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

Almost every form and publication also has its own page on IRS.gov. For example, the Form 1040 page is at [IRS.gov/Form1040](https://www.irs.gov/Form1040); the Publication 17 page is at [IRS.gov/Pub17](https://www.irs.gov/Pub17); the Form W-4 page is at [IRS.gov/W4](https://www.irs.gov/W4); and the Schedule A (Form 1040) 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 in a Search box. Note that these are friendly shortcut links that will automatically go to the actual link for the page.

If you wish, you can submit comments 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. Please note that we may not be able to consider many suggestions until the subsequent revision of the product.



# Instructions for Form 943

## Employer's Annual Federal Tax Return for Agricultural Employees

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

### Future Developments

For the latest information about developments related to Form 943 and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form943](https://www.irs.gov/Form943).

### What's New

**Social security and Medicare tax for 2018.** The social security tax rate is 6.2% each for the employee and employer, unchanged from 2017. The social security wage base limit is \$128,400.

The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2017. There is no wage base limit for Medicare tax.

### Reminders

**Certification program for professional employer organizations.** The Tax Increase Prevention Act of 2014 required the IRS to establish a voluntary certification program for professional employer organizations (PEOs). PEOs handle various payroll administration and tax reporting responsibilities for their business clients and are typically paid a fee based on payroll costs. To become and remain certified under the certification program, certified professional employer organizations (CPEOs) must meet various requirements described in sections 3511 and 7705 and related published guidance. Certification as a CPEO may affect the employment tax liabilities of both the CPEO and its customers. A CPEO is generally treated as the employer of any individual who performs services for a customer of the CPEO and is covered by a contract described in section 7705(e)(2) between the CPEO and the customer (CPEO contract), but only for wages and other compensation paid to the individual by the CPEO. For more information, go to [IRS.gov/CPEO](https://www.irs.gov/CPEO). Also see Rev. Proc. 2017-14, 2017-3 I.R.B. 426, available at [IRS.gov/irb/2017-03\\_IRB#RP-2017-14](https://www.irs.gov/irb/2017-03_IRB#RP-2017-14).

**Schedule R (Form 943), Allocation Schedule for Aggregate Form 943 Filers.** Agents approved by the IRS under section 3504 and CPEOs must complete and file the Schedule R (Form 943) each time they file an aggregate Form 943. To request approval to act as an agent for an employer under section 3504, the agent must file Form 2678 with the IRS. Form 2678 must be previously filed and approved by the IRS before filing Schedule R. To become a CPEO, the organization must apply through the IRS Online Registration System at [IRS.gov/CPEO](https://www.irs.gov/CPEO).

**Qualified small business payroll tax credit for increasing research activities.** For tax years beginning

after December 31, 2015, a qualified small business may elect to claim up to \$250,000 of its credit for increasing research activities as a payroll tax credit against the employer's share of social security tax. The payroll tax credit must be elected on an original income tax return that is timely filed (including extensions). The portion of the credit used against the employer's share of social security tax is allowed in the first calendar quarter beginning after the date that the qualified small business filed its income tax return. The first Form 943 that you can claim this credit on is Form 943 filed for calendar year 2017. The election and determination of the credit amount that will be used against the employer's share of social security tax are made on Form 6765, Credit for Increasing Research Activities. The amount from Form 6765, line 44, must then be reported on Form 8974, Qualified Small Business Payroll Tax Credit for Increasing Research Activities. Form 8974 is used to determine the amount of the credit that can be used in the current year. The amount from Form 8974, line 12, is reported on Form 943, line 12. If you're claiming the research payroll tax credit on your Form 943, you must attach Form 8974 to Form 943. For more information about the payroll tax credit, see Notice 2017-23, 2017-16 I.R.B. 1100, available at [IRS.gov/irb/2017-16\\_IRB#NOT-2017-23](https://www.irs.gov/irb/2017-16_IRB#NOT-2017-23). Also see [Adjusting tax liability for the qualified small business payroll tax credit for increasing research activities reported on line 12](https://www.irs.gov/irb/2017-16_IRB#NOT-2017-23), later.

**Work opportunity tax credit for qualified tax-exempt organizations hiring qualified veterans.** The work opportunity tax credit is available for eligible unemployed veterans who begin work on or after November 22, 2011, and before January 1, 2020. Qualified tax-exempt organizations that hire eligible unemployed veterans can claim the work opportunity tax credit against their payroll tax liability using Form 5884-C. For more information, go to [IRS.gov/WOTC](https://www.irs.gov/WOTC).

