

OHIO EDUCATION ASSOCIATION

FISCAL FITNESS AWARD PROGRAM

PROGRAM CRITERIA & EXAMPLES

FISCAL FITNESS INFORMATION SHEET

LOCAL NAME _____ LOCAL ID # _____

District – Circle One

CENTRAL	ECOEA	EOEA	NCOEA	NEOEA
NWOEA	SEOWA		SWOEA	WOEA

LOCAL PRESIDENT _____

Phone Number: _____ Email Address: _____

LOCAL SECRETARY _____

Phone Number: _____ Email Address: _____

LOCAL TREASURER _____

Phone Number: _____ Email Address: _____

Who do we contact regarding questions on this submission?

Name: _____ Position: _____

Phone Number: _____ Email Address: _____

If different from above

This sheet must be included in your packet. It is suggested that your material be submitted in a 3-ring binder, with each criterion separated with a tab.

Fiscal Fitness Award

The OEA Fiscal Fitness Award Program is designed to increase the Association's financial performance at both the state and local levels. The award consists of ten criteria of best financial practices. This booklet includes the form that must be completed for Criterion 1 and Criterion 2 along with examples of all ten criteria that must be submitted.

Along with the promotion of best financial practices for their own sake, the OEA intends to provide financial incentives for locals that establish and maintain these practices. Additionally, clear communication of these practices provides guidelines for all locals to follow. The establishment of best practices and criteria by which to measure them makes this program an example of OEA's commitment to continuous improvement.

As an incentive to promote best financial practices, \$500 will be awarded to individual local treasurers who apply for the Fiscal Fitness Award and their local meets all the criteria! This is in addition to the existing 1st time award of a check for \$2,000 and a plaque to the local for their accomplishment. Locals meeting all criteria on a continuing annual basis will receive \$500 for as long as they meet the criteria. The \$2,000 award can be earned only once every five years. (Note: Award amounts are subject to the annual OEA approved budget) The Fiscal Fitness Awards will be given at the May Representative Assembly, where locals will be recognized for their financial performance in the preceding Fiscal Year.

Locals have the opportunity to meet the criteria for the award during the fiscal year and the submission of applications for the award are due no later than January 31 of the year immediately following their fiscal year. This timeline has been adopted so that there is the greatest opportunity for all locals to be involved.

Completed applications and accompanying award criteria should be submitted to:

Ohio Education Association
Office of the Secretary-Treasurer
Fiscal Fitness Award
P.O. Box 2550
Columbus, OH 43216

Additional information or guidance can be provided by the office of the OEA Secretary-Treasurer.

OEA Fiscal Fitness Timing

Treasurer's Workshops:	June – September
Submission Deadline:	January 31 st of the following year
Award Date:	Spring RA of the following year

Ohio Education Association Fiscal Fitness Award Criteria

- 1) Membership criteria:
 - A. The treasurer meets the criteria for Outstanding Local Treasurer.
 - The dues transmittal contract or letter outlining the local procedure for collecting and transmitting dues money to OEA must be postmarked to OEA headquarters no later than September 30th, 20XX.
 - All membership forms for enrollment (initial, continuous or renewal), as well as a list of agency fee payers, must be postmarked to OEA headquarters by October 15th, 20XX.
 - The **OEA Confirmation Form** verifying completion of Form 990 **and** include either a copy of the **IRS acceptance of the Form 990-N e-postcard or the signature page of the 990EZ or 990 long form filed**. Both must be postmarked to OEA headquarters by January 20th, 20XX.
 - The local must not have incurred an interest penalty on outstanding billing statements due from the local association to OEA during the fiscal year.
 - B. Reconcile annual and monthly membership reports and submit changes to the OEA as needed.

Completion of the “Fiscal Fitness Award Criteria – Membership” form required.

- 2) Financial criteria:
 - A. Deposits are made within one week of receipt.
 - B. All invoice and financial obligations are paid timely. (2 weeks suggested)
 - C. No acts of fraud or dishonesty by the treasurer or any other officer.
 - D. Compensation paid to officers or staff has been disclosed

Completion of the “Fiscal Fitness Award Criteria – Financial” form required.

- 3) The treasurer must attend an OEA-sanctioned Treasurer’s Workshop on an annual basis during his/her term in office. Treasurers with more than 2 years of experience have the option of sending another local officer or executive board member to a Treasurer’s Workshop once every 3 years. If attended by a person other than the treasurer, please provide the name and title of the alternate along with confirming the current treasurer has been in office two years and has attended the last two Treasurer’s Workshops. Local treasurers have the option of serving as an OEA-sanctioned trainer for a workshop to satisfy this criterion.

Submission of the OEA issued certificate. (Please contact the OEA Secretary-Treasurer’s office to obtain if necessary)

- 4) Present annual budgets. It is important not only to create annual budgets but also to involve the local in the development of the budgets so leaders understand the basis for the budgets. It is also important that local budgets are presented in a question and answer based forum which is open to any interested parties. The motion to approve or accept the annual budget is to be clearly stated in the minutes with passage of the motion highlighted.
(Budgets for FY 1 and FY 2 required)

Submission of the budgets and minutes documenting budget planning and approval of both budgets required. Motion to approve or accept the annual budget must be highlighted in the minutes.

- 5) Present monthly and annual financial reports to the governing body of the local association. Criterion #5 must begin with a statement of the period of the local's fiscal year and list each month that the governing body of the local meets. **The monthly financials need to include Revenue, Expenses and Fund Balances as well as including a comparison of actual financial results for the period to the budget for the period.** Submission of all monthly financials must be in chronological order by month with the corresponding minutes immediately following which documents the **approval, acceptance, or filed for audit** status of the financials at the local association meetings. The motion to approve or accept the monthly financial reports must be highlighted in the minutes. The minutes should include any discussion of variances from the budget and the reasons for the budget being favorable or unfavorable. The minutes should also include any discussions on projected year-end variances and any issues or areas of financial concern. (Financials for Fiscal Year required)

Submission of all monthly financials including all monthly minutes documenting approval at local association meetings required. The monthly financials with approval for each month must be presented in chronological order. Motion to approve or accept the monthly financial reports must be highlighted in the minutes.

- 6) Participate in an annual audit. It is preferable that locals establish an audit subcommittee that is comprised of two or more persons when possible. Members of the Audit Committee should be rank and file members who do not have bank signatory abilities. The local is required to submit a list of subcommittee members and their roles. Suggestions for an auditor include a business community CPA, retired CPA, or an accountant who would volunteer. An audit can be performed by any independent person(s). An example would be a math teacher. **Please see Chapter 2 of the OEA Treasurer's Handbook for tips on how to conduct a Do-It-Yourself audit.** (Fiscal Year audit required)

Submission of audit documentation is required. The documentation must indicate a favorable opinion by the auditor.

- 7) Maintain an itemized record of all receipts and expenditures. The itemized list could be a check register, a computer worksheet or computer program, such as Quicken, Quickbooks, or a manual green ledger sheet. (Fiscal Year required)

Submission of itemized record of receipts and expenditures required. This must be organized and presented in a chronological, user-friendly manner.

- 8) Submit proof of proper payroll tax withholdings for paid officers and staff working on behalf of association. Regardless of what the compensation is called e.g. salary, stipends, honorariums, paid dues, grants, etc. Instead of paying officers directly or through paying their dues which are taxable, locals can establish an accountable expense plan to reimburse officers for legitimate business expenses such as cell phone reimbursement. **Please see Accountable Plan Practical Advice in Chapter 2 of the OEA Treasurer's Handbook for information related to this requirement.**

Submission of copy of payroll withholding forms filed with appropriate governmental agencies. (e.g. Federal Form 941, Ohio Form IT941) Proof can also include a copy of a TPO agreement with the local school district or an invoice from a third party payroll processor. Submit proof of the accountable plan, evidence can be the minutes of Executive Committee approving the plan or the local's C&B where documented.

- 9) Maintain IRS tax exempt status and supporting documentation.

Submission of tax-exempt determination letter from the IRS, or other proof from the IRS such as 990 submission confirmation, that the local has tax exempt status with the IRS.

- 10) Use of dual signatories on all local association checks.

Submission of a copy of a cancelled check indicating dual signatures used dated within the Fiscal Fitness Award filing year.

Note: The award criteria documentation must be submitted in an organized manner with each criterion clearly separated and identifiable using a tab system and notebook(s). Criteria documentation will not be returned to the local.

**Fiscal Fitness Award
Criteria 1 & 2 Form**

Local Association Name: _____ Local ID: _____

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. _____ / _____ / _____
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA
including applicable list of Agency Fee Payers. _____ / _____ / _____
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA _____ / _____ / _____
- Postmark date on or before January 20th.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- **or signature page of 990 Long\EZ form filed.**

Local Association - **Initial** to verify **No Interest Penalty** was incurred on
any billing statement for the local association during the
membership year. _____

Local Association - **Initial** to verify that all **Memberships are Correct** and
recorded with the OEA, and that all membership dues are
paid in full. _____

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

Fiscal Fitness Award Criteria 1 and 2 Form - continued

Local Association Name: _____ Local ID: _____

Criterion 2 - Financial:

1) All deposits were made within one week of receipt during the fiscal year.

Any exceptions to be documented: _____

2) All invoices and financial obligations have been paid timely during the fiscal year. (2 weeks suggested)

Any exceptions to be documented: _____

3) There have been no acts of fraud or dishonesty by the treasurer or any other officer.

Any exceptions to be documented: _____

4) All compensation paid to officers or staff by the local association has been disclosed in the submission for criterion #8.

Any exceptions to be documented: _____

The enclosed criteria documentation has been approved for release to the Ohio Education Association for consideration in meeting the standards of the **OEA Local Association Fiscal Fitness Award**. The officers of the local hereby attest that the above information submitted to meet the membership and financial criteria, and the enclosed criteria documentation, are true and accurate to the best of their knowledge. The officers of the local understand that the enclosed criteria documentation will not be returned to the local by the OEA.

(All officers of the local must sign)

Signed by:

Local Association President:	_____	Date:	_____
Local Association Treasurer:	_____	Date:	_____
Local Association Secretary:	_____	Date:	_____
Other Officers:	_____	Date:	_____

EXAMPLE

Fiscal Fitness Award Criteria 1 & 2 Form

Local Association Name: ABC Education Association Local ID: Eight Digits

Criterion 1 - Membership:

Local Association - Date **Dues Transmittal Agreement** sent to OEA. XX / XX / XX
- Postmark date on or before September 30th.

Local Association - Date **Membership Enrollment Materials** sent to OEA XX / XX / XX
including applicable list of Agency Fee Payers.
- Postmark date on or before October 15th.

Local Association - Date **990 - Filing Confirmation Form** sent to OEA XX / XX / XX
- Postmark date on or before January 20th.
- Provided copy of **990-N (e-Postcard) IRS acceptance form**
- or signature page of **990 Long\EZ form filed.**

Local Association - **Initial** to verify **No Interest Penalty** was incurred on
any billing statement for the local association during the
membership year. Treasurer Signature

Local Association - **Initial** to verify that all **Memberships are Correct** and
recorded with the OEA, and that all membership dues are
paid in full. Treasurer Signature

Note: There are a total of ten criteria the local must meet for the Fiscal Fitness Award.

Fiscal Fitness Award Criteria 1 and 2 Form - continued

Local Association Name: ABC Education Association Local ID: Eight Digits

Criterion 2 - Financial:

1) All deposits were made within one week of receipt during the fiscal year.

Any exceptions to be documented: As needed

2) All invoices and financial obligations have been paid timely during the fiscal year. (2 weeks suggested)

Any exceptions to be documented: As needed

3) There have been no acts of fraud or dishonesty by the treasurer or any other officer.

Any exceptions to be documented: As needed

4) All compensation paid to officers or staff by the local association has been disclosed in the submission for criterion #8.

Any exceptions to be documented: As needed

The enclosed criteria documentation has been approved for release to the Ohio Education Association for consideration in meeting the standards of the **OEA Local Association Fiscal Fitness Award**. The officers of the local hereby attest that the above information submitted to meet the membership and financial criteria, and the enclosed criteria documentation, are true and accurate to the best of their knowledge. The officers of the local understand that the enclosed criteria documentation will not be returned to the local by the OEA.

(All officers of the local must sign)

Signed by:

Local Association President:	_____	Date:	_____
Local Association Treasurer:	_____	Date:	_____
Local Association Secretary:	_____	Date:	_____
Other Officers:	_____	Date:	_____

Examples for Part III of Criterion 1



[Home Security Profile Logout](#)

Your Form 990-N(e-Postcard) has been submitted to the IRS

- **Organization Name:** ABC EDUCATION ASSOCIATION
- **EIN:** 123456789
- **Tax Year:** 20XX
- **Tax Year Start Date:** 09-01-20XX
- **Tax Year End Date:** 08-31-20XX
- **Submission ID:** 10065520163230639300
- **Filing Status Date:** 11-18-20XX
- **Filing Status:** Accepted
-

[MANAGE FORM 990-N SUBMISSIONS](#)

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form, as it may be made public.

Go to www.irs.gov/Form990EZ for instructions and the latest information.

Open to Public Inspection

Department of the Treasury Internal Revenue Service

A For the 2022 calendar year, or tax year beginning, 2022, and ending, 20

B Check if applicable: Address change, Name change, Initial return, Final return/terminated, Amended return, Application pending. C Name of organization, Number and street, Room/suite, City or town, state or province, country, and ZIP or foreign postal code. D Employer identification number, E Telephone number, F Group Exemption Number.

G Accounting Method: Cash, Accrual, Other (specify). H Check if the organization is not required to attach Schedule B (Form 990).

I Website:

J Tax-exempt status (check only one) - 501(c)(3), 501(c) () (insert no.), 4947(a)(1) or 527

K Form of organization: Corporation, Trust, Association, Other:

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)

Check if the organization used Schedule O to respond to any question in this Part I

Table with 21 rows and 4 columns. Rows 1-9: Revenue. Rows 10-17: Expenses. Rows 18-21: Net Assets. Includes sub-rows 5a-5c, 6a-6d, 7a-7c.

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V.) Check if the organization used Schedule O to respond to any question in this Part V .

33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O. See instructions
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?
35b If "Yes" to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O
35c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N
37a Enter amount of political expenditures, direct or indirect, as described in the instructions
37b Did the organization file Form 1120-POL for this year?
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee; or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?
38b If "Yes," complete Schedule L, Part II, and enter the total amount involved
39 Section 501(c)(7) organizations. Enter:
39a Initiation fees and capital contributions included on line 9
39b Gross receipts, included on line 9, for public use of club facilities
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911: ; section 4912: ; section 4955:
40b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I
40c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
40d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization
40e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T
41 List the states with which a copy of this return is filed:
42a The organization's books are in care of: Telephone no. Located at: ZIP + 4
42b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).
42c At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country:
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041-Check here and enter the amount of tax-exempt interest received or accrued during the tax year
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ
44b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ
44c Did the organization receive any payments for indoor tanning services during the year?
44d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?
45b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ. See instructions

46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I

	Yes	No
46		

Part VI Section 501(c)(3) Organizations Only

All section 501(c)(3) organizations must answer questions 47–49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI

47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II

	Yes	No
47		

48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E

	Yes	No
48		

49a Did the organization make any transfers to an exempt non-charitable related organization?

	Yes	No
49a		

b If "Yes," was the related organization a section 527 organization?

	Yes	No
49b		

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC/1099-NEC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation

f Total number of other employees paid over \$100,000

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation

d Total number of other independent contractors each receiving over \$100,000

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A Yes No

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. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here <input type="checkbox"/>	Signature of officer		Date		
	Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name			Firm's EIN	
	Firm's address			Phone no.	

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2022

Department of the Treasury
Internal Revenue Service

Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

A For the 2022 calendar year, or tax year beginning , 2022, and ending , 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization		D Employer identification number
	Doing business as		E Telephone number
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	City or town, state or province, country, and ZIP or foreign postal code		G Gross receipts \$

F Name and address of principal officer:	H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input type="checkbox"/> No
	H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No
	If "No," attach a list. See instructions.

I Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(c) Group exemption number
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J Website:	L Year of formation:	M State of legal domicile:
K Form of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: _____		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	
	5 Total number of individuals employed in calendar year 2022 (Part V, line 2a)	5	
	6 Total number of volunteers (estimate if necessary)	6	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b		
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)		
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) _____		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)		
19 Revenue less expenses. Subtract line 18 from line 12			
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)		
	22 Net assets or fund balances. Subtract line 21 from line 20		

Part II Signature Block

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. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer _____	Date _____
	Type or print name and title _____	

Paid Preparer Use Only	Print/Type preparer's name _____	Preparer's signature _____	Date _____	Check <input type="checkbox"/> if self-employed	PTIN _____
	Firm's name _____			Firm's EIN _____	
	Firm's address _____			Phone no. _____	

May the IRS discuss this return with the preparer shown above? See instructions Yes No

TREASURER'S WORKSHOP ATTENDANCE

Workshop(s) Attended:

SEOEA Treasurer's Workshop; July 22nd, 20XX; OU-Inn in Athens 331 Richland Ave, Athens Ohio 45701; Presenter – Mark Hill - OEA Secretary-Treasurer

EXAMPLE

Treasurers' Workshop Timing

Historical timelines for Treasurers' Workshops are as follows. These are subject to change and should be validated with the current year's actual dates.

