

Note: *The draft you are looking for begins on the next page.*



Caution: DRAFT—NOT FOR FILING

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms** and do **not** rely on draft forms, instructions, and publications for filing. We do **not** release draft forms until we believe we have incorporated all changes (except when explicitly stated on this coversheet). However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions generally are subject to OMB approval before they can be officially released, so we post only drafts of them until they are approved. Drafts of instructions and publications usually have some changes before their final release.

Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). All information about all forms, instructions, and pubs is at [IRS.gov/Forms](https://www.irs.gov/Forms).

Almost every form and publication has a page on IRS.gov with a friendly shortcut. For example, the Form 1040 page is at [IRS.gov/Form1040](https://www.irs.gov/Form1040); the Pub. 501 page is at [IRS.gov/Pub501](https://www.irs.gov/Pub501); the Form W-4 page is at [IRS.gov/W4](https://www.irs.gov/W4); and the Schedule A (Form 1040/SR) page is at [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA). If typing in a link above instead of clicking on it, be sure to type the link into the address bar of your browser, not a Search box.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or publications at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product.

If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).

22222		VOID <input type="checkbox"/>	a Employee's social security number		For Official Use Only ▶ OMB No. 1545-0008	
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 VI income tax withheld	
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld	
			5 Medicare wages and tips		6 Medicare tax withheld	
			7 Social security tips		8	
d Control number			9		10	
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans		12a See instructions for box 12
f Employee's address and ZIP code				13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b
				14 Other		12c
						12d

DRAFT AS OF
September 21, 2020
DO NOT FILE

Form W-2VI U.S. Virgin Islands Wage and Tax Statement

2021

Department of the Treasury—Internal Revenue Service

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Copy A—For Social Security Administration. Send this entire page with Copy A of Form W-3SS to the Social Security Administration; photocopies are not acceptable.

Cat. No. 49977C

Do Not Cut, Fold, or Staple Forms on This Page

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f Employee's address and ZIP code				12d C o d e	

Form **W-2VI** U.S. Virgin Islands
Wage and Tax Statement
 Copy B—To Be Filed With Employee's VI Tax Return

2021

Department of the Treasury—Internal Revenue Service

This information is being furnished to the
 V.I. Bureau of Internal Revenue.

Notice to Employee

Do you have to file? Refer to the Instructions for Forms 1040 and 1040-SR to determine if you are required to file a tax return. Even if you don't have to file a tax return, you may be eligible for a refund if box 2 shows an amount or if you are eligible for any credit.

Copies B and C; corrections. File Copy B of this form with your 2021 U.S. Virgin Islands income tax return. Keep Copy C for your records. If your name, social security number (SSN), or address is incorrect, correct Copies B and C and ask your employer to correct your employment record. Be sure to ask your employer to file Form W-2c, Corrected Wage and Tax Statement, with the Social Security Administration (SSA) to correct any name, amount, or SSN error reported to the SSA.

Estimated tax. If you expect to owe \$1,000 or more in tax (including self-employment tax) for 2022, you may have to make estimated tax payments to the U.S. Internal Revenue Service. Use Form 1040-ES, Estimated Tax for Individuals.

Employee's social security number (SSN). For your protection, this form may show only the last four digits of your SSN. However, your employer has reported your complete SSN to the V.I. Bureau of Internal Revenue and the SSA.

Clergy and religious workers. If you aren't subject to social security and Medicare taxes, see Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Cost of employer-sponsored health coverage (if such cost is provided by the employer). The reporting in box 12, using code DD, of the cost of employer-sponsored health coverage is for your information only. **The amount reported with code DD is not taxable.**

Credit for excess social security tax. If one employer paid you wages during 2021 and more than \$X,XXX.XX in social security tax was withheld, you can claim a refund of the excess by filing Form 1040 or 1040-SR with the V.I. Bureau of Internal Revenue, 6115 Estate Smith Bay, Suite 225, St. Thomas, VI 00802.

If you had more than one employer in 2021 and more than \$X,XXX.XX in social security tax was withheld, you can have the excess refunded by filing Form 843, Claim for Refund and Request for Abatement, with the Department of the Treasury, Internal Revenue Service Center, Austin, TX 73301-0215, USA. However, if you are required to file Form 1040 or 1040-SR with the United States, you must claim the excess tax as a credit on Form 1040 or 1040-SR.