**Social security wage base for 2019.** The maximum amount of wages subject to the social security tax for 2019 will be discussed in the December 2018 revision of Pub. 51.

**COBRA premium assistance credit.** Effective for tax periods beginning after December 31, 2013, the credit for COBRA premium assistance payments can't be claimed on Form 943. Instead, after filing your Form 943, file Form 943-X, Adjusted Employer's Annual Federal Tax Return for Agricultural Employees or Claim for Refund, to claim the COBRA premium assistance credit. Filing a Form 943-X before filing a Form 943 for the year may result in errors or delays in processing your Form 943-X. For more information, go to [IRS.gov/COBRACredit](https://www.irs.gov/COBRACredit).



If you're entitled to claim the COBRA premium assistance credit, but aren't otherwise required to file Form 943, file a Form 943 with -0- entered on line 15 before filing a Form 943-X to claim the credit.

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

- Write to the IRS office where you file your returns (using the *Without a payment* address under [Where To File](#), later) to notify the IRS of any business name change. See Pub. 1635 to see if you need to apply for a new employer identification number (EIN).
- Complete and mail Form 8822-B to notify the IRS of a business address or responsible party change. Don't mail Form 8822-B with your Form 943. For a definition of "responsible party," see the Instructions for Form SS-4.

**Correcting a previously filed Form 943.** If you discover an error on a previously filed Form 943, make the correction using Form 943-X. Form 943-X is filed separately from Form 943. For more information, see the Instructions for Form 943-X, section 9 of Pub. 51, or go to [IRS.gov/CorrectingEmploymentTaxes](#).

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

For more information on making tax deposits, see section 7 of Pub. 51. To get more information about EFTPS or to enroll in EFTPS, go to [EFTPS.gov](#), or call 1-800-555-4477 or 1-800-733-4829 (TDD). Additional information about EFTPS is also available in Pub. 966.



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

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

**Timeliness of federal tax deposits.** If a deposit is required to be made on a day that isn't a business day, the deposit is considered timely if it is made by the close of

the next business day. A business day is any day other than a Saturday, Sunday, or legal holiday. The term "legal holiday" for deposit purposes includes only those legal holidays in the District of Columbia. Legal holidays in the District of Columbia are provided in section 7 of Pub. 51.

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

- For e-file, go to [IRS.gov/EmploymentEfile](#) for additional information. A fee may be charged to file electronically.
- For EFTPS, go to [EFTPS.gov](#) or call EFTPS Customer Service at 1-800-555-4477 or 1-800-733-4829 (TDD) for additional information.



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

**Electronic funds withdrawal (EFW).** If you file Form 943 electronically, you can e-file and use EFW to pay the balance due in a single step using tax preparation software or through a tax professional. However, don't use EFW to make federal tax deposits. For more information on paying your taxes using EFW, go to [IRS.gov/EFW](#).

**Credit or debit card payments.** You can pay the balance due shown on Form 943 by credit or debit card. Your payment will be processed by a payment processor who will charge a processing fee. Don't use a credit or debit card to make federal tax deposits. For more information on paying your taxes with a credit or debit card, go to [IRS.gov/PayByCard](#).

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

**Paid preparers must sign Form 943.** Paid preparers must complete and sign the paid preparer's section of Form 943.

**Outsourcing payroll duties.** Generally, you're responsible to ensure that tax returns are filed and deposits and payments are made, even if you contract with a third party to perform these acts. You remain responsible if the third party fails to perform any required action. If you choose to outsource any of your payroll and related tax duties (that is, withholding, reporting, and paying over social security, Medicare, FUTA, and income taxes) to a third-party payer, such as a payroll service provider or reporting agent, go to [IRS.gov/OutsourcingPayrollDuties](#) for helpful information on this topic. If a CPEO pays wages and other compensation to an individual performing services for you, and the services



are covered by a contract described in section 7705(e)(2) between you and the CPEO (CPEO contract), then the CPEO is generally treated as the employer, but only for wages and other compensation paid to the individual by the CPEO. However, with respect to certain employees covered by a CPEO contract, a customer may also be treated as an employer of the employees and, consequently, may also be liable for federal employment taxes imposed on wages and other compensation paid by the CPEO to such employees. For more information on the different types of third-party payer arrangements, see section 16 in Pub. 15.

**Disregarded entities and qualified subchapter S subsidiaries (QSUBS).** Eligible single-owner disregarded entities and QSUBS are treated as separate entities for employment tax purposes. Eligible single-member entities that haven't elected to be taxed as corporations must report and pay employment taxes on wages paid to their employees using the entities' own names and EINs. See Regulations sections 1.1361-4(a)(7) and 301.7701-2(c)(2) (iv).