Central:	Mid-June
WOEA:	Mid-July
ECOEA:	Mid-July
NWOEA:	Mid-July
NEOEA:	Mid-July
SEOEA:	Late July
NCOEA:	Late July to Early August
EOEA:	Early August
SWOEA:	Early August

Please see the current year Treasurers' Workshop Schedule for specific dates and registration information. This can be found on the OEA website at: <https://www.ohea.org/oea-secretary-treasurer-member-resources>

EXAMPLE

ABC Education Association Budget - Fiscal Year 1

Revenue

Membership dues	3,500.00	
Interest Income	125.00	
Donations	<u>750.00</u>	
Total Revenue		4,375.00

Expenses

Governance Expenses

Administration Expenses:		
Officer	1,000.00	
Executive Council	250.00	
Association Representation	<u>300.00</u>	
Subtotal		1,550.00
Leadership Training:		
Workshops	180.00	
Leadership Academy	0.00	
Workshop Mileage	<u>75.00</u>	
Subtotal		255.00
Representative Assemblies:		
Uniserv Mileage	30.00	
OEA Fall R/A	120.00	
OEA Spring R/A	<u>150.00</u>	
Subtotal		300.00
Total Governance		2,105.00

Collective Bargaining

Negotiation Sessions/Meals	125.00	
Training/Materials	<u>150.00</u>	
Subtotal		275.00
Total Collective Bargaining		275.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	
Training/Materials	<u>150.00</u>	
Subtotal		500.00
Total Grievance/Contract Enforcement		500.00
Total Office Expenses		275.00
Total Gifts and Awards		500.00
Total Contingency Fund		87.50
Total Miscellaneous		<u>100.00</u>

Total Expenses 3,842.50

Excess Revenue over Expenses 532.50

EXAMPLE

ABC Education Association Budget - Fiscal Year 2

Income

Membership dues	3,800.00	
Interest Income	130.00	
Donations	<u>800.00</u>	
Total Income		4,730.00

Expenses

Governance Expenses

Administration Expenses:		
Officer	1,000.00	
Executive Council	250.00	
Association Representation	<u>300.00</u>	
Subtotal		1,550.00
Leadership Training:		
Workshops	400.00	
Leadership Academy	80.00	
Workshop Mileage	<u>75.00</u>	
Subtotal		555.00
Representative Assemblies:		
Uniserv Mileage	30.00	
OEA Fall R/A	120.00	
OEA Spring R/A	<u>150.00</u>	
Subtotal		300.00
Total Governance		2,405.00

Collective Bargaining

Negotiation Sessions/Meals	250.00	
Training/Materials	<u>150.00</u>	
Subtotal		400.00
Total Collective Bargaining		400.00

Grievance/Contract Enforcement

Arbitration Expenses	350.00	
Training/Materials	<u>250.00</u>	
Subtotal		600.00
Total Grievance/Contract Enforcement		600.00

Total Office Expenses 275.00

Total Gifts and Awards 500.00

Total Contingency Fund 94.60

Total Miscellaneous 100.00

Total Expenses 4,374.60

Excess Income over Expenses 355.40

**ABC Education Association
September 15, 20XX
Meeting Minutes**

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Budget:

Tom Treasurer presented the FY budget during the meeting for review. Tom's presentation of the budget included a listing of all the items discussed at previous meetings that were incorporated in the final budget. After several questions were answered, Sally Secretary motioned to accept the budget. John Smith seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

(Note: Two fiscal year budgets must be submitted. See explanation in Criteria # 4.)

EXAMPLE

**ABC Education Association
Statement of Revenues Collected,
Expenses Paid, and Change in Fund Balance
Fiscal Year Ended August 31, 20XX
Unaudited**

(Note: Annual & Monthly Reports Must Be Submitted)

<u>Revenue</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Fav (Unfav)</u>
Membership dues	3,500.00	3,600.00	100.00
Interest Income	125.00	135.00	10.00
Donations	<u>750.00</u>	<u>680.00</u>	<u>(70.00)</u>
Total Revenue	4,375.00	4,415.00	40.00

Expenses

Governance Expenses

Administration Expenses:			
Officer	1,000.00	950.00	50.00
Executive Council	250.00	210.00	40.00
Association Representation	<u>300.00</u>	<u>295.00</u>	<u>5.00</u>
Subtotal	1,550.00	1,455.00	95.00
Leadership Training:			
Workshops	180.00	175.00	5.00
Leadership Academy	0.00	0.00	0.00
Workshop Mileage	<u>75.00</u>	<u>70.00</u>	<u>5.00</u>
Subtotal	255.00	245.00	10.00
Representative Assemblies:			
Uniserv Mileage	30.00	25.00	5.00
OEA Fall R/A	120.00	135.00	(15.00)
OEA Spring R/A	<u>150.00</u>	<u>149.00</u>	<u>1.00</u>
Subtotal	300.00	309.00	(9.00)
Total Governance	2,105.00	2,009.00	96.00

Collective Bargaining

Negotiation Sessions/Meals	125.00	123.00	2.00
Training/Materials	<u>150.00</u>	<u>151.00</u>	<u>(1.00)</u>
Subtotal	275.00	274.00	1.00
Total Collective Bargaining	275.00	274.00	1.00

Greivance/Contract Enforcement

Arbitration Expenses	350.00	295.00	55.00
Training/Materials	<u>150.00</u>	<u>145.00</u>	<u>5.00</u>
Subtotal	500.00	440.00	60.00
Total Greivance/Contract Enf.	500.00	440.00	60.00
Total Office Expenses	275.00	250.00	25.00
Total Gifts and Awards	500.00	450.00	50.00
Total Contingency Fund	87.50	88.30	(0.80)
Total Miscellaneous	100.00	90.00	10.00
Total Expenses	<u>3,842.50</u>	<u>3,601.30</u>	<u>241.20</u>
Excess Revenue over Expenses	<u>532.50</u>	<u>813.70</u>	<u>281.20</u>

Change in Fund Balance

Excess Revenue over Expenses - Fiscal Year	813.70
Fund Beginning Balance - 09/01/XX	<u>1,200.00</u>
Fund Ending Balance - 08/31/XX	<u>2,013.70</u>

**ABC Education Association
September 15, 20XX
Meeting Minutes**

Attendees:

Patrick President
Vicki Vice-President
Sally Secretary
Tom Treasurer

The meeting convened, etc.

OFFICERS REPORTS

OLD BUSINESS

NEW BUSINESS

Financials:

Tom Treasurer presented financials for the twelve months ended August 31, 20XX during the meeting for review. After several questions were answered, Sally Secretary motioned for approval of the financials. Patrick President seconded the motion. Motion was passed.

Upcoming Bake Sale:

OTHER TOPICS

MEMORANDUM

To: Tom Treasurer

From: Roberta Smart, Math Instructor, ABC High School

Date: September 15, 20XX

Subject: Review of ABC Education Association Financial Records as of August 31, 20XX

I have reviewed the financial records of the ABC Education Association and found they were prepared in accordance with financial best practices and within generally accepted accounting principles.

In my opinion, the Treasurer's records and accompanying financial reports present fairly the financial position of the association.

Signed,

Roberta Smart

EXAMPLE

ABC Education Association
Itemized Receipts & Expenditures
Fiscal Year Ended August 31, 20XX

Date	Check Number	Transaction Description	Payment Amount	Deposit Amount	Reconciled to Bank	Balance
09/01/XX		Beginning Balance			X	1,200.00
09/05/XX		Membership Dues		1,000.00	X	2,200.00
09/10/XX		Donations - Bake Sale		500.00	X	2,700.00
09/11/XX	2585	All In Good Taste; Food - Local Meeting	51.00		X	2,649.00
09/13/XX	2586	Ohio Education Association; Dues	400.00		X	2,249.00
9/13/XX-8/31/XX		etc, etc.	3,150.30	2,915.00	X	2,013.70
		Ending Balance	3,601.30	4,415.00		2,013.70

Options available to local associations who provide compensation to employees are the following:

- 1) Bargain a Teacher Professional Organization (TPO) provision to assist in dealing with tax obligations. (See page 2-58 of the Treasurers Handbook for more information on TPOs)
- 2) Hire a local CPA to process payroll/compensation and to file an annual Form W-2 for each employee.
- 3) Process payroll using an online payroll processing software like Paychex, ADP, Intuit or others. These are internet-based payroll services that have various costs depending on the number of payees and services required. They provide paychecks or direct deposits along with electronic tax filings.

For more information google: small business payroll services

- 4) Manually create paychecks and submit tax filings using the information and guidelines provided by federal, state and local taxing authorities. An example is using the form and instructions for the Federal Form 941, Employer's Quarterly Federal Tax Return to create paychecks including preparing and submitting filings. Below is a list of all applicable tax obligations for a local association with employee compensation.
- 5) Provide a reimbursement for association expenses up to the amount you would have normally paid the officer. Cell phone and mileage are good examples of local association business that are acceptable forms of reimbursements. **You must keep copies of cell invoices, mileage logs and detail receipts for reimbursements.**

Sample Collectively Bargained Contract Language for a TPO Provision:

Upon written request of the Local Association/TPO (TPO) to the Board, the following TPO officers, not to exceed four (4) in number, shall be reassigned without pay, except as hereinafter recited, for the purpose to conduct TPO business. (Note: TPO compensation can be for non-release time work depending on the specifics of your local contract) The written request for reassignment shall include the number of hours/days per school year. The assigned officers will be paid on an hourly basis based on the daily contract rate for actual teaching. The amount of hours for TPO compensation will be communicated in writing to the Board by the TPO and the Board will perform all administration within applicable laws and regulations (including STRS regulations and reporting) related to the TPO compensation including payment no later than one month after such communication of the amount of compensation due to the TPO officers. The TPO will comply with completing all applicable forms and documents requested of the Board. The TPO shall reimburse the Board for TPO compensation no later than two weeks prior to the pay date of the TPO compensation. The TPO reimbursement shall include salary and all applicable benefits of such officers, retirement contributions paid on their behalf and any other expenses related to salary and fringe benefits. The reimbursement by the TPO shall include a 2% (this percentage is bargainable) processing fee of the gross compensation amount processed.

1. President
2. Vice President
3. Treasurer
4. Secretary

Employer identification number (EIN) -

Name (not your trade name)

Trade name (if any)

Address

Number Street Suite or room number

City State ZIP code

Foreign country name Foreign province/county Foreign postal code

Report for this Quarter of 2022
 (Check one.)

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Go to www.irs.gov/Form941 for instructions and the latest information.

Read the separate instructions before you complete Form 941. Type or print within the boxes.

Part 1: Answer these questions for this quarter.

1 Number of employees who received wages, tips, or other compensation for the pay period including: June 12 (Quarter 2), Sept. 12 (Quarter 3), or Dec. 12 (Quarter 4) 1

2 Wages, tips, and other compensation 2

3 Federal income tax withheld from wages, tips, and other compensation 3

4 If no wages, tips, and other compensation are subject to social security or Medicare tax Check and go to line 6.

	Column 1		Column 2	
5a Taxable social security wages*	<input type="text"/>	× 0.124 =	<input type="text"/>	
5a (i) Qualified sick leave wages*	<input type="text"/>	× 0.062 =	<input type="text"/>	
5a (ii) Qualified family leave wages*	<input type="text"/>	× 0.062 =	<input type="text"/>	
5b Taxable social security tips	<input type="text"/>	× 0.124 =	<input type="text"/>	
5c Taxable Medicare wages & tips	<input type="text"/>	× 0.029 =	<input type="text"/>	
5d Taxable wages & tips subject to Additional Medicare Tax withholding	<input type="text"/>	× 0.009 =	<input type="text"/>	
5e Total social security and Medicare taxes. Add Column 2 from lines 5a, 5a(i), 5a(ii), 5b, 5c, and 5d				5e <input type="text"/>
5f Section 3121(q) Notice and Demand—Tax due on unreported tips (see instructions)				5f <input type="text"/>
6 Total taxes before adjustments. Add lines 3, 5e, and 5f				6 <input type="text"/>
7 Current quarter's adjustment for fractions of cents				7 <input type="text"/>
8 Current quarter's adjustment for sick pay				8 <input type="text"/>
9 Current quarter's adjustments for tips and group-term life insurance				9 <input type="text"/>
10 Total taxes after adjustments. Combine lines 6 through 9				10 <input type="text"/>
11a Qualified small business payroll tax credit for increasing research activities. Attach Form 8974				11a <input type="text"/>
11b Nonrefundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021				11b <input type="text"/>
11c Reserved for future use				11c <input type="text"/>

*Include taxable qualified sick and family leave wages paid in this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021, on line 5a. Use lines 5a(i) and 5a(ii) only for taxable qualified sick and family leave wages paid in this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021.

Name (not your trade name)

Employer identification number (EIN)

Part 1: Answer these questions for this quarter. (continued)

11d Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 11d

11e Reserved for future use 11e

11f Reserved for future use

11g Total nonrefundable credits. Add lines 11a, 11b, and 11d 11g

12 Total taxes after adjustments and nonrefundable credits. Subtract line 11g from line 10 12

13a Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Form 941-X, 941-X (PR), 944-X, or 944-X (SP) filed in the current quarter 13a

13b Reserved for future use 13b

13c Refundable portion of credit for qualified sick and family leave wages for leave taken before April 1, 2021 13c

13d Reserved for future use 13d

13e Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 13e

13f Reserved for future use 13f

13g Total deposits and refundable credits. Add lines 13a, 13c, and 13e 13g

13h Reserved for future use 13h

13i Reserved for future use 13i

14 Balance due. If line 12 is more than line 13g, enter the difference and see instructions 14

15 Overpayment. If line 13g is more than line 12, enter the difference Check one: Apply to next return. Send a refund.

Part 2: Tell us about your deposit schedule and tax liability for this quarter.

If you're unsure about whether you're a monthly schedule depositor or a semiweekly schedule depositor, see section 11 of Pub. 15.

16 Check one: Line 12 on this return is less than \$2,500 or line 12 on the return for the prior quarter was less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter. If line 12 for the prior quarter was less than \$2,500 but line 12 on this return is \$100,000 or more, you must provide a record of your federal tax liability. If you're a monthly schedule depositor, complete the deposit schedule below; if you're a semiweekly schedule depositor, attach Schedule B (Form 941). Go to Part 3.

You were a monthly schedule depositor for the entire quarter. Enter your tax liability for each month and total liability for the quarter, then go to Part 3.

Tax liability: Month 1

Month 2

Month 3

Total liability for quarter Total must equal line 12.

You were a semiweekly schedule depositor for any part of this quarter. Complete Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and attach it to Form 941. Go to Part 3.

▶ You MUST complete all three pages of Form 941 and SIGN it.

Next ▶

Name (not your trade name)	Employer identification number (EIN) -
----------------------------	---

Part 3: Tell us about your business. If a question does NOT apply to your business, leave it blank.

- 17 If your business has closed or you stopped paying wages Check here, and enter the final date you paid wages / / ; also attach a statement to your return. See instructions.
- 18 If you're a seasonal employer and you don't have to file a return for every quarter of the year Check here.
- 19 Qualified health plan expenses allocable to qualified sick leave wages for leave taken before April 1, 2021 19
- 20 Qualified health plan expenses allocable to qualified family leave wages for leave taken before April 1, 2021 20
- 21 Reserved for future use 21
- 22 Reserved for future use 22
- 23 Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 23
- 24 Qualified health plan expenses allocable to qualified sick leave wages reported on line 23 24
- 25 Amounts under certain collectively bargained agreements allocable to qualified sick leave wages reported on line 23 25
- 26 Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 26
- 27 Qualified health plan expenses allocable to qualified family leave wages reported on line 26 27
- 28 Amounts under certain collectively bargained agreements allocable to qualified family leave wages reported on line 26 28

Part 4: May we speak with your third-party designee?

Do you want to allow an employee, a paid tax preparer, or another person to discuss this return with the IRS? See the instructions for details.

Yes. Designee's name and phone number

Select a 5-digit personal identification number (PIN) to use when talking to the IRS.

No.

Part 5: Sign here. You MUST complete all three pages of Form 941 and SIGN it.

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. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.



Sign your name here

Print your name here

Print your title here

Date

Best daytime phone

Paid Preparer Use Only

Check if you're self-employed

Preparer's name

PTIN

Preparer's signature

Date

Firm's name (or yours if self-employed)

EIN

Address

Phone

City

State

ZIP code

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Form 941-V, Payment Voucher

Purpose of Form


Complete Form 941-V if you're making a payment with Form 941. We will use the completed voucher to credit your payment more promptly and accurately, and to improve our service to you.

Making Payments With Form 941

To avoid a penalty, make your payment with Form 941 **only if**:

- Your total taxes after adjustments and nonrefundable credits (Form 941, line 12) for either the current quarter or the preceding quarter are less than \$2,500, you didn't incur a \$100,000 next-day deposit obligation during the current quarter, and you're paying in full with a timely filed return; or
- You're a monthly schedule depositor making a payment in accordance with the Accuracy of Deposits Rule. See section 11 of Pub. 15 for details. In this case, the amount of your payment may be \$2,500 or more.

Otherwise, you must make deposits by electronic funds transfer. See section 11 of Pub. 15 for deposit instructions. Don't use Form 941-V to make federal tax deposits.

 *Use Form 941-V when making any payment with Form 941. However, if you pay an amount with Form 941 that should've been deposited, you may be subject to a penalty. See Deposit Penalties in section 11 of Pub. 15.*

Specific Instructions

Box 1—Employer identification number (EIN). If you don't have an EIN, you may apply for one online by visiting the IRS website at www.irs.gov/EIN. You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. If you haven't received your EIN by the due date of Form 941, write "Applied For" and the date you applied in this entry space.

Box 2—Amount paid. Enter the amount paid with Form 941.

Box 3—Tax period. Darken the circle identifying the quarter for which the payment is made. Darken only one circle.

Box 4—Name and address. Enter your name and address as shown on Form 941.

- Enclose your check or money order made payable to "United States Treasury." Be sure to enter your EIN, "Form 941," and the tax period ("1st Quarter 2022," "2nd Quarter 2022," "3rd Quarter 2022," or "4th Quarter 2022") on your check or money order. Don't send cash. Don't staple Form 941-V or your payment to Form 941 (or to each other).

- Detach Form 941-V and send it with your payment and Form 941 to the address in the Instructions for Form 941.

Note: You must also complete the entity information above Part 1 on Form 941.

