

(Rev. April 2023)

Instructions for Form 941-X

Adjusted Employer's QUARTERLY Federal Tax Return or Claim for Refund

Volume 1 of 3



Department of the Treasury
Internal Revenue Service

Instruction for Form 941-X (Rev 4-2023) Catalog Number 53099V
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Future Developments

For the latest information about developments related to Form 941-X and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form941X](https://www.irs.gov/Form941X).



These instructions have been updated for changes to the qualified small business payroll tax credit for increasing research activities reported on Form 8974. You may use these instructions and the April 2023 revision of Form 941-X for all years for which the statute of limitations on corrections hasn't expired. Before you

proceed with these instructions and completing Form 941-X, you'll need a copy of the Instructions for Form 941 for the quarter that you're correcting because these instructions don't repeat all of the information included in the Instructions for Form 941. For example, these instructions don't discuss who is eligible to claim the credit for qualified sick and family leave wages, the employee retention credit, or the COBRA premium assistance credit. Prior revisions of the Instructions for 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").

What's New

Qualified small business payroll tax credit for increasing research activities.

For tax years beginning before January 1, 2023, a qualified small business may elect to claim up to \$250,000 of its credit for increasing research activities as a payroll tax

credit. The Inflation Reduction Act of 2022 (the IRA) increases the election amount to \$500,000 for tax years beginning after December 31, 2022. 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 payroll taxes 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's payroll taxes 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.

For quarters beginning before January 1, 2023, the payroll tax credit can be used only against the employer share of social security tax for the quarter and any remaining credit

is carried forward to the next quarter. Starting in the first quarter of 2023, the payroll tax credit is first used to reduce the employer share of social security tax up to \$250,000 per quarter and any remaining credit reduces the employer share of Medicare tax for the quarter. Any remaining credit, after reducing the employer share of social security tax and the employer share of Medicare tax, is then carried forward to the next quarter. Form 8974 is used to determine the amount of the credit that can be used in the current quarter. Corrections to this credit are made on Form 941-X, line 16. If you make a correction to Form 941-X, line 16, you must attach a corrected Form 8974. For more information, see the Instructions for Form 8974 and go to [IRS.gov/ResearchPayrollTC](https://www.irs.gov/ResearchPayrollTC).

Reminders



If a line on Form 941-X doesn't apply to you, leave it blank. If you're correcting a quarter that began before April 1, 2020, you must leave blank lines 9, 10, 17, 18a, 24, 25, 26a, 28, 29, 30, 31a, 32, 33a, and 34.

If you're correcting a quarter that began before July 1, 2020, you must leave blank line 33b. If you're correcting a quarter that began before April 1, 2021, you must leave blank lines 18b, 18c, 18d, 26b, 26c, 35, 36, 37, 38, 39, and 40. If you're correcting a quarter that began before July 1, 2021, you must leave blank line 31b. If you're correcting a quarter that began after December 31, 2021, you must leave blank lines 18a, 26a, 30, 31a, and 31b.

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. 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, is 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 American Rescue Plan Act of 2021 (the ARP), is 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](https://www.irs.gov/PLC).

Corrections to amounts reported on Form 941, lines 5a(i), 5a(ii), 11b, 13c, 19, and 20, for the credit for qualified sick and family leave wages for leave taken after March 31,

2020, and before April 1, 2021, are reported on Form 941-X, lines 9, 10, 17, 25, 28, and 29, respectively.

Corrections to amounts reported on Form 941, lines 11d, 13e, 23, 24, 25, 26, 27, and 28, for the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, are reported on Form 941-X, lines 18b, 26b, 35, 36, 37, 38, 39, and 40, respectively.

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 qualified 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 qualified wages paid after September 30, 2021, and before January 1, 2022. For more information about the employee retention credit, including the dates for which the credit may be claimed, go to [IRS.gov/ERC](https://www.irs.gov/erc).

Corrections to amounts reported on Form 941, lines 11c, 13d, 21, and 22, for the employee retention credit are reported on Form 941-X, lines 18a, 26a, 30, and 31a, respectively. However, how you figure the employee retention credit for qualified wages paid after March 12, 2020, and before July 1, 2021, is different from how you figure the credit for qualified wages paid after June 30, 2021, and before January 1, 2022. Also, for corrections to qualified wages paid after June

30, 2021, you may need to complete line 31b to tell us if you're eligible for the employee retention credit solely because your business is a recovery startup business.

Credit for COBRA premium assistance payments is limited to periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021. Section 9501 of the ARP provides for COBRA premium assistance in the form of a full reduction in the premium otherwise payable by certain individuals and their families who elect 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 elects coverage. Therefore, other than in rare circumstances, due to the COBRA notice and election period requirements (generally, employers have 60 days to provide notice and assistance eligible individuals have 60 days to elect coverage), the first quarter of 2022 was the last quarter in which employers may have been eligible to claim the COBRA premium assistance credit on Form 941. Employers eligible to claim the COBRA premium assistance credit after March 31, 2022, must file Form 941-X to claim the credit.

