University of Colorado

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EMPLOYEE SERVICES

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# Taxes [1]

In processing its payroll and deducting taxes, the University of Colorado is directed and guided by Internal Revenue Service (IRS), Social Security Administration (SSA), State of Colorado and local government rules and regulations. The Quick Links below provide general information, forms, and policies related to taxes.

ES does not provide tax advice to employees. Please contact the IRS, SSA, State of Colorado, or local government directly for professional tax advice. See the following legal disclaimer related to use of these links:

## Employee Services Legal Disclaimer

There are several pages and sites accessible from the Employee Services website that our team does not maintain, and we are not responsible for their availability or content. The following disclaimer is applicable in all such instances and without exception:

Employee Services has provided a link to this site because it has information that may be of interest to the public. Employee Services does not necessarily endorse the views, facts, products, processes, services, producers or providers presented on the site. In addition, neither Employee Services, nor any of its employees, makes any warranty, express or implied, or assumes any legal liability, for the accuracy, completeness or usefulness of any information linked to from this site.

## Annual Tax Reminders

- Check your pay advice and confirm that **the spelling and format of your name** matches *exactly* the spelling on your Social Security card. Notify your department if this information is incorrect.

- Please also confirm your **mailing address**. This will help ensure you receive your W-2 and other important payroll and benefit information as soon as it's available to be mailed. Change your address in the employee portal [2] (select Personal Information > Personal Profile).

- Employees with **tax-exempt status** for 2014 will be notified directly of 2015 renewal procedures by mail.

- The 2015 **Social Security wage base** is $118,500, and the Social Security withholding maximum is $7,347. If your 2014 tax contributions have stopped due to meeting the 2014 maximum, deductions will resume on Jan . 1, 2015. No maximum applies for Medicare taxes.

- Employee Services will notify employees when the IRS releases **the 2015 version of form W-4**. Check the Employee Services homepage [3] beginning the second week of December.

- **The federal supplemental tax rate** remains at 25 percent (39.6% for more than $1 million).

- **The Colorado supplemental tax rate** remains at 4.63 percent.

- The **employee Medicare tax rate** is 2.35 percent on wages more than $200,000 in a year. The over-withholding and under-withholding of Medicare for employees will be reconciled when they file their personal tax returns.

  **Note**: Medicare and Social Security taxes are flat taxes and are not dependent on filing status. Employers must withhold a 0.9% Additional Medicare Tax on wages exceeding $200,000 in a calendar year, regardless of filing status.

- Employee Services will mail **the 2014 Form 1042-S** to international employees by March 15, 2015, as required under the tax code. (These tax forms are *not* available online at this time.)

- Employee Services will mail **2014 W-2s** by Jan. 31, 2015, as required. Look for a news article to be posted on the Employee Services homepage. Reissued copies of 2014 W-2s will be available starting Feb. 13, 2015. Again, ensure you receive receipt your original W-2?and avoid any mailing delays? by reviewing and, if necessary, updating your address in the employee portal [4]. If you are a former employee and no longer have portal access, please complete the Address/Phone/Email Change form [5] . If you are a student, you must update your address on the student and employee portal.

***Please contact a payroll counselor at 303-860-4200, option 2, if you have any questions.***

## Tax Forms

The list below includes the most commonly used Federal, state and local tax forms for employees. Employees in need of tax advice are encouraged to contact the IRS directly, or their tax accountant or legal advisor.

