

REGIONAL INCOME TAX AGENCY

10107 Brecksville Road
Brecksville, Ohio 44141-3275
(440) 526-0900

Paper and Electronic Media W-2 Reporting Requirements for Tax Year 2007

- A reconciliation of returns (Form 17) and W-2's are required to be filed on or before the last day of February following any calendar year in which employee withholding has been made by an employer. The form is designated "FORM 17 - RECONCILIATION OF RETURNS". Unless submitted electronically, the form must accompany all W-2 copies, computer paper listings, or electronic media.
- A 1099 transmittal sheet is required to be filed on or before the last day of February following any calendar year in which an employee receives 1099-misc., rents, other income, non employee compensation, or excess golden parachute payments.
- For local Cleveland area assistance call (440) 526-0900. For local Columbus area assistance call (614) 538-0512. For local Youngstown area assistance call (330) 743-3400. For toll free within Ohio call 1-800-860-7482. For TDD assistance call (440) 526-5332.

Changes in the SSA Specifications for Tax Year 2007

1. Effective tax year 2007, the Electronic Media Reporting and Electronic Filing (MMREF) publications have been renamed to Specifications for Filing Forms W-2 Electronically (EFW2), formerly MMREF-1, and Specifications for Filing Forms W-2c Electronically (EFW2C), formerly MMREF-2. All references to MMREF-1 and MMREF-2 have been replaced with the new acronyms EFW2 and EFW2C, respectively. The new acronym will be used by R.I.T.A.
2. A new **optional** Code RV State Total Record has been added. The Code RV Record is free-form space to be defined by the State unemployment agencies or territorial jurisdictions. R.I.T.A. will not be issuing a specification for this field at this time. If a file contains a RV record it will be ignored by R.I.T.A.
3. A new field, Software Vendor Code, has been added to the Code RA Record (Position 20-23). This field is a numeric four-position code that is assigned by the National Association of Computerized Tax Processors (NACTP) and is used to identify the vendor of the software that was used to generate the EFW2 wage file. R.I.T.A. will not be reading or recording this field.
4. The Civil Status field has been removed in the Code RO Record (Position 265) and has been replaced with a blank field. R.I.T.A. will not be reading this field.

Changes in the R.I.T.A. Specifications for Tax Year 2007

1. R.I.T.A. will no longer be using Pos 305-307 of the RS record for the R.I.T.A. city code. Instead, the "Taxing Entity Code" field as defined by SSA will be used. This is Position 5-9 of the RS record. Since this field's length is 5 and the city code are three characters, please prefix the city code with "RO" (**R**.I.T.A. **O**hio. Please see the RS record examples below.
2. R.I.T.A will no longer be using Position 338-412 of the RS record for the tax authority name. The "Taxing Entity Code" will be used as described above.

Problems with Electronic Media

- Do not password-protect electronic media files sent to R.I.T.A.
- If errors or problems are incurred, R.I.T.A. will send a letter advising you and will include a description of the problem that prevents the processing of the media. We require problem resolution and the corrected media returned to R.I.T.A. within 30 days.

Media Return Policy

- R.I.T.A. will not return media that is processed.

Telephone Contacts For Help Or Additional Information

- Business Compliance Manager (440) 526-0900 Ext. 3286
- Director of Taxation (440) 526-0900 Ext. 3250
- Information Services Help Desk (440) 526-0900 Ext. 5010

Paper Reporting

- Businesses issuing 249 or less **W-2** wage and tax statement forms should supply **COPY 1** for state, city, or local tax departments.
- Any exception such as computer or typewriter listings of city wage and tax information, in lieu of the standard accepted **W-2** form, must receive prior permission from the R.I.T.A. Director of Taxation or the local city tax administrator where the business is located, before submission of such lists.