For more information on COBRA premium assistance payments and the credit, see Notice 2021-31, 2021-23 I.R.B. 1173, available at [IRS.gov/irb/2021-23_IRB#NOT-2021-31](https://www.irs.gov/irb/2021-23_IRB#NOT-2021-31); and Notice 2021-46, 2021-33 I.R.B. 303, available at [IRS.gov/irb/2021-33_IRB#NOT-2021-46](https://www.irs.gov/irb/2021-33_IRB#NOT-2021-46).

Corrections to amounts reported on Form 941, lines 11e, 11f, and 13f, for the COBRA premium assistance credit are reported on Form 941-X, lines 18c, 18d, and 26c, respectively.



If you claimed the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021, and you make any corrections on Form 941-X to amounts used to figure this credit, you'll need to refigure the amount of this credit using Worksheet 1. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 941-X. If you claimed the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, and you make any corrections on Form 941-X to amounts used to figure this credit, you'll need to refigure the amount of this credit using Worksheet 3. You'll also use this worksheet to figure this

credit if you're claiming it for the first time on Form 941-X. If you claimed the employee retention credit for wages paid after March 12, 2020, and before July 1, 2021, and you make any corrections on Form 941-X to amounts used to figure this credit, you'll need to refigure the amount of this credit using Worksheet 2. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 941-X. If you claimed the employee retention credit for wages paid after June 30, 2021, and before January 1, 2022, and you make any corrections on Form 941-X to amounts used to figure this credit, you'll need to refigure the amount of this credit using Worksheet 4. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 941-X. If you claimed the COBRA premium assistance credit and you make any corrections on Form 941-X to amounts used to figure this credit, you'll need to refigure the amount of this credit using Worksheet 5. You'll also use this

worksheet to figure this credit if you're claiming it for the first time on Form 941-X.

Form 941-X is filed to correct Form 941 or Form 941-SS. References to Form 941 on Form 941-X and in these instructions also apply to Form 941-SS, Employer's QUARTERLY Federal Tax Return (American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands), unless otherwise noted.

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. Form 5884-D is filed after the Form 941 for the quarter for which the credit is being claimed has been filed. If applicable to the quarter that you're correcting, you'll enter the credit

claimed on Form 5884-D on Worksheet 1 to figure your credit for qualified sick and family leave wages for leave taken before April 1, 2021, or Worksheet 2 to figure the employee retention credit for wages paid after March 12, 2020, and before July 1, 2021. For more information about this credit, go to [IRS.gov/Form5884D](https://www.irs.gov/Form5884D).

Employee consents to support a claim for refund. Rev. Proc. 2017-28, 2017-14 I.R.B. 1061, available at [IRS.gov/irb/2017-14_IRB#RP-2017-28](https://www.irs.gov/irb/2017-14_IRB#RP-2017-28), provides guidance to employers on the requirements for employee consents used by an employer to support a claim for refund of overcollected social security tax and Medicare tax. The revenue procedure clarifies the basic requirements for both a request for employee consent and for the employee consent, and permits a consent to be requested, furnished, and retained in an electronic format as an alternative to a paper format. The revenue procedure also contains

guidance concerning when an employer may claim a refund of only the employer share of overcollected social security tax and Medicare tax. The revenue procedure requires that any request for consent include an Additional Medicare Tax notice indicating that any claim on the employee's behalf won't include a claim for overpaid Additional Medicare Tax.

Correcting federal income tax withheld.

Generally, you may correct federal income tax withholding errors only if you discovered the errors in the same calendar year you paid the wages. In addition, for an overcollection, you may correct federal income tax withholding only if you also repaid or reimbursed the employees in the same year.

For prior years, you may only correct administrative errors to federal income tax withholding (that is, errors in which the amount reported on Form 941, line 3, isn't the amount you actually withheld from an employee's wages) and errors for which

section 3509 rates apply. See section 13 of Pub. 15, Employer's Tax Guide, for more information about corrections during the calendar year and about administrative errors. See section 2 of Pub. 15 for more information about section 3509. If section 3509 rates apply, see the instructions for lines 19–22, later.



Only transposition or math errors involving the inaccurate reporting of the amount withheld are administrative errors.

You can't file a Form 941-X to correct federal income tax withholding for prior years for nonadministrative errors. In other words, you can't correct federal income tax actually withheld from an employee in a prior year if you discover that you didn't withhold the right amount. For example, you can't correct federal income tax withheld in a prior year because you used the wrong income tax withholding table or you didn't treat a

payment correctly as taxable or nontaxable. Similarly, if you paid federal income tax in a prior year on behalf of your employee, rather than deducting it from the employee's pay (which resulted in additional wages subject to tax), and in a subsequent year you determine that you incorrectly calculated the amount of tax, you can't correct the federal income tax withholding. However, you must still correct the amount of wages you reported on Form 941 and Form W-2, Wage and Tax Statement, for a prior year by filing

Form 941-X and Form W-2c, Corrected Wage and Tax Statement, respectively. You'll report the correct wages on Form 941-X, line 6, column 1.



