding this Bill by clicking the link at the end of this section.

Q1: Why does the W2 Box 14 OBBBTT total not match the pay stub totals for overtime?

- **A1 .** The One Big Beautiful Bill ([OBBBA](#)) [deduction](#) applies *only* to the extra half-time pay (the "premium") of the standard time-and-a-half overtime rate, not the entire overtime payment. The calculation is as follows:

Total Premium OT = (Total Premium Overtime Hours Worked) × (Regular Rate of Pay × 0.5)

****The Federal government deems “the .5” as premium overtime.**

Q2: Which overtime earnings codes count as premium overtime in the calculation?

- **A2.** Premium overtime is defined as earnings that are included in the FLSA calculation that is calculated at the federal FLSA rate of 1.5%

This limits the earnings codes to:

- **OFO (Time and a Half OT FLSA)**
- **QOF (Q FLSA Overtime)**
- **QFL (Q104 FLSA Overtime)**

*While there are other types of 1.5% overtime, those specific earnings codes are related to contractual overtime, which is State of CT specific and falls outside of the Federal FLSA scope.

Q3: Does double time overtime or overtime that is more than 1.5 count included on the W2 in Box 14 OBBBTT?

- **A3:** No, Premium overtime is defined as earnings that are included in the FLSA calculation that is calculated at the federal FLSA rate of 1.5%

Again, this limits the earnings codes to:

- **OFO (Time and a Half OT FLSA)**
- **QOF (Q FLSA Overtime)**
- **QFL (Q104 FLSA Overtime)**

Q4: If the Annual Cap for premium overtime annual deduction is 12,500 for single filers and 25,000 for married individuals filing jointly, why is the dollar amount on the W2 Box 14 OBBBTT more than the annual Cap?

- **A4.** Employers were instructed to enter the full calculated premium overtime amount in Box 14 OBBBTT and not limit the Box 14 OBBBTT amounts to the Cap totals.

Q5: Can an employee receive a detailed report of what Box 14 OBBBT totals are in terms of total hours by the earnings codes?

- **A5:** Yes, OSC will be providing the agencies with detailed spreadsheets that contain the Box 14 OBBBT employee level hours detail. This spreadsheet is limited to the agencies that report their employees OT in hours using the correct FLSA earnings codes:
 - **OFO (Time and a Half OT FLSA)**
 - **QOF (Q FLSA Overtime)**
 - **QFL (Q104 FLSA Overtime)**

Q6: If an employee believes they earned 1.5 FLSA overtime as defined by the OBBBA that is not included on their W2 Box 14 OBBBT they should contact their employing agency.

- **A6.** If the employing agency did not pay the overtime using the correct premium overtime code or paid the overtime as a flat amount instead of using the number of hours worked times the hourly rate, it is possible that the amount is not listed on Box 14 OBBBT on the W2. Under these two scenarios, the agency will need to provide the employee with the correct premium overtime amount to enter on their tax return.

Q7: Does the amount listed on the W2 Box 14 OBBBT reflect the income phase-out calculation as defined in the OBBBA?

- **A7** No, the deduction is reduced if the employee's Modified Adjusted Gross Income (MAGI) exceeds certain thresholds:
 - \$150,000 for single filers.
 - \$300,000 for married individuals filing jointly.
 - The deduction is reduced by \$100 for every \$1,000 their MAGI exceed the threshold.

Only the employee's tax preparer can determine their MAGI and reduce the OBBBA deduction by \$100 for every \$1000 in which the MAGI exceed the threshold.

Q8: If an employee works at a legislative branch agency and had OFO overtime this year, why would their W2 not have a Box14 OBBBT amount included on it?

- **A8 Legislative Management, Comm on Equity and Opportunity and Comm Women, Children & Seniors are exempt from the OBBBA and cannot claim an overtime deduction per § 553.12 Exclusion for employees of legislative branches:**

(a) Section 3(e)(2)(C) of the Act provides an exclusion from the definition of the term "employee" for individuals who are not subject to the civil service laws of their employing agencies and are employed by legislative branches or bodies of States, their political subdivisions or interstate governmental agencies.

<https://www.irs.gov/newsroom/one-big-beautiful-bill-provisions#collapseCollapsible1763157518210>

2) Are there employee-level instructions regarding how to view W-2's, update W-2 consent status's, add/update email addresses and home/mail addresses?