Electronic Media Reporting

- All electronic media reporting for **W-2 Copy A** information **must** conform to the Social Security Administration's **electronic media reporting and filing guidelines for tax year 2007 (EFW2)**.
- A copy of the SSA **EFW2** guidelines can be printed using the **Social Security Administration** website at **www.ssa.gov/employer**.
- Employers with 250 or more W-2 copy A forms **must** report on electronic media using EFW2 guidelines.
- Employers with 250 or more W-2 Copy A forms who wish to report on paper W-2's **must** receive prior permission from the R.I.T.A. Director of Taxation.
- Employers with less than 250 W-2 Copy A forms **may** report on electronic media, but **must** use the EFW2 guidelines.
- R.I.T.A. accepts the following electronic media:
CD-Rom 650mb
- All electronic media record fields must follow the SSA EFW2 specifications, concerning left or right adjust and zero or blank fill in all records. In the "RS" record, R.I.T.A. follows the SSA standard for described fields. Where noted as defined by state/local agency, R.I.T.A. will define if the field is required.
- All electronic media **must** be affixed with an external label showing:
 - (A) Submitters employer identification number
 - (B) Submitters name
 - (C) Submitters address
 - (D) Submitters city
 - (E) Submitters state
 - (F) Submitters zip code
 - (G) Submitters 10 digit telephone number
 - (H) Submitters information must agree with internal code "RA" record data
 - (I) Multi volume diskettes must show vol ____ of ____
 - (J) Words SSA EFW2 TY 2007.

EFW2 Required Record Standard for Tax Year 2007

- Code RA submitter record (required) all EFW2 fields
- Code RE employer record (required) fields listed

<u>POS</u>	<u>FIELD</u>	<u>LENGTH</u>	<u>SPECIFICATIONS</u>
1-2	RECORD IDENTIFIER	2	RE
3-6	TAX YEAR	4	
8-16	EMPLOYER IDENTIFICATION NUMBER	9	EIN
31-39	OTHER IDENTIFICATION NUMBER	9	BLANKS UNLESS DIFFERENT NUMBER FILING THAN 8-16
40-96	EMPLOYER NAME	57	
97-118	LOCATION ADDRESS	22	

119-140	DELIVERY ADDRESS	22	
141-162	CITY	22	
163-164	STATE (POSTAL ABBREV)	2	OHIO=OH
165-169	ZIP CODE	4	
170-173	ZIP CODE EXTENSION	5	BLANK IF NA.

- Code RW employee wage record (required) all (EFW2) fields
- Code RO employee wage record (optional) all (EFW2) fields
- Code RS state/city record (required) all MMREFf-1 fields plus R.I.T.A. required fields.

<u>POS</u>	<u>FIELD</u>	<u>LENGTH</u>	<u>SPECIFICATIONS</u>
1-2	RECORD IDENTIFIER	2	RS
3-4	STATE CODE NUMERIC)	2	OHIO=39
5-9	CITY CODE	5	RO plus 3 digit code
10-18	EMPLOYEE SOCIAL SECURITY NUMBER	9	AS ON SS CARD
19-33	EMPLOYEE FIRST NAME	15	AS ON SS CARD
34-48	EMPLOYEE MIDDLE NAME OR INITIAL	15	AS ON SS CARD
49-68	EMPLOYEE LAST NAME	20	AS ON SS CARD
69-72	LAST NAME SUFFIX	4	JR. OR SR.
73-94	LOCATION ADDRESS	22	SUITE# OR ROOM#
95-116	DELIVERY ADDRESS	22	
117-138	CITY	22	
139-140	STATE (POSTAL ALPHA)	2	
141-145	ZIP CODE	5	
146-149	ZIP CODE EXTENSION	4	BLANK IF NA.
276-286	STATE TAXABLE WAGES	11	
287-297	STATE INCOME TAX WITHHELD	11	
308	TYPE OF TAX WITHHELD	1	C=EMPLOYMENT CITY R= RESIDENCE CITY
309-319	LOCAL TAXABLE WAGES	11	RIGHT JUSTIFY AND ZERO FILL
320-330	LOCAL INCOME TAX WITHHELD	11	RIGHT JUSTIFY AND ZERO FILL

- Code RT total record (required) all (EFW2) fields
- Code RU total record (required) all (EFW2) fields
- Code RF final record (required) all (EFW2) fields

For Instance Examples of RS Records

The Local Taxable wages and Local Income Tax withheld should reflect the wages earned and Tax Paid for each individual.

EXAMPLE 1

If the Employee Earned Wages in the following Cities

\$10,000.55 in Brecksville
 \$15,456.28 in Middleburg Heights
 \$20,000.00 in Hudson

There would be (3) RS Records

(A.) Information in characters 1 thru 4 and 10 thru 304 would be the same in all 3 Records.