✂ **Detach Here and Mail With Your Payment and Form 941.** ✂

Form **941-V**

Department of the Treasury
Internal Revenue Service

Payment Voucher

OMB No. 1545-0029

2022

▶ **Don't staple this voucher or your payment to Form 941.**

1 Enter your employer identification number (EIN). —		2 Enter the amount of your payment. ▶ Make your check or money order payable to "United States Treasury"		Dollars	Cents
3 Tax Period		4 Enter your business name (individual name if sole proprietor).			
<input type="radio"/> 1st Quarter	<input type="radio"/> 3rd Quarter	Enter your address.			
<input type="radio"/> 2nd Quarter	<input type="radio"/> 4th Quarter	Enter your city, state, and ZIP code; or your city, foreign country name, foreign province/county, and foreign postal code.			

Privacy Act and Paperwork Reduction Act Notice.

We ask for the information on Form 941 to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Subtitle C, Employment Taxes, of the Internal Revenue Code imposes employment taxes on wages and provides for income tax withholding. Form 941 is used to determine the amount of taxes that you owe. Section 6011 requires you to provide the requested information if the tax is applicable to you. Section 6109 requires you to provide your identification number. If you fail to provide this information in a timely manner, or provide false or fraudulent information, you may be subject to penalties.

You're 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 and 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. However, section 6103 allows or requires the IRS to disclose or give the information shown on your tax return to others as described in the Code. For example, we may disclose your tax information to the Department of

Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The time needed to complete and file Form 941 will vary depending on individual circumstances. The estimated average time is:

Recordkeeping 22 hr., 28 min.

Learning about the law or the form 53 min.

Preparing, copying, assembling, and sending the form to the IRS 1 hr., 18 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 941 simpler, we would be happy to hear from you. You can send us comments from www.irs.gov/FormComments. Or you can send your comments to Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Don't send Form 941 to this address. Instead, see *Where Should You File?* in the Instructions for Form 941.

Instructions for Form 941

(Rev. June 2022)

Employer's QUARTERLY Federal Tax Return



Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

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Future Developments

For the latest information about developments related to Form 941 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form941](https://www.irs.gov/Form941).

What's New


Credit for COBRA premium assistance payments. The COBRA premium assistance credit lines have been "Reserved for future use" on Form 941 because the first quarter of 2022 was the last quarter in which most employers may have been eligible to claim the COBRA premium assistance credit.

Section 9501 of the American Rescue Plan Act of 2021 (the ARP) provided for COBRA premium assistance in the form of a full reduction in the premium otherwise payable by certain individuals and their families who elected COBRA continuation coverage due to a loss of coverage as the result of a reduction in hours or an involuntary termination of employment (assistance eligible individuals). This COBRA

premium assistance was available for periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021. A premium payee was entitled to the COBRA premium assistance credit at the time an eligible individual elected coverage. Therefore, due to the COBRA notice and election period requirements (generally, employers had 60 days to provide notice and assistance eligible individuals had 60 days to elect coverage), the first quarter of 2022 was the last quarter in which most employers may have been eligible to claim the COBRA premium assistance credit.

Under some rare circumstances, it may be possible for a premium payee to become entitled to the COBRA premium assistance credit after the first quarter of 2022. However, in those cases, the credit must be claimed on a Form 941-X, Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund. For more information, see the Instructions for Form 941-X.

Reminders

 **Use the March 2022 revision of Form 941 only to report taxes for the quarter ending March 31, 2022. The IRS expects the June 2022 revision of Form 941 and these instructions to be used for the second, third, and fourth quarters of 2022. If changes in law require additional changes to Form 941, the form and/or these instructions may be revised. Prior revisions of Form 941 are available at [IRS.gov/Form941](https://www.irs.gov/Form941) (select the link for "All Form 941 Revisions" under "Other Items You May Find Useful").**

Social security and Medicare tax for 2022. The rate of social security tax on taxable wages, including qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2021, and before October 1, 2021, is 6.2% each for the employer and employee or 12.4% for both. Qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, aren't subject to the employer share of social security tax; therefore, the tax rate on these wages is 6.2%. The social security wage base limit is \$147,000.

The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2021. There is no wage base limit for Medicare tax.

Social security and Medicare taxes apply to the wages of household workers you pay \$2,400 or more in cash wages in 2022. Social security and Medicare taxes apply to election workers who are paid \$2,000 or more in cash or an equivalent form of compensation in 2022.

The COVID-19 related credit for qualified sick and family leave wages is limited to leave taken after March 31, 2020, and before October 1, 2021. Generally, the credit for qualified sick and family leave wages, as enacted under the Families First Coronavirus Response Act (FFCRA) and amended and extended by the COVID-related Tax Relief Act of 2020, for leave taken after March 31, 2020, and before April 1, 2021, and the credit for qualified sick and family leave

wages under sections 3131, 3132, and 3133 of the Internal Revenue Code, as enacted under the ARP for leave taken after March 31, 2021, and before October 1, 2021, have expired. However, employers that pay qualified sick and family leave wages in 2022 for leave taken after March 31, 2020, and before October 1, 2021, are eligible to claim a credit for qualified sick and family leave wages in the quarter of 2022 in which the qualified wages were paid. For more information, see the instructions for [line 11b](#), [line 11d](#), [line 13c](#), and [line 13e](#), later.

Use [Worksheet 1](#) to figure the credit for leave taken after March 31, 2020, and before April 1, 2021. Use [Worksheet 2](#) to figure the credit for leave taken after March 31, 2021, and before October 1, 2021. For more information about the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](#).

The COVID-19 related employee retention credit has expired. The employee retention credit enacted under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and amended and extended by the Taxpayer Certainty and Disaster Tax Relief Act of 2020 was limited to qualified wages paid after March 12, 2020, and before July 1, 2021. The employee retention credit under section 3134 of the Internal Revenue Code, as enacted by the ARP and amended by the Infrastructure Investment and Jobs Act, was limited to wages paid after June 30, 2021, and before October 1, 2021, unless the employer was a recovery startup business. An employer that was a recovery startup business could also claim the employee retention credit for wages paid after September 30, 2021, and before January 1, 2022.

Advance payment of COVID-19 credits ended. Although you may pay qualified sick and family leave wages in 2022 for leave taken after March 31, 2020, and before October 1, 2021, you may no longer request an advance payment of any credit on Form 7200, Advance Payment of Employer Credits Due to COVID-19.

Notice 2021-65 effect on deposit schedule. If you became a semiweekly schedule depositor for 2022 under the \$100,000 Next-Day Deposit Rule **solely** as a result of the relief provided in Notice 2021-65, 2021-51 I.R.B. 880, available at [IRS.gov/irb/2021-51_IRB#NOT-2021-65](#), regarding the early termination of the employee retention credit for the fourth quarter of 2021, you may be converted back to a monthly schedule depositor by contacting the IRS. You may continue to deposit in accordance with your status as a monthly schedule depositor, but you may receive a system-generated failure-to-deposit (FTD) penalty notice after you file your Form 941 for the first quarter of 2022. Contact the IRS at the toll-free number on your FTD penalty notice to request abatement of the FTD penalty and to be converted back to a monthly schedule depositor.

Payroll tax credit for certain tax-exempt organizations affected by qualified disasters. Section 303(d) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 allows for a payroll tax credit for certain tax-exempt organizations affected by certain qualified disasters **not** related to COVID-19. This credit is claimed on Form 5884-D (not on Form 941). Form 5884-D is filed after the Form 941 for the quarter for which the credit is being claimed has been filed. If you will claim this credit on Form 5884-D and you're also claiming a credit for qualified sick and family leave wages for leave taken before April 1, 2021, you must include any credit that will be claimed on Form 5884-D on [Worksheet](#)

[1](#) for that quarter. For more information about this credit, go to [IRS.gov/Form5884D](#).

Deferral of the employer share of social security tax expired. The CARES Act allowed employers to defer the deposit and payment of the employer share of social security tax. The deferred amount of the employer share of social security tax was only available for deposits due on or after March 27, 2020, and before January 1, 2021, as well as deposits and payments due after January 1, 2021, that were required for wages paid on or after March 27, 2020, and before January 1, 2021. One-half of the employer share of social security tax was due by December 31, 2021, and the remainder is due by December 31, 2022. Because both December 31, 2021, and December 31, 2022, are nonbusiness days, payments made on the next business day will be considered timely. Any payments or deposits you made before December 31, 2021, were first applied against your payment due on December 31, 2021, and then applied against your payment due on December 31, 2022. For more information about the deferral of employment tax deposits, go to [IRS.gov/ETD](#). See [Paying the deferred amount of the employer share of social security tax](#) and [How to pay the deferred amount of the employer and employee share of social security tax](#), later, for information about paying the deferred amount of the employer share of social security tax.

Deferral of the employee share of social security tax expired. The Presidential Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster, issued on August 8, 2020, directed the Secretary of the Treasury to defer the withholding, deposit, and payment of the employee share of social security tax on wages paid during the period from September 1, 2020, through December 31, 2020. The deferral of the withholding and payment of the employee share of social security tax was available for employees whose social security wages paid for a biweekly pay period were less than \$4,000, or the equivalent threshold amount for other pay periods. The COVID-related Tax Relief Act of 2020 deferred the due date for the withholding and payment of the employee share of social security tax until the period beginning on January 1, 2021, and ending on December 31, 2021. For more information about the deferral of employee social security tax, see Notice 2020-65, 2020-38 I.R.B. 567, available at [IRS.gov/irb/2020-38_IRB#NOT-2020-65](#); and Notice 2021-11, 2021-06 I.R.B. 827, available at [IRS.gov/irb/2021-06_IRB#NOT-2021-11](#). Also see [Paying the deferred amount of the employee share of social security tax](#) and [How to pay the deferred amount of the employer and employee share of social security tax](#), later, for information about paying the deferred amount of the employee share of social security tax.

Paying the deferred amount of the employer share of social security tax. One-half of the employer share of social security tax was due by December 31, 2021, and the remainder is due by December 31, 2022. Because both December 31, 2021, and December 31, 2022, are nonbusiness days, payments made on the next business day will be considered timely. Any payments or deposits you made before December 31, 2021, were first applied against your payment due on December 31, 2021, and then applied against your payment due on December 31, 2022. For example, if your employer share of social security tax for the third quarter of 2020 was \$20,000 and you deposited \$5,000 of the \$20,000 during the third quarter of 2020 and you deferred \$15,000 on Form 941, line 13b, then you were

required to pay \$5,000 by December 31, 2021, and must pay \$10,000 by December 31, 2022. However, if your employer share of social security tax for the third quarter of 2020 was \$20,000 and you deposited \$15,000 of the \$20,000 during the third quarter of 2020 and you deferred \$5,000 on Form 941, line 13b, then you didn't need to pay any deferred amount by December 31, 2021, because 50% of the amount that could have been deferred (\$10,000) was already paid and was first applied against your payment that was due on December 31, 2021. Accordingly, you must pay the \$5,000 deferral by December 31, 2022. Payment of the deferral isn't reported on Form 941. For additional information, go to [IRS.gov/ETD](https://www.irs.gov/ETD).

Paying the deferred amount of the employee share of social security tax. The due date for the withholding and payment of the employee share of social security tax was postponed until the period beginning on January 1, 2021, and ending on December 31, 2021. The employer was required to withhold and pay the total deferred employee share of social security tax ratably from wages paid to the employee between January 1, 2021, and December 31, 2021. If necessary, the employer was allowed to make arrangements to otherwise collect the total deferred taxes from the employee. The employer was liable to pay the deferred taxes to the IRS and was required to do so before January 1, 2022, to avoid interest, penalties, and additions to tax on those amounts. Because January 1, 2022, was a nonbusiness day, payments made on January 3, 2022, were considered timely. Payment of the deferral isn't reported on Form 941. For more information about the deferral of the employee share of social security tax, see [Notice 2020-65](https://www.irs.gov/etd/2020-65) and [Notice 2021-11](https://www.irs.gov/etd/2021-11).

How to pay the deferred amount of the employer and employee share of social security tax. You may pay the amount you owe electronically using the Electronic Federal Tax Payment System (EFTPS), by credit or debit card, or by a check or money order. The preferred method of payment is EFTPS. For more information, go to [EFTPS.gov](https://www.irs.gov/eftps), or call 800-555-4477 or 800-733-4829 (TDD). To pay the deferred amount using EFTPS, select Form 941, the calendar quarter in 2020 to which the payment relates, and the option to pay the deferred amount.

To pay by credit or debit card, go to [IRS.gov/PayByCard](https://www.irs.gov/paybycard). If you pay by check or money order, include a 2020 Form 941-V, Payment Voucher, for the quarter in which you originally deferred the deposit and payment. Darken the circle identifying the quarter for which the payment is being made. The 2020 Form 941-V is on page 5 of Form 941 and is available at [IRS.gov/Form941](https://www.irs.gov/form941) (select the link for "All Form 941 Revisions" under "Other Items You May Find Useful"). Make the check or money order payable to "United States Treasury." Enter your EIN, "Form 941," and the calendar quarter in which you originally deferred the deposit and payment (for example, "2nd Quarter 2020").

Payments should be sent to:

Department of the Treasury Internal Revenue Service Ogden, UT 84201-0030	or	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0030
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Send your payment to the address above that is in the same state as the address to which you would mail returns filed without a payment, as shown under [Where Should You](https://www.irs.gov/eftps)

[File](https://www.irs.gov/eftps), later. For more information about the deferral of social security tax, go to [IRS.gov/ETD](https://www.irs.gov/etd) and see [Notice 2020-65](https://www.irs.gov/etd/2020-65) and [Notice 2021-11](https://www.irs.gov/etd/2021-11).

2022 withholding tables. The federal income tax withholding tables are included in Pub. 15-T, Federal Income Tax Withholding Methods.

Qualified small business payroll tax credit for increasing research activities. For tax years beginning after 2015, a qualified small business may elect to claim up to \$250,000 of its credit for increasing research activities as a payroll tax credit against the employer share of social security tax. The payroll tax credit election must be made on or before the due date of the originally filed income tax return (including extensions). The portion of the credit used against the employer share of social security tax is allowed in the first calendar quarter beginning after the date that the qualified small business filed its income tax return. The election and determination of the credit amount that will be used against the employer share of social security tax are made on Form 6765, Credit for Increasing Research Activities. The amount from Form 6765, line 44, must then be reported on Form 8974, Qualified Small Business Payroll Tax Credit for Increasing Research Activities. Form 8974 is used to determine the amount of the credit that can be used in the current quarter. The amount from Form 8974, line 12, is reported on Form 941, line 11a. If you're claiming the research payroll tax credit on your Form 941, you must attach Form 8974 to that Form 941. For more information about the payroll tax credit, see Notice 2017-23, 2017-16 I.R.B. 1100, available at [IRS.gov/irb/2017-16_IRB#NOT-2017-23](https://www.irs.gov/irb/2017-16_IRB#NOT-2017-23); and [IRS.gov/ResearchPayrollTC](https://www.irs.gov/researchpayrolltc). Also see [Adjusting tax liability for nonrefundable credits claimed on lines 11a, 11b, and 11d](https://www.irs.gov/irb/2017-16_IRB#NOT-2017-23), later.

Certification program for professional employer organizations (PEOs). The Stephen Beck, Jr., ABLE Act of 2014 required the IRS to establish a voluntary certification program for PEOs. PEOs handle various payroll administration and tax reporting responsibilities for their business clients and are typically paid a fee based on payroll costs. To become and remain certified under the certification program, certified professional employer organizations (CPEOs) must meet various requirements described in sections 3511 and 7705 and related published guidance. Certification as a CPEO may affect the employment tax liabilities of both the CPEO and its customers. A CPEO is generally treated for employment tax purposes as the employer of any individual who performs services for a customer of the CPEO and is covered by a contract described in section 7705(e)(2) between the CPEO and the customer (CPEO contract), but only for wages and other compensation paid to the individual by the CPEO. To become a CPEO, the organization must apply through the IRS Online Registration System. For more information or to apply to become a CPEO, go to [IRS.gov/CPEO](https://www.irs.gov/cpeo).

CPEOs must generally file Form 941 and Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers, electronically. For more information about a CPEO's requirement to file electronically, see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at [IRS.gov/irb/2017-03_IRB#RP-2017-14](https://www.irs.gov/irb/2017-03_IRB#RP-2017-14).

Outsourcing payroll duties. Generally, as an employer, you're responsible to ensure that tax returns are filed and deposits and payments are made, even if you contract with a third party to perform these acts. You remain responsible if

the third party fails to perform any required action. Before you choose to outsource any of your payroll and related tax duties (that is, withholding, reporting, and paying over social security, Medicare, FUTA, and income taxes) to a third-party payer, such as a payroll service provider or reporting agent, go to [IRS.gov/OutsourcingPayrollDuties](https://www.irs.gov/OutsourcingPayrollDuties) for helpful information on this topic. If a CPEO pays wages and other compensation to an individual performing services for you, and the services are covered by a contract described in section 7705(e)(2) between you and the CPEO (CPEO contract), then the CPEO is generally treated for employment tax purposes as the employer, but only for wages and other compensation paid to the individual by the CPEO. However, with respect to certain employees covered by a CPEO contract, you may also be treated as an employer of the employees and, consequently, may also be liable for federal employment taxes imposed on wages and other compensation paid by the CPEO to such employees. For more information on the different types of third-party payer arrangements, see section 16 of Pub. 15.

COVID-19 employment tax credits when return filed by a third-party payer. If you're the common-law employer of the individuals that are paid qualified sick or family leave wages, you're entitled to the credit for the sick and family leave wages regardless of whether you use a third-party payer (such as a PEO, CPEO, or section 3504 agent) to report and pay your federal employment taxes. The third-party payer isn't entitled to the credits with respect to the wages and taxes it remits on your behalf (regardless of whether the third party is considered an "employer" for other purposes).