The amount actually withheld is reflected on payroll information or on Form W-2, which can be used by the employee to claim a credit for withholding for individual income tax return purposes.

Correcting Additional Medicare Tax withholding and wages and tips subject to Additional Medicare Tax withholding.

Wages and tips subject to Additional Medicare Tax withholding are reported on Form 941, line 5d. Certain errors discovered on a previously filed Form 941 are corrected on Form 941-X, line 13. However, you can't file a Form 941-X to correct the wrong amount of Additional Medicare Tax actually withheld from an employee in a prior year, including any amount you paid on behalf of your employee rather than deducting it from the employee's pay (which resulted in additional wages subject to tax). See the instructions for line 13, later, for more information on the types of errors that can be corrected and how the correction is reported on Form 941-X. For more information about Additional Medicare Tax withholding, see the Instructions for Form 941 or go to [IRS.gov/ADMTfaq](https://www.irs.gov/ADMTfaq).

You may need to attach Schedule R (Form 941) to your Form 941-X. If you were required to file Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers, when you filed Form 941, you must complete Schedule R (Form 941) when correcting an aggregate Form 941. Schedule R (Form 941) is completed only for those clients and customers who have corrections reported on Form 941-X. Schedule R (Form 941) is filed as an attachment to Form 941-X.

Approved section 3504 agents and certified professional employer organizations (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. 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.

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, the credit for qualified sick and family leave wages, the employee retention credit, and/or the COBRA premium assistance credit, or clients deferring the employer or the employee share of social security tax. If you're an other third-party payer that didn't file Schedule R (Form 941) with Form 941 because you didn't meet these requirements, but are now filing Form 941-X to report these credits or the deferral

of the employer or the employee share of social security tax for your clients, then you must now file Schedule R (Form 941) and attach it to Form 941-X.

See the March 2022 revision of the Instructions for Form 941 for information about when a third party is considered the person to whom COBRA premium assistance payments are payable.

General Instructions: Understanding Form 941-X

What Is the Purpose of Form 941-X?

Use Form 941-X to correct errors on a Form 941 that you previously filed. Use Form 941-X to correct:

- Wages, tips, and other compensation;
- Income tax withheld from wages, tips, and other compensation;
- Taxable social security wages;

- Taxable social security tips;
- Taxable Medicare wages and tips;
- Taxable wages and tips subject to Additional Medicare Tax withholding;
- Deferred amount of the employer share of social security tax;
- Deferred amount of the employee share of social security tax;
- Qualified small business payroll tax credit for increasing research activities;
- Amounts reported on Form 941 for the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021, including adjustments to Form 941, lines 5a(i), 5a(ii), 11b, 13c, 19, and 20;

- Amounts reported on Form 941 for the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, including adjustments to Form 941, lines 11d, 13e, 23, 24, 25, 26, 27, and 28;
- Amounts reported on Form 941 for the employee retention credit, including adjustments to Form 941, lines 11c, 13d, 21, and 22, (for the second quarter of 2020, also
- Form 941, lines 24 and 25); and
- Amounts reported on Form 941 for the COBRA premium assistance credit, for periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021, including adjustments to Form 941, lines 11e, 11f, and 13f.

Use Form 843, Claim for Refund and Request for Abatement, to request a refund or abatement of assessed interest or penalties. Don't request a refund or abatement of assessed interest or penalties on Form 941 or Form 941-X.



We use the terms "correct" and "corrections" on Form 941-X and in these instructions to include interest-free adjustments under sections 6205 and 6413 and claims for refund and abatement under sections 6402, 6414, and 6404. See Rev. Rul. 2009-39 for examples of how the interest-free adjustment and claim for refund rules apply in 10 different situations. You can find Rev. Rul. 2009-39, 2009-52 I.R.B. 951, at [IRS.gov/irb/ 2009-52 IRB#RR-2009-39](https://www.irs.gov/irb/2009-52_IRB#RR-2009-39).

When you discover an error on a previously filed Form 941, you must:

- Correct that error using Form 941-X;

- File a separate Form 941-X for each Form 941 that you're correcting; and
- Generally, file Form 941-X separately. Don't file Form 941-X with Form 941. However, if you didn't previously file Form 941 because you mistakenly treated your employees as nonemployees, you may have to file Form 941-X with Form 941. See the instructions for line 42, later.

If you didn't file a Form 941 for one or more quarters, don't use Form 941-X. Instead, file Form 941 for each of those quarters. Also, see *When Should You File Form 941-X*, later. However, if you didn't file Forms 941 because you improperly treated workers as independent contractors or nonemployees and are now reclassifying them as employees, see the instructions for line 42, later.



