

Employer's Quarterly Federal Tax Return

American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands

▶ See Circular SS for more information concerning employment tax returns.

OMB No. 1545-0029

Name (as distinguished from trade name)

Date quarter ended

Trade name, if any

Employer identification number

Address (number and street)

City, state, and ZIP code

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| T |
| FF |
| FD |
| FP |
| I |
| T |

If address is different from prior return, check here ▶

IRS Use

| | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|
| 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | | | | | |
| 5 | 5 | 5 | 6 | 7 | 8 | 8 | 8 | 8 | 8 | 8 | 9 | 9 | 9 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |

If you do not have to file returns in the future, check here ▶ and enter date final wages paid ▶

If you are a seasonal employer, see **Seasonal Employers** on page 2 and check here ▶

Complete for First Quarter Only

1 Number of employees (except household) employed in the pay period that includes March 12th **1**

2-5

| | | | | | |
|--|----|--|------------------|-----------|--|
| 6a Taxable social security wages | \$ | | × 12.4% (.124) = | 6a | |
| b Taxable social security tips | \$ | | × 12.4% (.124) = | 6b | |
| 7 Taxable Medicare wages and tips | \$ | | × 2.9% (.029) = | 7 | |
| 8 Total social security and Medicare taxes (add lines 6a, 6b, and 7) | | | | 8 | |
| 9 Adjustment of social security and Medicare taxes (see instructions for required explanation) | | | | 9 | |
| Sick Pay \$ _____ ± Fractions of Cents \$ _____ ± Other \$ _____ = | | | | 9 | |
| 10 Adjusted total of social security and Medicare taxes (line 8 as adjusted by line 9—see instructions). This should equal line 17, col. (d), below or line D of Schedule B (Form 941) | | | | 10 | |

11-13

14 Total deposits for quarter, including overpayment applied from prior quarter, from your records **14**

15 **Balance due** (subtract line 14 from line 10). See instructions **15**

16 **Overpayment**, if line 14 is more than line 10, enter excess here ▶ \$ _____ and check if to be:
 Applied to next return, or Refunded.

- **All filers:** If line 10 is less than \$500, you need not complete line 17 or Schedule B (Form 941).
- **Semiweekly schedule depositors:** Complete Schedule B (Form 941) and check here ▶
- **Monthly schedule depositors:** Complete line 17, columns (a) through (d), and check here. ▶

17 Monthly Summary of Federal Tax Liability.

| (a) First month liability | (b) Second month liability | (c) Third month liability | (d) Total liability for quarter |
|---------------------------|----------------------------|---------------------------|---------------------------------|
| | | | |

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature ▶

Print Your Name and Title ▶

Date ▶

Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 7 hr., 54 min.; **Learning about the law or the form**, 6 min.; **Preparing and sending the form to the IRS**, 14 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the tax form to this address. Instead, see **Where To File** below.

Important Reminders

Federal Tax Deposits by Electronic Funds Transfer (EFT).—Generally, taxpayers whose total deposits of withheld income, social security, and Medicare taxes during calendar year 1993 or 1994 exceeded \$47 million are required to deposit all depository taxes due after 1995 by electronic funds transfer (EFT). TAXLINK, an electronic remittance processing system, must be used to make deposits by EFT. Taxpayers who are not required to make deposits by EFT may voluntarily participate in TAXLINK. For more details on TAXLINK, call the toll-free TAXLINK HELPLINE at 1-800-829-5469.

Social Security Wage Base for 1996.—Stop withholding social security tax after an employee reaches \$62,700 in taxable wages.

Household Employees.—New rules apply to the reporting and payment of employment taxes for household employees. See page 4 for details.

General Instructions

Purpose of Form.—Use this form to report social security and Medicare taxes for workers in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.

Circular SS explains which employers and employees are liable for social security and Medicare taxes. Circular SS also discusses the types of payments (including tips and taxable fringe benefits) defined by law as “wages,” the computation and deduction of employee tax, how to adjust errors, and other facts employers need to know to comply with the law. See **Pub. 15-A**, Employer’s Supplemental Tax Guide, for information on sick pay paid by third-party payers.