Aggregate Form 941 filers. Approved section 3504 agents and CPEOs must complete and file Schedule R (Form 941) when filing an aggregate Form 941. Aggregate Forms 941 are filed by agents approved by the IRS under section 3504. To request approval to act as an agent for an employer, the agent files Form 2678 with the IRS unless you're a state or local government agency acting as an agent under the special procedures provided in Rev. Proc. 2013-39, 2013-52 I.R.B. 830, available at [IRS.gov/irb/2013-52_IRB#RP-2013-39](https://www.irs.gov/irb/2013-52_IRB#RP-2013-39). Aggregate Forms 941 are also filed by CPEOs approved by the IRS under section 7705. To become a CPEO, the organization must apply through the IRS Online Registration System at [IRS.gov/CPEO](https://www.irs.gov/CPEO). CPEOs file Form 8973, Certified Professional Employer Organization/Customer Reporting Agreement, to notify the IRS that they started or ended a service contract with a customer. CPEOs must generally file Form 941 and Schedule R (Form 941) electronically. For more information about a CPEO's requirement to file electronically, see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at [IRS.gov/irb/2017-03_IRB#RP-2017-14](https://www.irs.gov/irb/2017-03_IRB#RP-2017-14).

Other third-party payers that file aggregate Forms 941, such as non-certified PEOs, must complete and file Schedule R (Form 941) if they have clients that are claiming the qualified small business payroll tax credit for increasing research activities, and/or the credit for qualified sick and family leave wages.

TIP *If both an employer and a section 3504 authorized agent (or CPEO or other third-party payer) paid wages to an employee during a quarter, both the employer and the section 3504 authorized agent (or CPEO or other third-party payer, if applicable) should file Form 941 reporting the wages each entity paid to the employee during*

the applicable quarter and issue Forms W-2 reporting the wages each entity paid to the employee during the year.

If a third-party payer of sick pay is also paying qualified sick leave wages on behalf of an employer, the third party would be making the payments as an agent of the employer. The employer is required to do the reporting and payment of employment taxes with respect to the qualified sick leave wages and claim the credit for the qualified sick leave wages, unless the employer has an agency agreement with the third-party payer that requires the third-party payer to do the collecting, reporting, and/or paying or depositing employment taxes on the qualified sick leave wages. If the employer has an agency agreement with the third-party payer, the third-party payer includes the qualified sick leave wages on the third party's aggregate Form 941, claims the sick leave credit on behalf of the employer on the aggregate Form 941, and separately reports the credit allocable to the employers on Schedule R (Form 941). See section 6 of Pub. 15-A, Employer's Supplemental Tax Guide, for more information about sick pay reporting.

Work opportunity tax credit for qualified tax-exempt organizations hiring qualified veterans. Qualified tax-exempt organizations that hire eligible unemployed veterans may be able to claim the work opportunity tax credit against their payroll tax liability using Form 5884-C. For more information, go to [IRS.gov/WOTC](https://www.irs.gov/WOTC).

Correcting a previously filed Form 941. If you discover an error on a previously filed Form 941, or if you otherwise need to amend a previously filed Form 941, make the correction using Form 941-X. Form 941-X is filed separately from Form 941. For more information, see the Instructions for Form 941-X, section 13 of Pub. 15, or go to [IRS.gov/CorrectingEmploymentTaxes](https://www.irs.gov/CorrectingEmploymentTaxes).

Federal tax deposits must be made by electronic funds transfer (EFT). You must use EFT to make all federal tax deposits. Generally, an EFT is made using EFTPS. If you don't want to use EFTPS, you can arrange for your tax professional, financial institution, payroll service, or other trusted third party to make electronic deposits on your behalf. Also, you may arrange for your financial institution to initiate a same-day wire payment on your behalf. EFTPS is a free service provided by the Department of the Treasury. Services provided by your tax professional, financial institution, payroll service, or other third party may have a fee.

For more information on making federal tax deposits, see section 11 of Pub. 15. To get more information about EFTPS or to enroll in EFTPS, go to [EFTPS.gov](https://www.eftps.gov), or call 800-555-4477 or 800-733-4829 (TDD). Additional information about EFTPS is also available in Pub. 966.



For an EFTPS deposit to be on time, you must submit the deposit by 8 p.m. Eastern time the day before the date the deposit is due.

Same-day wire payment option. If you fail to submit a deposit transaction on EFTPS by 8 p.m. Eastern time the day before the date a deposit is due, you can still make your deposit on time by using the Federal Tax Collection Service (FTCS) to make a same-day wire payment. To use the same-day wire payment method, you will need to make arrangements with your financial institution ahead of time. Please check with your financial institution regarding availability, deadlines, and costs. Your financial institution may charge you a fee for payments made this way. To learn

more about the information you will need to give your financial institution to make a same-day wire payment, go to [IRS.gov/SameDayWire](https://www.irs.gov/SameDayWire).

Timeliness of federal tax deposits. If a deposit is required to be made on a day that isn't a business day, the deposit is considered timely if it is made by the close of the next business day. A business day is any day other than a Saturday, Sunday, or legal holiday. The term "legal holiday" for deposit purposes includes only those legal holidays in the District of Columbia. Legal holidays in the District of Columbia are provided in section 11 of Pub. 15.

Electronic filing and payment. Businesses can enjoy the benefits of filing tax returns and paying their federal taxes electronically. Whether you rely on a tax professional or handle your own taxes, the IRS offers you convenient programs to make filing and paying easier. Spend less time worrying about taxes and more time running your business. Use e-file and EFTPS to your benefit.

- For e-file, go to [IRS.gov/EmploymentEfile](https://www.irs.gov/EmploymentEfile) for additional information. A fee may be charged to file electronically.
- For EFTPS, go to [EFTPS.gov](https://www.eftps.gov), or call EFTPS Customer Service at 800-555-4477 or 800-733-4829 (TDD) for additional information.
- For electronic filing of Forms W-2, Wage and Tax Statement, go to [SSA.gov/employer](https://www.ssa.gov/employer). You may be required to file Forms W-2 electronically. For details, see the General Instructions for Forms W-2 and W-3.



If you're filing your tax return or paying your federal taxes electronically, a valid employer identification number (EIN) is required at the time the return is filed or the payment is made. If a valid EIN isn't provided, the return or payment won't be processed. This may result in penalties. See [Employer identification number \(EIN\)](#), later, for information about applying for an EIN.

Electronic funds withdrawal (EFW). If you file Form 941 electronically, you can e-file and use EFW to pay the balance due in a single step using tax preparation software or through a tax professional. However, don't use EFW to make federal tax deposits. For more information on paying your taxes using EFW, go to [IRS.gov/EFW](https://www.irs.gov/EFW).

Credit or debit card payments. You can pay the balance due shown on Form 941 by credit or debit card. Your payment will be processed by a payment processor who will charge a processing fee. Don't use a credit or debit card to make federal tax deposits. For more information on paying your taxes with a credit or debit card, go to [IRS.gov/PayByCard](https://www.irs.gov/PayByCard).

Online payment agreement. You may be eligible to apply for an installment agreement online if you can't pay the full amount of tax you owe when you file your return. For more information, see [What if you can't pay in full](#), later.

Paid preparers. If you use a paid preparer to complete Form 941, the paid preparer must complete and sign the paid preparer's section of the form.

Where can you get telephone help? For answers to your questions about completing Form 941 or tax deposit rules, you can call the IRS at 800-829-4933 or 800-829-4059 (TDD/TTY for persons who are deaf, hard of hearing, or have a speech disability), Monday–Friday from 7:00 a.m. to 7:00 p.m. local time (Alaska and Hawaii follow Pacific time).

Photographs of missing children. The IRS is a proud partner with the [National Center for Missing & Exploited](#)

[Children® \(NCMEC\)](#). Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

General Instructions:

Purpose of Form 941

These instructions give you some background information about Form 941. They tell you who must file Form 941, how to complete it line by line, and when and where to file it.

If you want more in-depth information about payroll tax topics relating to Form 941, see Pub. 15 or go to [IRS.gov/EmploymentTaxes](https://www.irs.gov/EmploymentTaxes).

Federal law requires you, as an employer, to withhold certain taxes from your employees' pay. Each time you pay wages, you must withhold—or take out of your employees' pay—certain amounts for federal income tax, social security tax, and Medicare tax. You must also withhold Additional Medicare Tax from wages you pay to an employee in excess of \$200,000 in a calendar year. Under the withholding system, taxes withheld from your employees are credited to your employees in payment of their tax liabilities.

Federal law also requires you to pay any liability for the employer share of social security and Medicare taxes. This share of social security and Medicare taxes isn't withheld from employees.

Who Must File Form 941?

If you pay wages subject to federal income tax withholding or social security and Medicare taxes, you must file Form 941 quarterly to report the following amounts.

- Wages you've paid.
- Tips your employees reported to you.
- Federal income tax you withheld.
- Both the employer and the employee share of social security and Medicare taxes.
- Additional Medicare Tax withheld from employees.
- Current quarter's adjustments to social security and Medicare taxes for fractions of cents, sick pay, tips, and group-term life insurance.
- Qualified small business payroll tax credit for increasing research activities.
- Credit for qualified sick and family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before October 1, 2021.

Don't use Form 941 to report backup withholding or income tax withholding on nonpayroll payments such as pensions, annuities, and gambling winnings. Report these types of withholding on Form 945, Annual Return of Withheld Federal Income Tax. Also, don't use Form 941 to report unemployment taxes. Report unemployment taxes on Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return.

After you file your first Form 941, you must file a return for each quarter, even if you have no taxes to report, unless you filed a final return or one of the exceptions listed next applies.

Exceptions

Special rules apply to some employers.

- If you received notification to file **Form 944**, you must file Form 944 annually; don't file Form 941 quarterly.
- **Seasonal employers** don't have to file a Form 941 for quarters in which they have no tax liability because they have paid no wages. To tell the IRS that you won't file a return for one or more quarters during the year, check the box on line 18 every quarter you file Form 941. See section 12 of Pub. 15 for more information.
- Employers of **household employees** don't usually file Form 941. See Pub. 926 and Schedule H (Form 1040) for more information.
- Employers of **farm employees** don't file Form 941 for wages paid for agricultural labor. See Form 943 and Pub. 51 for more information.



If none of these exceptions apply and you haven't filed a final return, you must file Form 941 each quarter even if you didn't pay wages during the quarter. Use IRS e-file, if possible.

Requesting To File Forms 941 Instead of Form 944, or Requesting To File Form 944 Instead of Forms 941

Requesting to file Forms 941 instead of Form 944. Employers that would otherwise be required to file Form 944, Employer's ANNUAL Federal Tax Return, may contact the IRS to request to file quarterly Forms 941 instead of annual Form 944. To request to file quarterly Forms 941 to report your social security and Medicare taxes for the 2022 calendar year, you must either call the IRS at 800-829-4933 between January 1, 2022, and April 1, 2022, or send a written request postmarked between January 1, 2022, and March 15, 2022. After you contact the IRS, the IRS will send you a written notice that your filing requirement has been changed to Forms 941. You must receive written notice from the IRS to file Forms 941 instead of Form 944 before you may file these forms. If you don't receive this notice, you must file Form 944 for calendar year 2022.

Requesting to file Form 944 instead of Forms 941. If you're required to file Forms 941 but believe your employment taxes for calendar year 2022 will be \$1,000 or less, you may request to file Form 944 instead of Forms 941 by calling the IRS at 800-829-4933 between January 1, 2022, and April 1, 2022, or sending a written request postmarked between January 1, 2022, and March 15, 2022. After you contact the IRS, the IRS will send you a written notice that your filing requirement has been changed to Form 944. You must receive written notice from the IRS to file Form 944 instead of Forms 941 before you may file this form. If you don't receive this notice, you must file Forms 941 for calendar year 2022.

Where to send written requests. Written requests should be sent to:

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0038

or

Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0038

If you would mail your return filed without a payment to Ogden, as shown under [Where Should You File](#), later, send your request to the Ogden address shown above. If you would mail your return filed without a payment to Kansas City, send your request to the address for Cincinnati shown

above. For more information about these procedures, see Rev. Proc. 2009-51, 2009-45 I.R.B. 625, available at [IRS.gov/irb/2009-45_IRB#RP-2009-51](https://www.irs.gov/irb/2009-45_IRB#RP-2009-51).

What if You Reorganize or Close Your Business?

If You Sell or Transfer Your Business . . .

If you sell or transfer your business during the quarter, you and the new owner must each file a Form 941 for the quarter in which the transfer occurred. Report only the wages you paid.

When two businesses merge, the continuing firm must file a return for the quarter in which the change took place and the other firm should file a final return.

Changing from one form of business to another—such as from a sole proprietorship to a partnership or corporation—is considered a transfer. If a transfer occurs, you may need a new EIN. See Pub. 1635 and section 1 of Pub. 15 for more information.

Attach a statement to your return with:

- The new owner's name (or the new name of the business);
- Whether the business is now a sole proprietorship, partnership, or corporation;
- The kind of change that occurred (a sale or transfer);
- The date of the change; and
- The name of the person keeping the payroll records and the address where those records will be kept.

If Your Business Has Closed . . .

If you permanently go out of business or stop paying wages to your employees, you must file a final return. To tell the IRS that Form 941 for a particular quarter is your final return, check the box on line 17 and enter the final date you paid wages. Also attach a statement to your return showing the name of the person keeping the payroll records and the address where those records will be kept.

See *Terminating a business* in the General Instructions for Forms W-2 and W-3 for information about earlier dates for the expedited furnishing and filing of Forms W-2 when a final Form 941 is filed.

If you participated in a statutory merger or consolidation, or qualify for predecessor-successor status due to an acquisition, you should generally file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations. See the Instructions for Schedule D (Form 941) to determine whether you should file Schedule D (Form 941) and when you should file it.

When Must You File?

File your initial Form 941 for the quarter in which you first paid wages that are subject to social security and Medicare taxes or subject to federal income tax withholding. See the table titled [When To File Form 941](#), later.

Then, you must file for every quarter after that—every 3 months—even if you have no taxes to report, unless you're a [seasonal employer](#) or are filing your final return. See [Seasonal employers](#) and [If Your Business Has Closed](#), earlier.

File Form 941 only once for each quarter. If you filed electronically, don't file a paper Form 941. For more information about filing Form 941 electronically, see [Electronic filing and payment](#), earlier.

When To File Form 941

Your Form 941 is due by the last day of the month that follows the end of the quarter.		
The Quarter Includes . . .	Quarter Ends	Form 941 Is Due
1. January, February, March	March 31	April 30
2. April, May, June	June 30	July 31
3. July, August, September	September 30	October 31
4. October, November, December	December 31	January 31

For example, you must generally report wages you pay during the 1st quarter—which is January through March—by April 30. If you made timely deposits in full payment of your taxes for the quarter, you may file by the 10th day of the 2nd month that follows the end of the quarter. For example, you may file Form 941 by May 10 if you made timely deposits in full payment of your taxes for the 1st quarter.

If we receive Form 941 after the due date, we will treat Form 941 as filed on time if the envelope containing Form 941 is properly addressed, contains sufficient postage, and is postmarked by the U.S. Postal Service on or before the due date, or sent by an IRS-designated private delivery service (PDS) on or before the due date. If you don't follow these guidelines, we will generally consider Form 941 filed when it is actually received. For more information about PDSs, see [Where Should You File](#), later.

If any due date for filing falls on a Saturday, Sunday, or legal holiday, you may file your return on the next business day.

How Should You Complete Form 941?

Type or print your EIN, name, and address in the spaces provided. Also enter your name and EIN on the top of pages 2 and 3. Don't use your social security number (SSN) or individual taxpayer identification number (ITIN). Generally, enter the business (legal) name you used when you applied for your EIN. For example, if you're a sole proprietor, enter "Haleigh Smith" on the "Name" line and "Haleigh's Cycles" on the "Trade name" line. Leave the "Trade name" line blank if it is the same as your "Name."

If you use a tax preparer to fill out Form 941, make sure the preparer shows your business name exactly as it appeared when you applied for your EIN.

Employer identification number (EIN). To make sure businesses comply with federal tax laws, the IRS monitors tax filings and payments by using a numerical system to identify taxpayers. A unique nine-digit EIN is assigned to all corporations, partnerships, and some sole proprietors. Businesses needing an EIN must apply for a number and use it throughout the life of the business on all tax returns, payments, and reports.

Your business should have only one EIN. If you have more than one and aren't sure which one to use, write to the IRS office where you file your returns (using the *Without a payment* address under [Where Should You File](#), later) or call the IRS at 800-829-4933.

If you don't have an EIN, you may apply for one online by visiting [IRS.gov/EIN](#). You may also apply for an EIN by faxing

or mailing Form SS-4 to the IRS. If the principal business was created or organized outside of the United States or U.S. territories, you may also apply for an EIN by calling 267-941-1099 (toll call). If you haven't received your EIN by the due date of Form 941, file a paper return and write "Applied For" and the date you applied in this entry space.



If you're filing your tax return electronically, a valid EIN is required at the time the return is filed. If a valid EIN isn't provided, the return won't be accepted. This may result in penalties.



Always be sure the EIN on the form you file exactly matches the EIN the IRS assigned to your business. Don't use your SSN or ITIN on forms that ask for an EIN. If you used an EIN (including a prior owner's EIN) on Form 941 that is different from the EIN reported on Form W-3, see Box h—Other EIN used this year in the General Instructions for Forms W-2 and W-3. Filing a Form 941 with an incorrect EIN or using another business's EIN may result in penalties and delays in processing your return.

If you change your business name, business address, or responsible party... Notify the IRS immediately if you change your business name, business address, or responsible party.

- Write to the IRS office where you file your returns (using the *Without a payment* address under [Where Should You File](#), later) to notify the IRS of any business name change. See Pub.1635 to see if you need to apply for a new EIN.
- Complete and mail Form 8822-B to notify the IRS of a business address or responsible party change. Don't mail Form 8822-B with your Form 941. For a definition of "responsible party," see the Instructions for Form SS-4.

Check the Box for the Quarter

Under "Report for this Quarter of 2022" at the top of Form 941, check the appropriate box of the quarter for which you're filing. Make sure the quarter checked is the same as shown on any attached Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and, if applicable, Schedule R (Form 941).