***Employee Services does not employ personal tax advisors, and staff is not authorized to provide tax advice.***

| FORMS | INSTRUCTIONS |
|---|---|
| W-4 [6]<br>W-4 Instructions [7] | All employees must fill out the **W-4** Employee?s Withholding Allowance Certificate in order to work. Per IRS regulations, if an employee does not submit a valid W-4 upon initial employment, the employer (University of Colorado) must withhold federal taxes at the Single and Zero rate. The state of Colorado withholding rate will be the same as the federal rate. |
| W-2 Reissue Request [8]Reissue Policy [9] | The **W-2 Reissue Request** should be used if you have not received your W-2 tax information for filing purposes, or if you have lost it and need a replacement. See the W-2 Reissue Policy for additional information. |
| W-2 & Pay Advice Comparison [10] | To further understand how the information on your pay advice is translated into W-2 data, see the **W-2 Pay Advice Comparison**. |
| W-9 [11] | The **W-9** Request for Taxpayer Identification Number and Certification, is used to process payments to be received by a deceased employee?s beneficiary or estate. |
| Request for Exemption from the City and County of Denver Occupational Privilege Tax [12] | The **Request for Exemption from the City and County of Denver Occupational Privilege Tax** form allows CU employees whose primary employer already withholds this tax to request exemption from this deduction. For additional information about this local tax, please visit the City and County of Denver [13] website. |
| Request for Exemption from the City of Aurora Occupational Privilege Tax [12] | The **Request for Exemption from the City of Aurora Occupational Privilege Tax** form allows CU employees whose primary employer already withholds this tax to request exemption from this deduction. For additional information about this local tax, please visit the City of Aurora [14] occupational tax website. |
| Additional Federal/State Tax Withholding Request [15] | Employees may request that **additional federal and state taxes** be withheld in whole flat dollar amounts by submitting the appropriate form to ES. This withholding is in addition to the withholding based upon your W-4. |

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|---|---|
| Additional Federal/State Tax Withholding Cancelation [15] | Employees may **cancel** their previously requested **additional federal or state withholding** by completing this form and submitting it to Employee Services. |
| Exemption from State of Colorado Withholding [16] | The **Exemption from State of Colorado Withholding** form allows eligible employees to request exemption from state tax withholding. Eligibility is limited to those individuals whose university employment is in another state throughout the calendar year. To qualify for exemption no service may be performed within the State of Colorado, nor may you reside in the state of Colorado. |
| Request for Student Retirement (TIAA)/ Medicare Tax Refund [17] | Before student enrollment census date, students withheld for **student retirement** in error can request a **refund** by completing this form. Fill it out as detailed as possible and present it to your department?s payroll liaison to complete and forward to Employee Services. For additional information, which includes the Student Retirement Fact Sheet and Student Retirement Plan Policy, please review the Employee Services Student Retirement [18] Web page. |

To find due dates for forms and transactions see the Employee Payroll Due Date Schedule and/or Payroll Production Calendars [19].

Disclaimer: Neither Employee Services nor any of its employees make any warranty, expressed or implied, nor does either assume any legal liability for the accuracy, completeness or usefulness of any information linked to or from this site.

## Imputed Income

## Center for Medicare & Medicaid Social Security Number Mandate

The Center for Medicare & Medicaid Services requires Employee Services to have a Social Security number on file for all medical and/or dental participants. To ensure your dependents are covered, you must provide this information.

If you are enrolling a newborn child, contact a benefits counselor to discuss how to do so in a timely matter, and also provide this necessary information to our office. If you wish to cover dependents on your benefits plans who are not eligible for a Social Security number, contact a benefits counselor for instructions on how to enroll your dependents.

## Federal Tax Dependency for Health Coverage Purposes

If you are enrolling your same-gender domestic partner (SGDP) and/or your SGDP's children, you must identify whether they are qualified or non-qualified federal tax dependents for health coverage purposes. They are qualified federal tax dependents for health coverage purposes if

they meet one of the following definitions:

**A "qualifying child" is an individual who:**

- is a child of the taxpayer; including an adopted child or an eligible foster child (one who is placed with the employee by an authorized placement agency or by judgment, decree, or other order of court) or a stepchild; and
- has the same principal place of residence as the taxpayer for more than one-half of the calendar year; and
- has not (other than in the case of total disability) yet reached age 19 by the end of the calendar year (age 24 if a full-time student for at least five months); and
- has not provided over one-half of such individual's own support for the calendar year.

**A "qualifying relative" is an individual who:**

- is not your qualifying child or the qualifying child of any other taxpayer; and
- is either related to you, or is a non-relative with the same principal place of abode for the year who is a member of your household; and
- who receives more than one-half of his or her support from you for the calendar year.

An adult child (unmarried, non-student age 19 or older) may be a qualified federal tax dependent for health coverage purposes if he or she meets the definition of a qualifying relative.

A same-gender domestic partner (SGDP) is not a qualified federal tax dependent for health coverage purposes unless he or she meets the definition of a qualifying relative. If your SGDP and your SGDP's children are qualified federal tax dependents for health coverage purposes, you must submit the SGDP Tax Certification of Dependency for Tax Treatment of Medical Benefits.

Your dependents are considered non-qualified federal tax dependents for health coverage purposes if they don't meet one of the above definitions. When enrolling a non-qualified, federal tax dependent for health coverage purposes in a university plan, there are tax consequences, referred to as imputed income, that will be calculated into your taxable income.

