2026

Instructions for Form 944

Employer's ANNUAL Federal Tax Return

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

Future Developments

For the latest information about developments related to Form 944 and its instructions, such as legislation enacted after they were published, go to *IRS.gov/Form944*.

What's New

Social security and Medicare taxes for 2026. The social security tax rate is 6.2% each for the employee and employer. The social security wage base limit is $184,500.

The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2025. There is no wage base limit for Medicare tax.

Social security and Medicare taxes apply to the wages of household workers you pay $3,000 or more in cash wages in 2026. Social security and Medicare taxes apply to election workers who are paid $2,500 or more in cash or an equivalent form of compensation in 2026.

New automatic penalty relief for Form 944 filers. Beginning in July 2026, the IRS implemented a new Automatic Exemption from Penalty (AEP) program for the 2025 tax year and future tax periods. AEP is an administrative penalty relief program that replaces First Time Abate (FTA) relief. Form 944 filers may qualify for AEP based on their filing and payment history. You qualify if you timely filed Form 944 and timely paid any tax due for the prior 3 years (or timely filed Form 941, if that was your filing requirement before it changed to Form 944, and timely paid any tax due for the prior 12 quarters). If you qualify, the IRS won't assess the following penalties when processing your return.

- Failure to file.
- Failure to pay.
- Failure to deposit, unless the penalty is for failing to make deposits by electronic funds transfer (EFT).

If you don't qualify for AEP, you may still request penalty relief based on reasonable cause.

Not all returns qualify for AEP. For example, information returns, such as Form W-2 and Forms 1099, and returns filed only for specific transactions or infrequent events generally aren't eligible.

Reminders

References applicable to other forms. Unless otherwise noted, references throughout these instructions to Form W-2, Wage and Tax Statement, include Forms W-2AS, W-2CM, W-2GU, W-2VI, and 499R-2/W-2PR; references to Form W-2c include Form 499R-2c/W-2cPR; references to Form W-3, Transmittal of Wage and Tax Statements, include Forms W-3SS and W-3 (PR); and references to Form W-3c include Form W-3C (PR).

Form 944 return transcripts are available electronically. You can access your Form 944 return transcript for tax years 2023 and later using your IRS business tax account. For more information, go to *IRS.gov/BusinessTranscript*. To access your IRS business tax account, go to *IRS.gov/BusinessAccount*.

Withholding on qualified tips. For tax years beginning after 2024, and ending before 2029, P.L. 119-21, commonly known as the One Big Beautiful Bill Act, allows employees and self-employed individuals to deduct up to $25,000 of qualified tips received in occupations that customarily and regularly received tips on or before December 31, 2024, on their income tax returns. Qualified tips are cash tips, which include voluntary cash or charged tips received from customers or, in the case of employees, through tip-sharing arrangements. Mandatory service charges added to the bill are not qualified tips. Employers must use an employee's updated Form W-4, Employee's Withholding Certificate, if one is submitted by the employee, and the federal income tax withholding procedures in Pub. 15-T, Federal Income Tax Withholding Methods, to allow the employee to account for their expected deduction and receive more money in each paycheck instead of waiting until filing their income tax return to receive the full benefit of this deduction. Tips are still generally subject to both the employer share and employee share of social security tax and Medicare tax if the tips received are $20 or more per month.

Employers and other payers must file information returns (for example, Forms W-2, 1099-MISC, and 1099-NEC) with the Social Security Administration (SSA) or the IRS, as applicable, and furnish statements to tip recipients showing cash tips received and the Treasury Tipped Occupation Code(s) of the tip recipient.

Withholding on qualified overtime compensation. For tax years beginning after 2024, and ending before 2029, P.L. 119-21 allows individuals (employees and other workers not treated as employees) to deduct up to $12,500 ($25,000 if married filing jointly) of qualified overtime compensation on their income tax returns. Qualified overtime is compensation that exceeds the regular rate of pay (such as the "half" portion of time-and-a-half compensation) that is required to be paid to an individual under section 7 of the Fair Labor Standards Act (FLSA) of 1938. The FLSA provides that employers must generally pay covered, nonexempt employees at least one-and-a-half times their regular rate of pay for hours worked over 40 hours per week. For more information about overtime compensation, go to *dol.gov/agencies/whd/overtime*. Go to *IRS.gov/OTfaqs*

for frequently asked questions about the deduction for qualified overtime compensation.

Employers must use an employee's updated Form W-4, if one is submitted by the employee, and the federal income tax withholding procedures in Pub. 15-T to allow the employee to account for their expected deduction and receive more money in each paycheck instead of waiting until filing their income tax return to receive the full benefit of this deduction. Overtime compensation is still generally subject to both the employer share and employee share of social security tax and Medicare tax.

Employers and other payers must file information returns (for example, Forms W-2, 1099-MISC, and 1099-NEC) with the SSA or IRS, as applicable, and furnish statements to overtime recipients showing qualified overtime compensation paid during the year.

The COVID-19 related credit for qualified sick and family leave wages is limited to leave taken after March 31, 2020, and before October 1, 2021, and may no longer be claimed on Form 944. Generally, the credit for qualified sick and family leave wages, as enacted under the Families First Coronavirus Response Act (FFCRA) and amended and extended by the COVID-related Tax Relief Act of 2020, for leave taken after March 31, 2020, and before April 1, 2021, and the credit for qualified sick and family leave wages under sections 3131, 3132, and 3133 of the Internal Revenue Code, as enacted under the American Rescue Plan Act of 2021 (the ARP), for leave taken after March 31, 2021, and before October 1, 2021, have expired. However, employers that pay qualified sick and family leave wages in 2026 for leave taken after March 31, 2020, and before October 1, 2021, are eligible to claim a credit for qualified sick and family leave wages in 2026. Effective for tax periods beginning after 2023, the lines used to claim the credit for qualified sick and family leave wages have been removed from Form 944 because it would be extremely rare for an employer to pay wages after 2023 for qualified sick and family leave taken after March 31, 2020, and before October 1, 2021. Instead, if you're eligible to claim the credit for qualified sick and family leave wages because you paid the wages in 2026 for an earlier applicable leave period, file Form 944-X, Adjusted Employer's ANNUAL Federal Tax Return or Claim for Refund, after filing Form 944, to claim the credit for qualified sick and family leave wages paid in 2026. Filing a Form 944-X before filing a Form 944 for the year may result in errors or delays in processing your Form 944-X.