**How to get forms and publications.** You can download or print some of the forms and publications you may need on [IRS.gov/Forms](https://www.irs.gov/forms). Otherwise, you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to place an order and have forms mailed to you. You should receive your order within 10 business days.

**Telephone help.** You can call the IRS Business and Specialty Tax Line toll free at 1-800-829-4933 or 1-800-829-4059 (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) for answers to your questions about completing Form 943 and tax deposit rules.

## Photographs of Missing Children

The IRS is a proud partner with the [National Center for Missing & Exploited Children® \(NCMEC\)](https://www.nccmec.org/). Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

## General Instructions

### Purpose of Form 943

These instructions give you some background information about Form 943. They tell you who must file Form 943, how to complete it line by line, and when and where to file it.

If you want more in-depth information about payroll tax topics relating to Form 943, see Pub. 51 or go to [IRS.gov/EmploymentTaxes](https://www.irs.gov/employmenttaxes). For tax information relevant to agricultural employers, go to [IRS.gov/AgricultureTaxCenter](https://www.irs.gov/agriculturetaxcenter).

Federal law requires you, as an employer, to withhold certain taxes from your employees' pay. Each time you pay wages, you must withhold—or take out of your employees' pay—certain amounts for federal income tax, social security tax, and Medicare tax. You must also

withhold Additional Medicare Tax from wages you pay to an employee in excess of \$200,000 in a calendar year. Under the withholding system, taxes withheld from your employees are credited to your employees in payment of their tax liabilities.

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

If you have household employees working in your private home or your farm operated for a profit, they aren't considered to be farm employees. To report social security tax, Medicare tax, Additional Medicare Tax, and federal income tax withholding on the wages of household employees, you may either:

- File Schedule H (Form 1040) with your Form 1040, or
- Include the wages with your farm employees' wages on Form 943.

If you paid wages to other nonfarm workers, don't report these on Form 943. Taxes on wages paid to nonfarm workers are reported on Form 941 or 941-SS, Employer's QUARTERLY Federal Tax Return, or Form 944, Employer's ANNUAL Federal Tax Return. See Pub. 926 for more information about household employees.

## Who Must File

File Form 943 if you paid wages to one or more farmworkers and the wages were subject to social security and Medicare taxes or federal income tax withholding under the tests discussed next. For more information on farmworkers and wages, see Pub. 51.

After you file your first Form 943, you must file a return for each year, even if you have no taxes to report, until you file a final return. You're encouraged to file Form 943 electronically. Go to [IRS.gov/EmploymentEfile](https://www.irs.gov/employmentefile) for more information on electronic filing.

## The \$150 Test or the \$2,500 Test

All cash wages that you pay to farmworkers are subject to social security and Medicare taxes and federal income tax withholding for any calendar year for which you meet either of the tests listed below.

- You pay an employee cash wages of \$150 or more in a year for farmwork (count all wages paid on a time, piecework, or other basis). The \$150 test applies separately to each farmworker that you employ. If you employ a family of workers, each member is treated separately. Don't count wages paid by other employers.
- The total (cash and noncash) wages that you pay to all farmworkers is \$2,500 or more.

If the \$2,500-or-more test for the group isn't met, the \$150-or-more test for an individual still applies. Similarly, if the \$150-or-more test is not met for any individual, the \$2,500-or-more test for the group still applies.

**Exceptions.** Special rules apply to certain hand-harvest laborers who receive less than \$150 in annual cash wages. For more information, see section 4 of Pub. 51.

## When To File

For 2018, file Form 943 by January 31, 2019. However, if you made deposits on time in full payment of the taxes due for the year, you may file the return by February 11, 2019.

If we receive your return after the due date, we will treat your return as filed on time if the envelope containing your return 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. However, if you don't follow these guidelines, we will consider your return filed when it is actually received. Go to [IRS.gov/PDS](https://www.irs.gov/PDS) for the current list of PDSs. For the IRS mailing address to use if you're using a PDS, go to [IRS.gov/PDSstreetAddresses](https://www.irs.gov/PDSstreetAddresses).

### Forms W-2 and W-3

By January 31, 2019, give Form W-2 to each employee who was working for you at the end of 2018. If an employee stops working for you before the end of the year, give him or her Form W-2 any time after employment ends but no later than January 31, 2019. If the employee asks you for Form W-2, give him or her the completed form within 30 days of the request or the last wage payment, whichever is later.