Unless otherwise specified in these instructions, an underreported employment tax credit or social security tax deferral should be treated like an overreported tax amount. An overreported employment tax credit or social security tax deferral should be treated like an underreported tax amount. For more information, including which process to select on lines 1 and 2, see Correcting an employment tax credit or social security tax deferral, later.

Report the correction of underreported and overreported tax amounts for the same tax period on a single Form 941-X, unless you're requesting a refund or abatement. If you're requesting a refund or abatement and are correcting both underreported and overreported tax amounts, file one Form 941-X correcting the underreported tax amounts only and a second Form 941-X correcting the overreported tax amounts.

You'll use the adjustment process if you underreported employment taxes and are making a payment, or if you overreported employment taxes and will be applying the credit to Form 941 for the period during which you file Form 941-X. However, see the Caution under *Is There a Deadline for Filing Form 941-X*, later, if you're correcting overreported tax amounts during the last 90 days of a period of limitations. You'll use the claim process if you overreported employment taxes and are requesting a refund or abatement of the overreported tax amount. Follow the chart on page 6 of Form 941-X for help in choosing whether to use the adjustment process or the claim process. Be sure to give us a detailed explanation on line 43 for each correction that you show on Form 941-X.

Continue to report current quarter fractions of cents, third-party sick pay, tips, and group-term life insurance on Form 941, lines 7–9.

You have additional requirements to complete when filing Form 941-X, such as certifying that you filed (or will file) all applicable Forms W-2 and Forms W-2c with the Social Security Administration (SSA). For corrections of overreported federal income tax, social security tax, Medicare tax, or Additional Medicare Tax, you must make any certifications that apply to your situation.



Don't use Form 941-X to correct Form CT-1, 943, 944, or 945. Instead, use the "X" form that corresponds to those forms (Form CT-1 X, 943-X, 944-X, or 945-X).

Where Can You Get Help?

For help filing Form 941-X or for questions about federal employment taxes and tax corrections, you can:

- Go to [IRS.gov/EmploymentTaxes](https://www.irs.gov/employmenttaxes) and [IRS.gov/CorrectingEmploymentTaxes](https://www.irs.gov/correctingemploymenttaxes);

- See Pub. 15 for correcting Form 941, or Pub. 80, Federal Tax Guide for Employers in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, for correcting Form 941-SS; or
- Call the IRS Business and Specialty Tax Line 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).

See also *How Can You Get Forms, Instructions, and Publications From the IRS,* later.

When Should You File Form 941-X?

File Form 941-X when you discover an error on a previously filed Form 941.

However, if your only errors on Form 941 relate to the number of employees who received wages (Form 941, line 1) or to federal tax liabilities reported on Form 941, Part 2, or on Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, don't file Form 941-X. For more information about correcting federal tax liabilities reported on Form 941, Part 2, or on Schedule B (Form 941), see the Instructions for Schedule B (Form 941).

Due dates. The due date for filing Form 941-X depends on when you discover an error and if you underreported or overreported tax. If you underreported tax, see *Underreported tax*, later. For overreported tax amounts, you may choose to either make an interest-free

adjustment or file a claim for refund or abatement. If you're correcting overreported tax amounts, see Overreported tax—Adjustment process or Overreported tax—Claim process, later.

If any due date falls on a Saturday, Sunday, or legal holiday, you may file Form 941-X on the next business day. If we receive Form 941-X after the due date, we will treat Form 941-X as filed on time if the envelope containing Form 941-X 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 consider Form 941-X filed when it is actually received. See Pub. 15 or Pub. 80 for more information on legal holidays. For more information about PDSs, see Where Should You File Form 941-X, later.

Underreported tax. If you're correcting underreported tax, you must file Form 941-X by the due date of the return for the return period in which you discovered the error and **pay** the amount you owe **by the time you file**. Doing so will generally ensure that your correction is interest free and not subject to failure-to-pay (FTP) or failure-to-deposit (FTD) penalties. See *What About Penalties and Interest*, later. For details on how to make a payment, see the instructions for line 27, later.

If Form 941-X is filed late (after the due date of the return for the return period in which you discovered the error), you must attach an amended Schedule B (Form 941) to Form 941-X. Otherwise, the IRS may assess an "averaged" FTD penalty. See "*Averaged*" FTD *penalty* in section 11 of Pub. 15 or section 8 of Pub. 80 for more information about "averaged" FTD penalties. The total tax reported on the "Total liability for the quarter"

line of Schedule B (Form 941) must match the corrected tax (Form 941, line 12, combined with any correction entered on Form 941-X, line 23) for the quarter, less any previous abatements and interest-free tax assessments.