Qualified small business payroll tax credit for increasing research activities. For tax years beginning before 2023, a qualified small business may elect to claim up to $250,000 of its credit for increasing research activities as a payroll tax credit. The Inflation Reduction Act of 2022 (the IRA) increases the election amount to $500,000 for tax years beginning after 2022. The payroll tax credit election must be made on or before the due date of the originally filed income tax return (including extensions). The portion of the credit used against payroll taxes is allowed in the first calendar quarter beginning after the date that the qualified small business filed its income tax return. The election and determination of the credit amount that will be used against the employer's payroll taxes are made on Form 6765, Credit for Increasing Research Activities. The amount from Form 6765 must then be reported on Form 8974, Qualified Small Business Payroll Tax Credit for Increasing Research Activities.

Starting in the first quarter of 2023, the payroll tax credit is first used to reduce the employer share of social security tax up to $250,000 per quarter and any remaining credit reduces the employer share of Medicare tax for the quarter. Any remaining credit, after reducing the employer share of social security tax and the employer share of Medicare tax, is then carried forward to the next quarter. Form 8974 is used to determine the amount of the credit that can be used in the current year. The amount from Form 8974, line 12 or, if applicable, line 17, is reported on line 8. For more information about the payroll tax credit, see the Instructions for Form 8974 and go to *IRS.gov/ResearchPayrollTC*. Also see *Adjusting tax liability for the qualified small business payroll tax credit for increasing research activities (line 8)*, later.

Forms 941-SS and 941-PR discontinued after 2023. Form 941-SS, Employer's QUARTERLY Federal Tax Return—American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands; and Form 941-PR, Planilla para la Declaración Federal TRIMESTRAL del Patrono, were discontinued after the fourth quarter of 2023. Instead, employers in the U.S. territories who weren't notified to file Form 944 file Form 941 or, if you prefer your form and instructions in Spanish, you can file Form 941 (sp).

Pubs. 51, 80, and 179 discontinued after 2023. Pub. 51, Agricultural Employer's Tax Guide; Pub. 80, Federal Tax Guide for Employers in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands; and Pub. 179, Guía Contributiva Federal para Patronos Puertorriqueños, were discontinued for tax years beginning after 2023. Instead, information specific to agricultural employers and employers in the U.S. territories is included in Pub. 15. If you prefer Pub. 15 in Spanish, see Pub. 15 (sp).

Forms in Spanish. Many forms and instructions discussed in these instructions have Spanish-language versions available for employers and employees. Some examples include Form 941 (sp), Form 944 (sp), Form SS-4 (sp), Form W-4 (sp), and Form W-9 (sp). Although these instructions don't reference Spanish-language forms and instructions in each instance that one is available, you can see Pub. 15 (sp) and go to *IRS.gov/SpanishForms* to determine if a Spanish-language version is available.

Work opportunity tax credit for qualified tax-exempt organizations hiring qualified veterans. Qualified tax-exempt organizations that hire eligible unemployed veterans may be able to claim the work opportunity tax credit against their payroll tax liability using Form 5884-C. For more information, go to *IRS.gov/WOTC*.

Employers can request to file quarterly Forms 941 instead of Form 944. Employers required to file Form 944, who want to file quarterly Forms 941 instead, must contact the IRS to request to file quarterly Forms 941 and opt

out of filing Form 944. See *Requesting To File Quarterly Forms 941 Instead of Form 944*, later.

Correcting a previously filed Form 944. If you discover an error on a previously filed Form 944, make the correction using Form 944-X. Form 944-X is filed separately from Form 944. For more information, see the Instructions for Form 944-X, section 13 of Pub. 15, 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. An EFT can be made using the Electronic Federal Tax Payment System (EFTPS) or your IRS business tax account. If you don't want to use one of these methods, 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 the Treasury. Payments made using your IRS business tax account are also free. Services provided by your tax professional, financial institution, payroll service, or other third party may have a fee.

For more information on depositing taxes, see section 11 of Pub. 15. For more information about making payments through your IRS business tax account, go to *IRS.gov/BusinessAccount*. Also see *IRS.gov/ModernPayments*.

For more information about EFTPS or to enroll in EFTPS, go to *EFTPS.gov* or call one of the following numbers.

- 800-555-4477.
- 800-244-4829 (Spanish).
- 303-967-5916 (not toll free) if you're outside the United States.

To contact EFTPS using Telecommunications Relay Services (TRS) for people who are deaf, hard of hearing, or have a speech disability, dial 711 and then provide the TRS assistant with the 800-555-4477 number above or 800-733-4829. Additional information about EFTPS is also available in Pub. 966.

Caution: EFTPS accepts same-day payments of $1 million or less if the payment is submitted before 3:00 p.m. Eastern time on a business day. If your payment is more than $1 million, you must submit the deposit by 8:00 p.m. Eastern time the day before the date the deposit is due.

Same-day wire payment option. If you fail to submit a timely deposit transaction on EFTPS, you can still make your deposit on time by using the Federal Tax Collection Service (FTCS) to make a same-day wire payment. To use the same-day wire payment method, you will need to make arrangements with your financial institution ahead of time. 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 Pub. 15.

Electronic payments and direct deposit. If you have access to U.S. banking services or electronic payment systems, you should use direct deposit for any refunds. The IRS requires paying electronically whenever possible. Options to pay electronically include using your bank account with Direct Pay, your debit or credit card, your digital wallet, or your online account. Go to *IRS.gov/Payments* to see all your payment options. Also see *IRS.gov/ModernPayments*.

Electronic filing. Businesses can enjoy the benefits of filing tax returns electronically. Whether you rely on a tax professional or handle your own taxes, the IRS and the SSA offer you convenient and secure programs to make filing easier. Spend less time worrying about taxes and more time running your business. Use *e-file* to your benefit.

- For *e-file*, go to *IRS.gov/EmploymentEfile* for more information. A fee may be charged to file electronically.
- For electronic filing of Forms W-2, go to *SSA.gov/employer*. You may be required to file Forms W-2 electronically. For details, see the General Instructions for Forms W-2 and W-3. The SSA's Business Services Online (BSO) is an independent program from the Government of Puerto Rico electronic filing system. Employers in Puerto Rico must go to *Hacienda.pr.gov* for additional information.

Caution: If you're filing your tax return or paying your federal taxes electronically, a valid employer identification number (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)*, later, for information about applying for an EIN.

Electronic funds withdrawal (EFW). If you file Form 944 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 944 by credit or debit card. You may be charged 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*.

Paid preparers. If you use a paid preparer to complete Form 944, the paid preparer must complete and sign the paid preparer's section of the form.

Outsourcing payroll duties. 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. Before 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. For more information on the different types of third-party payer arrangements, see section 16 of Pub. 15.