Who Must File.—If you have one or more employees, you must file a return for the first quarter in which you pay wages subject to social security and Medicare taxes, and for each quarter thereafter. Use Form 941-SS if your principal place of business is in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, or the U.S. Virgin Islands, or if you have employees who are subject to income tax withholding for these jurisdictions.

Once you have filed a return, a preaddressed Form 941-SS will be sent to

you every 3 months. If the form fails to reach you, request one in time to file.

Seasonal Employers.—Seasonal filers are not required to file for quarters when they regularly have no tax liability because they have paid no wages. To alert the IRS that you will not have to file a return for one or more quarters during the year, check the Seasonal employer box above line 1 on page 1. The IRS will mail you two Forms 941-SS once a year after March 1. The preprinted label will not include the date the quarter ended. **You must enter the date the quarter ended when you file the return.** The IRS will generally not inquire about unfiled returns if at least one taxable return is filed each year. However, you must check the Seasonal employer box on every quarterly return you file. Otherwise, the IRS will expect a return to be filed for each quarter.

Note: *If you go out of business or stop paying wages, file a final return. Be sure to fill in the entries above line 1. You may also file Forms W-2AS, W-2GU, W-2CM, or W-2VI with the Social Security Administration (SSA) now, but not later than February 28, 1997.*

When To File.—A return must be filed for each quarter of the calendar year, as follows:

| Quarter | Ending | Due Date |
|-----------------|----------|----------|
| Jan.-Feb.-Mar. | March 31 | April 30 |
| Apr.-May-June | June 30 | July 31 |
| July-Aug.-Sept. | Sept. 30 | Oct. 31 |
| Oct.-Nov.-Dec. | Dec. 31 | Jan. 31 |

However, if the return shows timely deposits in full payment of the taxes due for the entire quarter, the return may be filed on or before the 10th day of the 2nd month following the quarter. If the due date for filing a return falls on a Saturday, Sunday, or legal holiday, you may file the return on the next business day.

Where To File.—Internal Revenue Service Center, Philadelphia, PA 19255.

Where To Obtain Forms.—

American Samoa.—U.S. Internal Revenue Service, c/o Treasurer, Government of American Samoa, Suite 111, Pago Plaza, Pago Pago, AS 96799.

Guam.—Department of Revenue and Taxation, Government of Guam, Building 13-1 Mariner Avenue, Tiyjan Barrigada, GU 96913.

Commonwealth of the Northern Mariana Islands.—Administrator, CNMI Social Security System, Saipan, MP 96960.

U.S. Virgin Islands.—V.I. Bureau of Internal Revenue, 9601 Estate Thomas, Charlotte Amalie, St. Thomas, VI 00802. Employers in the U.S. Virgin Islands can now use a toll-free number, 1-800-829-1040, to contact the IRS.

Employer Identification Number (EIN), Name, and Address.—Use the preaddressed Form 941-SS mailed to you. If you lose it, request another.

If you are liable for social security and Medicare taxes and have not applied for an EIN, file with your Internal Revenue Service Representative a **Form SS-4**, Application for Employer Identification Number, available upon request. Do not show your social security number on forms calling for an EIN.

If you do not have an EIN by the time a return is due, write “Applied for” and the date you applied in the space shown for the number. If you do not have a number by the

time a tax deposit is due, send your payment to the Internal Revenue Service Center where you file your returns. Make it payable to the Internal Revenue Service and show on it your name (as shown on Form SS-4), address, kind of tax, period covered, and date you applied for an EIN. For more information about an EIN, see **Pub. 583**, Starting a Business and Keeping Records.

Note: *Always make certain that the EIN on the form you file matches the EIN assigned to your business by the IRS. Filing a Form 941-SS with an incorrect EIN or using another business’ EIN may result in penalties and delays in processing your return.*

Forms W-2AS, W-2GU, W-2CM, W-2VI, and W-3SS.—By January 31, furnish Forms W-2AS, W-2GU, W-2CM, or W-2VI to employees who worked for you the previous year.

