

# Instructions for Form 943-A



Department of the Treasury  
Internal Revenue Service

(December 2020)

## Agricultural Employer's Record of Federal Tax Liability

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

### Future Developments

For the latest information about developments related to Form 943-A and its instructions, such as legislation enacted after they were published, go to [IRS.gov/Form943A](https://www.irs.gov/Form943A).

### What's New

**Adjusting tax liability for nonrefundable credits claimed on Form 943, lines 12a, 12b, and 12c.** See [Adjusting Tax Liability for Nonrefundable Credits Claimed on Form 943, Lines 12a, 12b, and 12c](#), later, for instructions on how to report on Form 943-A adjustments to your tax liabilities for the qualified small business payroll tax credit for increasing research activities, the credit for qualified sick and family leave wages, and the employee retention credit.

**Adjusting tax liability for the deferred amount of social security tax that you pay or deposit in 2020.** See [Adjusting tax liability for the deferred amount of social security tax that you pay or deposit in 2020](#), later, for instructions on how to report your tax liabilities on Form 943-A if you defer social security tax and subsequently pay or deposit that deferred amount in the same year it was deferred.

### Reminders

**Reporting prior period adjustments.** Prior period adjustments are reported on Form 943-X, Adjusted Employer's Annual Federal Tax Return for Agricultural Employees or Claim for Refund, and aren't taken into account when figuring the tax liability for the current year.

When you file Form 943-A with your Form 943, don't change your current year tax liability by adjustments reported on any Form 943-X.

**Amended Form 943-A.** If you have been assessed a failure-to-deposit (FTD) penalty, you may be able to file an amended Form 943-A. See [Correcting Previously Reported Tax Liability](#), later.

## General Instructions

### Purpose of Form 943-A

These instructions tell you about Form 943-A. Use Form 943-A to report your tax liability if you're a semiweekly schedule depositor. To determine if you're a semiweekly depositor, see section 7 of Pub. 51, Agricultural Employer's Tax Guide.

On Form 943-A, list your tax liability for each day. Your tax liability is based on the dates wages were paid. Your liability includes:

- The federal income tax you withheld from your employees' pay, and
- Both the employer and employee share of social security and Medicare taxes.

Don't reduce your liability reported on Form 943-A by the deferred amount of any employer share of social security tax reported on Form 943, line 14b, or by the deferred amount of any employee share of social security tax reported on Form 943, line 14c. See the [Caution](#) under *Enter Your Tax Liability by Month*, later. Don't use Form 943-A to show federal tax deposits. The IRS gets deposit data from electronic funds transfers.

Don't report taxes on wages paid to nonfarm workers on this form. Taxes on wages paid to nonfarm workers are reported on Form 941/941-SS, Employer's QUARTERLY Federal Tax Return, or Form 944, Employer's ANNUAL Federal Tax Return. Don't attach Form 943-A to your Form 941/941-SS or Form 944. Instead, use Schedule B (Form 941) or Form 945-A, Annual Record of Federal Tax Liability (with Form 944).



*The IRS uses Form 943-A to determine if you've timely deposited your Form 943 tax liabilities. If you're a semiweekly schedule depositor and you don't properly complete and file Form 943-A with Form 943, the IRS may propose an "averaged" FTD penalty. See Deposit Penalties in section 7 of Pub. 51 for more information.*

### Who Must File?

File Form 943-A if you're a semiweekly schedule depositor. Monthly schedule depositors who accumulate \$100,000 or more of tax liability on any day of a calendar month become semiweekly schedule depositors on the next day and remain so for at least the remainder of the year and for the next year, and must also complete and file Form 943-A for the entire year. The \$100,000 tax liability threshold requiring a next-day deposit is determined before you consider any reduction of your liability for nonrefundable credits. See [IRS.gov/ETD](https://www.irs.gov/ETD) for more information.



*Don't file Form 943-A if you were a monthly schedule depositor for the entire year or if your total taxes after adjustments and nonrefundable credits for the year (Form 943, line 13) are less than \$2,500.*



*If you use Form 943-A, don't complete Form 943, line 17.*

## When Must You File?

Form 943-A is filed with Form 943. Therefore, the due date of Form 943-A is the same as the due date for the Form 943. See the Instructions for Form 943 for due dates. In some situations, Form 943-A may be filed with Form 943-X. See [Form 943-X](#), later, for details.