Where can you get telephone help? For answers to your questions about completing Form 944 or tax deposit rules, call the IRS at one of the numbers listed below.
- 800-829-4933 (Business and Specialty Tax Line) or 800-829-4059 (TDD/TTY for persons who are deaf, hard of hearing, or have a speech disability), Monday–Friday from 7:00 a.m. to 7:00 p.m. local time (Alaska and Hawaii follow Pacific time; employers in Puerto Rico receive service from 8:00 a.m. to 8:00 p.m. local time).
- 267-941-1000 (not toll free) if you're outside the United States, Monday–Friday from 6:00 a.m. to 11:00 p.m. Eastern time.

Photographs of missing children. The IRS is a proud partner with the *National Center for Missing & Exploited Children® (NCMEC)*. 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 944

Form 944 is designed so the smallest employers (those whose annual liability for social security, Medicare, and withheld federal income taxes is $1,000 or less) will file and pay these taxes only once a year instead of every quarter. These instructions tell you who must file Form 944, 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 944, see Pub. 15 and go to *IRS.gov/EmploymentTaxes*.

Caution: References to federal income tax withholding don't apply to employers in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands (CNMI), the U.S. Virgin Islands (USVI), and Puerto Rico, unless you have employees who are subject to U.S. income tax withholding. Contact your local tax department for information about income tax withholding.

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 share of social security tax and Medicare tax. This share of social security tax and Medicare tax isn't withheld from employees.

For more information about annual employment tax filing and tax deposit rules, see Treasury Decision 9566, 2012-8 I.R.B. 389, at *IRS.gov/irb/2012-08_IRB#TD-9566*.

Who Must File Form 944?

In general, if the IRS has notified you to file Form 944, you must file Form 944 instead of quarterly Forms 941 to report the following amounts.

- Wages you have paid.
- Tips your employees reported to you.
- Federal income tax you withheld.
- Both the employer and the employee share of social security and Medicare taxes.
- Additional Medicare Tax withheld from employees.
- Current year's adjustments to social security and Medicare taxes for fractions of cents, sick pay, tips, and group-term life insurance.
- Qualified small business payroll tax credit for increasing research activities.

Exceptions

Special rules apply to some employers. The following employers **can't** file Form 944.

- **Household employers.** If you employ only household employees, don't file Form 944. For more information, see Pub. 926 and Schedule H (Form 1040).
- **Agricultural employers.** If you employ only agricultural employees, don't file Form 944. For more information, see Pub. 15 and Form 943.
- **Employers who were notified by the IRS to file quarterly Forms 941.** This includes if you requested and received written confirmation from the IRS that your filing requirement was changed from Form 944 to Form 941.
- **Employers who weren't notified to file Form 944.** If the IRS didn't notify you to file Form 944, don't file Form 944. If you would like to file Form 944 instead of quarterly Forms 941, see *Requesting To File Form 944 in 2027 Instead of Quarterly Forms 941*, later.

Caution: If the IRS notified you in writing to file Form 944, you must file Form 944 (and not quarterly Forms 941) even if your tax liability for 2026 exceeds $1,000. If you're unsure of your current filing requirement, call 800-829-4933. If you're outside the United States, call 267-941-1000 (not toll free).

Requesting To File Form 944 in 2027 Instead of Quarterly Forms 941

If you haven't received notification to file Form 944 for 2027 but estimate your employment tax liability for calendar year 2027 will be $1,000 or less and would like to file Form 944 instead of Forms 941, you can contact the IRS to request to file Form 944 for 2027. Based on current tax rates, if you pay $5,000 or less in wages subject to social security and Medicare taxes and federal income tax withholding during the calendar year, you're generally likely to pay $1,000 or less in employment taxes. To file Form 944 for calendar year 2027, you must call the IRS at 800-829-4933 (267-941-1000 (not toll free) if you're outside the United States) between January 1, 2027,

and April 1, 2027, or send a written request postmarked between January 1, 2027, and March 15, 2027.

The mailing addresses for written requests are provided under *Requesting To File Quarterly Forms 941 Instead of Form 944*, later. The IRS will send you a written notice that your filing requirement has been changed to Form 944. If you don't receive this notice, you must file quarterly Forms 941 for calendar year 2027.

Requesting To File Quarterly Forms 941 Instead of Form 944

You must file Form 944 if the IRS has notified you to do so, unless the IRS notifies you to file quarterly Forms 941 instead, or you contact the IRS to request to file those forms. To request to file quarterly Forms 941 to report your social security, Medicare, and withheld federal income taxes for the 2027 calendar year, call the IRS at 800-829-4933 (267-941-1000 (not toll free) if you're outside the United States) between January 1, 2027, and April 1, 2027, or send a written request postmarked between January 1, 2027, and March 15, 2027.

Where to send written requests. Written requests should be sent to:

Department of the Treasury Internal Revenue Service Ogden, UT 84201-0038	or	Department of the Treasury Internal Revenue Service Cincinnati, OH 45999-0038

If you would mail your return filed without a payment to Ogden, as shown under *Where Should You File*, later, send your request to the Ogden address shown above. If you would mail your return filed without a payment to Kansas City, send your request to the address for Cincinnati shown above. After you contact the IRS, the IRS will send you a written notice that your filing requirement has been changed. If you don't receive this notice, you must file Form 944 for calendar year 2027. For more information about these procedures, see Rev. Proc. 2009-51, 2009-45 I.R.B. 625, available at *IRS.gov/irb/2009-45_IRB#RP-2009-51*.

What if You Reorganized or Closed Your Business?

If You Sold or Transferred Your Business...

If you sold or transferred your business in 2026, you and the new owner must each file a Form 944 or 941, whichever is required, for the year in which the transfer occurred. Report only the wages you paid.

When two businesses merge, the continuing firm must file a return for the year in which the change took place and the other firm should file a final return.

Changing from one form of business to another—such as from a sole proprietorship to a partnership or corporation—is considered a transfer. If a transfer occurs, you may need a new EIN. See Pub. 1635 and section 1 of Pub. 15 for more information.

Attach a statement to your return with all the following information.

- The new owner's name (or the new name of the business).
- Whether the business is now a sole proprietorship, partnership, or corporation.
- The kind of change that occurred (a sale or transfer).
- The date of the change.
- The name of the person keeping the payroll records and the address where those records will be kept.

If Your Business Has Closed...

If you permanently go out of business or stop paying wages to your employees, you must file a final return. To tell the IRS that Form 944 for 2026 is your final return, check the box on line 14 and enter the final date you paid wages. Attach a statement to your return showing the name of the person keeping the payroll records and the address where those records will be kept.

If you participated in a statutory merger or consolidation, or qualify for predecessor-successor status due to an acquisition, you should generally file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations. See the Instructions for Schedule D (Form 941) to determine whether you should file Schedule D (Form 941) and when you should file it.

When Must You File?