By the last day of February, send Copy A of all Forms W-2AS, W-2GU, W-2CM, and W-2VI issued for the previous year to the SSA. Send them with Copy A of Form W-3SS to the Social Security Administration, Data Operations Center, Wilkes-Barre, PA 18769.

By the last day of February, send Copy 1 of all Forms W-2AS with Copy 1 of Form W-3SS to the American Samoa Tax Office, Government of American Samoa, Pago Pago, AS 96799.

We will mail you a Form W-3SS during the fourth quarter as part of Circular SS. If you do not receive it or if you file a final return on Form 941-SS before the end of the year, get Form W-3SS from the Internal Revenue Service Representative or the Service Center. When you file a final return with the IRS, also file a final Form W-3SS.

Penalties and Interest.—There are penalties for filing a return late and paying or depositing taxes late, unless reasonable cause is shown for the delay. If you are late in doing any of these, attach an explanation to your return.

There are also penalties for (1) willful failure to file returns and pay taxes when due, (2) furnish Forms W-2AS, W-2GU, W-2CM, or W-2VI to employees and file copies with the SSA, (3) keep records, (4) deposit taxes when required, and (5) for filing false returns or submitting bad checks. Interest is charged on taxes paid late at the rate set by law. See Circular SS for additional information.

Caution: *A trust fund recovery penalty may apply where social security and Medicare taxes that should be withheld are not withheld or are not paid to the IRS. Under this penalty, certain officers or employees of a corporation, employees of a sole proprietorship, or certain members or employees of a partnership become personally liable for payment of the taxes and are penalized an amount equal to the unpaid taxes. See section 11 of Circular SS for more details.*

Special Instructions for Employers of Agricultural and Household Employees

Agricultural Employees.—Agricultural wages must be reported on **Form 943**, Employer’s Annual Tax Return for Agricultural Employees, and not on Form 941-SS. An agricultural employer should ask the Internal Revenue Service Representative to have his or her name placed on the mailing list to receive Form 943.

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▶ See Circular SS for more information concerning employment tax returns.

Name (as distinguished from trade name)

Date quarter ended

Trade name, if any

Employer identification number

Address (number and street)

City, state, and ZIP code

**YOUR
COPY**

If you do not have to file returns in the future, check here and enter date final wages paid ▶ _____
 If you are a seasonal employer, see **Seasonal Employers** on page 2 and check here

Complete for First Quarter Only

| | | | | | | | |
|--------------|--|----|--|------------------|-----------|--|--|
| 1 | Number of employees (except household) employed in the pay period that includes March 12th | | | | 1 | | |
| 2-5 | | | | | | | |
| 6a | Taxable social security wages | \$ | | × 12.4% (.124) = | 6a | | |
| b | Taxable social security tips | \$ | | × 12.4% (.124) = | 6b | | |
| 7 | Taxable Medicare wages and tips | \$ | | × 2.9% (.029) = | 7 | | |
| 8 | Total social security and Medicare taxes (add lines 6a, 6b, and 7) | | | | 8 | | |
| 9 | Adjustment of social security and Medicare taxes (see instructions for required explanation) . Sick Pay \$ _____ ± Fractions of Cents \$ _____ ± Other \$ _____ = | | | | 9 | | |
| 10 | Adjusted total of social security and Medicare taxes (line 8 as adjusted by line 9—see instructions). This should equal line 17, col. (d), below or line D of Schedule B (Form 941) | | | | 10 | | |
| 11-13 | | | | | | | |
| 14 | Total deposits for quarter, including overpayment applied from prior quarter, from your records | | | | 14 | | |
| 15 | Balance due (subtract line 14 from line 10). See instructions | | | | 15 | | |
| 16 | Overpayment , if line 14 is more than line 10, enter excess here ▶ \$ _____ and check if to be: <input type="checkbox"/> Applied to next return, or <input type="checkbox"/> Refunded. | | | | | | |

- **All filers:** If line 10 is less than \$500, you need not complete line 17 or Schedule B (Form 941).
- **Semiweekly schedule depositors:** Complete Schedule B (Form 941) and check here
- **Monthly schedule depositors:** Complete line 17, columns (a) through (d), and check here.