Completing and Filing Form 941

Make entries on Form 941 as follows to enable accurate scanning and processing.

- Use 10-point Courier font (if possible) for all entries if you're typing or using a computer to complete your form. Portable Document Format (PDF) forms on IRS.gov have fillable fields with acceptable font specifications.
- Don't enter dollar signs and decimal points. Commas are optional. Enter dollars to the left of the preprinted decimal point and cents to the right of it. Don't round entries to whole dollars. Always show an amount for cents, even if it is zero.
- Leave blank any data field (except lines 1, 2, and 12) with a value of zero.
- Enter negative amounts using a minus sign (if possible). Otherwise, use parentheses.
- Enter your name and EIN on all pages.
- Enter your name, EIN, "Form 941," and the tax year and quarter on all attachments.
- Staple multiple sheets in the upper left corner when filing.

Complete all three pages. You must complete all three pages of Form 941 and sign on page 3. Failure to do so may delay processing of your return.

Required Notice to Employees About the Earned Income Credit (EIC)

To notify employees about the EIC, you must give the employees one of the following items.

- Form W-2 which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

For more information, see section 10 of Pub. 15, Pub. 596, and [IRS.gov/EIC](https://www.irs.gov/EIC).

Reconciling Forms 941 and Form W-3

The IRS matches amounts reported on your four quarterly Forms 941 with Form W-2 amounts totaled on your yearly Form W-3, Transmittal of Wage and Tax Statements. If the amounts don't agree, you may be contacted by the IRS or the Social Security Administration (SSA). The following amounts are reconciled.

- Federal income tax withholding.
- Social security wages.
- Social security tips.
- Medicare wages and tips.

For more information, see section 12 of Pub. 15 and the Instructions for Schedule D (Form 941).

Where Should You File?

You're encouraged to file Form 941 electronically. Go to [IRS.gov/EmploymentEfile](https://www.irs.gov/employmentefile) for more information on electronic filing. If you file a paper return, where you file depends on whether you include a payment with Form 941. Mail your return to the address listed for your location in the table that follows.

PDSs can't deliver to P.O. boxes. You must use the U.S. Postal Service to mail an item to a P.O. box address. Go to [IRS.gov/PDS](https://www.irs.gov/PDS) for the current list of PDSs. For the IRS mailing address to use if you're using a PDS, go to [IRS.gov/PDSstreetAddresses](https://www.irs.gov/PDSstreetAddresses). Select the mailing address listed on the webpage that is in the same state as the address to which you would mail returns filed without a payment, as shown next.

Mailing Addresses for Form 941

If you're in . . .	Without a payment . . .	With a payment . . .
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
Connecticut, Delaware, District of Columbia, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, Wisconsin	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0005	Internal Revenue Service P.O. Box 806532 Cincinnati, OH 45280-6532

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
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No legal residence or principal place of business in any state	Internal Revenue Service P.O. Box 409101 Ogden, UT 84409	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
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Special filing address for exempt organizations; federal, state, and local governmental entities; and Indian tribal governmental entities, regardless of location	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0005	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
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Your filing address may have changed from that used to file your employment tax return in prior years. Don't send Form 941 or any payments to the SSA.

Depositing Your Taxes



You must deposit all depository taxes electronically by EFT. For more information, see [Federal tax deposits must be made by electronic funds transfer \(EFT\)](#) under Reminders, earlier.

Must You Deposit Your Taxes?

You may have to deposit the federal income taxes you withheld and both the employer and employee social security taxes and Medicare taxes.

- **If your total taxes after adjustments and nonrefundable credits (line 12) are less than \$2,500 for the current quarter or the prior quarter, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter.** You don't have to make a deposit. To avoid a penalty, you must pay any amount due in full with a timely filed return or you must deposit any amount you owe by the due date of the return. For more information on paying with a timely filed return, see the instructions for [line 14](#), later. If you're not sure your total tax liability for the current quarter will be less than \$2,500 (and your liability for the prior quarter wasn't less than \$2,500), make deposits using the semiweekly or monthly rules so you won't be subject to FTD penalties.
- **If your total taxes after adjustments and nonrefundable credits (line 12) are \$2,500 or more for the current quarter and the prior quarter.** You must make deposits according to your deposit schedule. See section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule and for rules about federal tax deposits.

Reducing your deposits for COVID-19 credits.

Employers eligible to claim the credit for qualified sick and family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before October 1, 2021, can reduce their deposits by the amount of their anticipated credits. Employers won't be subject to an FTD penalty for reducing their deposits if certain conditions are met. See the instructions for [line 11b](#) and [line 11d](#), later, for more

information on these credits. For more information on reducing deposits, see Notice 2020-22, 2020-17 I.R.B. 664, available at [IRS.gov/irb/2020-17_IRB#NOT-2020-22](https://www.irs.gov/irb/2020-17_IRB#NOT-2020-22); and Notice 2021-24, 2021-18 I.R.B. 1122, available at [IRS.gov/irb/2021-18_IRB#NOT-2021-24](https://www.irs.gov/irb/2021-18_IRB#NOT-2021-24). See the instructions for [line 16](#), later, for information on adjusting tax liabilities reported on line 16 or Schedule B (Form 941) for nonrefundable credits.

When Must You Deposit Your Taxes?

Determine if You're a Monthly or Semiweekly Schedule Depositor for the Quarter

The IRS uses two different sets of deposit rules to determine when businesses must deposit their social security, Medicare, and withheld federal income taxes. These schedules tell you when a deposit is due after you have a payday.

Your deposit schedule isn't determined by how often you pay your employees. Your deposit schedule depends on the total tax liability you reported on Form 941 during the previous 4-quarter lookback period (July 1 of the second preceding calendar year through June 30 of the preceding calendar year). See section 11 of Pub. 15 for details. If you filed Form 944 in either 2020 or 2021, your lookback period is the 2020 calendar year.

Before the beginning of each calendar year, determine which type of deposit schedule you must use.

- If you reported \$50,000 or less in taxes during the lookback period, you're a **monthly schedule depositor**.
- If you reported more than \$50,000 of taxes during the lookback period, you're a **semiweekly schedule depositor**.



If you're a monthly schedule depositor and accumulate a \$100,000 tax liability on any day during the deposit period, you become a semiweekly schedule depositor on the next day and remain so for at least the rest of the calendar year and for the following calendar year. See \$100,000 Next-Day Deposit Rule in section 11 of Pub. 15 for more information. The \$100,000 tax liability threshold requiring a next-day deposit is determined before you consider any reduction of your liability for nonrefundable credits. For more information, including an example, see frequently asked question 17 at [IRS.gov/ETD](https://www.irs.gov/ETD).

*If you became a semiweekly schedule depositor for 2022 under the \$100,000 Next-Day Deposit Rule **solely** as a result of the relief provided in [Notice 2021-65](#) regarding the early termination of the employee retention credit for the fourth quarter of 2021, you may be converted back to a monthly schedule depositor by contacting the IRS. You may continue to deposit in accordance with your status as a monthly schedule depositor, but you may receive a system-generated FTD penalty notice after you file your Form 941 for the first quarter of 2022. Contact the IRS at the toll-free number on your FTD penalty notice to request abatement of the FTD penalty and to be converted back to a monthly schedule depositor.*

What About Penalties and Interest?

Avoiding Penalties and Interest

You can avoid paying penalties and interest if you do all of the following.

- Deposit or pay your taxes when they are due, unless you meet the requirements discussed in [Notice 2020-22](#) and [Notice 2021-24](#).
- File your fully completed Form 941 on time.
- Report your tax liability accurately.
- Submit valid checks for tax payments.
- Furnish accurate Forms W-2 to employees.
- File Form W-3 and Copy A of Forms W-2 with the SSA on time and accurately.

Penalties and interest are charged on taxes paid late and returns filed late at a rate set by law. See sections 11 and 12 of Pub. 15 for details.

Use Form 843 to request abatement of assessed penalties or interest. Don't request abatement of assessed penalties or interest on Form 941 or Form 941-X.

If you receive a notice about a penalty after you file this return, reply to the notice with an explanation and we will determine if you meet reasonable-cause criteria. Don't attach an explanation when you file your return.



If federal income, social security, and Medicare taxes that must be withheld (that is, trust fund taxes) aren't withheld or aren't deposited or paid to the United States Treasury, the trust fund recovery penalty may apply. The penalty is 100% of the unpaid trust fund tax. If these unpaid taxes can't be immediately collected from the employer or business, the trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, or paying over these taxes, and who acted willfully in not doing so. For more information, see section 11 of Pub. 15. The trust fund recovery penalty won't apply to any amount of trust fund taxes an employer holds back in anticipation of any credits they are entitled to. It also won't apply to applicable taxes deferred under section 2302 of the CARES Act or applicable taxes deferred under [Notice 2020-65](#) and [Notice 2021-11](#) if paid by the due date.

Adjustment of Tax on Tips

If, by the 10th of the month after the month you received an employee's report on tips, you don't have enough employee funds available to withhold the employee share of social security and Medicare taxes, you no longer have to collect it. Report the entire amount of these tips on line 5b (Taxable social security tips), line 5c (Taxable Medicare wages and tips), and, if the withholding threshold is met, line 5d (Taxable wages and tips subject to Additional Medicare Tax withholding). Include as a negative adjustment on [line 9](#) the total uncollected employee share of the social security and Medicare taxes.

Specific Instructions:

Part 1: Answer These Questions for This Quarter

1. Number of Employees Who Received Wages, Tips, or Other Compensation

Enter the number of employees on your payroll for the pay period including June 12, September 12, or December 12, for the quarter indicated at the top of Form 941. Don't include:

- Household employees,

- Employees in nonpay status for the pay period,
- Farm employees,
- Pensioners, or
- Active members of the U.S. Armed Forces.

TIP For purposes of these instructions, all references to “sick pay” mean ordinary sick pay, not “qualified sick leave wages” that are reported on line 5a(i) for leave taken after March 31, 2020, and before April 1, 2021, or reported on line 5a for leave taken after March 31, 2021, and before October 1, 2021.

2. Wages, Tips, and Other Compensation

Enter amounts on line 2 that would also be included in box 1 of your employees' Forms W-2. See *Box 1—Wages, tips, other compensation* in the General Instructions for Forms W-2 and W-3 for details. Include sick pay paid by your agent. Also include sick pay paid by a third party that isn't your agent (for example, an insurance company) if you were given timely notice of the payments and the third party transferred liability for the employer's taxes to you.

If you're a third-party payer of sick pay and not an agent of the employer, don't include sick pay that you paid to policyholders' employees here if you gave the policyholders timely notice of the payments. See section 6 of Pub. 15-A for more information about sick pay reporting and the procedures for transferring the liability to the employer.

3. Federal Income Tax Withheld From Wages, Tips, and Other Compensation

Enter the federal income tax you withheld (or were required to withhold) from your employees on this quarter's wages, including qualified sick leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before October 1, 2021, and qualified family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before October 1, 2021; tips; taxable fringe benefits; and supplemental unemployment compensation benefits. Don't include any income tax withheld by a third-party payer of sick pay even if you reported it on Forms W-2. You will reconcile this difference on Form W-3. Also include here any excise taxes you were required to withhold on golden parachute payments (section 4999). For information on the employment tax treatment of fringe benefits, see Pub. 15-B, Employer's Tax Guide to Fringe Benefits. For information about supplemental unemployment compensation benefits and golden parachute payments, see section 5 of Pub. 15-A.

If you're a third-party payer of sick pay, enter the federal income tax you withheld (or were required to withhold) on third-party sick pay here.

4. If No Wages, Tips, and Other Compensation Are Subject to Social Security or Medicare Tax . . .

If no wages, tips, and other compensation on line 2 are subject to social security or Medicare tax, check the box on line 4. If this question doesn't apply to you, leave the box blank. For more information about exempt wages, see section 15 of Pub. 15. For religious exemptions, see section 4 of Pub. 15-A.



If you're a governmental employer, wages you pay aren't automatically exempt from social security and Medicare taxes. Your employees may be covered by law or by a voluntary Section 218 Agreement with the SSA. For more information, see Pub. 963, Federal-State Reference Guide.

5a–5e. Taxable Social Security and Medicare Wages and Tips



Qualified sick leave wages and qualified family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021, are reported on lines 5a(i) and 5a(ii), respectively. Qualified sick leave wages and qualified family leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021, are reported on line 5a.

5a. Taxable social security wages. Enter the total wages, including qualified sick leave wages and qualified family leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021; sick pay; and taxable fringe benefits subject to social security taxes you paid to your employees during the quarter. Don't include the qualified sick leave wages paid this quarter of 2022 that are reported on line 5a(i) or qualified family leave wages paid this quarter of 2022 that are reported on line 5a(ii) for leave taken after March 31, 2020, and before April 1, 2021. For this purpose, sick pay includes payments made by an insurance company to your employees for which you received timely notice from the insurance company. See section 6 of Pub. 15-A for more information about sick pay reporting. See the instructions for [line 8](#) for an adjustment that you may need to make on Form 941 for sick pay.

Enter the amount before payroll deductions. Don't include tips on this line. For information on types of wages subject to social security taxes, see section 5 of Pub. 15.

For 2022, the rate of social security tax on taxable wages, except for qualified sick leave wages and qualified family leave wages paid in 2022 for leave taken after March 31, 2020, and before April 1, 2021, is 6.2% (0.062) each for the employer and employee or 12.4% (0.124) for both. Stop paying social security tax on and entering an employee's wages on line 5a when the employee's taxable wages, including qualified sick leave wages paid in 2022 that are reported on line 5a(i), qualified family leave wages paid in 2022 that are reported on line 5a(ii), and tips, reach \$147,000 for the year. However, continue to withhold income and Medicare taxes for the whole year on all wages, including qualified sick leave wages paid in 2022, qualified family leave wages paid in 2022, and tips, even when the social security wage base of \$147,000 has been reached.

For purposes of the credit for qualified sick and family leave wages, qualified sick leave and family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the Emergency Paid Sick Leave Act (EPSLA) or the Emergency Family and Medical Leave Expansion Act (Expanded FMLA), as enacted under the FFCRA and amended for purposes of the ARP. However, don't include any wages otherwise excluded under section 3121(b) when reporting qualified sick and family leave wages on lines 5a, 5a(i), 5a(ii), 5c, and, if applicable, 5d. See the instructions for

line 11d for information about the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021.

$$\begin{array}{r} \text{line 5a (column 1)} \\ \times \quad 0.124 \\ \hline \text{line 5a (column 2)} \end{array}$$

EPSLA. Employers with fewer than 500 employees and, for leave taken after March 31, 2021, and before October 1, 2021, certain governmental employers without regard to number of employees (except for the federal government and its agencies and instrumentalities unless described in section 501(c)(1)) are entitled to a credit if they provide paid sick leave to employees that otherwise meets the requirements of the EPSLA. Under the EPSLA, as amended for purposes of the ARP, wages are qualified sick leave wages if paid to employees that are unable to work or telework before October 1, 2021, because the employee:

1. Is subject to a federal, state, or local quarantine or isolation order related to COVID-19;
2. Has been advised by a health care provider to self-quarantine due to concerns related to COVID-19;
3. Is experiencing symptoms of COVID-19 and seeking a medical diagnosis; or, for leave taken after March 31, 2021, and before October 1, 2021, is seeking or awaiting the results of a diagnostic test for, or a medical diagnosis of, COVID-19 (and the employee has been exposed to COVID-19 or the employee's employer has requested such test or diagnosis), or the employee is obtaining immunizations related to COVID-19 or recovering from an injury, disability, illness, or condition related to such immunization;
4. Is caring for an individual subject to an order described in (1) or who has been advised as described in (2);
5. Is caring for a son or daughter because the school or place of care for that child has been closed, or the childcare provider for that child is unavailable, due to COVID-19 precautions; or
6. Is experiencing any other substantially similar condition specified by the U.S. Department of Health and Human Services, which for leave taken after March 31, 2021, and before October 1, 2021, includes to accompany an individual to obtain immunization related to COVID-19, or to care for an individual who is recovering from any injury, disability, illness, or condition related to the immunization.

Son or daughter. A son or daughter must generally have been under 18 years of age or incapable of self-care because of a mental or physical disability. A son or daughter includes a biological child, adopted child, stepchild, foster child, legal ward, or a child for whom the employee assumes parental status and carries out the obligations of a parent.

Limits on qualified sick leave wages. The EPSLA, as amended for purposes of the ARP, provides different limitations for different circumstances under which qualified sick leave wages are paid. For paid sick leave qualifying under (1), (2), or (3) above, the amount of qualified sick leave wages is determined at the employee's regular rate of pay, but the wages may not exceed \$511 for any day (or portion of a day) for which the individual is paid sick leave. For paid sick leave qualifying under (4), (5), or (6) above, the amount of qualified sick leave wages is determined at two-thirds the employee's regular rate of pay, but the wages may not

exceed \$200 for any day (or portion of a day) for which the individual is paid sick leave. The EPSLA also limits each individual to a maximum of up to 80 hours of paid sick leave in total for leave taken after March 31, 2020, and before April 1, 2021. The ARP resets this limit at 80 hours of paid sick leave for leave taken after March 31, 2021, and before October 1, 2021. Therefore, for leave taken after March 31, 2020, and before April 1, 2021, the maximum amount of paid sick leave wages can't exceed \$5,110 for an employee for leave under (1), (2), or (3), and it can't exceed \$2,000 for an employee for leave under (4), (5), or (6). These maximum amounts also reset and apply to leave taken after March 31, 2021, and before October 1, 2021.

For more information about qualified sick leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

Expanded FMLA. Employers with fewer than 500 employees and, for leave taken after March 31, 2021, and before October 1, 2021, certain governmental employers without regard to number of employees (except for the federal government and its agencies and instrumentalities unless described in section 501(c)(1)) are entitled to a credit under the FFCRA, as amended for purposes of the ARP, if they provide paid family leave to employees that otherwise meets the requirements of the Expanded FMLA. For leave taken after March 31, 2020, and before April 1, 2021, wages are qualified family leave wages if paid to an employee who has been employed for at least 30 calendar days when an employee is unable to work or telework due to the need to care for a son or daughter under 18 years of age or incapable of self-care because of a mental or physical disability because the school or place of care for that child has been closed, or the childcare provider for that child is unavailable, due to a public health emergency. See [Son or daughter](#), earlier, for more information. For leave taken after March 31, 2021, and before October 1, 2021, the leave can be granted for any other reason provided by the EPSLA, as amended for purposes of the ARP.