For 2026, file Form 944 by February 1, 2027. However, if you made deposits on time in full payment of the taxes due for the year, you may file the return by February 10, 2027.

File Form 944 only once for each calendar year. If you filed Form 944 electronically, don't file a paper Form 944. For more information about filing Form 944 electronically, see *Electronic filing*, earlier.

If we receive Form 944 after the due date, we will treat Form 944 as filed on time if the envelope containing Form 944 is properly addressed, contains sufficient postage, and is postmarked by the U.S. Postal Service (USPS) on or before the due date, or sent by an IRS-designated private delivery service (PDS) on or before the due date. If you don't follow these guidelines, we will generally consider Form 944 filed when it is actually received. For more information about PDSs, see *Where Should You File*, later.

How Should You Complete Form 944?

Enter your EIN, name, and address in the spaces provided. Also enter your name and EIN at the top of page 2. Don't use your social security number (SSN) or individual taxpayer identification number (ITIN). Generally, enter the business (legal) name that you used when you applied for your EIN. For example, if you're a sole proprietor, enter "Tyler Smith" on the *Name* line and "Tyler's Cycles" on the *Trade name* line. Leave the *Trade name* line blank if it is the same as your *Name*.

If you use a tax preparer to complete Form 944, make sure the preparer uses your correct business name and EIN.

Employer identification number (EIN). To make sure that businesses comply with federal tax laws, the IRS monitors tax filings and payments by using a numerical system to identify taxpayers. A unique 9-digit EIN is assigned to all corporations, all partnerships, and some sole proprietors. A business needing an EIN must apply for a number and use it throughout the life of the business on all tax returns, payments, and reports.

Your business should have only one EIN. If you have more than one and aren't sure which one to use, write to the IRS office where you file your returns (using the *Without a payment* address under *Where Should You File*, later) or call the IRS at 800-829-4933. If you're outside the United States, call 267-941-1000 (not toll free).

If you don't have an EIN, you may apply for one online by going to *IRS.gov/EIN*. You may also apply for an EIN by faxing or mailing Form SS-4 to the IRS. If the principal business was created or organized outside of the United States or U.S. territories, you may also apply for an EIN by calling 267-941-1099 (not toll free). If you have applied for an EIN but don't have your EIN by the time a return is due, file a paper return and write "Applied For" and the date you applied in the space shown for the number.

Caution: If you're filing your tax return electronically, a valid EIN is required at the time the return is filed. If a valid EIN isn't provided, the return won't be accepted. This may result in penalties.

Always be sure the EIN on the form you file exactly matches the EIN the IRS assigned to your business. Don't use your SSN or ITIN on forms that ask for an EIN. If you used an EIN (including a prior owner's EIN) on Form 944 that is different from the EIN reported on Form W-3, see *Box h—Other EIN used this year* in the General Instructions for Forms W-2 and W-3. On Form W-3 (PR), "Other EIN used this year" is reported in box f. Filing a Form 944 with an incorrect EIN or using another business's EIN may result in penalties and delays in processing your return.

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 Should You File*, later) to notify the IRS of any business name change. See Pub. 1635 to see if you need to apply for a new 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 944. For a definition of "responsible party," see the Instructions for Form SS-4.

Completing and Filing Form 944

Make entries on Form 944 as follows to enable accurate processing.

- Use 12-point Courier font (if possible) for all entries if you're typing or using a computer to complete Form 944. Portable Document Format (PDF) forms on IRS.gov have fillable fields with acceptable font specifications.
- Don't enter dollar signs and decimal points. Commas are optional. Report dollars to the left of the preprinted decimal point 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.
- Leave blank any data field with a value of zero (except line 9).
- Enter negative amounts using a minus sign (if possible). Otherwise, use parentheses.
- Enter your name and EIN on all pages.
- Enter your name, your EIN, "Form 944," and the tax year on all attachments.
- Staple multiple sheets in the upper-left corner when filing.

Complete both pages. You must complete both pages of Form 944 and sign on page 2. Failure to do so may delay processing of your return.

Required Notice to Employees About the Earned Income Credit (EIC)

To notify employees about the EIC, you must give the employees, except for employees in American Samoa, Guam, Puerto Rico, the CNMI, and the USVI, one of the following items.

- Form W-2, which has the required information about the EIC on the back of Copy B.
- A substitute Form W-2 with the same EIC information on the back of the employee's copy that is on the back of Copy B of the IRS Form W-2.
- Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC).
- Your written statement with the same wording as Notice 797.

For more information, see section 10 of Pub. 15, Pub. 596, and *IRS.gov/EIC*.

Reconciling Form 944 With Form W-3

The IRS matches amounts reported on your Form 944 with Form W-2 amounts totaled on your Form W-3. If the amounts don't agree, you may be contacted by the IRS or the SSA. The following amounts are reconciled.

- Federal income tax withholding, if applicable.
- Social security wages.
- Social security tips.
- Medicare wages and tips.

For more information, see section 12 of Pub. 15.

Where Should You File?

You're encouraged to file Form 944 electronically. Go to *IRS.gov/EmploymentEfile* for more information on electronic filing. If you file a paper return, where you file depends on whether you include a payment with Form 944. Mail your return to the address listed for your location in the table that follows.

PDSs can't deliver to P.O. boxes. You must use the USPS to mail an item to a P.O. box address. Go to *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*. Select the mailing address listed on the webpage that is in the same state as the address to which you would mail returns filed without a payment, as shown next.

If you're in...		Without a payment...	With a payment...
Connecticut Delaware District of Columbia Georgia Illinois Indiana Kentucky Maine Maryland Massachusetts New Hampshire	New Jersey New York North Carolina Ohio Pennsylvania Rhode Island South Carolina Tennessee Vermont Virginia West Virginia	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0044	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
Alabama Alaska Arizona Arkansas California Colorado Florida Hawaii Idaho Iowa Kansas Louisiana Michigan Minnesota Mississippi	Missouri Montana Nebraska Nevada New Mexico North Dakota Oklahoma Oregon South Dakota Texas Utah Washington Wisconsin Wyoming	Department of the Treasury Internal Revenue Service Ogden, UT 84201-0044	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
No legal residence or principal place of business in any state, including employers in American Samoa, Guam, the CNMI, the USVI, and Puerto Rico		Internal Revenue Service P.O. Box 409101 Ogden, UT 84409	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100
Special filing address for exempt organizations; federal, state, and local governmental entities; and Indian tribal governmental entities, regardless of location		Department of the Treasury Internal Revenue Service Ogden, UT 84201-0044	Internal Revenue Service P.O. Box 932100 Louisville, KY 40293-2100

Caution: Your filing address may have changed from that used to file your employment tax return in prior years. Don't send Form 944 or any payments to the SSA.