17 Monthly Summary of Federal Tax Liability.

| (a) First month liability | (b) Second month liability | (c) Third month liability | (d) Total liability for quarter |
|---------------------------|----------------------------|---------------------------|---------------------------------|
| | | | |

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature ▶

Print Your Name
and Title ▶

Date ▶

Household Employees.—Social security and Medicare taxes apply for each employee to whom an employer pays cash wages of \$1,000 or more in a calendar year for domestic service in a private home. Payments for household services are exempt from social security and Medicare taxes if performed by an individual who is under age 18 during any portion of the calendar year, unless this is the principal occupation of the employee.

If you are a sole proprietor and file Form 941-SS for business employees, you may include your household employees on it. Otherwise, employment taxes for household employees will be reported on your individual income tax return for wages paid after 1994. See Circular SS and **Pub. 926**, Household Employer's Tax Guide, for more information.

How To Make Deposits

Use **Form 8109**, Federal Tax Deposit Coupon, to deposit your taxes. See Circular SS for information and rules about Federal tax deposits.

Do not use the deposit coupons to pay delinquent taxes for which you have received a notice from the IRS. These payments should be sent directly to your Internal Revenue Service Center along with a copy of any related notice the IRS sent you.

Specific Instructions

Reconciliation of Forms 941-SS and W-3SS.—Certain amounts reported on the four quarterly Forms 941-SS for 1996 should agree with the Form W-2AS, W-2GU, W-2CM, or W-2VI, totals reported on Forms W-3SS, or with information filed on equivalent magnetic media reports with the SSA. The amounts that should agree are social security wages, social security tips, and Medicare wages and tips. If the totals do not agree, the IRS will require you to explain any differences and correct any errors. You can avoid this by making sure correct amounts (including adjustments) are reported on Forms 941-SS and W-3SS.

Line 1—Number of employees.—Complete for the January–March calendar quarter only. Do not include household employees, persons who received no pay during the pay period, pensioners, or members of the Armed Forces.

Line 6a—Taxable social security wages.—Show the total wages (before deductions and excluding tips) subject to social security tax that you paid to each employee during the quarter. Include any employee tax you paid for your employees rather than deducting it from their wages. Also include any sick pay and taxable fringe benefits subject to social security taxes. After you report \$62,700 for an employee in 1996, including tips, do not report any amount you later paid the employee in the year. See the line 7 instructions for Medicare tax. If none of the payments are subject to social security tax, enter -0-.

Line 6b—Taxable social security tips.—

Cash tips, including tips paid over by you to the employee for charge customers, that total \$20 or more in a month must be reported to you by the employee by the 10th day of the next month. Show the total amount of tip income the employee reported during the quarter on the written reports or **Forms 4070**, Employee's Report of Tips to Employer, regardless of whether the employee tax (6.2% of total) has been withheld. When the combined total of tips and wages reported for social security tax purposes reaches \$62,700, no additional tips should be reported on this line. For more details, see Circular SS.

Line 7—Taxable Medicare wages and tips.—

Use this line to report all wages and tips subject to the Medicare tax. If none of the payments are subject to the Medicare tax, enter -0-. Include all tips your employees reported during the quarter, even if you were not able to withhold the employee tax (1.45%). However, see the line 9 instructions below.

Line 9—Adjustment of social security and Medicare taxes.—Use line 9 to correct errors in tax reported on an earlier return. If you report both an underpayment and an overpayment, show only the difference. Enter the adjustments for sick pay and fractions of cents (see instructions below) in the appropriate line 9 entry spaces. Enter the amount of all other adjustments in the "Other" entry space and enter the total of the three types of adjustments in the line 9 entry space to the right.