**Compensation paid to H-2A visa holders.** Report compensation of \$600 or more paid to foreign agricultural workers who entered the country on H-2A visas in box 1 of Form W-2. Compensation paid to H-2A workers for agricultural labor performed in connection with H-2A visas isn't subject to social security and Medicare taxes, and therefore shouldn't be reported as wages subject to social security tax (line 2), Medicare tax (line 4), or Additional Medicare Tax withholding (line 6) on Form 943, and shouldn't be reported as social security wages (box 3) or Medicare wages (box 5) on Form W-2.

An employer isn't required to withhold federal income tax from compensation paid to an H-2A worker for agricultural labor performed in connection with this visa unless the worker asks for withholding and the employer agrees. In this case, the worker must give the employer a completed Form W-4. Federal income tax withheld is reported on Form 943, line 8, and in box 2 of Form W-2. These reporting rules apply when the H-2A worker provides his or her taxpayer identification number (TIN) to the employer. For the rules relating to backup withholding and reporting when the H-2A worker doesn't provide a TIN, see the Instructions for Form 1099-MISC and the Instructions for Form 945. For more information on foreign agricultural workers on H-2A visas, go to [IRS.gov/H2A](https://www.irs.gov/H2A).

**Filing on paper forms.** By January 31, 2019, send Copy A of all Forms W-2 with Form W-3, Transmittal of Wage and Tax Statements, to the Social Security Administration (SSA) if you're filing less than 250 paper Forms W-2. The mailing address can be found on Form W-3 under *Where To File Paper Forms*. If you're required to file 250 or more Forms W-2, you must file them electronically unless the IRS granted you a waiver. Even if you're required to file less than 250 Forms W-2, we encourage you to take advantage of electronic filing.

**Filing electronically.** Visit the SSA's Employer W-2 Filing Instructions & Information website at [SSA.gov/employer](https://www.irs.gov/employer) for information about filing Forms W-2 electronically. Electronically filed forms are due by January 31, 2019. The SSA prepares Form W-3 based on your electronically filed Form W-2; a separate Form W-3 isn't needed.

### Form 1099-MISC

Both paper and electronically filed 2018 Forms 1099-MISC that report nonemployee compensation must be filed with the IRS by January 31, 2019. Generally, file Form 1099-MISC if you pay at least \$600 in rents, services, and other miscellaneous payments in your farming business to an individual (for example, an accountant, an attorney, or a veterinarian) who isn't your employee. Payments made to corporations for medical and health care payments, including payments made to veterinarians, generally must be reported on Form 1099. Compensation of \$600 or more paid in a calendar year to an H-2A visa agricultural worker who didn't give you a valid TIN is also reported on Form 1099-MISC; you must withhold federal income tax from these payments under the backup withholding rules. For more information about filing Form 1099-MISC, see the Instructions for Form 1099-MISC.

## Where To File

If you file a paper return, find the state of your legal residence, principal place of business, office, or agency in the table that follows. Send your return to the address listed for your location. For the IRS mailing address to use if you're using a PDS, go to [IRS.gov/PDSstreetAddresses](https://www.irs.gov/PDSstreetAddresses). You're encouraged to file Form 943 electronically. Go to [IRS.gov/EmploymentEfile](https://www.irs.gov/EmploymentEfile) for more information on electronic filing.

**Note.** Where you file depends on whether or not you're including a payment. Be sure to use the correct address.

If you're in . . .		Without a payment . . .	With a payment . . .
Connecticut	New York	Department of the Treasury	Internal Revenue Service
Delaware	North Carolina	Internal Revenue Service	P. O. Box 804523
District of Columbia	Ohio	Cincinnati, OH	45280-4523
Florida	Pennsylvania	45999-0008	
Indiana	Rhode Island		
Illinois	South Carolina		
Iowa	Vermont		
Kansas	Virginia		
Kentucky	West Virginia		
Michigan			
Minnesota			
Missouri			
Montana			
Nebraska			
Nevada			
New Hampshire			
New Jersey			
Georgia	Michigan	Department of the Treasury	Internal Revenue Service
Illinois	Tennessee	Internal Revenue Service	P. O. Box 806533
Kentucky	Wisconsin	Cincinnati, OH	45280-6533
		Kansas City, MO	
		64999-0008	

If you're in . . .	Without a payment . . .	With a payment . . .
Alabama	Missouri	Department of the Internal Revenue Service
Alaska	Montana	Treasury
Arizona	Nebraska	Internal Revenue Service
Arkansas	Nevada	Service
California	New Mexico	Ogden, UT
Colorado	North Dakota	84201-0008
Hawaii	Oklahoma	
Idaho	Oregon	
Iowa	South Dakota	
Kansas	Texas	
Louisiana	Utah	
Minnesota	Washington	
Mississippi	Wyoming	