Must You Deposit Your Taxes?

If your total taxes after adjustments and nonrefundable credits (Form 944, line 9) are less than $2,500 for the year, you can pay the taxes with your return. To avoid a penalty, you should pay in full and file on time. You don't have to deposit the taxes. However, you may choose to make deposits of these taxes even if your liability is less than $2,500. If your liability for these taxes is $2,500 or more, you're generally required to deposit the taxes instead of paying them when you file Form 944. See the Federal Tax Deposit Requirements for Form 944 Filers chart, later. If you don't deposit the taxes when required, you may be subject to penalties and interest.

The $2,500 threshold at which federal tax deposits must be made is different from the amount of annual tax liability ($1,000 or less) that makes an employer eligible to file Form 944. Form 944 filers whose businesses grow during the year may be required to make federal tax deposits (see chart next), but they will still file Form 944 for the year.

Federal Tax Deposit Requirements for Form 944 Filers

If your tax liability is:	Your deposit requirement is:
Less than $2,500 for the year	No deposit required. You may pay the tax with your return. If you're unsure that your tax liability for the year will be less than $2,500, deposit under the rules below.
$2,500 or more for the year, but less than $2,500 for the quarter	You can deposit by the last day of the month after the end of a quarter. However, if your fourth quarter tax liability is less than $2,500, you may pay the fourth quarter's tax liability with Form 944.
$2,500 or more for the quarter	You must deposit monthly or semiweekly depending on your deposit schedule. But, if you accumulate $100,000 or more of taxes on any day, you must deposit the tax by the next business day. See section 11 of Pub. 15.

See section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule.

When you make deposits depends on your deposit schedule, which is either monthly or semiweekly, depending on the amount of your tax liability during the lookback period. The lookback period for Form 944 filers is different from the lookback period for Form 941 filers, so your deposit schedule may have changed. For more information, see section 11 of Pub. 15. If you're a monthly schedule depositor and accumulate a $100,000 tax liability on any day during the deposit period, you become a semiweekly schedule depositor on the next day and remain so for at least the rest of the calendar year and for the following calendar year. Determine whether you meet the $100,000 next-day deposit threshold before reducing your liability for nonrefundable credits.

What About Penalties and Interest?

Avoiding 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 944 on time.
- Report your tax liability accurately.
- Submit valid checks for tax payments.
- Give accurate Forms W-2 to employees.
- File Form W-3 and Copies A of Forms W-2 with the SSA on time and accurately. Go to *SSA.gov/employer* for information on how to file Forms W-2 electronically.

Penalties and interest are charged on taxes paid late and returns filed late at a rate set by law. See sections 11 and 12 of Pub. 15 for details. Also see *New automatic penalty relief for Form 944 filers* under *What's New*, earlier.

Use Form 843 to request abatement of assessed penalties or interest. Don't request abatement of assessed penalties or interest on any other form.

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

Caution: If federal income, social security, and Medicare taxes that must be withheld (that is, trust fund taxes) aren't withheld or aren't deposited or 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. For more information, see section 11 of Pub. 15. The trust fund recovery penalty won't apply to any amount of trust fund taxes an employer holds back in anticipation of any credits to which they're entitled.

Specific Instructions

Part 1: Answer These Questions for This Year

Caution: Employers in American Samoa, Guam, the CNMI, the USVI, and Puerto Rico must skip lines 1 and 2, unless you have employees who are subject to U.S. income tax withholding.

1. Wages, Tips, and Other Compensation

Enter amounts on line 1 that would also be included in box 1 of your employees' Forms W-2. See *Box 1—Wages, tips, other compensation* in the General Instructions for Forms W-2 and W-3 for details. Include sick pay paid by your agent. Also include sick pay paid by a third party that isn't your agent (for example, an insurance company) if you were given timely notice of the payments and the third party transferred liability for the employer's taxes to you.

If you're a third-party payer of sick pay and not an agent of the employer, don't include sick pay that you paid to policyholders' employees here if you gave the policyholders timely notice of the payments. See section 6 of Pub. 15-A, Employer's Supplemental Tax Guide, for more information about sick pay reporting and the procedures for transferring the liability to the employer.

2. Federal Income Tax Withheld From Wages, Tips, and Other Compensation

Enter the federal income tax that you withheld (or were required to withhold) from your employees on this year's wages, tips, taxable fringe benefits, and supplemental unemployment compensation benefits. Don't include any income tax withheld by a third-party payer of sick pay even if you reported it on Forms W-2. You will reconcile this difference on Form W-3. For information on the employment tax treatment of fringe benefits, see Pub. 15-B. For information about supplemental unemployment compensation benefits, see section 5 of Pub. 15-A.

If you're a third-party payer of sick pay, enter the federal income tax you withheld (or were required to withhold) on third-party sick pay here.

Caution: References to federal income tax withholding don't apply to employers in American Samoa, Guam, the CNMI, the USVI, and Puerto Rico, unless you have employees who are subject to U.S. income tax withholding.

3. If No Wages, Tips, and Other Compensation Are Subject to Social Security or Medicare Tax...

If no wages, tips, and other compensation on line 1 are subject to social security or Medicare tax, check the box on line 3 and go to line 5. If this question doesn't apply to you, leave the box blank. For more information about exempt wages, see section 15 of Pub. 15. For religious exemptions, see section 4 of Pub. 15-A. For information on the employment tax treatment of fringe benefits, see Pub. 15-B.

4a–4e. Taxable Social Security and Medicare Wages and Tips

4a. Taxable social security wages. Enter the total wages, sick pay, and taxable fringe benefits subject to social security taxes that you paid to your employees during the year. For this purpose, sick pay includes payments made by an insurance company to your employees for which you received timely notice from the insurance company. See section 6 of Pub. 15-A for more information about sick pay reporting. See the instructions for line 6, later, for an adjustment that you may need to make on Form 944 for sick pay.

Enter the amount before payroll deductions. Don't include tips on this line. For information on types of wages subject to social security taxes, see section 5 of Pub. 15.

For 2026, the rate of social security tax on taxable wages is 6.2% (0.062) each for the employer and employee. Stop paying social security tax on and entering an employee's wages on line 4a when the employee's taxable wages and tips reach $184,500 for the year. However, continue to withhold income and Medicare taxes for the whole year on all wages and tips, even when the social security wage base limit of $184,500 has been reached.

	line 4a (column 1)
x	0.124
	line 4a (column 2)

4b. Taxable social security tips. Enter all tips your employees reported to you during the year until the total of the tips and taxable wages, including wages reported on line 4a, for an employee reaches $184,500 for the year. Include all tips your employees reported to you even if you were unable to withhold the 6.2% employee share of social security tax. You will reduce your total taxes by the amount of any uncollected employee share of social security and Medicare taxes on tips later on line 6; see *Adjustments for tips and group-term life insurance*, later. Don't include service charges on line 4b. For details about the difference between tips and service charges, see Rev. Rul. 2012-18, 2012-26 I.R.B. 1032, available at *IRS.gov/irb/2012-26_IRB#RR-2012-18*.

