

# Form W-2 Reminders – For Clergy

**Box 1 & 16 – Wages** (includes the health allowance). Do **Not** include the pastor’s Housing Resolution in Box 1 and Box 16. Total cash paid to pastor should be reduced by tax-deferred items: including housing resolution, HSA, FSA, dependent Care, dental, vision and UMPIP (tax-deferred). If pastor is paying a share of health insurance to the church for a cafeteria plan this should also reduce wages.

**Box 2 – Federal Withholding:** Report federal withholding if pastor requested federal withholding.

**Box 3, 4, 6, 7, 8 and 9** - Leave Blank

**Box 10 - Dependent Care Contributions:** Report Contributions to a Dependent Care Assistance Plan.

**Box 11** – Leave Blank

**Box 12, Code E - Employee/Clergy Contributions to UMPIP:** Report amounts withheld from pay and contributed on a tax-deferred basis.  
**Note:** Amounts contributed on a tax-paid basis should be included in Box 1 as part of wages (they are not reported here).

**Box 12, Code BB - Employee/Clergy contributions to ROTH:** Report amounts withheld from pay and contributed on a tax-paid basis.  
**Note:** ROTH contributions are on a tax-paid basis and should be included in Box 1 as part of wages.

**Box 12, Code W - Health Savings Contribution (HSA):** Report the employer and employee contributions made through a cafeteria plan to an employee’s health savings account.

**Note:** Box 12 has a, b, c, and d boxes for when you have multiple codes to report.

**Box 13 - CRSP and UMPIP Employer Contributions:** “Retirement Plan” should be checked for all persons participating in a United Methodist Church pension plan (employer contribution plan). **Note:** ROTH matches are to the CRSP or UMPIP and the “Retirement Plan” box should be checked.

**Box 14 - Housing Resolution:** The housing resolution amount may be reported as “Housing Allowance.” Do not include the pastor’s housing resolution in Box 1.

**Box 17 – State Withholding:** Report state withholding if pastor requested state withholding.

**Medical Reimbursement Contributions:** Contributions to a Flexible Spending Account (FSA) are **not reported** on the Form W-2.

**Employee Contribution to Health Insurance:** If you have a clergy or lay employee that has salary withheld to pay the employee share of the group health insurance (Section 125), do not report that amount in Box 1. In addition, the church should not withhold FICA tax on that amount nor should they pay the employer share of FICA.

**Report all wages after deducting tax deferred deductions.** (Points to Box 1)

**Report Federal Withholding** (Points to Box 2)

**Report contributions to a Dependent Care Plan.** (Points to Box 10)

**Report amount withheld from Pay**

- **Code E - UMPIP** (Tax-deferred) sent to Wespath.
- **Code BB - ROTH** on a tax-paid basis.
- **Code W - HSA** Health Savings Account contribution employees and employers for a cafeteria

**The Housing Resolution amount may be reported as “Housing Allowance”.** (Points to Box 14)

**Report State Withholding** (Points to Box 17)

**Mark the box labeled “Retirement Plan” for all persons participating in a United Methodist Church Employer Contribution Pension Plan.** (Points to Box 13)

**Form W-2 Wage and Tax Statement 2016**

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