No legal residence or principal place of business in any state:	Internal Revenue Service P.O. Box 409101 Ogden, UT 84409	Internal Revenue Service P.O. Box 37943 Hartford, CT 06176-7943
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If you're filing Form 943 for an exempt organization or government entity (federal, state, local, or Indian tribal government), use the following address regardless of your location:	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0008	Internal Revenue Service P.O. Box 37943 Hartford, CT 06176-7943
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Your filing address may have changed from that used to file your employment tax return in prior years. Don't send Form 943 or any payments to the SSA. 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.

## Reconciliation of Form 943 to Forms W-2 and W-3

Certain amounts reported on Form 943 for 2018 should agree with the Form W-2 totals reported on the 2018 Form W-3. The amounts from Form 943 that should agree with the related boxes on Form W-3 are: federal income tax withheld (line 8 and box 2), social security wages (line 2 and box 3), and Medicare wages (line 4 and box 5). If the amounts don't agree, you may be contacted by the IRS or the SSA. For more information, see section 11 of Pub. 51. Keep all records that show why the totals don't match.

## Depositing Taxes

If your total taxes after adjustments and credits (line 13) are less than \$2,500 for the year, you can pay the tax due with your return if you file on time. If your total taxes after adjustments and credits (line 13) are \$2,500 or more for the year, you must make deposits by EFT throughout the year in accordance with your deposit schedule. There are two deposit schedules—monthly or semiweekly—for determining when you must deposit. Before the beginning of each calendar year, you must determine which of the two deposit schedules you must use. See section 7 of Pub. 51 for information and rules concerning federal tax deposits and to determine your status as a monthly or semiweekly schedule depositor.

## Penalties and Interest

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

- Deposit or pay your taxes when they are due.
- File your fully completed Form 943 on time.
- Report your tax liability accurately.
- Submit valid checks for tax payments.
- Furnish accurate Forms W-2 to employees.
- File Form W-3 and Copy A of Forms W-2 with the SSA on time and accurately.

Penalties and interest are charged on taxes paid late and returns filed late at a rate set by law. See sections 7 and 8 of Pub. 51 for details.

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

Use Form 843 to request abatement of assessed penalties or interest. Don't request abatement of assessed penalties or interest on Form 943 or Form 943-X.



If federal income, social security, and Medicare taxes that must be withheld (that is, trust fund taxes) aren't withheld or aren't paid to the United States Treasury, the trust fund recovery penalty may apply. The penalty is 100% of the unpaid trust fund tax. If these unpaid taxes can't be immediately collected from the employer or business, the trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, or paying over these taxes, and who acted willfully in not doing so. See section 7 of Pub. 51 for more information.

## Specific Instructions

### Employer Identification Number (EIN), Name, Trade Name, and Address

If you don't have an EIN, you may apply for one online by visiting [IRS.gov/EIN](http://IRS.gov/EIN). You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. Employers outside of the United States may also apply for an EIN by calling 267-941-1099 (toll call). If you haven't received your EIN by the due date of Form 943, file a paper return and write "Applied For" and the date you applied in this entry space.

Enter your EIN, name, and address in the spaces provided. Don't use your social security number (SSN) or individual taxpayer identification number (ITIN). Generally, enter the business (legal) name you used when you applied for your EIN on Form SS-4. For example, if you're a sole proprietor, enter "Barbara Smith" on the "Name" line and "Barbara's Farm" on the "Trade name" line. Leave the "Trade name" line blank if it is the same as your "Name." If you pay a tax preparer to fill out Form 943, make sure the preparer shows your business name exactly as it appeared when you applied for your EIN.

### Final Return

If you stop paying wages during the year and don't expect to pay wages again, file a final return for 2018. Be sure to mark the box above line 1 on the form indicating that you don't have to file returns in the future. If you later restart paying wages, then resume filing Form 943.



Attach a statement to your final return showing the name of the person keeping the payroll records and the address where these records will be kept. If the business has been sold or transferred to another person, the statement should include the name and address of such person and the date on which the sale or transfer took place. If no sale or transfer occurred, or you don't know the name of the person to whom the business was sold or transferred, that fact should be included in the statement.

## Completing Form 943

Enter dollars to the left of the preprinted line and cents to the right of it. Don't round entries to whole dollars. Always show an amount for cents, even if it is zero.

