

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 _____

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	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							
6	Taxable social security wages	6a	\$		× 12.4% (.124) =	6b	
	Taxable social security tips	6c	\$		× 12.4% (.124) =	6d	
7	Taxable Medicare wages and tips	7a	\$		× 2.9% (.029) =	7b	
8	Total social security and Medicare taxes (add lines 6b, 6d, and 7b)	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	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

Sign Here 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.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

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.

Changes to Note

Electronic deposit requirement.—If your total deposits of social security, Medicare, and railroad retirement taxes and withheld Federal income tax were more than \$50,000 in 1995, you must make electronic deposits for all depository tax liabilities that occur after June 30, 1997. When determining whether you exceed the \$50,000 threshold, combine deposits of the following tax returns you filed: Forms 941, 941-PR, 941-SS, 943, 945, and CT-1. If you were required to deposit by electronic funds transfer in prior years, continue to do so throughout 1997. The **Electronic Federal Tax Payment System (EFTPS)** must be used to make electronic deposits. If you are required to make deposits by electronic funds transfer and fail to do so, you may be subject to a 10% penalty. Taxpayers who are not required to make electronic deposits may voluntarily participate in EFTPS. For information on EFTPS, call 303-706-6585 (1-800-555-4477 for employers in the U.S. Virgin Islands). (These numbers are for EFTPS information only.)

Social security wage base for 1997.—Stop withholding social security tax after an employee reaches \$65,400 in taxable wages.

Notice 136 mailout limited.—The annual deposit schedule notification (CP 136) will not be mailed to all employers after 1996. For 1997 and following years, this notice will be mailed only to employers identified as having a change in their deposit schedule (monthly or semiweekly) for the next calendar year.

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, Federal Tax Guide for Employers in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands (Pub. 80),

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 factors 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 generally will 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. See Form W-3SS for information on the earlier due dates for the expedited furnishing and filing Form W-2AS, W-2GU, W-2CM, or W-2VI when a final Form 941-SS is filed.*

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

If you deposited all taxes when due for a quarter, you have 10 more days after the above due date to file. 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 call 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 18769-0001.

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.

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 failure to (1) furnish Forms W-2AS, W-2GU, W-2CM, or W-2VI to employees and file copies with the SSA, (2) keep records, and (3) deposit taxes when required. In addition, there are penalties for willful failure to file returns and pay taxes when due and 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 if social security and Medicare taxes that must 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 9 of Circular SS for more details.*

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.

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						
6	Taxable social security wages	6a	\$ _____ × 12.4% (.124) =	6b		
	Taxable social security tips	6c	\$ _____ × 12.4% (.124) =	6d		
7	Taxable Medicare wages and tips	7a	\$ _____ × 2.9% (.029) =	7b		
8	Total social security and Medicare taxes (add lines 6b, 6d, and 7b)				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				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

Sign Here 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 ▶

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.

Household employees.—Employers who report wages on household employees, see Circular SS and **Pub. 926**, Household Employer's Tax Guide.

How To Make Deposits

If your total taxes (line 10) are \$500 or more for the quarter, you must deposit your tax liabilities at an authorized financial institution with **Form 8109**, Federal Tax Deposit Coupon, or by using the Electronic Federal Tax Payment System (EFTPS). See page 2 for the electronic deposit requirements and section 9 of Circular SS for information and rules concerning 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 with the SSA on equivalent magnetic media reports. 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 reach \$65,400 for an employee in 1997, including tips, do not report any amount you later pay the employee in the year. See the line 7a instructions for Medicare tax. If none of the payments are subject to social security tax, enter -0-.

Line 6c—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 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 \$65,400, no additional tips should be reported on this line. For more details, see Circular SS.

Line 7a—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.—

Current period adjustments.—In certain cases, amounts reported as social security and Medicare taxes on lines 6b, 6d, and 7b must be adjusted to arrive at your correct tax liability.

The most common current period adjustment is the **fractions of cents** (rounding) adjustment. Each pay period, you round off fractions of cents when computing social security and Medicare tax withholding for each employee. This rounding can result in a difference between the actual amount of tax withheld and deposited (with your share) and the amount of total tax on line 8. If there is a difference due to fractions of cents rounding, report it as an adjustment on line 9 and in the "Fractions of Cents" entry space.

Information on current period adjustments for tips, group-term life insurance premiums paid for former employees, and sick pay withheld by a third-party payer is available in section 13 of **Circular E**, Employer's Tax Guide.

Prior period adjustments.—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 above) 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 current period adjustments, explain any amount on line 9 on **Form 941c**, Supporting Statement To Correct Information, or attach an equivalent supporting statement.

Because 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**, Corrected Wage and Tax Statement. 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 Wage and Tax Statements, to the Social Security Administration, Data Operations Center, Wilkes-Barre, PA 18769-0001.

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 9 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 deposits as required 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, do not complete line 17 or Schedule B (Form 941).*

Complete line 17 if you are a monthly schedule depositor (see Circular SS, section 9, for more details on the deposit rules). You are a monthly schedule depositor for the calendar year if your Form 941-SS taxes (line 10) reported for the lookback period are not more than \$50,000. The lookback period is defined as the four consecutive quarters ending on June 30 of the prior year. For 1997, the lookback period begins July 1, 1995, and ends June 30, 1996. If you reported 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.