Unreported tip income. You must file Form 4137, Social Security and Medicare Tax on Unreported Tip Income, with your income tax return to report at least the

allocated tip amount unless you can prove with adequate records that you received a smaller amount. If you have records that show the actual amount of tips you received, report that amount even if it is more or less than the allocated tips. Use Form 4137 to figure the social security and Medicare tax owed on tips you didn't report to your employer. Enter this amount on the wages line of your tax return. (Form 1040-SS filers, see the instructions for Form 1040-SS, Part I, line 6.) By filing this form, your social security tips will be credited to your social security record (used to figure your benefits).

(See also the *Instructions for Employee* on this page and the back of Copy C.)

Instructions for Employee

(See also *Notice to Employee* on this page.)

Box 5. You may be required to report this amount on Form 8959, Additional Medicare Tax. See the Instructions for Forms 1040 and 1040-SR to determine if you are required to complete Form 8959.

Box 6. This amount includes the 1.45% Medicare Tax withheld on all Medicare wages and tips shown in box 5, as well as the 0.9% Additional Medicare Tax on any of those Medicare wages and tips above \$200,000.

Box 11. This amount is (a) reported in box 1 if it is a distribution made to you from a nonqualified deferred compensation or nongovernmental section 457(b) plan, or (b) included in box 3 and/or box 5 if it is a prior year deferral under a nonqualified or section 457(b) plan that became taxable for social security and Medicare taxes this year because there is no longer a substantial risk of forfeiture of your right to the deferred amount. This box shouldn't be used if you had a deferral and a distribution in the same calendar year. If you made a deferral and received a distribution in the same calendar year, and you are or will be age 62 by the end of the calendar year, your employer should file Form SSA-131, Employer Report of Special Wage Payments, with the Social Security Administration and give you a copy.

Box 12. The following list explains the codes shown in box 12. You may need this information to complete your tax return. Elective deferrals (codes D, E, F, and S) and designated Roth contributions (codes AA, BB, and EE) under all plans are generally limited to a total of \$XX,XXX (\$XX,XXX if you have only SIMPLE plans; \$XX,XXX for section 403(b) plans if you qualify for the 15-year rule explained in Pub. 571). Deferrals under code G are limited to \$XX,XXX. Deferrals under code H are limited to \$7,000.

(continued on back of Copy C)

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e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans	12a See instructions for box 12 C o d e
		13 Statutory employee <input type="checkbox"/> Retirement plan <input type="checkbox"/> Third-party sick pay <input type="checkbox"/>		12b C o d e	
		14 Other		12c C o d e	
f Employee's address and ZIP code				12d C o d e	

Form **W-2VI** **U.S. Virgin Islands**
Wage and Tax Statement
Copy C—For EMPLOYEE'S RECORDS
(See *Notice to Employee* on the back of Copy B.)

2021

Department of the Treasury—Internal Revenue Service
This information is being furnished to the
V.I. Bureau of Internal Revenue.

Instructions for Employee *(continued from back of Copy B)*

Box 12 *(continued)*

However, if you were at least age 50 in 2021, your employer may have allowed an additional deferral of up to \$X,XXX (\$X,XXX for section 401(k)(11) and 408(p) SIMPLE plans). This additional deferral amount is not subject to the overall limit on elective deferrals. For code G, the limit on elective deferrals may be higher for the last 3 years before you reach retirement age. Contact your plan administrator for more information. Amounts in excess of the overall elective deferral limit must be included in income. See the "Wages, Salaries, Tips, etc." line instructions for your tax return.

Note: If a year follows code D through H, S, Y, AA, BB, or EE, you made a make-up pension contribution for a prior year(s) when you were in military service. To figure whether you made excess deferrals, consider these amounts for the year shown, not the current year. If no year is shown, the contributions are for the current year.

A—Uncollected social security tax on tips. Report on U.S. Form 1040 or 1040-SR. Report on Form 1040-SS if not required to file Form 1040 or 1040-SR.

B—Uncollected Medicare tax on tips. Report on U.S. Form 1040 or 1040-SR. Report on Form 1040-SS if not required to file Form 1040 or 1040-SR.

C—Taxable cost of group-term life insurance over \$50,000 (included in boxes 1, 3 (up to the social security wage base), and 5)

D—Elective deferrals to a section 401(k) cash or deferred arrangement. Also includes deferrals under a SIMPLE retirement account that is part of a section 401(k) arrangement.

E—Elective deferrals under a section 403(b) salary reduction agreement

F—Elective deferrals under a section 408(k)(6) salary reduction SEP

G—Elective deferrals and employer contributions (including nonelective deferrals) to a section 457(b) deferred compensation plan

H—Elective deferrals to a section 501(c)(18)(D) tax-exempt organization plan. (You may be able to deduct.)