If you discover an error in . Form 941-X . . . is due . . .	
1. January, February, March	April 30
2. April, May, June	July 31
3. July, August, September	October 31
4. October, November, December	January 31
The dates shown in the table above apply only to corrections of underreported amounts. If any due date falls on a Saturday, Sunday, or legal	

holiday, you may file Form 941-X on the next business day.

Example—You owe tax. On July 7, 2023, you discover that you underreported \$10,000 of social security and Medicare wages on your 2023 first quarter Form 941. File Form 941-X and pay the amount you owe by October 31, 2023, because you discovered the error in the third quarter of 2023, and October 31, 2023, is the due date for that quarter. If you file Form 941-X before October 31, 2023, pay the amount you owe by the time you file.



The due date for filing the adjusted return is determined by the type of return (Form 941 or Form 944) being corrected, without regard to your current filing requirements. Therefore, if you're currently filing Form 941 and you're correcting a previously filed Form 944, you must file Form 944-X by January 31 of the

year following the year you discover the error.

Overreported tax—Adjustment process. If you overreported tax on Form 941 and choose to apply the credit to Form 941 or Form 944, file an adjusted return on Form 941-X soon after you discover the error but more than 90 days before the period of limitations on the credit or refund for Form 941 expires. See *Is There a Deadline for Filing Form 941-X*, later.

Overreported tax—Claim process. If you overreported tax on Form 941, you may choose to file a claim for refund or abatement on Form 941-X any time before the period of limitations on credit or refund expires on Form 941. If you also need to correct any underreported tax amounts, you must file another Form 941-X reporting only corrections to the underreported amounts. See *Is There a Deadline for Filing Form 941-X?* next.



You may not file a refund claim to correct federal income tax or Additional Medicare Tax actually withheld from employees.

Is There a Deadline for Filing Form 941-X?

Generally, you may correct overreported taxes on a previously filed Form 941 if you file Form 941-X within 3 years of the date Form 941 was filed or 2 years from the date you paid the tax reported on Form 941, whichever is later. You may correct underreported taxes on a previously filed Form 941 if you file Form 941-X within 3 years of the date the Form 941 was filed. We call each of these time frames a period of limitations. For purposes of the period of limitations, Forms 941 for a calendar year are considered filed on April 15 of the succeeding year if filed before that date.

Example. You filed your 2020 fourth quarter Form 941 on January 26, 2021, and payments were timely made.

The IRS treats the return as if it were filed on April 15, 2021. On January 24, 2024, you discover that you overreported social security and Medicare wages on that form by \$350. To correct the error, you must file Form 941-X by April 15, 2024, which is the end of the period of limitations for Form 941, and use the claim process.



If you file Form 941-X to correct overreported tax amounts in the last 90 days of a period of limitations, you must use the claim process. You can't use the adjustment process. If you're also correcting underreported tax amounts, you must file another Form 941-X to correct the underreported tax amounts using the adjustment process and pay any tax due.

Where Should You File Form 941-X?

Send your completed Form 941-X to the address shown next.

IF you're in . . .	THEN use this address . . .
Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont,	Department of the Treasury Internal Revenue Service Cincinnati, OH 45999-0005

Virginia, West Virginia, Wisconsin	
Alabama, Alaska, Arizona, Arkansas, California, Colorado, 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
No legal residence or principal place of business in any state	Internal Revenue Service P.O. Box 409101 Ogden, UT 84409

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
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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. If you file Form 941-X using a PDS, send it to the following address.

Ogden - Internal Revenue Submission
Processing Center
1973 Rulon White Blvd.
Ogden, UT 84201

Use this address even if your business is located in a state that files in Cincinnati.

How Should You Complete Form 941-X?

Use a Separate Form 941-X for Each Quarter You're Correcting

Use a separate Form 941-X for each Form 941 that you're correcting. For example, if you found errors on your Forms 941 for the third and fourth quarters of 2022, file one Form 941-X to correct the 2022 third quarter Form 941 and file a second Form 941-X to correct the 2022 fourth quarter Form 941.

Employer Identification Number (EIN), Name, and Address

Enter your EIN, name, and address in the spaces provided. Also enter your name and EIN on the top of pages 2, 3, 4, and 5, and on any attachments. If your address has changed since you filed your Form 941, enter the corrected information and the IRS will update your address of record. Be sure to

write your name, EIN, "Form 941-X," the calendar quarter you're correcting (for example, "Quarter 2"), and the calendar year of the quarter you're correcting on the top of any attachments.

Return You're Correcting

In the box at the top of page 1, check the type of return (Form 941 or Form 941-SS) you're correcting. Check the appropriate box for the one quarter you're correcting. Enter the calendar year of the Form 941 you're correcting. Enter the quarter and calendar year on pages 2, 3, 4, and 5.

Enter the Date You Discovered Errors

You **must** enter the date you discovered errors. You discover an error when you have enough information to be able to correct it. If you're reporting several errors that you discovered at different times, enter the earliest date you discovered them here. Report any subsequent dates and

related errors on line 43.