Your employee must report cash tips to you by the 10th day of the month after the month the tips are received.

Cash tips include tips paid by cash, check, debit card, and credit card. The report should include charged tips (for example, credit and debit card charges) you paid over to the employee for charge customers, tips the employee received directly from customers, and tips received from other employees under any tip-sharing arrangement. Both directly and indirectly tipped employees must report tips to you. No report is required for months when tips are less than $20. Employees may submit a written statement or electronic tip record.

line 4b (column 1)
x 0.124
line 4b (column 2)

For more information on tips, see section 6 of Pub. 15.

4c. Taxable Medicare wages and tips. Enter all wages, tips, sick pay, and taxable fringe benefits that are subject to Medicare tax. Unlike social security wages, there is no limit on the amount of wages subject to Medicare tax. See the instructions for line 6, later, for an adjustment that you may need to make on Form 944 for sick pay.

The rate of Medicare tax is 1.45% (0.0145) each for the employer and employee. Include all tips your employees reported during the year, even if you were unable to withhold the employee tax of 1.45%.

line 4c (column 1)
x 0.029
line 4c (column 2)

4d. Taxable wages & tips subject to Additional Medicare Tax withholding. Enter all wages, tips, sick pay, and taxable fringe benefits 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 section 15 of Pub. 15. For more information on Additional Medicare Tax, go to *IRS.gov/ADMTfaqs*. See the instructions for line 6, later, for an adjustment that you may need to make on Form 944 for sick pay.

Once wages and tips exceed the $200,000 withholding threshold, include all tips your employees reported during the year, even if you were unable to withhold the employee tax of 0.9%.

line 4d (column 1)
x 0.009
line 4d (column 2)

4e. Total social security and Medicare taxes. Add the column 2 amounts on lines 4a–4d. Enter the result on line 4e.

5. Total Taxes Before Adjustments

Add the total federal income tax withheld from wages, tips, and other compensation from line 2 and the total social security and Medicare taxes before adjustments from line 4e. Enter the result on line 5.

6. Current Year's Adjustments

Enter tax amounts that result from current period adjustments. Use a minus sign (if possible) to show an adjustment that decreases the total taxes shown on line 5. Otherwise, use parentheses.

In certain cases, you must adjust the amounts you entered as social security and Medicare taxes in column 2 of lines 4a–4d to figure your correct tax liability for this year's Form 944. See section 13 of Pub. 15.

Adjustment for fractions of cents. Enter adjustments for fractions of cents (due to rounding) relating to the employee share of social security and Medicare taxes withheld. The employee share of amounts shown in column 2 of lines 4a–4d may differ slightly from amounts actually withheld from employees' pay due to rounding social security and Medicare taxes based on statutory rates. This adjustment may be a positive or a negative adjustment.

Adjustment for sick pay. If your third-party payer of sick pay that isn't your agent (for example, an insurance company) transfers the liability for the employer share of the social security and Medicare taxes to you, enter a negative adjustment on line 6 for the employee share of social security and Medicare taxes that were withheld and deposited by your third-party sick pay payer on the sick pay. If you're the third-party sick pay payer and you transferred the liability for the employer share of the social security and Medicare taxes to the employer, enter a negative adjustment on line 6 for any employer share of these taxes required to be paid by the employer. The sick pay should be included on line 4a, line 4c, and, if the withholding threshold is met, line 4d.

No adjustment is reported on line 6 for sick pay that is paid through a third party as an employer's agent. An employer's agent bears no insurance risk and is reimbursed on a cost-plus-fee basis for payment of sick pay and similar amounts. If an employer uses an agent to pay sick pay, the employer reports the wages on line 4a, line 4c, and, if the withholding threshold is met, line 4d, unless the employer has an agency agreement with the third-party payer that requires the third-party payer to do the collecting, reporting, and/or paying or depositing employment taxes on the sick pay. See section 6 of Pub. 15-A for more information about reporting sick pay.

Adjustments for tips and group-term life insurance. Enter a negative adjustment for:

- Any uncollected employee share of social security and Medicare taxes on tips, and
- The uncollected employee share of social security and Medicare taxes on group-term life insurance premiums paid for former employees.

See the General Instructions for Forms W-2 and W-3 for information on how to report the uncollected employee share of social security and Medicare taxes on tips and group-term life insurance on Form W-2.

Prior year's adjustments. If you need to adjust any amount reported on line 6 from a previously filed Form 944, complete and file Form 944-X. Form 944-X is an adjusted return or claim for refund and is filed separately from Form 944. See section 13 of Pub. 15.

7. Total Taxes After Adjustments

Combine the amounts shown on lines 5 and 6 and enter the result on line 7.

8. Qualified Small Business Payroll Tax Credit for Increasing Research Activities

Enter the amount of the credit from Form 8974, line 12 or, if applicable, line 17. If you enter an amount on line 8, you must attach Form 8974.

9. Total Taxes After Adjustments and Nonrefundable Credits

Subtract line 8 from line 7 and enter the result on line 9. The amount entered on line 9 can't be less than zero.

- **If line 9 is less than $2,500**, you may pay the amount with Form 944 or you may deposit the amount.
- **If line 9 is $2,500 or more**, you must generally deposit your tax liabilities by EFT. However, if you deposited all taxes accumulated in the first 3 quarters of the year and your fourth quarter liability is less than $2,500, you may pay taxes accumulated during the fourth quarter with Form 944. Also see section 11 of Pub. 15 for information about payments made under the accuracy of deposits rule. The amount shown on line 9 must equal the amount shown on line 13m or the "Total tax liability for the year" shown on line M of Form 945-A, Annual Record of Federal Tax Liability. For more information, see the line 13 instructions, later.

For more information and rules about federal tax deposits, see *Must You Deposit Your Taxes*, earlier, and section 11 of Pub. 15.

Caution: If you're a semiweekly schedule depositor, you must complete Form 945-A. If you fail to complete and submit Form 945-A, the IRS may assess deposit penalties based on available information.

10. Total Deposits for This Year

Enter your deposits for this year, including any overpayment that you applied from filing Form 944-X, 941-X, or 941-X (PR) in the current year. Also include in the amount shown any overpayment from a previous period that you applied to this return.

