

Social Security Administration

Internal Revenue Service

Inside this Issue...

Save Time, Money, Effort Like These IRS e-file Users
page 2

Update to the 1120/1120S Corporate Tax Return e-file Project
page 2

Attention: SSA Electronic Filers – Change Your Password and Go Email!
page 2

Report Accurate Employee Names and Social Security Numbers
page 3

The New Employment Tax e-file System
page 3

Where to File – Business Returns and Filing Addresses
page 3

Introducing EFTPS—Express Enrollment For New Businesses
page 4

IRS Updates the 'Dirty Dozen' Common Scams for 2003
page 4

Check Out the New Child Support Web Site for Employers!
page 5

Distinct EIN Hotline Number to be Discontinued
page 5

HELP Telephone Numbers and Web Addresses to Use When You Have Questions
page 5

IRS Issues Fall Edition of FSLG Newsletter
page 5

Paper Form W-2 Filers
page 5

Social Security Guidelines for Employers Hiring Foreign Workers
page 6



Department of the Treasury
Internal Revenue Service

www.irs.gov

Publication 1693 (Rev. 12-03)
Catalog Number 15060W

Reporter

Winter 2003

A Newsletter
for Employers

Reminders for a Successful Year-End

Year-end is upon us! The American Payroll Association (APA) offers more tried-and-true tips to help ease your year-end processing.

December

- Remind any workers who have had "life changes" such as marriage, divorce, or a change in number of dependents to make the appropriate changes to their withholding via Form W-4.
- Remind employees that those who wish to continue claiming exemption from withholding must submit a new W-4 by Feb. 15, 2004; and those who wish to continue receiving Advance Earned Income Credit payments must submit a new W-5 by Dec. 31, 2003.
- Collect benefit and payroll adjustment information and post to employees' payroll, including relocation, educational assistance, group-term life insurance, company cars, manual checks, and void checks.

December-January

- Obtain new forms, withholding tables, and publications. Review the new Social Security wage base (\$87,900), deferred compensation limits, mileage rates, and state unemployment wage bases.
- Notify employees of applicable changes and any steps they must take.

January 1

- Reset all year-to-date balances to zero.
- Reset all wage bases, rates, and limits according to your research.
- Discontinue payments of Advance Earned Income Credit to any employee who has not given you a 2003 Form W-5.

continued on page 4

Social Security Announces Changes for 2004

The Social Security wage base for 2004 is \$87,900, up from \$87,000 in 2003. Beginning Jan. 1, 2004, employers should withhold Social Security taxes (6.2 percent) from employees' wages up to \$87,900 and withhold the Medicare tax (1.45 percent) on all wages.

Employers must match the tax payments withheld from employees' wages. Employees earn one Social Security credit for each \$900 in earnings, up to a maximum of four credits for the year. In 2004, full retirement age is 65 and 4 months.* If employees reach full retirement age or older and choose not to receive Social Security benefits right away, it could mean a higher benefit for them later in life and an increase in the future benefit amounts for their families and survivors. However, when employees reach full retirement age, they can work and receive unreduced Social Security retirement benefits. If your employees are less than full retirement age when they begin to receive benefits, they can earn more in 2004 without their benefits being reduced.

continued on page 4

Save Time, Money, Effort Like These IRS *e-file* Users

Special Offers Now Available for Employment Tax Filers

Before switching to IRS *e-file* and the Electronic Federal Tax Payment System (EFTPS), EggCartons.com owner Paul Boutiette found handling employment tax deposits and filings an unwieldy, time-consuming activity. He often ended up paying late deposit and filing penalties, only because he couldn't find enough hours in the day to deal with the obligations. "I was doing filings and payments manually," said Boutiette. "It was cumbersome. My quarterlies would often take me 4-6 hours. I would waste an entire evening getting the work done."

Now things have pleasantly changed since he switched to IRS *e-file* and EFTPS. "These electronic services are definitely the way to go," said Boutiette. "If there is such a thing as experiencing pleasure when dealing with taxes, this is it. It makes dealing with employment taxes as pleasant as possible."

"When it is time to do a payment or filing," Boutiette said. "I get an email reminder from my payroll provider. I go to my account, and simply click a button to send the payment or the completed form. It's done. The whole thing usually takes less than 10 minutes."


Rick Smith is in the interior design industry, and often on the road. With IRS *e-file* and EFTPS, he can handle his employment taxes anywhere there's a computer. "Before IRS *e-file* and EFTPS," Smith said, "I had to be in the office where all the forms, stamps and envelopes are. It was a pain. Now I can get the work done at home, or at another location."