Must You Make an Entry on Each Line?

You must provide all of the information requested at the top of page 1 of Form 941-X. You must check one box (but not both) in Part 1. In Part 2, you must check the box on line 3 and any applicable boxes on lines 4 and 5. In Part 3, if any line doesn't apply, leave it blank. Complete Parts 4 and 5 as instructed.

How Should You Report Negative Amounts?

Form 941-X uses negative numbers to show reductions in tax (credits) and positive numbers to show additional tax (amounts you owe).

When reporting a negative amount in columns 3 and 4, use a minus sign instead of parentheses. For example, enter "-10.59" instead of "(10.59)." However, if you're completing the return on your computer and your software only allows you to use

parentheses to report negative amounts, you may use them.

How Should You Make Entries on Form 941-X?

You can help the IRS process Form 941-X timely and accurately if you follow these guidelines.

- Type or print your entries.
- Use Courier font (if possible) for all typed or computer-generated entries.
- Omit dollar signs. You may use commas and decimal points, if desired. Enter dollar amounts to the left of any preprinted decimal point and cents to the right of it.
- Always show an amount for cents, even if it is zero. Don't round entries to whole dollars.
- Complete all five pages and sign Form 941-X on page 5.

- Staple multiple sheets in the upper-left corner.

What About Penalties and Interest?

Generally, your correction of an underreported tax amount won't be subject to an FTP penalty, an FTD penalty, or interest if you:

- File on time (by the due date of Form 941 for the quarter in which you discover the error),
- **Pay** the amount shown on line 27 **by the time you file** Form 941-X,
- Enter the date you discovered the error, and
- Explain in detail the grounds and facts relied on to support the correction.

No correction will be eligible for interest-free treatment if any of the following apply.

- The amounts underreported relate to an issue that was raised in an examination of a prior period.
- You knowingly underreported your employment tax liability.
- You received a notice and demand for payment.
- You received a notice of determination under section 7436.

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 the reasonable-cause criteria. Don't attach an explanation when you file your return.

Overview of the Process

To correct a previously filed Form 941, use Form 941-X to file either an adjusted employment tax return or a claim for refund or abatement. The adjustment process and the claim process are outlined below.

If you underreported the tax. If you underreported the tax on a previously filed Form 941, check the box on line 1 and **pay** any additional amount you owe **by the time you file** Form 941-X. For details on how to make a payment, see the instructions for line 27, later.

Example—You underreported employment taxes. On July 7, 2023, you discover an error that results in additional tax on your 2022 third quarter Form 941. File Form 941-X by October 31, 2023, and pay the amount you owe by the time you file. See *When Should You File Form 941-X*, earlier. Don't attach Form 941-X to your 2023 third quarter Form 941.

If you overreported the tax. If you overreported the tax on a previously filed Form 941, you may **choose** one of the following options.

- *Use the adjustment process.* Check the box on line 1 to apply any credit

(negative amount) from line 27 to Form 941 for the quarter during which you file Form 941-X.

- *Use the claim process.* Check the box on line 2 to file a claim on Form 941-X requesting a refund or abatement of the amount shown on line 27.



*To ensure that the IRS has enough time to process a credit for an **overreporting tax adjustment** in the quarter during which you file Form 941-X, you're encouraged to file Form 941-X correcting the overreported tax amount in the first 2 months of a quarter. For example, if you discover an overreported tax amount in March, June, September, or December, you may want to file Form 941-X in the first 2 months of the next quarter. However, there must be 90 days remaining on the period of limitations when you file Form 941-X. See the Caution under Is There a Deadline for Filing Form 941-X, earlier. This should ensure that*

the IRS will have enough time to process Form 941-X so the credit will be posted before you file Form 941, thus avoiding an erroneous balance due notice from the IRS. See the example below.

Example—You want your overreported tax applied as a credit to Form 941. On September 18, 2023, you discover you overreported your tax on your 2022 fourth quarter Form 941 and want to choose the adjustment process. To allow the IRS enough time to process the credit, you file Form 941-X on October 2, 2023, and take the credit on your fourth quarter 2023 Form 941.



If you currently file Form 944 and you're making a correction to a previously filed Form 941 that will be claimed as a credit on Form 944, file Form 941-X before December in any year before the expiration of the period of limitations for the previously filed Form 941. In the year that the period of limitations for the

previously filed Form 941 expires, file Form 941-X at least 90 days before the expiration date.

Specific Instructions:

Part 1: Select ONLY One Process

Because Form 941-X may be used to file either an adjusted employment tax return or a claim for refund or abatement, you **must** check one box on either line 1 or line 2. Don't check both boxes.

Correcting an employment tax credit or social security tax deferral. For lines 1 and 2, if you underreported an employment tax credit or the amount of social security tax deferred, treat it like you overreported a tax amount. If you overreported an employment tax credit or the amount of social security tax deferred, treat it like you underreported a tax amount. If you're filing Form 941-X to adjust only an employment tax credit and/or the amount of social security tax deferred and

you're not correcting any overreported taxes on Form 941-X, lines 6–13, skip lines 4 and 5.