11. Balance Due

If line 9 is more than line 10, enter the difference on line 11. Otherwise, see the instructions for line 12a, later. **Never make an entry on both lines 11 and 12a.**

You don't have to pay if line 11 is less than $1. Generally, you should have a balance due only if your total taxes after adjustments and nonrefundable credits (line 9) are less than $2,500. However, see *If line 9 is $2,500 or more* under the instructions for line 9, earlier, for exceptions.

If you were required to make federal tax deposits, pay the amount shown on line 11 by EFT. If you weren't required to make federal tax deposits (see the Federal Tax Deposit Requirements for Form 944 Filers chart, earlier) or you're a monthly schedule depositor making a payment under the accuracy of deposits rule, pay the amount shown on line 11 by EFT or another available payment option. The IRS requires paying electronically whenever possible. Options to pay electronically include using your bank account with Direct Pay, your debit or credit card, your digital wallet, or your online account. Go to *IRS.gov/Payments* to see all your payment options. Also see *IRS.gov/ModernPayments*.

If you pay electronically, file your return using the *Without a payment* address under *Where Should You File*, earlier. Don't file Form 944-V, Payment Voucher.

If your only option is to pay by check or money order because you don't have access to U.S. banking services or electronic payment systems, make it payable to "United States Treasury." Enter your EIN, "Form 944," and the tax year on your check or money order. Complete Form 944-V and enclose it with Form 944.

Caution: If you're required to make deposits and instead pay the taxes with Form 944, 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 call the phone number on your notice or 800-829-4933 or 800-829-4059 (TDD/TTY for persons who are deaf, hard of hearing, or have a speech disability), Monday–Friday from 7:00 a.m. to 7:00 p.m. local time (Alaska and Hawaii follow Pacific time) to request a payment plan.

12a. Overpayment

If line 10 is more than line 9, enter the amount on line 12a. **Never make an entry on both lines 11 and 12a.**

12b. Choose to have your overpayment applied to your next return or refunded. If you deposited more than the correct amount for the year, you can choose to have the IRS either refund the overpayment or apply it to your next return. Check only one box on line 12b. If you don't check either box or if you check both boxes, we will generally apply the overpayment to your next return. Regardless of any boxes you check or don't check on line 12b, we may apply your overpayment to any past due tax account that is shown in our records under your EIN. If you check the box to have your overpayment refunded but you don't complete lines 12c–12e for direct deposit, your refund may be delayed, and the IRS may contact you for additional information about direct deposit, an alternative electronic payment method, or an available exception.

If line 12a is less than $1, we will send a refund or apply it to your next return only if you ask us in writing to do so.

Direct Deposit

The benefits of a direct deposit include a faster refund, the added security of a paperless payment, and the savings of

tax dollars associated with the reduced processing costs. To have your refund direct deposited, you must complete lines 12c–12e.

12c. Routing number. The routing number must be 9 digits. The first 2 digits must be 01 through 12 or 21 through 32. Verify that your financial institution will accept a direct deposit.

Ask your financial institution for the correct routing number to enter on line 12c if:

- The routing number on a deposit slip is different from the routing number on your checks,
- Your deposit is to a savings account that doesn't allow you to write checks, or
- Your checks state they're payable through a financial institution different from the one at which you have your checking account.

12d. Type of account. Check the appropriate box for the type of account. Don't check more than one box. You must check the correct box to ensure your deposit is accepted. If you're unsure which box to check for the account you wish the deposit to be applied to, consult your financial institution.

12e. Account number. The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right and leave any unused boxes blank.

If the direct deposit to your account is different from the amount you expected, you'll receive an explanation in the mail about 2 weeks after your refund is deposited.

Reasons Your Direct Deposit Request Will Be Rejected

If any of the following apply, your direct deposit request will be rejected and the IRS may contact you to request additional information to correct the problem before issuing a paper check.

- The name on your account doesn't match the name on the refund, and your financial institution won't allow a refund to be deposited unless the name on the refund matches the name on the account.
- Your business is a corporation and the receiving financial institution is a foreign bank or a foreign branch of a U.S. bank.
- You haven't given a valid account number.
- Any numbers or letters on lines 12c–12e are crossed out or whited out.

Caution: The IRS isn't responsible for a lost refund if you enter the wrong account information. Check with your financial institution to get the correct routing and account numbers and to make sure your direct deposit will be accepted.

Part 2: Tell Us About Your Deposit Schedule and Tax Liability for This Year

13. Tax Liability

If line 9 is less than $2,500, check the first box on line 13 and go to line 14.

If line 9 is $2,500 or more, check the second box on line 13. If you're a monthly schedule depositor, enter your tax liability for each month and figure the total liability for the year. The amounts entered on line 13 are a summary of your monthly tax liabilities, not a summary of deposits you made. The IRS gets deposit data from EFTs. Enter your tax liabilities in the month that corresponds to the dates you paid wages to your employees, not the date payroll liabilities were accrued or deposits were made. If you don't enter your tax liability for each month, the IRS won't know when you should have made deposits and may assess an "averaged" failure-to-deposit penalty. See section 11 of Pub. 15. If your tax liability for any month is negative after accounting for your adjustments reported on line 6, don't enter a negative amount for the month. Instead, enter zero for the month and subtract that negative amount from your tax liability for the next month.

Caution: The amount shown on line 13m must equal the amount shown on line 9. 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 944-X.

If you're a semiweekly schedule depositor or if you became one because you accumulated $100,000 or more in tax liability on any day in a deposit period, you must complete Form 945-A and file it with Form 944. See *$100,000 Next-Day Deposit Rule* in section 11 of Pub. 15. Don't complete lines 13a–13m if you file Form 945-A.

Adjusting tax liability for the qualified small business payroll tax credit for increasing research activities (line 8). Monthly schedule depositors and semiweekly schedule depositors must account for the qualified small business payroll tax credit for increasing research activities (line 8) when reporting their tax liabilities on line 13 or Form 945-A. The total tax liability for the year must equal the amount reported on line 9. Failure to account for the qualified small business payroll tax credit for increasing research activities on line 13 or Form 945-A may cause line 13 or Form 945-A to report more than the total tax liability reported on line 9. Don't reduce your monthly tax liability reported on lines 13a–13l or your daily tax liability reported on Form 945-A below zero.

Beginning with the first quarter of 2023, the qualified small business payroll tax credit for increasing research activities is first used to reduce the employer share of social security tax (up to $250,000) for the quarter and any remaining credit is then used to reduce the employer share of Medicare tax for the quarter until it reaches zero. In completing line 13 or Form 945-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 until you

use up to $250,000 of credit against the employer share of social security tax and you then take into account any remaining payroll tax credit against the liability for the employer share of Medicare tax starting with the first payroll payment of the quarter that includes payments of wages subject to Medicare tax to employees. Consistent with the entries on line 13 or Form 945-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 hasn't been used completely because it exceeds $250,000 of the employer share of social security tax and the employer share of Medicare 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, the employee share of social security tax, or the employee share of Medicare 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 944 or on Forms 944 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 applicable employer share of social security tax and employer share of Medicare 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 applicable employer share of social security tax and employer share of Medicare tax on wages paid in that quarter.