## Specific Instructions

### Completing Form 943-A

#### Enter Your Business Information

Carefully enter your employer identification number (EIN) and name at the top of the schedule. Make sure that they exactly match the name of your business and the EIN that the IRS assigned to your business and also agree with the name and EIN shown on the attached Form 943 or Form 943-X.

#### Calendar Year


Enter the calendar year of the Form 943 or Form 943-X to which Form 943-A is attached.

#### Enter Your Tax Liability by Month

Enter your tax liabilities in the spaces that correspond to the dates you paid wages to your employees, not the date payroll liabilities were accrued or deposits were made. The total tax liability for the year (line M) must equal total taxes after adjustments and nonrefundable credits on Form 943 (line 13). Enter the monthly totals on lines A, B, C, D, E, F, G, H, I, J, K, and L. Enter the total for the year on line M.

For example, if your payroll period ended on December 31, 2019, and you paid the wages for that period on January 6, 2020, you would:

- Go to January on Form 943-A filed with your 2020 Form 943, and
- Enter your tax liability on line 6 because line 6 represents the sixth day of the month.

 **TIP** Make sure you have checked the appropriate box above line 17 of Form 943 to show that you're a semiweekly schedule depositor.

Here are some additional examples.

**Example 1.** Fir Co. is a semiweekly schedule depositor. Fir Co. accumulated a federal tax liability of \$3,000 on its January 11 and January 25 paydays. In the January column, Fir Co. must enter \$3,000 on lines 11 and 25.

**Example 2.** Cedar Co. is a semiweekly schedule depositor who paid wages in October, November, and December on the last day of the month. On December 24, 2019, Cedar Co. also paid its employees year-end bonuses (subject to employment taxes). Because Cedar Co. is a semiweekly schedule depositor, it must record employment tax liabilities on Form 943-A.

Month	Lines for dates wages were paid
October	line 31 (pay day, last day of the month)
November	line 30 (pay day, last day of the month)
December	line 24 (bonus paid December 24, 2019)
December	line 31 (pay day, last day of the month)

**Example 3.** Elm Co. is a new business and monthly schedule depositor for 2020. Elm Co. pays wages every Friday. Elm Co. incurred a \$2,000 employment tax liability on October 9, 2020. Elm Co. incurred a \$110,000 tax liability on October 16, 2020, and on every subsequent Friday during 2020. Under the deposit rules, employers become semiweekly schedule depositors on the day after any day they accumulate \$100,000 or more of tax liability in a deposit period.

Because Elm Co. had an accumulated tax liability of \$112,000 on October 16, 2020, it became a semiweekly schedule depositor on October 17, 2020, and must complete Form 943-A and file it with Form 943. No entries should be made on Form 943, line 17, even though Elm Co. was a monthly schedule depositor until October 17, 2020.

Month	Lines for dates wages were paid	Amount to report
October	line 6	\$2,000
October	lines 16, 23, and 30	\$110,000
November	lines 6, 13, 20, and 27	\$110,000
December	lines 4, 11, 18, and 25	\$110,000



**CAUTION** Your total liability for the year must equal line 13 on Form 943; therefore, don't reduce your total liability reported on Form 943-A by the deferred amount of the employer or employee share of social security tax, the refundable portion of the credit for qualified sick and family leave wages, or the refundable portion of the employee retention credit. The deferred amount of the employer share of social security tax reported on Form 943, line 14b, and the deferred amount of the employee share of social security tax reported on Form 943, line 14c, don't reflect deferred liabilities, but instead postponed due dates for payment. See the Instructions for Form 943 for more information.

#### Adjusting Tax Liability for Nonrefundable Credits Claimed on Form 943, Lines 12a, 12b, and 12c

Semiweekly schedule depositors must account for nonrefundable credits claimed on Form 943, lines 12a, 12b, and 12c, when reporting their tax liabilities on Form 943-A. The total tax liability for the year must equal the amount reported on line 13. Failure to account for the nonrefundable credits on Form 943-A may cause Form 943-A to report more than the total tax liability reported on line 13. Don't reduce your daily tax liability reported on Form 943-A below zero.

#### Qualified small business payroll tax credit for increasing research activities (Form 943, line 12a).

The qualified small business payroll tax credit for increasing research activities is limited 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 Form 943-A, you take into account the payroll tax credit against the liability for the employer share of social security tax starting with the first payroll payment of the quarter that includes payments of wages subject to social security tax to your employees. 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. Consistent with the entries on 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 completely used 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. For more information about the payroll tax credit, go to [IRS.gov/ResearchPayrollTC](https://www.irs.gov/ResearchPayrollTC).