For leave taken after March 31, 2020, and before April 1, 2021, the first 10 days for which an employee takes leave may be unpaid. During this period, employees may use other forms of paid leave, such as qualified sick leave, accrued sick leave, annual leave, or other paid time off. After an employee takes leave for 10 days, the employer must provide the employee paid leave (that is, qualified family leave wages) for up to 10 weeks. For leave taken after March 31, 2021, and before October 1, 2021, the 10-day rule discussed above doesn't apply and the paid leave can be provided for up to 12 weeks.

Rate of pay and limit on wages. The rate of pay must be at least two-thirds of the employee's regular rate of pay (as determined under the Fair Labor Standards Act of 1938), multiplied by the number of hours the employee otherwise would have been scheduled to work. For leave taken after March 31, 2020, and before April 1, 2021, the total qualified family leave wages can't exceed \$200 per day or \$10,000 in the aggregate per employee. For leave taken after March 31, 2021, and before October 1, 2021, the limit resets and the total qualified family leave wages can't exceed \$200 per day or \$12,000 in the aggregate per employee.

For more information about qualified family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

5a(i). Qualified sick leave wages. Enter the qualified taxable (subject to social security tax) sick leave wages you paid this quarter of 2022 to your employees for leave taken after March 31, 2020, and before April 1, 2021. Qualified sick

leave wages for leave taken after March 31, 2020, and before April 1, 2021, aren't subject to the employer share of social security tax; therefore, the tax rate on these wages is 6.2% (0.062). Stop paying social security tax on and entering an employee's wages on line 5a(i) when the employee's taxable wages, including wages reported on line 5a, qualified sick leave wages reported on line 5a(i), qualified family leave wages reported on line 5a(ii), and tips, reach \$147,000 for the year. See the instructions for [line 5c](#) for reporting Medicare tax on qualified sick leave wages, including the portion above the social security wage base.

For purposes of the credit for qualified sick and family leave wages, qualified sick leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the EPSLA, as enacted under the FFCRA and amended by the COVID-related Tax Relief Act of 2020. However, don't include any wages otherwise excluded under section 3121(b) when reporting qualified sick leave wages on lines 5a(i), 5c, and, if applicable, 5d. See the instructions for [line 11b](#) for information about the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021.

$$\begin{array}{r} \text{line 5a(i) (column 1)} \\ \times \quad 0.062 \\ \hline \text{line 5a(i) (column 2)} \end{array}$$

5a(ii). Qualified family leave wages. Enter the qualified taxable (subject to social security tax) family leave wages you paid this quarter of 2022 to your employees for leave taken after March 31, 2020, and before April 1, 2021. Qualified family leave wages for leave taken after March 31, 2020, and before April 1, 2021, aren't subject to the employer share of social security tax; therefore, the tax rate on these wages is 6.2% (0.062). Stop paying social security tax on and entering an employee's wages on line 5a(ii) when the employee's taxable wages, including wages reported on line 5a, qualified sick leave wages reported on line 5a(i), qualified family leave wages reported on line 5a(ii), and tips, reach \$147,000 for the year. See the instructions for [line 5c](#) for reporting Medicare tax on qualified family leave wages, including the portion above the social security wage base.

For purposes of the credit for qualified sick and family leave wages, qualified family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the Expanded FMLA, as enacted under the FFCRA and amended by the COVID-related Tax Relief Act of 2020. However, don't include any wages otherwise excluded under section 3121(b) when reporting qualified family leave wages on lines 5a(ii), 5c, and, if applicable, 5d. See the instructions for [line 11b](#) for information about the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021.

$$\begin{array}{r} \text{line 5a(ii) (column 1)} \\ \times \quad 0.062 \\ \hline \text{line 5a(ii) (column 2)} \end{array}$$

5b. Taxable social security tips. Enter all tips your employees reported to you during the quarter until the total of the tips and taxable wages, including wages reported on line 5a, qualified sick leave wages reported on line 5a(i), and qualified family leave wages reported on line 5a(ii), for an employee reach \$147,000 for the year. Include all tips your employee reported to you even if you were unable to withhold the employee tax of 6.2%. You will reduce your total taxes by the amount of any uncollected employee share of social security and Medicare taxes on tips later on line 9; see [Current quarter's adjustments for tips and group-term life insurance](#), later. Don't include service charges on line 5b. For details about the difference between tips and service charges, see Rev. Rul. 2012-18, 2012-26 I.R.B. 1032, available at [IRS.gov/irb/2012-26_IRB#RR-2012-18](https://www.irs.gov/irb/2012-26_IRB#RR-2012-18).

Your employee must report cash tips to you by the 10th day of the month after the month the tips are received. Cash tips include tips paid by cash, check, debit card, and credit card. The report should include charged tips (for example, credit and debit card charges) you paid over to the employee for charge customers, tips the employee received directly from customers, and tips received from other employees under any tip-sharing arrangement. Both directly and indirectly tipped employees must report tips to you. No report is required for months when tips are less than \$20. Employees may use Form 4070 (available only in Pub. 1244), or submit a written statement or electronic tip record.

Don't include allocated tips (described in section 6 of Pub. 15) on this line. Instead, report them on Form 8027. Allocated tips aren't reportable on Form 941 and aren't subject to withholding of federal income, social security, or Medicare taxes.

$$\begin{array}{r} \text{line 5b (column 1)} \\ \times \quad 0.124 \\ \hline \text{line 5b (column 2)} \end{array}$$

5c. Taxable Medicare wages & tips. Enter all wages, including qualified sick leave wages paid this quarter of 2022 and qualified family leave wages paid this quarter of 2022; tips; sick pay; and taxable fringe benefits that are subject to Medicare tax. Unlike social security wages, there is no limit on the amount of wages subject to Medicare tax.

The rate of Medicare tax is 1.45% (0.0145) each for the employer and employee or 2.9% (0.029) for both. Include all tips your employees reported during the quarter, even if you were unable to withhold the employee tax of 1.45%.

$$\begin{array}{r} \text{line 5c (column 1)} \\ \times \quad 0.029 \\ \hline \text{line 5c (column 2)} \end{array}$$

For more information on tips, see section 6 of Pub. 15. See the instructions for [line 8](#) for an adjustment that you may need to make on Form 941 for sick pay.

5d. Taxable wages & tips subject to Additional Medicare Tax withholding. Enter all wages, including qualified sick leave wages paid this quarter of 2022 and qualified family leave wages paid this quarter of 2022; tips; sick pay; and taxable fringe benefits that are subject to Additional Medicare Tax withholding. You're required to begin withholding Additional Medicare Tax in the pay period in which you pay

wages in excess of \$200,000 to an employee and continue to withhold it each pay period until the end of the calendar year. Additional Medicare Tax is only imposed on the employee. There is no employer share of Additional Medicare Tax. All wages that are subject to Medicare tax are subject to Additional Medicare Tax withholding if paid in excess of the \$200,000 withholding threshold.

For more information on what wages are subject to Medicare tax, see the chart, *Special Rules for Various Types of Services and Payments*, in section 15 of Pub. 15. For more information on Additional Medicare Tax, go to [IRS.gov/ADMT](https://www.irs.gov/ADMT). See the instructions for [line 8](#) for an adjustment that you may need to make on Form 941 for sick pay.

Once wages and tips exceed the \$200,000 withholding threshold, include all tips your employees reported during the quarter, even if you were unable to withhold the employee tax of 0.9%.

$$\begin{array}{r} \text{line 5d (column 1)} \\ \times \quad 0.009 \\ \hline \text{line 5d (column 2)} \end{array}$$

5e. Total social security and Medicare taxes. Add the column 2 amounts on lines 5a–5d. Enter the result on line 5e.

5f. Section 3121(q) Notice and Demand—Tax Due on Unreported Tips

Enter the tax due from your Section 3121(q) Notice and Demand on line 5f. The IRS issues a Section 3121(q) Notice and Demand to advise an employer of the amount of tips received by employees who failed to report or underreported tips to the employer. An employer isn't liable for the employer share of the social security and Medicare taxes on unreported tips until notice and demand for the taxes is made to the employer by the IRS in a Section 3121(q) Notice and Demand. The tax due may have been determined from tips reported to the IRS on employees' Forms 4137, Social Security and Medicare Tax on Unreported Tip Income, or other tips that weren't reported to their employer as determined by the IRS during an examination. For additional information, see [Rev. Rul. 2012-18](#).

Deposit the tax within the time period required under your deposit schedule to avoid any possible deposit penalty. The tax is treated as accumulated by the employer on the "Date of Notice and Demand" as printed on the Section 3121(q) Notice and Demand. The employer must include this amount on the appropriate line of the record of federal tax liability (Part 2 of Form 941 for a monthly schedule depositor or Schedule B (Form 941) for a semiweekly schedule depositor).

6. Total Taxes Before Adjustments

Add the total federal income tax withheld from wages, tips, and other compensation (line 3); the total social security and Medicare taxes before adjustments (line 5e); and any tax due under a Section 3121(q) Notice and Demand (line 5f). Enter the result on line 6.

7–9. Tax Adjustments

Enter tax amounts on lines 7–9 that result from current quarter adjustments. Use a minus sign (if possible) to show an adjustment that decreases the total taxes shown on line 6 instead of parentheses. Doing so enhances the accuracy of our scanning software. For example, enter "-10.59" instead of

"(10.59)." However, if your software only allows for parentheses in entering negative amounts, you may use them.

Current quarter's adjustments. In certain cases, you must adjust the amounts you entered as social security and Medicare taxes in column 2 of lines 5a–5d to figure your correct tax liability for this quarter's Form 941. See section 13 of Pub. 15.

7. Current quarter's adjustment for fractions of cents. Enter adjustments for fractions of cents (due to rounding) relating to the employee share of social security and Medicare taxes withheld. The employee share of amounts shown in column 2 of lines 5a–5d may differ slightly from amounts actually withheld from employees' pay due to the rounding of social security and Medicare taxes based on statutory rates. This adjustment may be a positive or a negative adjustment.

8. Current quarter's adjustment for sick pay. If your third-party payer of sick pay that isn't your agent (for example, an insurance company) transfers the liability for the employer share of the social security and Medicare taxes to you, enter a negative adjustment on line 8 for the employee share of social security and Medicare taxes that were withheld and deposited by your third-party sick pay payer on the sick pay. If you're the third-party sick pay payer and you transferred the liability for the employer share of the social security and Medicare taxes to the employer, enter a negative adjustment on line 8 for any employer share of these taxes required to be paid by the employer. The sick pay should be included on line 5a, line 5c, and, if the withholding threshold is met, line 5d.

No adjustment is reported on line 8 for sick pay that is paid through a third party as an employer's agent. An employer's agent bears no insurance risk and is reimbursed on a cost-plus-fee basis for payment of sick pay and similar amounts. If an employer uses an agent to pay sick pay, the employer reports the wages on line 5a, line 5c, and, if the withholding threshold is met, line 5d, unless the employer has an agency agreement with the third-party payer that requires the third-party payer to do the collecting, reporting, and/or paying or depositing employment taxes on the sick pay. See section 6 of Pub. 15-A for more information about sick pay reporting.

9. Current quarter's adjustments for tips and group-term life insurance. Enter a negative adjustment for:

- Any uncollected employee share of social security and Medicare taxes on tips, and
- The uncollected employee share of social security and Medicare taxes on group-term life insurance premiums paid for former employees.

See the General Instructions for Forms W-2 and W-3 for information on how to report the uncollected employee share of social security and Medicare taxes on tips and group-term life insurance on Form W-2.

Prior quarter's adjustments. If you need to correct any adjustment reported on a previously filed Form 941, complete and file Form 941-X. Form 941-X is an adjusted return or claim for refund and is filed separately from Form 941. See section 13 of Pub. 15.

10. Total Taxes After Adjustments

Combine the amounts shown on lines 6–9 and enter the result on line 10.

11a. Qualified Small Business Payroll Tax Credit for Increasing Research Activities

Enter the amount of the credit from Form 8974, line 12.



If you enter an amount on line 11a, you must attach Form 8974. The December 2017 revision of Form 8974 instructs you to enter the amount from Form 8974, line 12, on Form 941, line 11. Instead, the amount from Form 8974, line 12, should be entered on Form 941, line 11a.



Form 941 and these instructions use the terms “nonrefundable” and “refundable” when discussing credits. The term “nonrefundable” means the portion of the credit which is limited by law to the amount of certain taxes. The term “refundable” means the portion of the credit which is in excess of those taxes.

11b. Nonrefundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021



*Complete line 11b **only** if qualified sick leave wages and/or qualified family leave wages were paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021.*

Certain private employers with fewer than 500 employees that provide paid sick leave under the [EPSLA](#) and/or provide paid family leave under the [Expanded FMLA](#) are eligible to claim the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021. For purposes of this credit, qualified sick leave wages and qualified family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the EPSLA or Expanded FMLA. Enter the nonrefundable portion of the credit for qualified sick and family leave wages from [Worksheet 1](#), Step 2, line 2j. The credit for qualified sick and family leave wages consists of the qualified sick leave wages, the qualified family leave wages, the [qualified health plan expenses](#) allocable to those wages, and the employer share of Medicare tax allocable to those wages. The nonrefundable portion of the credit is limited to the employer share of social security tax reported on Form 941, lines 5a and 5b, after that share is first reduced by any credit claimed on Form 8974 for the qualified small business payroll tax credit for increasing research activities, any credit to be claimed on Form 5884-C for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans, and/or any credit to be claimed on Form 5884-D for the disaster credit for qualified tax-exempt organizations.



If you're a third-party payer of sick pay that isn't an agent (for example, an insurance company) and you're claiming the credit for qualified sick and family leave wages for amounts paid to your own employees, the amount of the employer share of social security tax reported on line 5a must be reduced by any adjustment you make on line 8 for the employer share of social security tax transferred to your client. If you received a Section 3121(q) Notice and Demand for tax due on unreported tips (Letter 3263 or Letter 4520) during the quarter, you report the amount for the employer share of social security tax and Medicare tax on Form 941, line 5f. Letter 3263 or Letter 4520 includes an

attachment that shows the employer share of social security tax. This amount of the employer share of social security tax can also be reduced by the nonrefundable portion of the credit. See [Worksheet 1](#) to figure your credit.

Any credit in excess of the remaining amount of the employer share of social security tax is refundable and reported on Form 941, line 13c. For more information on the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](#).

Qualified health plan expenses allocable to qualified sick leave and family leave wages. The credit for qualified sick leave wages and qualified family leave wages is increased to cover the qualified health plan expenses that are properly allocable to the qualified leave wages for which the credit is allowed. These qualified health plan expenses are amounts paid or incurred by the employer to provide and maintain a group health plan but only to the extent such amounts are excluded from the employees' income as coverage under an accident or health plan. The amount of qualified health plan expenses generally includes both the portion of the cost paid by the employer and the portion of the cost paid by the employee with pre-tax salary reduction contributions. However, qualified health plan expenses don't include amounts that the employee paid for with after-tax contributions. For more information, go to [IRS.gov/PLC](#).



You must include the full amount (both the nonrefundable and refundable portions) of the credit for qualified sick and family leave wages in your gross income for the tax year that includes the last day of any calendar quarter in which a credit is allowed.

11d. Nonrefundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021



*Complete line 11d **only** if qualified sick leave wages and/or qualified family leave wages were paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021.*

Employers with fewer than 500 employees and certain governmental employers without regard to number of employees (except for the federal government and its agencies and instrumentalities unless described in section 501(c)(1)) are entitled to a credit if they provide paid sick leave to employees that otherwise meets the requirements of the [EPSLA](#), as amended for purposes of the ARP, and/or provide paid family leave to employees that otherwise meets the requirements under the [Expanded FMLA](#), as amended for purposes of the ARP, for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021. For purposes of this credit, qualified sick leave wages and qualified family leave wages are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the EPSLA or Expanded FMLA, as enacted under the FFCRA and amended for purposes of the ARP. Enter the nonrefundable portion of the credit for qualified sick and family leave wages from [Worksheet 2](#), Step 2, line 2p.

The credit for qualified sick and family leave wages consists of the:

- Qualified sick leave wages and/or qualified family leave wages;
- [Qualified health plan expenses allocable to qualified sick leave and family leave wages](#);
- [Collectively bargained defined benefit pension plan contributions](#), subject to the qualified leave wage limitations, allocable to the qualified sick and family leave wages;
- [Collectively bargained apprenticeship program contributions](#), subject to the qualified leave wage limitations, allocable to the qualified sick and family leave wages; and
- Employer share of social security and Medicare tax allocable to the qualified sick and family leave wages.

The nonrefundable portion of the credit is limited to the employer share of Medicare tax reported on Form 941, line 5c. You can't claim the credit for leave taken after March 31, 2021, and before October 1, 2021, if, during the applicable quarter in which the leave was taken, you provided the leave in a manner that discriminates in favor of highly compensated employees, full-time employees, or employees on the basis of employment tenure when making qualified sick and/or family leave available to employees. See [Highly compensated employee](#), later, for the definition.

For leave taken after March 31, 2021, and before October 1, 2021, the credit for qualified sick and family leave wages is reduced by the amount of the credit allowed under section 41 (for the credit for increasing research activities) with respect to wages taken into account for determining the credit for qualified sick and family leave wages; and any wages taken into account in determining the credit for qualified sick and family leave wages can't be taken into account as wages for purposes of the credits under sections 45A, 45P, 45S, and 51. For leave taken after March 31, 2021, and before October 1, 2021, qualified wages also don't include wages that were used as payroll costs in connection with a Shuttered Venue Operator Grant under section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act; or a restaurant revitalization grant under section 5003 of the ARP. Employers can receive both a Small Business Interruption Loan under the Paycheck Protection Program (PPP) and the credit for qualified sick and family leave wages; however, employers can't receive both loan forgiveness and a credit for the same wages. The same wages can't be treated as both qualified sick leave wages and qualified family leave wages.