(B.) For Brecksville Information would be
Pos 5-9 RO130
Pos 308 C
Pos 309 – 319 00001000055
Pos 320 – 330 00000020001 (Reflects 2% Tax)

(C.) For Middleburg Heights Information would be
Pos 5-9 RO500
Pos 308 C
Pos 309 – 319 00001545628
Pos 320 – 330 00000027048 (Reflects 1.75% Tax)

(D.) For Hudson the Information would be
Pos 5-9 RO378
Pos 308 C
Pos 309 – 319 00002000000
Pos 320 – 330 0000020000 (Reflects 1% Tax)

EXAMPLE 2:

Reporting Workplace and Residence Tax Withheld

This is an example of an employer withholding both the workplace and residence tax. It demonstrates that the wages should not be repeated for the residence tax withheld.

The employee earned wages in their work city of Strongsville and lives in North Royalton. Two RS records are used to report the state and local wages. The first RS record contains the State wages and withholdings along with the workplace wages and taxes as follows;

For Strongsville (Work City) the first RS record information would be

Pos 5-9 RO780 (Taxing Entity Code)
Pos 308 C (Tax type code)
Pos 309 – 319 00001000055 (Wages)
Pos 320 – 330 00000020001 (Reflects 2% Tax)

This is in addition to the employee information and state wages.

The next record should be another RS record containing the employee information.

This second RS record SHOULD NOT repeat the state wages and withholding.

The residence city (North Royalton) withholding should be reported as follows:

Pos 5-9 RO570 (Taxing Entity Code)
Pos 308 R (Tax type code)
Pos 309 – 319 00000000000 Do not repeat the wages)
Pos 320 – 330 000010001 (Reflects 2% Tax minus tax credit)

Electronic Media Filing Requirements For 1099-Misc. Information

- Employers with 250 or more 1099-misc forms.
- Employers currently filing 100 or more 1099-misc forms electronically with SSA.
- Employers not required to file electronic 1099-misc forms **must** file paper copies with R.I.T.A.
- Employers wishing to file any amount of 1099-misc forms electronically, may exercise in lieu of paper that filing option.
- **R.I.T.A.** accepts the same electronic media for 1099-misc forms as for W-2 forms, **described in previous specifications.**

Required records for 1099-misc electronic reporting

- Record specifications are found in IRS publication 1220 revised 10 2007 catalog number 61275p or on the Internet under www.irs.gov
- Record A all fields that are required in pub 1220.
- Record B all fields that are required in pub 1220.
- Record C all fields that are required in pub 1220.
- Record F all fields that are required in pub 1220.

Payer “A” record R.I.T.A. required codes

<u>POS</u>	<u>FIELD</u>	<u>LENGTH</u>	<u>CODE</u>
27	TYPE OF RETURN	1	A= 1099-MISC
28	AMOUNT CODE	1	1 = RENTS
29	AMOUNT CODE	1	3= OTHER INCOME
30	AMOUNT CODE	1	7= NON EMPLOYEE COMPENSATION
31	AMOUNT CODE	1	B= EXCESS GOLDEN PARACHUTE PAYMENT
32-39	AMOUNT CODES	8	(8) BLANK SPACES

Payee “B” record R.I.T.A. required amount fields

<u>POS</u>	<u>FIELD</u>	<u>LENGTH</u>	<u>AMOUNT FIELD</u>
55-66	A RECORD AMOUNTS	12	RENTS
67-78	A RECORD AMOUNTS	12	OTHER INCOME
79-90	A RECORD AMOUNTS	12	NON EMPLOYEE COMPENSATION
91-102	A RECORD AMOUNTS	12	EXCESS GOLDEN PARACHUTE PAYMENT

- End of payer “C” record (fields as required by IRS)
- End of transmission “F” record (fields as required by IRS)
- All electronic 1099 media must be affixed with an external label showing:
 - (A) Submitters employer identification number
 - (B) Submitters name
 - (C) Submitters address
 - (D) Submitters city
 - (E) Submitters state
 - (F) Submitters zip code
 - (G) Submitters 10 digit telephone number
 - (H) Multi volume diskettes must show vol _____ of _____
 - (I) Words 1099-misc TY 2007