**Example.** Rose Co. is an employer with a calendar tax year that filed its timely income tax return on April 15, 2020. Rose Co. elected to take the qualified small business payroll tax credit for increasing research activities on Form 6765. The third quarter of 2020 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 2020. 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 2020 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 2021.

**Nonrefundable portion of credit for qualified sick and family leave wages (Form 943, line 12b).** The nonrefundable portion of the credit for qualified sick and family leave wages is limited to the employer share of social security tax on wages paid in the year that is remaining after that share is first reduced by any credit claimed on Form 943, line 12a, for the qualified small business payroll tax credit for increasing research activities, and/or any credit to be claimed on Form 5884-C, line 11, for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans. In completing Form 943-A, you take into account the nonrefundable portion of the credit for qualified sick and family leave wages (including the qualified health plan expenses and employer share of Medicare tax allocable to those wages) against the liability for the first payroll payment of the year, but not below zero. Then reduce the liability for each successive payroll payment in the year until the nonrefundable portion of the credit is used. Any credit for qualified sick and family leave wages that is remaining at the end of the year because it exceeds the employer share of social security tax is claimed on Form 943, line 14d, as a refundable credit. The refundable portion of the credit doesn't reduce the liability reported on Form 943-A. For more information about the credit for qualified sick and family leave wages, including the dates for which the credit may be claimed, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

**Example.** Maple Co. is a semiweekly schedule depositor that pays employees every Friday. Maple Co. had pay dates every Friday of 2020 starting January 3, 2020. Maple Co. paid qualified sick and family leave wages on May 1 and May 8. The nonrefundable portion of the credit for qualified sick and family leave wages for the year is \$10,000. On Form 943-A, Maple Co. will use the \$10,000 to reduce the liability for the January 3 pay date, but not below zero. If any nonrefundable portion of the credit remains, Maple Co. applies it to the liability for the January 10 pay date, then the January 17 pay date, and so forth until the entire \$10,000 is used.

**Nonrefundable portion of employee retention credit (Form 943, line 12c).** The nonrefundable portion of the employee retention credit is limited to the employer share of social security tax on wages paid in the year that is remaining after that share is first reduced by any credit claimed on Form 943, line 12a, for the qualified small business payroll tax credit for increasing research activities; or any credit to be claimed on Form 5884-C, line 11, for the work opportunity credit for qualified tax-exempt organizations hiring qualified veterans; and/or any credit claimed on Form 943, line 12b, for the nonrefundable portion of the credit for qualified sick and family leave wages. In completing Form 943-A, you take into account the nonrefundable portion of the employee retention credit against the liability for the first payroll payment of the year, but not below zero. Then reduce the liability for each successive payroll payment in the year until the nonrefundable portion of the credit is used. Any employee retention credit that is remaining at the end of the year because it exceeds the employer share of social security tax is claimed on Form 943, line 14e, as a

refundable credit. The refundable portion of the credit doesn't reduce the liability reported on Form 943-A. 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).

**Example.** Maple Co. is a semiweekly schedule depositor that pays employees every Friday. Maple Co. had pay dates every Friday of 2020 starting January 3, 2020. Maple Co. paid qualified wages for the employee retention credit on May 1 and May 8. The nonrefundable portion of the employee retention credit for the year is \$10,000. On Form 943-A, Maple Co. will use the \$10,000 to reduce the liability for the January 3 pay date, but not below zero. If any nonrefundable portion of the credit remains, Maple Co. applies it to the liability for the January 10 pay date, then the January 17 pay date, and so forth until the entire \$10,000 is used.



*You may reduce your deposits by the amount of the nonrefundable and refundable portions of the credit for qualified sick and family leave wages, the nonrefundable and refundable portions of the employee retention credit, and any deferred employment taxes. For more information on reducing deposits, see Notice 2020-22, 2020-17 I.R.B. 664, available at [IRS.gov/irb/2020-17\\_IRB#NOT-2022-22](https://www.irs.gov/irb/2020-17_IRB#NOT-2022-22); Notice 2020-65, 2020-38 I.R.B. 567, available at [IRS.gov/irb/2020-38\\_IRB#NOT-2020-65](https://www.irs.gov/irb/2020-38_IRB#NOT-2020-65); and [IRS.gov/ETD](https://www.irs.gov/ETD). Also see [IRS.gov/ERC](https://www.irs.gov/ERC) and [IRS.gov/PLC](https://www.irs.gov/PLC) for more information, including examples, about reducing deposits.*

**Adjusting tax liability for the deferred amount of social security tax that you pay or deposit in 2020.** If you defer the employer and/or employee share of social security tax and subsequently pay or deposit that deferred amount during 2020, you should report the amount of the payment or deposit on Form 943-A on the date of the payment or deposit and not the date of liability. You shouldn't include any portion of the deferred amount of social security taxes already paid or deposited by December 31, 2020, on Form 943, line 14b or 14c.