1. Adjusted Employment Tax Return

Check the box on line 1 if you're correcting underreported tax amounts or overreported tax amounts and you would like to use the adjustment process to correct the errors.

If you're correcting both underreported tax amounts and overreported tax amounts on this form, you **must** check this box. If you check this box, any negative amount shown on line 27 will be applied as a credit (tax deposit) to your Form 941 or Form 944 for the period in which you're filing this form. See *Example—You want your overreported tax applied as a credit to Form 941*, earlier.

If you owe tax. Pay the amount shown on line 27 **by the time you file** Form 941-X. Generally, you won't be charged interest if you file on time, pay on time, enter the date

you discovered the error, and explain the correction on line 43.

If you have a credit. You overreported employment taxes (you have a negative amount on line 27) and want the IRS to apply the credit to Form 941 or Form 944 for the period during which you filed Form 941-X. The IRS will apply your credit on the first day of the Form 941 or Form 944 period during which you filed Form 941-X. However, the credit you show on Form 941-X, line 27, may not be fully available on your Form 941 or Form 944 if the IRS corrects it during processing or you owe other taxes, penalties, or interest. The IRS will notify you if your claimed credit changes or if the amount available as a credit on Form 941 or Form 944 was reduced because of unpaid taxes, penalties, or interest.



Don't check the box on line 1 if you're correcting overreported tax amounts and the period of limitations on credit or refund for Form 941 will expire within 90 days of the date you file Form 941-X. See Is There a Deadline for Filing Form 941-X, earlier.

2. Claim

Check the box on line 2 to use the claim process if you're correcting **overreported tax amounts only** and you're claiming a refund or abatement for the negative amount (credit) shown on line 27. Don't check this box if you're correcting any underreported tax amounts on this form.

You must check the box on line 2 if you have a credit (a negative amount on line 27) and the period of limitations on credit or refund for Form 941 will expire within 90 days of the date you file Form 941-X. See Is There a Deadline for Filing Form 941-X, earlier.

The IRS usually processes claims shortly after they are filed. The IRS will notify you if your claim is denied, accepted as filed, or selected to be examined. See Pub. 556, Examination of Returns, Appeal Rights, and Claims for Refund, for more information.

Unless the IRS corrects Form 941-X during processing or you owe other taxes, penalties, or interest, the IRS will refund the amount shown on line 27, plus any interest that applies.



You may not file a refund claim to correct federal income tax or Additional Medicare Tax actually withheld from employees.

Part 2: Complete the Certifications

You must complete all certifications that apply by checking the appropriate boxes. If all of your corrections relate to underreported tax amounts, complete line 3 only; skip lines 4 and 5 and go to Part 3. If your corrections

relate to overreported tax amounts, other than corrections related to underreported employment tax credits and social security tax deferrals, you have a duty to ensure that your employees' rights to recover overpaid employee social security and Medicare taxes that you withheld are protected. The certifications on lines 4 and 5 address the requirement to:

- Repay or reimburse your employees for the overcollection of employee social security and Medicare taxes, or
- Obtain consents from your employees to file a claim on their behalf. See [Rev. Proc. 2017-28](#) for guidance on the requirements for both a request for employee consent and for the employee consent.

3. Filing Forms W-2 or Forms W-2c

Check the box on line 3 to certify that you filed or will file Forms W-2 or Forms W-2c

with the SSA, as required, showing your employees' correct wage and tax amounts. See the General Instructions for Forms W-2 and W-3 for detailed information about filing requirements. References to Form W-2 on Form 941-X and in these instructions also apply to Forms W-2AS, W-2CM, W-2GU, and W-2VI, unless otherwise noted.

You must check the box on line 3 to certify that you filed Forms W-2 or Forms W-2c even if your corrections on Form 941-X don't change amounts shown on those forms. For example, if your only correction to Form 941 involves misstated tax adjustments, which don't impact the amounts reported on your employees' Forms W-2 (see the instructions for line 15, later), check the box on line 3 to certify that you already filed all required Forms W-2 and W-2c with the SSA. In this situation, you're certifying that you don't need to file Form W-2c because you already filed a correct Form W-2.

4. Certifying Overreporting Adjustments

If you overreported federal income tax, social security tax, Medicare tax, or Additional Medicare Tax and checked the box on line 1, check the appropriate box on line 4. You may need to check more than one box. If you obtained written statements from some employees but you couldn't locate employees or secure the statements of the remaining employees, check all applicable boxes.

Provide a summary on line 43 of the amount of the corrections both for the employees who provided written statements and for those who didn't.