Smith offers this advice for any self-employed individual or small business owner contemplating *e-file* and EFTPS, "Do it now... it is only going to save you time, money and effort." Smith started his Mount Kisco, N.Y. business, JDR Windows, Inc. almost 20 years ago. "I just wish this was available when I first got started."

Masha Shoykhet, president and CEO of Women in Transit, Inc., a medical transportation provider, did enroll in IRS *e-file* and EFTPS from the beginning. "We got started right when we hired our first employees," Shoykhet said. She feels the services provide the best accuracy. "I know there won't be any transcribing errors. I trust that the fewer hands that touch it, the more likely it is to get in the right place. It lessens the opportunity for human error." It is important to use all available efficiency

tools when running a growing organization. "We are up to 15 employees," Shoykhet said, "and I need all the help I can get to stay on top of things. If I didn't use IRS *e-file* and EFTPS, chances are the envelope would stay in my purse. I'd think I mailed it in, but I'd be in trouble," she said.

With the new tax year right around the corner, now is the ideal time for small business owners and self-employed individuals to enroll in the services. The listing of Approved IRS *e-file* for Business Providers is available at <http://www.irs.gov/taxpros/providers/article/0,,id=100105,00.html> or, logon to <http://www.irs.gov> and click on the *e-file* logo. Most IRS *e-file* for business providers and partners also offer EFTPS. You can learn more about EFTPS by visiting <http://www.eftps.gov>.

Be sure to visit the "IRS *e-file* for Business Partners" page where you'll find special discounts and offers. For instance, as an added bonus, at least one IRS partner is providing a special, \$50 rebate to those who enroll in their services. More information on these special offers is available on the "IRS *e-file* for Business Partners" page at <http://www.irs.gov/efile/lists/0,,id=101242,00.html>. 

Update to the 1120/1120S Corporate Tax Return *e-file* Project

Program Release Now Planned for February 6, 2004

Internal Revenue Service Deputy Chief, Information Technology, Terry Lutes conducted a conference call with the industry on Sept. 24, 2003 and announced that the schedule for Modernized *e-file* (MeF) implementation is now planned for Feb. 6, 2004. This is the new date for Release 1, previously publicized as Jan. 9, 2004. Release 2 is still scheduled for implementation in July.


Assurance Testing (ATS) is scheduled to begin Nov. 3, 2003. The IRS posted the new Publication 4162, *Modernized e-file Test Package for Forms 1120 and 1120S* on its Web site Sept. 25, 2003 which includes ten test case scenarios and instructions. Version 2.0 (2003V02) of the XML schemas and business rules are to be used for preparing the test scenarios. The IRS will be issuing one or two more releases of the schemas that will include additional form or tax law changes, but stress that Version 2.0 (2003V02) must be used for the test case scenarios since they are the scenarios that were programmed into the ATS system. Publication 4162 is located at <http://www.irs.gov/taxpros/providers/article/0,,id=97626,00.html>.

Two additional publications will be released and posted on the [irs.gov](http://www.irs.gov) Web site during October. Publication 4164, *Modernized e-file Guide for Software Developers and Transmitters* (October 6) and Publication 4163, *Modernized e-file Information for Authorized IRS e-file Providers of Forms 1120/1120S* (October 30). Check the Web site at the above URL for postings.

For more information on 1120/1120S *e-file*, contact the project by email at 1120@irs.gov. 

Attention: SSA Electronic Filers – Change Your Password and Go Email!

Your PIN (personal identification number) for Social Security electronic wage filing will expire if you do not change your password within one year. Change your password via the Internet now to keep your PIN active for Tax Year 2003 filing. Go to http://www.socialsecurity.gov/bsa/bsa_welcome.htm, select "LOGIN" and enter your PIN and password. Look under *Registration Services* to change your password. If your PIN has expired, use the same link above and select *Registration* to register for a new PIN and password.

Be sure to include your email address! Beginning Jan. 5, 2004, Social Security will send you an email notice when it is time to change your password. If you already have a PIN and would like to receive this email notice, log in and update your registration information to include an email address. 

Report Accurate Employee Names and Social Security Numbers

Entering the correct name and Social Security number on Forms W-2 helps us record wages accurately. Refer to these helpful reminders as year-end approaches.

Use the Correct Name Format

- Enter the name on Form W-2 as shown on the employee's Social Security card.

- Compound names no longer require a hyphen. Connect parts of a compound name with either a hyphen or a blank space. Do not join them into a single word. If an employee has a compound name, include all of the parts in the appropriate name field. *For example*, the name John R. Smith-Jones: Enter Smith Jones in the last name field.