**Example.** If you're a semiweekly schedule depositor that has an employment tax liability of \$10,000 every 2 weeks and you defer \$2,000 of the employer share of social security tax from your August 26, 2020, deposit for the August 19, 2020, pay date, but you deposit your deferred amount of \$2,000 together with your deposit of \$10,000 on September 23, 2020, for the September 16, 2020, pay date, you would report \$8,000 for your August 19, 2020, tax liability (\$10,000 minus \$2,000) and \$12,000 for your September 16, 2020, tax liability (\$10,000 plus \$2,000) on Form 943-A.

For more information about the deferral of the employer and employee share of social security tax, including the dates the payment may be deferred, see the Instructions for Form 943 and [IRS.gov/ETD](https://www.irs.gov/ETD).

## Correcting Previously Reported Tax Liability

**Semiweekly schedule depositors.** If you've been assessed an FTD penalty and you made an error on Form 943-A and the correction won't change the total liability for the year you reported on Form 943-A, you may be able to reduce your penalty by filing an amended Form 943-A.

**Example.** You reported a liability of \$3,000 on January 1. However, the liability was actually for March. Prepare an amended Form 943-A showing the \$3,000 liability on March 1. Also, you must enter the liabilities previously reported for the year that didn't change. Write "Amended" at the top of Form 943-A. The IRS will refigure the penalty and notify you of any change in the penalty.

**Monthly schedule depositors.** You can file Form 943-A if you have been assessed an FTD penalty and you made an error on the monthly tax liability section of Form 943. When completing Form 943-A for this situation, only enter the monthly totals. The daily entries aren't required.

**Where to file.** File your amended Form 943-A, or, for monthly schedule depositors, your original Form 943-A at the address provided in the penalty notice you received. If you're filing an amended Form 943-A, you don't have to submit your original Form 943-A.

## Form 943-X

You may need to file an amended Form 943-A with Form 943-X to avoid or reduce an FTD penalty.

**Tax decrease.** If you're filing Form 943-X, you can file an amended Form 943-A with Form 943-X if both of the following apply.

1. You have a tax decrease.
2. You were assessed an FTD penalty.

File your amended Form 943-A with Form 943-X. The total liability reported on your amended Form 943-A must equal the corrected amount of tax reported on Form 943-X. If your penalty is decreased, the IRS will include the penalty decrease with your tax decrease.

**Tax increase—Form 943-X filed timely.** If you're filing a timely Form 943-X showing a tax increase, don't file an amended Form 943-A, unless you were assessed an FTD penalty caused by an incorrect, incomplete, or missing Form 943-A. Don't include the tax increase reported on Form 943-X on an amended Form 943-A you file.

**Tax increase—Form 943-X filed late.** If you owe tax and are filing Form 943-X late, that is, after the due date for Form 943 for the year in which you discovered the error, you must file an amended Form 943-A with the Form 943-X. Otherwise, the IRS may assess an "averaged" FTD penalty.

The total tax reported on line M of the amended Form 943-A must match the corrected tax after adjustments and credits, combined with any correction reported on Form 943-X, line 16, for the year, less any previous abatements and interest-free tax assessments.



*Form 943-X will be revised in February 2021. If you are using the February 2021 revision, the total tax reported on the "Total liability for the year" line of the amended Form 943-A must match the corrected tax (Form 943, line 13, combined with any correction reported on Form 943-X, line 20) for the year, less any previous abatements and interest-free tax assessments.*

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**Paperwork Reduction Act Notice.** We ask for the information on Form 943-A to carry out the Internal Revenue laws of the United States. You're required to

give us the information. We need it to ensure that you're complying with these laws and to allow us to figure and collect the right amount of tax.

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 Code section 6103.

The time needed to complete and file Form 943-A will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping</b> . . . . .	6hr., 42 min.
<b>Learning about the law or the form</b> . . . . .	6 min.
<b>Preparing and sending the form to the IRS</b> . . . . .	16 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 943-A 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 send your comments to Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Don't send Form 943-A to this address. Instead, see *Where To File* in the Instructions for Form 943.

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