4a. Check the box on line 4a if your overreported amount includes each affected employee share of overcollected taxes. You're certifying that you repaid or reimbursed the employee share of current and prior year taxes and you received written statements from the employees stating that they didn't and won't receive a refund or credit for the

prior year taxes. You're certifying that you adjusted federal income tax or Additional Medicare Tax withheld from employees for the current calendar year only. Don't send these statements to the IRS. Keep them for your records. Generally, all employment tax records must be kept for at least 4 years. Records related to qualified sick leave wages and qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, and records related to qualified wages for the employee retention credit paid after June 30, 2021, should be kept for at least 6 years. Copies must be submitted to the IRS if requested.

4b. Check the box on line 4b to certify that your overreported amount is only for the employer share of taxes on those employees who you were unable to find or those who didn't give you a statement described on line 4a.

4c. Check the box on line 4c to certify that your overreported amount is only for federal income tax, social security tax, Medicare tax, or Additional Medicare Tax that you didn't withhold from your employees.

5. Certifying Claims

If you're filing a claim for refund or abatement of overreported federal income tax, social security tax, Medicare tax, or Additional Medicare Tax and checked the box on line 2, check the appropriate box on line 5. You may need to check more than one box. If you obtained written statements or consents from some employees but you couldn't locate employees or secure the statements or consents of the remaining employees, check all applicable boxes. Provide a summary on line 43 of the amount of the corrections for both the employees who provided statements or consents and for those who didn't.



You can't file a refund claim to correct the incorrect amount of federal income tax or Additional Medicare Tax actually withheld from employees in a prior year. If you request their consent to file a claim for social security tax or Medicare tax, you must tell your employees that you can't claim a refund of any Additional Medicare Tax on their behalf. See [Rev. Proc. 2017-28](#) for sample language to use in your request.

5a. Check the box on line 5a if your overreported tax includes each affected employee share of social security and Medicare taxes. You're certifying that you repaid or reimbursed to the employees their share of social security and Medicare taxes. For refunds of employee social security and Medicare taxes overcollected in prior years, you're certifying that you received written statements from those employees stating that they didn't and won't receive a refund or credit for the prior year taxes. Don't send

these statements to the IRS. Keep them for your records. Generally, all employment tax records must be kept for at least 4 years. Records related to qualified sick leave wages and qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, and records related to qualified wages for the employee retention credit paid after June 30, 2021, should be kept for at least 6 years. Copies must be submitted to the IRS if requested.

5b. Check the box on line 5b if your overreported tax includes each affected employee share of social security and Medicare taxes and you haven't yet repaid or reimbursed the employee share of taxes. You're certifying that you received consent from each affected employee to file a claim on the employee share of those taxes and you received written statements from those employees stating that they didn't and won't

receive a refund or credit for the prior year taxes. An employee consent must:

- Contain the name, address, and social security number (or truncated taxpayer identification number, when appropriate) of the employee;
- Contain the name, address, and EIN of the employer;
- Contain the tax period(s), the type of tax, and the amount of tax for which the consent is provided;
- Affirmatively state that the employee authorizes the employer to claim a refund for the overpayment of the employee share of tax;
- For amounts collected in a prior year, include the employee's written statement certifying that the employee hasn't made any previous claims (or the claims were rejected) and won't make any future claims for refund or

credit of the amount of the overcollection;

- Identify the basis of the claim; and
- Be dated and contain the employee's signature under penalties of perjury. The penalties of perjury statement should be located immediately above the required signature.

Don't send these statements and consents to the IRS. Keep them for your records.

Generally, all employment tax records must be kept for at least 4 years. Records related to qualified sick leave wages and qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, and records related to qualified wages for the employee retention credit paid after June 30, 2021, should be kept for at least 6 years.

Copies must be submitted to the IRS if requested.

In certain situations, you may not have repaid or reimbursed your employees or obtained their consents prior to filing a claim, such as in cases where the period of limitations on credit or refund is about to expire. In those situations, file Form 941-X, but don't check a box on line 5. Tell us on line 43 that you haven't repaid or reimbursed employees or obtained consents at the time you file the claim. However, you must repay or reimburse your employees and certify that you've done so before the IRS can allow the claim.

5c. Check the box on line 5c to certify that your overreported tax is only for the employer share of social security and Medicare taxes. This applies when affected employees didn't give you consent to file a claim for refund for the employee share of social security and Medicare taxes, they couldn't be found, or they didn't give you a statement described on line 5b.

5d. Check the box on line 5d to certify that your overreported amount is only for federal income tax, social security tax, Medicare tax, or Additional Medicare Tax that you didn't withhold from your employees.

Part 3: Enter the Corrections for This Quarter

What Amounts Should You Report in Part 3?

On lines 6–13, columns 1 and 2, for each line you're correcting, show amounts for **all** of your employees, not just for those employees whose amounts you're correcting.

If a correction that you report in column 4 includes both underreported and overreported amounts (see the instructions for line 41, later), give us details for each error on line 43.