If you're a third-party payer of sick pay that isn't an agent (for example, an insurance company) and you're claiming the credit for qualified sick and family leave wages for amounts paid to your own employees, the amount of the employer share of Medicare tax reported on line 5c must be reduced by any adjustment you make on line 8 for the employer share of Medicare tax transferred to your client. If you received a Section 3121(q) Notice and Demand for tax due on unreported tips (Letter 3263 or Letter 4520) during the quarter, you report the amount for the employer share of social security tax and Medicare tax on Form 941, line 5f. Letter 3263 or Letter 4520 includes an attachment that shows the employer share of Medicare tax. This amount of the employer share of Medicare tax can also be reduced by the nonrefundable portion of the credit. See [Worksheet 2](#) to figure your credit.

Any credit in excess of the remaining amount of the employer share of Medicare tax is refundable and reported on Form 941, line 13e. For more information on the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](#).

Qualified health plan expenses allocable to qualified sick leave and family leave wages. The credit for qualified sick leave wages and qualified family leave wages is increased to cover the qualified health plan expenses that are properly allocable to the qualified leave wages for which the credit is allowed. These qualified health plan expenses are amounts paid or incurred by the employer to provide and maintain a group health plan but only to the extent such amounts are excluded from the employees' income as coverage under an accident or health plan. The amount of qualified health plan expenses generally includes both the portion of the cost paid by the employer and the portion of the cost paid by the employee with pre-tax salary reduction contributions. However, qualified health plan expenses don't include amounts that the employee paid for with after-tax contributions. For more information, go to [IRS.gov/PLC](#).

Collectively bargained defined benefit pension plan contributions. For purposes of qualified sick and family leave wages, collectively bargained defined benefit pension plan contributions are contributions for a calendar quarter that are:

- Paid or incurred by an employer on behalf of its employees to a defined benefit plan, as defined in section 414(j), which meets the requirements of section 401(a);
- Made based on a pension contribution rate; and
- Required to be made under the terms of a collective bargaining agreement in effect for the quarter.

Pension contribution rate. The pension contribution rate is the contribution rate that the employer is obligated to pay under the terms of a collective bargaining agreement to a defined benefit plan, as the rate is applied to contribution base units, as defined by section 4001(a)(11) of the Employee Retirement Income Security Act of 1974 (ERISA).

Allocation rules. The amount of collectively bargained defined benefit pension plan contributions allocated to qualified sick leave wages and/or qualified family leave wages in a quarter is the pension contribution rate (expressed as an hourly rate) multiplied by the number of hours qualified sick leave wages and/or qualified family leave wages were provided to employees covered under the collective bargaining agreement during the quarter.

Collectively bargained apprenticeship program contributions. For purposes of qualified sick and family leave wages, collectively bargained apprenticeship program contributions are contributions for a calendar quarter that are:

- Paid or incurred by an employer on behalf of its employees to a registered apprenticeship program, which is an apprenticeship registered under the National Apprenticeship Act of August 16, 1937, and meets the standards of Federal Regulations under subpart A of Part 29 and Part 30 of title 29;
- Made based on an apprenticeship program contribution rate; and
- Required to be made under the terms of a collective bargaining agreement in effect for the quarter.

Apprenticeship program contribution rate. The apprenticeship program contribution rate is the contribution rate that the employer is obligated to pay under the terms of a collective bargaining agreement for benefits under a registered apprenticeship program, as the rate is applied to contribution base units, as defined by section 4001(a)(11) of ERISA.

Allocation rules. The amount of collectively bargained apprenticeship program contributions allocated to qualified sick leave wages and/or qualified family leave wages in a quarter is the apprenticeship program contribution rate

(expressed as an hourly rate) multiplied by the number of hours qualified sick leave wages and/or qualified family leave wages were provided to employees covered under the collective bargaining agreement during the quarter.

Highly compensated employee. A highly compensated employee is an employee who meets either of the following tests.

1. The employee was a 5% owner at any time during the year or the preceding year.
2. The employee received more than \$130,000 in pay for the preceding year.

You can choose to ignore test (2) if the employee wasn't also in the top 20% of employees when ranked by pay for the preceding year.

11g. Total Nonrefundable Credits

Add lines 11a, 11b, and 11d. Enter the total on line 11g.

12. Total Taxes After Adjustments and Nonrefundable Credits

Subtract line 11g from line 10 and enter the result on line 12. The amount entered on line 12 can't be less than zero.

- **If line 12 is less than \$2,500 or line 12 on the prior quarterly return was less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter.** You may pay the amount with Form 941 or you may deposit the amount. To avoid a penalty, you must pay any amount you owe in full with a timely filed return or you must deposit any amount you owe before the due date of the return. For more information on paying with a timely filed return, see the instructions for [line 14](#), later.
- **If line 12 is \$2,500 or more and line 12 on the prior quarterly return was \$2,500 or more, or if you incurred a \$100,000 next-day deposit obligation during the current quarter.** You must make required deposits according to your deposit schedule. See [Notice 2020-22](#) and [Notice 2021-24](#) for information on reducing deposits for certain credits. The amount shown on line 12 must equal the "Total liability for quarter" shown on line 16 or the "Total liability for the quarter" shown on Schedule B (Form 941). For more information, see the [line 16](#) instructions, later.

For more information and rules about federal tax deposits, see [Depositing Your Taxes](#), earlier, and section 11 of Pub. 15.



If you're a semiweekly schedule depositor, you must complete Schedule B (Form 941). If you fail to complete and submit Schedule B (Form 941), the IRS may assess deposit penalties based on available information.

13a. Total Deposits for This Quarter

Enter your deposits for this quarter, including any overpayment from a prior quarter that you applied to this return. Also include in the amount shown any overpayment that you applied from filing Form 941-X, 941-X (PR), 944-X, or 944-X (SP) in the current quarter. Don't include any amount that you didn't deposit because you reduced your deposits in anticipation of the credit for qualified sick and family leave wages, as discussed in [Notice 2020-22](#) and [Notice 2021-24](#).

13c. Refundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021



*Complete line 13c **only** if qualified sick leave wages and/or qualified family leave wages were paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021.*

Certain private employers with fewer than 500 employees that provide paid sick leave under the [EPSLA](#) and/or provide paid family leave under the [Expanded FMLA](#) are eligible to claim the credit for qualified sick and family leave wages. Enter the refundable portion of the credit for qualified sick and family leave wages from [Worksheet 1](#), Step 2, line 2k. The credit for qualified sick and family leave wages consists of the qualified sick leave wages, the qualified family leave wages, the [qualified health plan expenses](#) allocable to those wages, and the employer share of Medicare tax allocable to those wages. The refundable portion of the credit is allowed after the employer share of social security tax is reduced to zero by nonrefundable credits that are applied against the employer share of social security tax.

13e. Refundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021



*Complete line 13e **only** if qualified sick leave wages and/or qualified family leave wages were paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021.*

Employers with fewer than 500 employees and certain governmental employers without regard to number of employees (except for the federal government and its agencies and instrumentalities unless described in section 501(c)(1)) are entitled to a credit if they provide paid sick leave to employees that otherwise meets the requirements of the [EPSLA](#), as amended for purposes of the ARP, and/or provide paid family leave to employees that otherwise meets the requirements under the [Expanded FMLA](#), as amended for purposes of the ARP, for leave taken after March 31, 2021, and before October 1, 2021. Enter the refundable portion of the credit for qualified sick and family leave wages from [Worksheet 2](#), Step 2, line 2q. The refundable portion of the credit is allowed after the employer share of Medicare tax is reduced to zero by nonrefundable credits that are applied against the employer share of Medicare tax.

13g. Total Deposits and Refundable Credits

Add lines 13a, 13c, and 13e. Enter the total on line 13g.

14. Balance Due

If line 12 is more than line 13g, enter the difference on line 14. Otherwise, see the instructions for [line 15](#), later.

Never make an entry on both lines 14 and 15.

You don't have to pay if line 14 is under \$1. Generally, you should have a balance due only if your total taxes after adjustments and nonrefundable credits (line 12) for the current quarter or prior quarter are less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter. However, see section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule.

If you were required to make federal tax deposits, pay the amount shown on line 14 by EFT. If you weren't required to make federal tax deposits (see [Must You Deposit Your Taxes](#), earlier) or you're a monthly schedule depositor making a payment under the accuracy of deposits rule, you may pay the amount shown on line 14 by EFT, credit card, debit card, check, money order, or EFW. For more information on electronic payment options, go to [IRS.gov/Payments](#).

If you pay by EFT, credit card, or debit card, file your return using the *Without a payment* address under [Where Should You File](#), earlier, and don't file Form 941-V, Payment Voucher.

If you pay by check or money order, make it payable to "United States Treasury." Enter your EIN, "Form 941," and the tax period ("1st Quarter 2022," "2nd Quarter 2022," "3rd Quarter 2022," or "4th Quarter 2022") on your check or money order. Complete Form 941-V and enclose it with Form 941.

If line 12 is \$2,500 or more on both your prior and current quarter Form 941, and you've deposited all taxes when due, the balance due on line 14 should be zero.



If you're required to make deposits and instead pay the taxes with Form 941, you may be subject to a penalty. See [Must You Deposit Your Taxes](#), earlier.

What if you can't pay in full? If you can't pay the full amount of tax you owe, you can apply for an installment agreement online. You can apply for an installment agreement online if:

- You can't pay the full amount shown on line 14,
- The total amount you owe is \$25,000 or less, and
- You can pay the liability in full in 24 months.

To apply using the Online Payment Agreement Application, go to [IRS.gov/OPA](#).

Under an installment agreement, you can pay what you owe in monthly installments. There are certain conditions you must meet to enter into and maintain an installment agreement, such as paying the liability within 24 months, and making all required deposits and timely filing tax returns during the length of the agreement.

If your installment agreement is accepted, you will be charged a fee and you will be subject to penalties and interest on the amount of tax not paid by the due date of the return.

15. Overpayment

If line 13g is more than line 12, enter the difference on line 15.

Never make an entry on both lines 14 and 15.

If you deposited more than the correct amount for the quarter, you can choose to have the IRS either refund the overpayment or apply it to your next return. Check only one box on line 15. If you don't check either box or if you check both boxes, we will generally apply the overpayment to your next return. Regardless of any boxes you check or don't check on line 15, we may apply your overpayment to any past due tax account that is shown in our records under your EIN.

If line 15 is under \$1, we will send a refund or apply it to your next return only if you ask us in writing to do so.

Part 2: Tell Us About Your Deposit Schedule and Tax Liability for This Quarter

16. Tax Liability for the Quarter

Check one of the boxes on line 16. Follow the instructions for each box to determine if you need to enter your monthly tax liability on Form 941 or your daily tax liability on Schedule B (Form 941).

De minimis exception. If line 12 is less than \$2,500 or line 12 on the prior quarterly return was less than \$2,500, and you didn't incur a \$100,000 next-day deposit obligation during the current quarter, check the first box on line 16 and go to Part 3.



If you meet the de minimis exception based on the prior quarter and line 12 for the current quarter is \$100,000 or more, you must provide a record of your federal tax liability. If you're a monthly schedule depositor, complete the deposit schedule on line 16. If you're a semiweekly schedule depositor, attach Schedule B (Form 941).

Monthly schedule depositor. If you reported \$50,000 or less in taxes during the lookback period, you're a monthly schedule depositor unless the \$100,000 Next-Day Deposit Rule discussed in section 11 of Pub. 15 applies. Check the second box on line 16 and enter your tax liability for each month in the quarter. Enter your tax liabilities in the month that corresponds to the dates you paid wages to your employees, not the date payroll liabilities were accrued or deposits were made. Add the amounts for each month. Enter the result in the "Total liability for quarter" box.

Note that your total tax liability for the quarter must equal your total taxes shown on line 12. If it doesn't, your tax deposits and payments may not be counted as timely. Don't reduce your total liability reported on line 16 by the refundable portion of the credit for qualified sick and family leave wages. Don't change your tax liability on line 16 by adjustments reported on any Forms 941-X.

You're a monthly schedule depositor for the calendar year if the amount of your Form 941 taxes reported for the lookback period is \$50,000 or less. The lookback period is the 4 consecutive quarters ending on June 30 of the prior year. For 2022, the lookback period begins July 1, 2020, and ends June 30, 2021. For details on the deposit rules, see section 11 of Pub. 15. If you filed Form 944 in either 2020 or 2021, your lookback period is the 2020 calendar year.



The amounts entered on line 16 are a summary of your monthly tax liability, not a summary of deposits you made. If you don't properly report your liabilities when required or if you're a semiweekly schedule depositor and enter your liabilities on line 16 instead of on Schedule B (Form 941), you may be assessed an "averaged" FTD penalty. See Deposit Penalties in section 11 of Pub. 15 for more information.

Reporting adjustments from lines 7–9 on line 16. If your net adjustment during a month is negative and it exceeds your total tax liability for the month, don't enter a negative amount for the month. Instead, enter "-0-" for the month and carry over the unused portion of the adjustment to the next month.

Semiweekly schedule depositor. If you reported more than \$50,000 of taxes for the lookback period, you're a semiweekly schedule depositor. Check the third box on line 16.

You must complete Schedule B (Form 941) and submit it with your Form 941. Don't file Schedule B (Form 941) with your Form 941 if you're a monthly schedule depositor.

Don't change your tax liability on Schedule B (Form 941) by adjustments reported on any Forms 941-X.

Adjusting tax liability for nonrefundable credits claimed on lines 11a, 11b, and 11d. Monthly schedule depositors and semiweekly schedule depositors must account for nonrefundable credits claimed on lines 11a, 11b, and 11d when reporting their tax liabilities on line 16 or Schedule B (Form 941). The total tax liability for the quarter must equal the amount reported on line 12. Failure to account for the nonrefundable credits on line 16 or Schedule B (Form 941) may cause line 16 or Schedule B (Form 941) to report more than the total tax liability reported on line 12. Don't reduce your monthly tax liability reported on line 16 or your daily tax liability reported on Schedule B (Form 941) below zero.

Qualified small business payroll tax credit for increasing research activities (line 11a). The qualified small business payroll tax credit for increasing research activities is limited to the employer share of social security tax on wages paid in the quarter that begins after the income tax return electing the credit has been filed. In completing line 16 or Schedule B (Form 941), you take into account the payroll tax credit against the liability for the employer share of social security tax starting with the first payroll payment of the quarter that includes payments of wages subject to social security tax to your employees. The credit may be taken to the extent of the employer share of social security tax on wages associated with the first payroll payment, and then to the extent of the employer share of social security tax associated with succeeding payroll payments in the quarter until the credit is used. Consistent with the entries on line 16 or Schedule B (Form 941), the payroll tax credit should be taken into account in making deposits of employment tax. If any payroll tax credit is remaining at the end of the quarter that hasn't been used completely because it exceeds the employer share of social security tax for the quarter, the excess credit may be carried forward to the succeeding quarter and allowed as a payroll tax credit for the succeeding quarter. The payroll tax credit may not be taken as a credit against income tax withholding, Medicare tax, or the employee share of social security tax. Also, the remaining payroll tax credit may not be carried back and taken as a credit against wages paid from preceding quarters.

Example. Rose Co. is an employer with a calendar tax year that filed its timely income tax return on April 15, 2022. Rose Co. elected to take the qualified small business payroll tax credit for increasing research activities on Form 6765. The third quarter of 2022 is the first quarter that begins after Rose Co. filed the income tax return making the payroll tax credit election. Therefore, the payroll tax credit applies against Rose Co.'s share of social security tax on wages paid to employees in the third quarter of 2022. Rose Co. is a semiweekly schedule depositor. Rose Co. completes Schedule B (Form 941) by reducing the amount of liability entered for the first payroll payment in the third quarter of 2022 that includes wages subject to social security tax by the lesser of (1) its share of social security tax on the wages, or (2) the available payroll tax credit. If the payroll tax credit elected is more than Rose Co.'s share of social security tax


on the first payroll payment of the quarter, the excess payroll tax credit would be carried forward to succeeding payroll payments in the third quarter until it is used. If the amount of the payroll tax credit exceeds Rose Co.'s share of social security tax on wages paid to its employees in the third quarter, the excess credit would be treated as a payroll tax credit against its share of social security tax on wages paid in the fourth quarter. If the amount of the payroll tax credit remaining exceeded Rose Co.'s share of social security tax on wages paid in the fourth quarter, it could be carried forward and treated as a payroll tax credit for the first quarter of 2023.

Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021 (line 11b). The nonrefundable portion of the credit for qualified sick and family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021, is limited to the employer share of social security tax on wages paid in the quarter that is remaining after that share is first reduced by any credit claimed on Form 941, line 11a, for the qualified small business payroll tax credit for increasing research activities; any credit to be claimed on Form 5884-C, line 11, for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans; and/or any credit to be claimed on Form 5884-D for the disaster credit for qualified tax-exempt organizations. In completing line 16 or Schedule B (Form 941), you take into account the entire quarter's nonrefundable portion of the credit for qualified sick and family leave wages against the liability for the first payroll payment of the quarter, but not below zero. Then reduce the liability for each successive payroll payment in the quarter until the nonrefundable portion of the credit is used. Any credit for qualified sick and family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021, that is remaining at the end of the quarter because it exceeds the employer share of social security tax for the quarter is claimed on line 13c as a refundable credit. The refundable portion of the credit doesn't reduce the liability reported on line 16 or Schedule B (Form 941).