Qualified federal tax dependents for health coverage purposes may have claims submitted to the HealthCare Flexible Spending Account for reimbursement; non-qualified federal tax dependents for health coverage purposes may not.

If you do not indicate your SGDP and his/her children as qualified federal tax dependents for health coverage purposes, they will be considered non-qualified federal tax dependents for health coverage purposes, and you may incur imputed income. However, they will still be covered as long as eligibility documentation is provided.

**NOTE:** Employee Services is unable to assist you in making this determination. The employee must determine if the dependent meets the definition of a federal tax dependent for health coverage purposes. If you are uncertain, please consult a tax adviser.

## Households with two university (or university affliate) employees and/or retirees

As an eligible participant in university benefit plans:

- You and your dependents cannot be covered as both an employee/retiree and a dependent for any university medical or dental plan.
- Two employee/retiree spouses/same-gender domestic partners (SGDPs) cannot enroll in medical and/or dental coverage for themselves and also be double covered as a dependent on their spouse's/partner's medical and/or dental plan.
- An employee may be insured as both an employee and a spouse/SGDP up to a maximum combined optional life insurance benefit of $500,000
- Each parent employee/retiree may enroll in different plans and may enroll different dependent children under his or her coverage.
- Both parent employee/retirees cannot enroll the same child for medical and/or dental plans.
- A dependent child may be insured by more than one employee for dependent optional life insurance.

## Resources

- Additional Tax Withholding [20]
- Exemption from Denver Head Tax [12]
- Exemption from Aurora Head Tax [12]
- Exemption from state of Colorado Income Tax [16]
- W-2 Reissue Request Form [8]
- W-2 Reissue Policy [8]
- Internal Revenue Service [21]
- Social Security Administration [22]
- W-4 Form [6]
- W-4 Instructions [7]
- W-9 [11]
- Student Retirement/Medicare Tax Refund Request [23]
- Tax Reference for International Visitors [24]
- Social Security Administration Delays in Social Security Number Issuance to International Employees [25]

**Attachments:**
**Video:**
**Images:**
**Groups audience:**
Employee Services

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**Source URL:** https://www.cu.edu/employee-services/faculty-taxes

**Links:**
[1] https://www.cu.edu/employee-services/faculty-taxes
[2] https://my.cu.edu/
[3] https://www.cu.edu/employeeservices
[4] https://my.cu.edu
[5] https://www.cu.edu/sites/default/files/policies/docs/Addy-Phone-Email-Change-Former_13.08.23node%20940.xls
[6] http://www.irs.gov/pub/irs-pdf/fw4.pdf

[7] https://www.cu.edu/employee-services/policies/w-4-instructions
[8] https://www.cu.edu/employee-services/policies/w-21042-s-reissue-request-form
[9] https://www.cu.edu/sites/default/files/policies/docs/W-2_reissue-policy.pdf
[10] https://www.cu.edu/file/w2-pay-advicexls
[11] http://www.irs.gov/pub/irs-pdf/fw9.pdf
[12] https://www.cu.edu/employee-services/policies/request-exemption-local-city-occupational-privilege-tax-opt
[13] https://www.denvergov.org/Portals/571/documents/TaxGuide/Occupational%20Privilege%20Tax.htm
[14] https://www.auroragov.org/DoingBusiness/SmallBusinessResources/index.htm
[15] https://www.cu.edu/employee-services/policies/additional-cancel-colorado-state-tax-withholding-request
[16] https://www.cu.edu/employee-services/policies/exemption-state-colorado-withholding
[17] https://www.cu.edu/sites/default/files/policies/docs/StudentRetirement-Medicare-tax-Refund%20revised_13.08.23Node%201008.pdf
[18] https://www.cu.edu/employee-services/policies/employment-groups
[19] https://www.cu.edu/employee-services/skillsoft/payroll-production-calendars
[20] https://www.cu.edu/employee-services/business-partners-ppldrl/business-partner-resources/employee-services-procedure-58
[21] http://www.irs.gov/
[22] http://www.socialsecurity.gov/
[23] https://www.cu.edu/employee-services/policies/student-retirement-medicare-tax-refund
[24] https://www.cu.edu/employee-services/policies/tax-reference-international-visitors
[25] https://www.cu.edu/employee-services/policies/social-security-administration-delays-social-security-number-issuance