Example. Rose Co. is an employer with a calendar tax year that filed its timely 2025 income tax return on April 15, 2026. Rose Co. elected to take the qualified small business payroll tax credit for increasing research activities on Form 6765. The third quarter of 2026 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 (up to $250,000) and Medicare tax on wages paid to employees in the third quarter of 2026. Rose Co. is a semiweekly schedule depositor. Rose Co. completes Form 945-A by reducing the amount of liability entered for the first payroll payment in the third quarter of 2026 that includes wages subject to social security tax by the lesser of (1) its share of social security tax (up to $250,000) 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 against up to $250,000 of Rose Co.'s share of social security tax for the quarter. If the amount of the payroll tax credit exceeds Rose Co.'s share of social security tax (up to $250,000) on wages paid to its employees in the third quarter, any remaining credit is used against Rose Co.'s share of Medicare tax on the first payroll payment of the quarter and then the excess payroll tax credit would be carried forward to succeeding payroll payments in the third quarter until it is used against Rose Co.'s share of Medicare tax for the quarter. If Rose Co. still has credit remaining after reducing its share of social security tax (up to $250,000) and Medicare tax for the third quarter, the remainder would be treated as a payroll tax credit against its share of social security tax (up to $250,000) and Medicare 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 (up to $250,000) and Medicare 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 2027.

Part 3: Tell Us About Your Business

In Part 3, answer question 14 only if it applies to your business. If it doesn't apply, leave it blank and go to Part 4.

14. If Your Business Has Closed...

If you permanently go out of business or stop paying wages, you must file a final return. To tell the IRS that 2026 is your final return, check the box on line 14 and enter the date you last paid wages in the space provided. For additional filing requirements, including information about attaching a statement to your final return, see *If Your Business Has Closed*, earlier.

Part 4: May We Speak With Your Third-Party Designee?

If you want to allow an employee, a paid tax preparer, or another person to discuss your Form 944 with the IRS, check the "Yes" box in Part 4. Enter the name, phone number, and 5-digit personal identification number (PIN) of the specific person to speak with—not the name of the firm that prepared your tax return. The designee may choose any 5 numbers as their 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 after the due date (without regard to extensions) for filing your Form 944. 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 Should You File*, earlier.

Part 5: Sign Here (Approved Roles)

Complete all information and sign Form 944. 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, the vice

president, or another 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 944 may 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 944 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*.

Paid Preparer Use Only

A paid preparer must sign Form 944 and provide the information in the Paid Preparer Use Only section of Part 5 if the preparer was paid to prepare Form 944 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*. 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 the return 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.

How To Get Forms, Instructions, and Publications

Go to *IRS.gov/Forms* to download current- and prior-year forms, instructions, and publications. Some forms available for download are for your records or reference only and should not be used for filing or furnishing, including certain forms that require special red ink. You can go to *IRS.gov/OrderForms* to order current forms, instructions, and publications or call 800-829-3676 to order prior-year forms and instructions. The IRS will process your order as soon as possible. Don't resubmit requests you've already sent us.

Privacy Act and Paperwork Reduction Act Notice. We ask for the information on these forms 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. Section 6011 requires you to provide the requested information if the tax is applicable to you. Section 6109 requires you to provide your identification number. 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 the IRS to disclose or give the information shown on your tax return to others as described in the Code. For example, 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 territories for use in administering 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.

Estimates of taxpayer burden. These estimates include forms in the Form 944 series, including attachments; Forms CT-1, CT-2, SS-8, W-2, W-3, 940, 945, 2032, 2678, 8027, 8027-T, 8453-EMP, 8850, 8879-EMP, 8922, 8952, and 8974, and their schedules; and all the forms employers attach to employment-related tax returns and related wage statements to employees.

The following tables show burden estimates based on current statutory requirements as of October 1, 2025, for employers filing employment tax reporting forms and wage statement forms. Time spent and out-of-pocket costs are presented separately. Time burden is the time spent to comply with employer reporting responsibilities, including recordkeeping, preparing and submitting forms, and preparing and providing wage statements to employees. Out-of-pocket costs include any expenses incurred to comply with employer reporting responsibilities. The amount of taxes paid isn't included in reporting burden.

The time and money burdens reported below include all associated forms and schedules, across all tax return preparation methods and employer reporting. They are national averages and don't necessarily reflect a "typical" employer's reporting burden. Most employers experience lower than average burden, with burden varying considerably by the number of Forms W-2 that an employer files. For instance, the estimated average burden for an employer who issues four Forms W-2 is 63.6 hours (15.9 hours x 4) and $2,480 ($620 x 4). The estimated average burden for a large employer who issues 2,000 Forms W-2 is 800 hours (2,000 x 0.4) and $40,000 (2,000 x $20).

Annual Average Burden

Type of filer	Total time (hours)	Recordkeeping time (hours)	Time spent on W-2 activities (hours)	All other time (hours)	Out-of-pocket costs	Total monetized burden*
Filers with Form 941	62	18	4	40	$2,760	$4,890
Filers with Form 943	54	15	6	33	$970	$2,030
Filers with Form 944	24	4	3	18	$420	$710

* Total monetized burden = monetized hours + out-of-pocket costs.

Annual Average Burden per Employee by Number of Forms W-2 Filed

Number of Forms W-2 filed	Total time (hours)	Out-of-pocket costs	Total monetized burden*
All Employers	11	$440	$760
1 to 5	15.9	$620	$1,070
6 to 10	5.9	$280	$480
11 to 25	4.4	$200	$350
26 to 50	3.5	$130	$250
51 to 100	2.6	$100	$190
101 to 250	1.8	$90	$160
251 to 500	1.2	$70	$120
501 to 1,000	0.7	$50	$80
Over 1,000	0.4	$20	$30

* Total monetized burden = monetized hours + out-of-pocket costs.

Annual Average Burden per Employee by Primary Form Filed

Primary form filed	Total time (hours)	Out-of-pocket costs	Total monetized burden*
Form 941	10.9	$440	$770
Form 943	19.1	$300	$630
Form 944	11.4	$220	$360

* Total monetized burden = monetized hours + out-of-pocket costs.

Comments. If you have comments concerning the accuracy of these time estimates or suggestions for making Form 944 simpler, we would be happy to hear from you. You can send us comments from *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 944 to this address. Instead, see *Where Should You File*, earlier.