### Line 1. Number of Agricultural Employees

Enter the number of agricultural employees on your payroll during the pay period that included March 12, 2018. Don't include household employees, persons who received no pay during the pay period, pensioners, or members of the Armed Forces.

An entry of 250 or more on line 1 indicates that you must file Forms W-2 electronically. Visit the SSA's Employer W-2 Filing Instructions & Information website at [SSA.gov/employer](http://SSA.gov/employer) or call the SSA at 1-800-772-6270 for more information about filing electronically.

### Line 2. Total Wages Subject to Social Security Tax

Enter the total cash wages subject to social security tax that you paid to your employees for farmwork during the calendar year. Enter the amount before deductions. Cash wages include checks, money orders, etc. Don't include the value of noncash items, such as food or lodging, or pay for services other than farmwork. See section 3 of Pub. 51 for information on cash and noncash wages. See [Purpose of Form 943](#), earlier, for household employee information.

For 2018, the rate of social security tax on taxable wages is 6.2% (0.062) each for the employer and employee or 12.4% (0.124) for both. Don't report an employee's social security wages over \$128,400 for 2018. If you, as a qualifying employer, receive an approved Form 4029, Application for Exemption From Social Security and Medicare Taxes and Waiver of Benefits, from one or more of your employees, enter "Form 4029" on the dotted line next to the entry space.

### Line 3. Social Security Tax

Multiply line 2 by 12.4% (0.124) and enter the result on line 3.

### Line 4. Total Wages Subject to Medicare Tax

Enter the total cash wages subject to Medicare tax that you paid to your employees for farmwork during the calendar year. Enter the amount before deductions. Don't include the value of noncash items, such as food or lodging, or pay for services other than farmwork. There is no limit on the amount of wages subject to Medicare tax. If

you, as a qualifying employer, receive an approved Form 4029 from one or more of your employees, enter "Form 4029" on the dotted line next to the entry space.

### Line 5. Medicare Tax

Multiply line 4 by 2.9% (0.029) and enter the result on line 5.

### Line 6. Total Wages Subject to Additional Medicare Tax Withholding

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

For more information on what wages are subject to Medicare tax, see the chart, *Special Rules for Various Types of Services and Payments*, in section 15 of Pub. 15. For more information on Additional Medicare Tax, go to [IRS.gov/ADMT](http://IRS.gov/ADMT).

### Line 7. Additional Medicare Tax Withholding

Multiply line 6 by 0.9% (0.009) and enter the result on line 7.

### Line 8. Federal Income Tax Withheld

Enter federal income tax withheld on wages paid to your employees. Generally, you must withhold federal income tax from employees from whom you withhold social security and Medicare taxes. See sections 5 and 13 of Pub. 51 for more information on withholding rules.

### Line 9. Total Taxes Before Adjustments

Add the total social security tax (line 3), Medicare tax (line 5), Additional Medicare Tax withholding (line 7), and federal income tax withheld (line 8). Enter the result on line 9.

### Line 10. Current Year's Adjustments to Taxes

Use line 10 to:

- Adjust for rounding of fractions of cents, or
- Adjust for the uncollected employee share of social security and Medicare taxes on third-party sick pay or group-term life insurance premiums paid for former employees. See section 9 in Pub. 51.

Use a minus sign (if possible) to show a decrease to the amounts reported on line 3, 5, or 7. Otherwise, use parentheses.

**Adjustment for fractions of cents.** If there is a small difference between total taxes after adjustments and credits (line 13) and total deposits (line 14), it may be

caused by rounding to the nearest cent each time you figured payroll. This rounding occurs when you figure the amount of social security and Medicare taxes to be withheld from each employee's wages. If the fractions of cents adjustment is the only entry on line 10, write "Fractions Only" on the dotted line to the left of the entry space for line 10.

**Adjustment for sick pay.** Enter the adjustment for the employee share of social security and Medicare taxes that were withheld and deposited by your third-party sick pay payer with regard to sick pay paid by the third party. These wages should be included on line 2, line 4, and, if the withholding threshold is met, line 6.

## Line 11. Total Taxes After Adjustments

Combine lines 9 and 10; enter the result on line 11.

## Line 12. Qualified Small Business Payroll Tax Credit for Increasing Research Activities

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



*If you enter an amount on line 12, you must attach Form 8974.*

## Line 13. Total Taxes After Adjustments and Credits

Subtract line 12 from line 11; enter the result on line 13.

## Line 14. Total Deposits

Enter your total Form 943 deposits for the year, including any overpayment that you applied from filing Form 943-X in 2018 and any overpayment that you applied from your 2017 return.