Example. Maple Co. is a semiweekly schedule depositor that pays employees every other Friday. In the second quarter of 2022, Maple Co. had pay dates of April 1, April 15, April 29, May 13, May 27, June 10, and June 24. Maple Co. paid qualified sick and family leave wages on April 15 and April 29 for leave taken after March 31, 2020, and before April 1, 2021. The nonrefundable portion of the credit for qualified sick and family leave wages for the quarter is \$10,000. On Schedule B (Form 941), Maple Co. will use the \$10,000 to reduce the liability for the April 1 pay date, but not below zero. If any nonrefundable portion of the credit remains, Maple Co. applies it to the liability for the April 15 pay date, then the April 29 pay date, and so forth until the entire \$10,000 is used.

Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (line 11d). The nonrefundable portion of the credit for qualified sick and family leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021, is limited to the employer share of Medicare tax on wages paid in the quarter. In completing line 16 or Schedule B (Form 941), you take into account the entire quarter's nonrefundable portion of the credit for qualified sick and family leave wages paid this quarter of 2022 against the liability for the first payroll

payment of the quarter, but not below zero. Then reduce the liability for each successive payroll payment in the quarter until the nonrefundable portion of the credit is used. Any credit for qualified sick and family leave wages that is remaining at the end of the quarter because it exceeds the employer share of Medicare tax for the quarter is claimed on line 13e as a refundable credit. The refundable portion of the credit doesn't reduce the liability reported on line 16 or Schedule B (Form 941).

 **TIP** You may reduce your deposits by the amount of the nonrefundable and refundable portions of the credit for qualified sick and family leave wages, as discussed earlier under [Reducing your deposits for COVID-19 credits](#).

Part 3: Tell Us About Your Business

In Part 3, answer only those questions that apply to your business. If the questions don't apply, leave them blank and go to Part 4.

17. If Your Business Has Closed . . .


If you go out of business or stop paying wages, you must file a final return. To tell the IRS that a particular Form 941 is your final return, check the box on line 17 and enter the final date you paid wages in the space provided. For additional filing requirements, including information about attaching a statement to your final return, see [If Your Business Has Closed](#), earlier.


18. If You're a Seasonal Employer . . .

If you hire employees seasonally—such as for summer or winter only—check the box on line 18. Checking the box tells the IRS not to expect four Forms 941 from you throughout the year because you haven't paid wages regularly.

Generally, we won't ask about unfiled returns if at least one taxable return is filed each year. However, you must check the box on line 18 on every Form 941 you file. Otherwise, the IRS will expect a return to be filed for each quarter.

Also, when you complete Form 941, be sure to check the box on the top of the form that corresponds to the quarter reported.

 **TIP** The amounts entered on lines 19 through 28 are amounts that you use on the worksheets at the end of these instructions to figure certain credits. If you're claiming these credits, you must enter the applicable amounts.


 **CAUTION** Complete lines 19 and 20 **only** if qualified health plan expenses allocable to qualified sick leave wages and/or qualified family leave wages were paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021.

19. Qualified Health Plan Expenses Allocable to Qualified Sick Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021

Enter the [qualified health plan expenses](#) allocable to qualified sick leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021. This amount is also entered on [Worksheet 1](#), Step 2, line 2b.

20. Qualified Health Plan Expenses Allocable to Qualified Family Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021

Enter the [qualified health plan expenses](#) allocable to qualified family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021. This amount is also entered on [Worksheet 1](#), Step 2, line 2f.

 **CAUTION** Complete lines 23, 24, and 25 **only** if qualified sick leave wages were paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021.

23. Qualified Sick Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021


Enter the qualified sick leave wages you paid this quarter of 2022 to your employees for leave taken after March 31, 2021, and before October 1, 2021, including any qualified sick leave wages that were above the social security wage base and any qualified sick leave wages excluded from the definition of employment under sections 3121(b)(1)–(22). See the instructions for [line 11d](#), earlier, for more information about qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2a.

24. Qualified Health Plan Expenses Allocable to Qualified Sick Leave Wages Reported on Line 23

Enter the [qualified health plan expenses](#) allocable to qualified sick leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2b.

25. Amounts Under Certain Collectively Bargained Agreements Allocable to Qualified Sick Leave Wages Reported on Line 23

Enter the [collectively bargained defined benefit pension plan contributions](#) and [collectively bargained apprenticeship program contributions](#) allocable to qualified sick leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2c.

 **CAUTION** Complete lines 26, 27, and 28 **only** if qualified family leave wages were paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021.

26. Qualified Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021

Enter the qualified family leave wages you paid this quarter of 2022 to your employees for leave taken after March 31, 2021, and before October 1, 2021, including any qualified family leave wages that were above the social security wage base and any qualified family leave wages excluded from the definition of employment under sections 3121(b)(1)–(22). See the instructions for [line 11d](#), earlier, for more information about qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2g.

27. Qualified Health Plan Expenses Allocable to Qualified Family Leave Wages Reported on Line 26

Enter the [qualified health plan expenses](#) allocable to qualified family leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2h.

28. Amounts Under Certain Collectively Bargained Agreements Allocable to Qualified Family Leave Wages Reported on Line 26

Enter the [collectively bargained defined benefit pension plan contributions](#) and [collectively bargained apprenticeship program contributions](#) allocable to qualified family leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021. This amount is also entered on [Worksheet 2](#), Step 2, line 2i.

Part 4: May We Speak With Your Third-Party Designee?

If you want to allow an employee, a paid tax preparer, or another person to discuss your Form 941 with the IRS, check the “Yes” box in Part 4. Enter the name, phone number, and five-digit personal identification number (PIN) of the specific person to speak with—not the name of the firm that prepared your tax return. The designee may choose any five numbers as his or her PIN.

By checking “Yes,” you authorize the IRS to talk to the person you named (your designee) about any questions we may have while we process your return. You also authorize your designee to do all of the following.

- Give us any information that is missing from your return.
- Call us for information about processing your return.
- Respond to certain IRS notices that you’ve shared with your designee about math errors and return preparation. The IRS won’t send notices to your designee.

You’re not authorizing your designee to bind you to anything (including additional tax liability) or to otherwise represent you before the IRS. If you want to expand your designee’s authorization, see Pub. 947.

The authorization will automatically expire 1 year from the due date (without regard to extensions) for filing your Form 941. If you or your designee wants to terminate the authorization, write to the IRS office for your location using the *Without a payment* address under [Where Should You File](#), earlier.

Part 5: Sign Here (Approved Roles)

Complete all information and sign Form 941. The following persons are authorized to sign the return for each type of business entity.

- **Sole proprietorship**—The individual who owns the business.

- **Corporation (including a limited liability company (LLC) treated as a corporation)**—The president, vice president, or other principal officer duly authorized to sign.
- **Partnership (including an LLC treated as a partnership) or unincorporated organization**—A responsible and duly authorized partner, member, or officer having knowledge of its affairs.
- **Single-member LLC treated as a disregarded entity for federal income tax purposes**—The owner of the LLC or a principal officer duly authorized to sign.
- **Trust or estate**—The fiduciary.

Form 941 may be signed by a duly authorized agent of the taxpayer if a valid power of attorney has been filed.

Alternative signature method. Corporate officers or duly authorized agents may sign Form 941 by rubber stamp, mechanical device, or computer software program. For details and required documentation, see Rev. Proc. 2005-39, 2005-28 I.R.B. 82, available at [IRS.gov/irb/2005-28_IRB#RP-2005-39](#).

Paid Preparer Use Only

A paid preparer must sign Form 941 and provide the information in the *Paid Preparer Use Only* section of Part 5 if the preparer was paid to prepare Form 941 and isn’t an employee of the filing entity. Paid preparers must sign paper returns with a manual signature. The preparer must give you a copy of the return in addition to the copy to be filed with the IRS.

If you’re a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. Include your complete address. If you work for a firm, enter the firm’s name and the EIN of the firm. You can apply for a PTIN online or by filing Form W-12. For more information about applying for a PTIN online, go to [IRS.gov/PTIN](#). You can’t use your PTIN in place of the EIN of the tax preparation firm.

Generally, don’t complete this section if you’re filing the return as a reporting agent and have a valid Form 8655 on file with the IRS. However, a reporting agent must complete this section if the reporting agent offered legal advice, for example, advising the client on determining whether its workers are employees or independent contractors for federal tax purposes.

How To Get Forms, Instructions, and Publications



You can view, download, or print most of the forms, instructions, and publications you may need at [IRS.gov/Forms](#). Otherwise, you can go to [IRS.gov/OrderForms](#) to place an order and have them mailed to you. The IRS will process your order for forms and publications as soon as possible. Don’t resubmit requests you’ve already sent us. You can get forms and publications faster online.

**Worksheet 1. Credit for Qualified Sick and Family Leave Wages
Paid This Quarter of 2022 for Leave Taken After March 31, 2020,
and Before April 1, 2021**

Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis.)

If you paid qualified sick leave wages and/or qualified family leave wages this quarter for leave taken after March 31, 2020, and before April 1, 2021, complete Step 1 and Step 2. **Caution:** Use Worksheet 2 to figure the credit for qualified sick and family leave wages paid this quarter of 2022 for leave taken after March 31, 2021, and before October 1, 2021.

Step 1.		Determine the employer share of social security tax this quarter after it is reduced by any credit claimed on Form 8974 and any credit to be claimed on Form 5884-C and/or Form 5884-D	
1a	Enter the amount of social security tax from Form 941, Part 1, line 5a , column 2	1a	_____
1b	Enter the amount of social security tax from Form 941, Part 1, line 5b , column 2	1b	_____
1c	Add lines 1a and 1b	1c	_____
1d	Multiply line 1c by 50% (0.50)	1d	_____
1e	If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of social security tax included on Form 941, Part 1, line 8 (enter as a positive number)	1e	_____
1f	Subtract line 1e from line 1d	1f	_____
1g	If you received a Section 3121(q) Notice and Demand during the quarter, enter the amount of the employer share of social security tax from the notice	1g	_____
1h	Employer share of social security tax. Add lines 1f and 1g	1h	_____
1i	Enter the amount from Form 941, Part 1, line 11a (credit from Form 8974)	1i	_____
1j	Enter the amount to be claimed on Form 5884-C, line 11, for this quarter	1j	_____
1j(i)	Enter the amount to be claimed on Form 5884-D, line 12, for this quarter	1j(i)	_____
1k	Total nonrefundable credits already used against the employer share of social security tax. Add lines 1i, 1j, and 1j(i)	1k	_____
1l	Employer share of social security tax remaining. Subtract line 1k from line 1h	1l	_____
Step 2.		Figure the sick and family leave credit	
2a	Qualified sick leave wages reported on Form 941, Part 1, line 5a(i) , column 1	2a	_____
2a(i)	Qualified sick leave wages included on Form 941, Part 1, line 5c, but not included on Form 941, Part 1, line 5a(i), column 1, because the wages reported on that line were limited by the social security wage base	2a(i)	_____
2a(ii)	Total qualified sick leave wages. Add lines 2a and 2a(i)	2a(ii)	_____
2a(iii)	Qualified sick leave wages excluded from the definition of employment under sections 3121(b)(1)–(22)	2a(iii)	_____
2b	Qualified health plan expenses allocable to qualified sick leave wages (Form 941, Part 3, line 19)	2b	_____
2c	Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145)	2c	_____
2d	Credit for qualified sick leave wages. Add lines 2a(ii), 2a(iii), 2b, and 2c	2d	_____
2e	Qualified family leave wages reported on Form 941, Part 1, line 5a(ii) , column 1	2e	_____
2e(i)	Qualified family leave wages included on Form 941, Part 1, line 5c, but not included on Form 941, Part 1, line 5a(ii), column 1, because the wages reported on that line were limited by the social security wage base	2e(i)	_____
2e(ii)	Total qualified family leave wages. Add lines 2e and 2e(i)	2e(ii)	_____
2e(iii)	Qualified family leave wages excluded from the definition of employment under sections 3121(b)(1)–(22)	2e(iii)	_____
2f	Qualified health plan expenses allocable to qualified family leave wages (Form 941, Part 3, line 20)	2f	_____
2g	Employer share of Medicare tax on qualified family leave wages. Multiply line 2e(ii) by 1.45% (0.0145)	2g	_____
2h	Credit for qualified family leave wages. Add lines 2e(ii), 2e(iii), 2f, and 2g	2h	_____
2i	Credit for qualified sick and family leave wages. Add lines 2d and 2h	2i	_____
2j	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021. Enter the smaller of line 1l or line 2i. Enter this amount on Form 941, Part 1, line 11b	2j	_____
2k	Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021. Subtract line 2j from line 2i and enter this amount on Form 941, Part 1, line 13c	2k	_____

Worksheet 2. Credit for Qualified Sick and Family Leave Wages Paid This Quarter of 2022 for Leave Taken After March 31, 2021, and Before October 1, 2021

Keep for Your Records 

Determine how you will complete this worksheet. (If you're a third-party payer, you must complete this worksheet for each client for which it is applicable, on a client-by-client basis.)

If you paid qualified sick leave wages and/or qualified family leave wages this quarter for leave taken after March 31, 2021, and before October 1, 2021, complete Step 1 and Step 2. **Caution:** Use Worksheet 1 to figure the credit for qualified sick and family leave wages paid this quarter of 2022 for leave taken after March 31, 2020, and before April 1, 2021.

Step 1. Determine the employer share of Medicare tax		
1a	Enter the amount of Medicare tax from Form 941, Part 1, line 5c , column 2	1a _____
1b	Multiply line 1a by 50% (0.50)	1b _____
1c	If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of Medicare tax included on Form 941, Part 1, line 8 (enter as a positive number)	1c _____
1d	Subtract line 1c from line 1b	1d _____
1e	If you received a Section 3121(q) Notice and Demand during the quarter, enter the amount of the employer share of Medicare tax from the notice	1e _____
1f	Employer share of Medicare tax. Add lines 1d and 1e	1f _____
Step 2. Figure the sick and family leave credit		
2a	Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, line 23)	2a _____
2a(i)	Qualified sick leave wages included on Form 941, Part 3, line 23, that were not included as wages reported on Form 941, Part 1, lines 5a and 5c, because the qualified sick leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22)	2a(i) _____
2a(ii)	Subtract line 2a(i) from line 2a	2a(ii) _____
2a(iii)	Qualified sick leave wages included on Form 941, Part 3, line 23, that were not included as wages reported on Form 941, Part 1, line 5a, because the qualified sick leave wages were limited by the social security wage base	2a(iii) _____
2a(iv)	Subtract line 2a(iii) from line 2a(ii)	2a(iv) _____
2b	Qualified health plan expenses allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, line 24)	2b _____
2c	Amounts under certain collectively bargained agreements allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, line 25)	2c _____
2d	Employer share of social security tax on qualified sick leave wages. Multiply line 2a(iv) by 6.2% (0.062)	2d _____
2e	Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145)	2e _____
2f	Credit for qualified sick leave wages. Add lines 2a, 2b, 2c, 2d, and 2e	2f _____
2g	Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, line 26)	2g _____
2g(i)	Qualified family leave wages included on Form 941, Part 3, line 26, that were not included as wages reported on Form 941, Part 1, lines 5a and 5c, because the qualified family leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22)	2g(i) _____
2g(ii)	Subtract line 2g(i) from line 2g	2g(ii) _____
2g(iii)	Qualified family leave wages included on Form 941, Part 3, line 26, that were not included as wages reported on Form 941, Part 1, line 5a, because the qualified family leave wages were limited by the social security wage base	2g(iii) _____
2g(iv)	Subtract line 2g(iii) from line 2g(ii)	2g(iv) _____
2h	Qualified health plan expenses allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, line 27)	2h _____
2i	Amounts under certain collectively bargained agreements allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (Form 941, Part 3, line 28)	2i _____
2j	Employer share of social security tax on qualified family leave wages. Multiply line 2g(iv) by 6.2% (0.062)	2j _____
2k	Employer share of Medicare tax on qualified family leave wages. Multiply line 2g(ii) by 1.45% (0.0145)	2k _____
2l	Credit for qualified family leave wages. Add lines 2g, 2h, 2i, 2j, and 2k	2l _____
2m	Credit for qualified sick and family leave wages. Add lines 2f and 2l	2m _____
2n	Enter any credit claimed under section 41 for increasing research activities with respect to any wages taken into account for the credit for qualified sick and family leave wages	2n _____
2o	Credit for qualified sick and family leave wages after adjusting for other credits. Subtract line 2n from line 2m	2o _____
2p	Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021. Enter the smaller of line 1f or line 2o. Enter this amount on Form 941, Part 1, line 11d	2p _____
2q	Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021. Subtract line 2p from line 2o and enter this amount on Form 941, Part 1, line 13e	2q _____

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: DEC 11 2014

LOCAL EA
123 American Way
MPCITY, Oh 44444

Employer Identification Number:
12-3456789
DLN:
17053290316014
Contact Person:
NICHOLAS R HINDS ID# 31662
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
August 31
Form 990 Required:
Yes
Effective Date of Exemption:
January 15, 2013
Contribution Deductibility:
No
Addendum Applies:
Yes

Dear Applicant:


We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(5) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

For important information about your responsibilities as a tax-exempt organization, go to www.irs.gov/charities. Enter "4221-NC" in the search bar to view Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,



Director, Exempt Organizations


 ABC Education Association

 ⑆78 2585
 44
 98807480⑆
 DATE: 11/1/20xx


Pay to the order of: All For Good Taste \$ 51.00
Fifty One and 00/100 ~~100/1000~~

BANK ONE.
 Bank One in California, Ohio 43771
 www.bankone.com

Pay to the order of: Leadership-Meals

Patrick President
Tom Treasurer

⑆044000037⑆ 5880 ⑆ 2585


 ABC Education Association

 ⑆78 2586
 44
 98807480⑆
 DATE: 11/5/20xx

Pay to the order of: Ohio Education Association \$ 400.00
Four Hundred and 00/100 ~~100/1000~~

BANK ONE.
 Bank One in California, Ohio 43771
 www.bankone.com

Pay to the order of: Dues

Patrick President
Tom Treasurer

⑆044000037⑆ 9880 ⑆ 2586