Yes, the employee-level instructions are posted under the following URL: <http://www.core-ct.state.ct.us/selfservice/payroll/Default.htm>

3) If an employee has security questions regarding how to access Core-CT, who do they call?

The employee should contact the agency's security liaison for questions about this. Here is a link to a list of security liaisons for each state agency:

http://www.core-ct.state.ct.us/security/hrms_liaison_list.asp

4) An employee is asking why our department id and employee id is listed on the second address line in the envelope window of the W-2. Why is this information listed here?

This information is for employees who received a printed W-2 in the mail from OSC. The Department/employee id info allows OSC to forward any returned W-2's to agencies due to an outdated employee-level mailing address.

5) If an employee requires a W-2 correction (W-2c), will the W-2c be available via the self-service page?

Yes, the W-2c will be available to both the agency and the employee via the self-service page (assuming the employee has Core-CT self-service access)

<https://www.core-ct.state.ct.us/selfservice/payroll/Default.htm>

6) An employee revoked his/her consent to have electronic W-2 forms via W-2 consent page in Core-CT. When attempting to save the Core-CT consent page change, the employee is receiving a message that says he/she does not have a preferred email address and will not receive email confirmations. How can the employee correct this to ensure they will receive electronic messages?

Within the Employee Self Service Page of Core-CT is a tile to view the employee's personal details information. This tile has the option for the employee to update personal information including their preferred email address.

The Core-CT website contains a self-service section with employee level instructions.

<https://www.core-ct.state.ct.us/selfservice/payroll/Default.htm>

7) The social security number listed on the employees' W-2 is not correct. What should the agency do to have this corrected?

The agency should send an email to osc.payroll@ct.gov to have this corrected.

8) An employee is questioning why his/her Box 1 Federal wages do not match the Box 3 Social Security wages, or Box 5 Medicare wages? What is the reason for this?

Certain deduction codes are subject to Federal tax but not Social Security or Medicare taxes: (example: Nontaxable medical deduction codes). Agencies may look at the employee's year-to-

date deductions and look for the 'nontaxable deduction codes'. The difference between the Federal wage and Social Security wage or Medicare wage should match the nontaxable deduction YTD total(s).

9) If we have an employee who is teaching part time but has retired from state service will their W-2 be available online? Does the state create one W-2 which includes their pension and part time earnings?

The employee will receive a 1099-R for his/her retirement wages, and a W-2 for his/her teaching wages. The W-2 is available to agencies online and available to the employee if he/she has self-service access to Core-CT. SERS retirees can now view their 1099-R's via the Retiree Portal <https://retirees.ct.gov>.

10) How far back can W-2's have corrections issued (W-2c's)?

The IRS Statute of Limitations rule is three years, three months, and fifteen days (for FICA/Medicare corrections per section 205(c)(1) of the Social Security Act (also called 42 U.S.C. 405)). Adjustments cannot be made to correct Federal or State wages and taxes on any prior year corrections.

11) Why are the employee amounts on the W-2 more than the employee was expecting here at my agency?

Most likely answer: The employee worked more than one job during the W-2 calendar year (example: full time employee at one agency, part time lecturer at one of the state colleges/universities). Employees receive one W-2 at the end of the year regardless of how many active jobs the employee has worked. Core-CT is configured to print multiple checks for multiple jobs (record #'s) but maintains a single set of wage/tax balances (a single W-2 is issued).

12) What is the amount listed in Box 14Y (414H)?

Annual employee level combined before-tax retirement contribution totals.

13) What is the oldest year the agency can request an employee W-2 re-print from OSC?

Calendar year 1990. Agency payroll offices may view and reprint W-2's for calendar years 2011 through the current year. W-2's prior to 2011 must be requested by agencies via the following link: <http://www.core-ct.state.ct.us/hr/w2/request.htm>

14) Can the Comptrollers' Office (SPTM) refund prior year state or federal taxes for employees?