## Line 15. Balance Due

If line 13 is more than line 14, enter the difference on line 15. Otherwise, see [Overpayment](#), later. You don't have to pay if line 15 is under \$1. Generally, you should show a balance due on line 15 only if your total taxes after adjustments and credits for the year (line 13) are less than \$2,500. However, see section 7 of Pub. 51 regarding payments made under the accuracy of deposits rule.

If you were required to make federal tax deposits, pay the amount shown on line 15 by EFT. If you weren't required to make federal tax deposits, you may pay the amount shown on line 15 by EFT, credit card, debit card, check, money order, or EFW. For more information on electronic payment options, go to [IRS.gov/Payments](#).

If you pay by EFT, credit card, or debit card, file your return using the *Without a payment* address under [Where To File](#), earlier. Don't file Form 943-V, Payment Voucher.

If you pay by check or money order, make it payable to "United States Treasury." Enter your EIN, "Form 943," and the tax period on your check or money order. Complete Form 943-V and enclose it with Form 943.



*If you didn't make deposits as required and instead pay the taxes with Form 943, you may be subject to a penalty.*

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

You can apply for an installment agreement online if:

- You can't pay the full amount shown on line 15,
- The total amount you owe is \$25,000 or less, and
- You can pay the liability in full in 24 months.

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

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

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

## Line 16. Overpayment

If line 14 is more than line 13, enter the difference on line 16. **Never make an entry on both lines 15 and 16.**

If you deposited more than the correct amount for the year, you can have the overpayment refunded or applied to your next return by checking the appropriate box on line 16. Check only one box on line 16. If you don't check either box or if you check both boxes, generally we will apply the overpayment to your next return. Regardless of any box you check or don't check, we may apply your overpayment to any past due tax account that is shown in our records under your EIN.

If line 16 is under \$1, we will send you a refund or apply it to your next return only if you ask us in writing to do so.

## Line 17. Monthly Summary of Federal Tax Liability

This is a summary of your monthly tax liability, not a summary of deposits made. If line 13 is less than \$2,500, don't complete line 17 or Form 943-A.

Complete line 17 only if you were a **monthly schedule depositor** for the entire year and line 13 is \$2,500 or more. The amount entered on line 17M must equal the amount reported on line 13. If it doesn't, your tax deposits and payments may not be counted as timely. Don't change your current year tax liability reported on line 13 by adjustments reported on any Forms 943-X. See section 7 of Pub. 51 for details on the deposit rules. You're a monthly schedule depositor for the calendar year if the amount of your "Total taxes after adjustments and credits" reported for the lookback period isn't more than \$50,000. The lookback period is the second calendar year preceding the current calendar year. For example, the lookback period for 2019 is 2017.





If you were a semiweekly schedule depositor during any part of the year, don't complete line 17. Instead, complete Form 943-A.

**Reporting adjustments on line 17.** If your net adjustment during a month is negative and it exceeds your total liability for the month, don't enter a negative amount for the month. Instead, enter "-0-" for the month and carry over the unused portion of the adjustment to the next month.

**Adjusting tax liability for the qualified small business payroll tax credit for increasing research activities reported on line 12.** Monthly schedule depositors and semiweekly schedule depositors must account for the qualified small business payroll tax credit for increasing research activities (line 12) when reporting their tax liabilities on line 17 or Form 943-A. The total tax liability for the year must equal the amount reported on line 13. Failure to account for the qualified small business payroll tax credit for increasing research activities on line 17 or Form 943-A may cause line 17 or Form 943-A to report more than the total tax liability reported on line 13.

The qualified small business payroll tax credit for increasing research activities applies to the employer share of social security tax on wages paid in the quarter that begins after the income tax return electing the credit has been filed. In completing line 17 or Form 943-A, you take into account the payroll tax credit against your liability for the employer share of social security tax starting with the first payroll payment of the quarter that includes payments of wages to your employees subject to social security tax. The credit may be taken to the extent of the employer share of social security tax on wages associated with the first payroll payment, and then to the extent of the employer share of social security tax associated with succeeding payroll payments in the quarter until the credit is used. Don't reduce your monthly tax liability reported on line 17 or your daily tax liability reported on Form 943-A below zero. Consistent with the entries on line 17 or Form 943-A, the payroll tax credit should be taken into account in making deposits of employment tax. If any payroll tax credit is remaining at the end of the quarter that has not been used completely because it exceeds the employer share of social security tax for the quarter, the excess credit may be carried forward to the succeeding quarter and allowed as a payroll tax credit for the succeeding quarter. The payroll tax credit may not be taken as a credit against income tax withholding, Medicare tax, or the employee share of social security tax.