Except for fractions of cents or third-party sick pay, explain any amount on line 9 on **Form 941c**, Supporting Statement To Correct Information, or attach a statement showing: (a) what the error was, (b) ending date of each quarter in which the error was made and the amount of the error, (c) the date on which you found the error, (d) that you repaid employee tax or got each affected employee's written consent to this refund or credit if the entry corrects an overcollection, and (e) if the entry corrects tax overcollected in an earlier year, that you got from the employee a written statement that he or she has not claimed a refund or credit for the amount and will not claim one.

Show on Form 941c or include in the statement the total wages or tips for all your employees as previously reported and as corrected. Since Form W-2AS, W-2GU, W-2CM, or W-2VI is used by the SSA to post the employee's wages to his or her earnings record, you must give a corrected form to the employee if a form was issued showing any incorrect information. Use **Form W-2c**, Statement of Corrected Income and Tax Amounts. Give employees Copies B and C of Form W-2c. Send Copy A of the Form W-2c, together with **Form W-3c**, Transmittal of Corrected Income and Tax Statements, to the Social Security Administration, Data Operations Center, 1150 E. Mountain Dr., Wilkes-Barre, PA 18769-0001.

Adjustments of tax on tips.—Include on line 9 the total uncollected employee tax for lines 6b and 7. Attach a statement explaining each adjustment. (See Circular SS for details.)

Adjustments of tax on third-party sick pay.—Deduct on line 9 the tax on third-party sick pay for which you are not responsible, and enter the amount of the sick pay adjustment in the line 9 entry space for "Sick Pay." See Pub. 15-A for details.

Adjustments of tax on group-term life insurance.—Include on line 9 the total uncollected employee social security and Medicare taxes for group-term life insurance in excess of \$50,000. The uncollected employee taxes are treated in the same manner as uncollected employee taxes on tips. See Circular SS for more details.

Fractions of cents.—If there is a difference between the total tax on line 8 and the total deducted from your employees' wages or tips plus employer contributions because of fractions of cents added or dropped in collecting the tax, report the difference on line 9. Enter the amount of this adjustment in the line 9 entry space for "Fractions of Cents."

Line 10—Adjusted total of social security and Medicare taxes.—Add line 9 to line 8 if the net adjustment on line 9 is positive. Subtract line 9 from line 8 if the net adjustment on line 9 is negative.

Line 15—Balance due.—You should have a balance due only if your total tax liability for the quarter (line 10) is less than \$500. (However, see section 11 of Circular SS regarding payments made under the Accuracy of Deposits rule.) If line 10 is \$500 or more and you have deposited all taxes when due, the amount shown on line 15 (balance due) should be zero.

Caution: *If you fail to make required deposits at an authorized financial institution and instead pay these amounts with your return, you may be subject to a penalty.*

Line 16—Overpayment.—If you deposited more than the correct amount for a quarter, you can have the overpayment refunded or applied to your next return. Also, the IRS may apply your overpayment to any past due tax account that we have under your EIN.

Line 17—Monthly Summary of Federal Tax Liability.—**Note:** *This is a summary of your monthly tax liability, NOT a summary of deposits made. If line 10 is less than \$500, you need not complete line 17 or Schedule B (Form 941).*

Complete line 17 if you are qualified to deposit on a monthly basis (see Circular SS, section 11, for more details on the deposit rules). You are a monthly schedule depositor for the calendar year if the amount of employment and withholding tax liability accumulated during the lookback period is not more than \$50,000. The lookback period is defined as the four consecutive quarters ending on June 30 of the prior year. For 1996, the lookback period begins July 1, 1994, and ends June 30, 1995. If you accumulated more than \$50,000 during the lookback period or accumulated \$100,000 or more on any day during a month, do not complete columns (a) through (d) of line 17. Instead, complete and attach Schedule B (Form 941).

Signature.—Be sure to sign the return, print your name and title, and enter the date.