J—Nontaxable sick pay (information only, not included in box 1, 3, or 5)

M—Uncollected social security tax on taxable cost of group-term life insurance over \$50,000 (former employees only). Report on U.S. Form 1040 or 1040-SR. Report on Form 1040-SS if not required to file Form 1040 or 1040-SR.

N—Uncollected Medicare tax on taxable cost of group-term life insurance over \$50,000 (former employees only). Report on U.S. Form 1040 or 1040-SR. Report on Form 1040-SS if not required to file Form 1040 or 1040-SR.

P—Excludable moving expense reimbursements paid directly to a member of the U.S. Armed Forces (not included in box 1, 3, or 5)

Q—Nontaxable combat pay. See your tax return instructions for details on reporting this amount.

R—Employer contributions to your Archer MSA. Report on Form 8853, Archer MSAs and Long-Term Care Insurance Contracts.

S—Employee salary reduction contributions under a section 408(p) SIMPLE plan (not included in box 1)

T—Adoption benefits (not included in box 1). Complete Form 8839, Qualified Adoption Expenses, to figure taxable and nontaxable amounts.

V—Income from exercise of nonstatutory stock option(s) (included in boxes 1, 3 (up to the social security wage base), and 5). See Pub. 525, Taxable and Nontaxable Income, for reporting requirements.

W—Employer contributions (including amounts the employee elected to contribute using a section 125 (cafeteria) plan) to your health savings account (HSA). Report on Form 8889, Health Savings Accounts (HSAs).

Y—Deferrals under a section 409A nonqualified deferred compensation plan

Z—Income under a nonqualified deferred compensation plan that fails to satisfy section 409A. This amount is also included in box 1. It is subject to an additional 20% tax plus interest. See "Other Taxes" in the instructions for your tax return.

AA—Designated Roth contributions under a section 401(k) plan

BB—Designated Roth contributions under a section 403(b) plan

DD—Cost of employer-sponsored health coverage. **The amount reported with code DD is not taxable.**

EE—Designated Roth contributions under a governmental section 457(b) plan. This amount does not apply to contributions under a tax-exempt organization section 457(b) plan.

FF—Permitted benefits under a qualified small employer health reimbursement arrangement

GG—Income from qualified equity grants under section 83(i)

HH—Aggregate deferrals under section 83(i) elections as of the close of the calendar year

Box 13. If the "Retirement plan" box is checked, special limits may apply to the amount of traditional IRA contributions that you may deduct. See Pub. 590-A, Contributions to Individual Retirement Arrangements (IRAs).

Note: Keep **Copy C** of Form W-2VI for at least 3 years after the due date for filing your income tax return. However, to help **protect your social security benefits**, keep Copy C until you begin receiving social security benefits just in case there is a question about your work record and/or earnings in a particular year.

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Employers, Please Note—

Specific information needed to complete Form W-2VI is available in a separate booklet titled the 2021 General Instructions for Forms W-2 and W-3. You can order these instructions and additional forms at www.irs.gov/OrderForms.

Caution: Do not send the SSA Forms W-2VI and W-3SS that you have printed from IRS.gov. The SSA is unable to process these forms. Instead, you can create and submit them online. See *E-filing*, later.

Due dates. By January 31, 2022, furnish Copies B and C to each person who was your employee during 2021. Mail or electronically file Copy A of Form(s) W-2VI and W-3SS with the SSA by January 31, 2022. See the separate instructions.

Need help? If you have questions about reporting on Form W-2VI, call the information reporting customer service site toll free at 866-455-7438 or 304-263-8700 (not toll free). For TTY/TDD equipment for persons who are deaf, hard of hearing, or have a speech disability, call 304-579-4827 (not toll free).

E-filing. See the 2021 General Instructions for Forms W-2 and W-3 for information on when you're required to file electronically. Even if you aren't required to file electronically, doing so can save you time and effort. Employers may now use the SSA's W-2 Online service to create, save, print, and submit up to 50 Form(s) W-2VI at a time over the Internet. When you *e-file* with the SSA, no separate Form W-3SS filing is required. An electronic Form W-3SS will be created for you by the W-2 Online service. For information, visit the SSA's Employer W-2 Filing Instructions & Information website at www.SSA.gov/employer or contact your Employer Services Liaison Officer (ESLO) at 212-264-3865 (not toll free) or NY.RO.CDPS.ESLO@ssa.gov.

Future developments. Information about any future developments affecting Form W-2VI and its instructions (such as legislation enacted after we release them) will be posted at www.irs.gov/FormW2VI.

DRAFT
September 21, 2020
DO NOT FILE