Also, the remaining payroll tax credit may not be carried back and taken as a credit against wages paid from preceding quarters that are reported on the same Form 943 or on Forms 943 for preceding years. If an amount of payroll tax credit is unused at the end of the calendar year because it is in excess of the employer share of social security tax on wages paid during the applicable quarters in the calendar year, the remaining payroll tax credit may be carried forward to the first quarter of the succeeding calendar year as a payroll tax credit against the employer share of social security tax on wages paid in that quarter.

**Example.** Rose Co. is an employer with a calendar tax year that filed its timely income tax return on April 17, 2018. Rose Co. elected to take the qualified small business payroll tax credit for increasing research activities on Form 6765. The third quarter of 2018 is the first quarter that begins after Rose Co. filed the income tax return making the payroll tax credit election. Therefore, the payroll tax credit applies against Rose Co.'s share of social security tax on wages paid to employees in the third quarter of 2018. Rose Co. is a semiweekly schedule depositor. Rose Co. completes Form 943-A by reducing the amount of liability entered for the first payroll payment in the third quarter of 2018 that includes wages subject to social security tax by the lesser of (1) its share of social security tax on the wages or (2) the available payroll tax credit. If the payroll tax credit elected is more than Rose Co.'s share of social security tax on the first payroll payment of the quarter, the excess payroll tax credit would be carried forward to succeeding payroll payments in the third quarter until it is used. If the amount of the payroll tax credit exceeds Rose Co.'s share of social security tax on wages paid to its employees in the third quarter, the excess credit would be treated as a payroll tax credit against its share of social security tax on wages paid in the fourth quarter. If the amount of the payroll tax credit remaining exceeded Rose Co.'s share of social security tax on wages paid in the fourth quarter, it could be carried forward and treated as a payroll tax credit for the first quarter of 2019.

### Third-Party Designee

If you want to allow an employee, a paid tax preparer, or another person to discuss your Form 943 with the IRS, check the "Yes" box in the *Third-Party Designee* section. Then tell us the name, phone number, and the five-digit personal identification number (PIN) of the specific person to speak with—not the name of the firm who prepared your tax return. The designee may choose any five numbers as his or her PIN.

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

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

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

The authorization will automatically expire 1 year from the due date (without regard to extensions) for filing your Form 943. If you or your designee wants to terminate the authorization, write to the IRS office for your location using the *Without a payment* address under [Where To File](#), earlier.

### Who Must Sign (Approved Roles)

The following persons are authorized to sign the return for each type of business entity.

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

Form 943 may also be signed by a duly authorized agent of the taxpayer if a valid power of attorney has been filed.

**Alternative signature method.** Corporate officers or duly authorized agents may sign Form 943 by rubber stamp, mechanical device, or computer software program. For details and required documentation, see Rev. Proc. 2005-39, 2005-28 I.R.B. 82, available at [IRS.gov/irb/2005-28\\_IRB#RP-2005-39](https://www.irs.gov/irb/2005-28_IRB#RP-2005-39).

## Paid Preparer Use Only

A paid preparer must sign Form 943 and enter the information requested in the *Paid Preparer Use Only* section if the preparer was paid to prepare Form 943 and isn't an employee of the filing entity. Paid preparers must sign paper returns with a manual signature. The preparer must give you a copy of the return in addition to the copy to be filed with the IRS.

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

Generally, don't complete this section if you're filing Form 943 as a reporting agent and have a valid Form 8655 on file with the IRS. However, a reporting agent must complete this section if the reporting agent offered legal advice, for example, advising the client on determining whether its workers are employees or independent contractors for federal tax purposes.

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### Privacy Act and Paperwork Reduction Act Notice.

We ask for the information on Forms 943, 943-A, and

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

You're not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law.

Generally, tax returns and return information are confidential, as required by section 6103. However, section 6103 allows or requires us to disclose this information to others as described in the Code. We may disclose your tax information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions to administer their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

The time needed to complete and file these forms will vary depending on individual circumstances. The estimated average time for **Form 943** is: Recordkeeping, 10 hr., 45 min.; Learning about the law or the form, 30 min.; Preparing and sending the form to the IRS, 42 min. The estimated average time for **Form 943-A** is: Recordkeeping, 6 hr., 42 min.; Preparing and sending the form to the IRS, 6 min. The estimated average time for **Form 943-V** is 14 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments from [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can write to the Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Don't send Form 943 to this address. Instead, see [Where To File](#), earlier.

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