No, once the calendar year is closed, only FICA/Medicare can be refunded and/or adjusted for employees via the W-2c process (generally, 3 years is the farthest we can go back and refund/adjust for SS/Medicare per section 205(c)(1) of the Social Security Act (also called 42 U.S.C. 405)). Additional information regarding repayment of prior year taxes and/or the Statute of

Limitations can be found in IRS Publication 525. <https://www.irs.gov/pub/irs-prior/p525--2024.pdf> see Page 37 (No new 2025 publ 525 currently on IRS page)

See Page 14 of [2025 General Instructions for Forms W-2 and W-3](#)

If the repayment was for a prior year, you must file Form W-2c with the SSA to correct only social security and Medicare wages and taxes and furnish a copy to the employee. Do not correct "Wages, tips, other compensation" in box 1, or "Federal income tax withheld" in box 2, on Form W-2c. Also do not correct any Additional Medicare Tax withheld on the repaid wages (reported with Medicare tax withheld in box 6) on Form W-2c.

15) Why is the "Total Gross YTD" column on the employee's pay/advice stub not equal to my Federal Wage (Box 1) on the employee's W-2?

Box 1 (Federal Wage) on the W-2 is total wages minus pre-tax deductions (year to date). Employee's pre-tax deduction year-to-date totals are also listed on employees check/advice stubs. In addition, if employees have been paid non-taxable earnings during the calendar year, these earnings **are** included in their total gross on their check/advice stub but **are not** included on their W-2 (as these earnings are non-taxable).

16) One of my employees received two W-2's from the Comptroller Office, what should I do?

If an employee has more than the allowable number of items listed on their W-2, two W-2's will be produced, to allow for ALL items to be used for filing. (Be sure to tell employees to use BOTH W-2's when filing their taxes.

17) What does Box 12 DD "Cost of Employer Sponsored Health Coverage" represent and why is it on the W-2?

The total amount in Box 12 DD represents the aggregate employee and employer share medical costs as well as the aggregate employer prescription cost (for Core-CT users, the eligible plan types are: 10, 15, 1A, 1B). This amount is not inclusive of dental costs. The reason(s) this amount is included on the W2 can be found under the following IRS URL:

<https://www.irs.gov/newsroom/employer-provided-health-coverage-informational-reporting-requirements-questions-and-answers>

or **Section 6051(a)(14)** provides generally that the aggregate cost of applicable employer-sponsored coverage (as defined in § 49801(d)(1)) must be reported on Form W-2.

18) I have a part-time professor/instructor/rehired retiree working for our agency and I cannot view their W-2 consent page or their W-2 electronically. How will I produce a W-2 reprint if the employee calls our agency payroll office?

Retirees who are re-employed or working as part-time professors/instructors should receive their W-2 in the mail directly from OSC. Please make sure to communicate the importance of keeping their Core-CT address current to ensure the employees receive their W-2 in the mail. If agencies do not have access to an employee's electronic W-2 record, they should send an email

to osc.payroll@ct.gov and request a reissue (indicating the reissue request is due to a re-employed retiree).

19) What happens to employees who retire after the W-2 process is run by OSC? How will the e-W-2 employees who can no longer access Core-CT receive their W-2's if they are not printed by OSC?

Before these employees officially retire, agencies should ask the employees to log-in to Core-CT and change their e-W-2 consent status from "electronic W-2" to a "printed W-2". Agencies should include the job aid link in the communication:

<http://www.core-ct.state.ct.us/selfservice/payroll/Default.htm>

If for some reason it is not possible to communicate this information to the employee and the agency cannot access the employee's e-W-2 record, the agency may send an email to osc.payroll@ct.gov and request a reissue (indicating the reissue request is due to a retired employee who can no longer access Core-CT and the agency is not able to view the employee's Core-CT e-W-2).

20) Employees are calling questioning why their W-2 earnings are lower this year compared to last year when their pay was not reduced. What is the reason for the lower W-2 earnings this year?

The reason for the lower W-2 earnings is most likely due to the increase in the Retiree Health Fund (OPEB, OPE2) and/or Benefit Deductions for the current calendar year. Agencies should review the employee's pre-tax deductions year-to-date and calculate the difference between the current calendar year and last year.

21) Why does the employee Social Security Number on their W-2 form only show the last four digits?

Per IRS, employers may now mask the employees' SSN and only provide the last four digits on employee copies of the W-2 form. The masked SSN is an important change to help protect any potential identity theft related issues. If requested by an employee, agencies may access the full SSN view of the W2 by unchecking the "Mask SSN" check box within the View W-2/W-2c Forms path in CORE for the specific emplid. After unchecking the "Mask SSN" box, then click on the Year End Form link to view the W2 with full SSN for the employee.

Any additional questions from agencies may be sent to osc.payroll@ct.gov