It's especially important to know the exact last name. If an employee provides a name with apparent compound or multiple last names, carefully question them to determine which name is the beginning of the surname and which (if any) is the middle name.

You can also call Social Security at 800-772-6270 to verify that the name and Social Security number match our records.

If you submit paper Forms W-2 to Social Security:

- Do not show titles or academic degrees, such as Dr., RN, or Esq., at the beginning or end of an employee's name.

- Do not use Jr. or Sr. even if it's on the Social Security card.

- If the Social Security card contains a middle name, always complete the W-2 using just the middle initial (with no punctuation).

If you submit Forms W-2 on Magnetic Tape, Diskette or electronically:

- A suffix may be entered in location 62-65 of the Code RW, Employee Wage Record, e.g., Jr., Sr..

- The field for the middle name/initial is 15 spaces. You may enter either the middle initial or the full middle name.

- It is acceptable to use the MMREF format for employee copies of W-2s even though it may contain suffixes, middle names, etc. Paper instructions refer only to Copy A of the W-2 that is submitted to SSA.

Use the Correct Social Security Number

Enter the Social Security number shown on the employee's Social Security card. Social Security numbers do not begin with an 8 or 9 and cannot be all 1's, 3's, or sequential (123-45-6789).

If you hire someone who does not have a Social Security card, ask him/her to obtain one as soon as possible. The employee may work while the Social Security number application is being processed. To strengthen homeland security, Social Security has taken extra steps to

ensure the integrity of Social Security numbers. These changes may cause a delay of several weeks or months in receiving a number.

Employers should not assign temporary Social Security numbers. If you must assign an identifier number (for payroll purposes, etc.) until the worker receives his/her Social Security card, it is vital that you do not call it a temporary Social Security number and do not use it on the Form W-2.

If you submit paper Forms W-2 to Social Security and you do not have a Social Security number for a worker when your W-2 report is due, complete the Social Security number field by entering "Applied For" in Box "d" of the paper Form W-2.

If you submit your Forms W-2 on magnetic tape, cartridge or electronically and you do not have a Social Security number when your report is due, complete the Social Security number field by entering all zeros (0) in locations 3-11 of the RW, Employee Wage Record. Note: The paper Form W-2 you give to employees may have all zeros in block "d," Employee SSN.

If the employee obtains a Social Security card after you have submitted your W-2 report to Social Security, you should complete and submit a Form W-2c ("Corrected Wage and Tax Statement") to make the correction. **SSA**

The New Employment Tax e-file System

Are you electronically filing your Form 940, "Employer's Annual Federal Unemployment Tax Return" and Form 941, "Employer's Quarterly Federal Tax Return?" If not, why not? Have you checked with your tax professional or your software provider to see if they offer this service? If not, why not?

What are the Benefits/Features of e-filing your 940 & 941's?

Convenient

- Electronic Acknowledgement within 48 hours.
- Integrated "File" and "Pay" option.

Fast

- Information is quickly available to IRS Customer Service sites.
- Processing time is reduced to one week or less.

Accurate

- Fewer risks of transcription errors.
- Error rates of less than one percent.

Safe

- Tax information is secure.
- Only authorized users have access to the system.

Paperless

- Personal Identification Number (PIN) is used as the business filer's signature.

Take advantage of the New Employment Tax e-file System! Contact your software provider or visit the IRS Web site at <http://www.irs.gov>. Just click on the e-file logo where you'll find a link to Approved IRS e-file for Business Providers and Partners who offer software for the New Employment Tax e-file System. **IRS**

Where to File – Business Returns and Filing Addresses

Finding addresses to file Internal Revenue Service (IRS) tax forms has just become much easier for taxpayers and tax practitioners. This month the IRS launched a new "Where to File" Web address on the Internet. With only a few keystrokes, taxpayers and practitioners now have access to the proper mailing address to ensure that business returns are received and processed in a timely manner. Please bookmark this site for easy access and share with others who file returns with the IRS. Click on: <http://www.irs.gov/file/article/0,,id=111453,00.html>. **IRS**

Year-End Reminders continued from page 1**January**

- Reconcile W-2 totals against the four Forms 941 for 2003.
- Run a report to verify W-2 information before printing the forms. Make sure you have a Social Security Number for each employee. Review employees with wages higher than the Social Security wage base (\$87,000 for 2003), benefits that must be reported in box 10 or 12, or statuses that must be checked in box 13.
- Buy postage for mailing Forms W-2.
- If your company offers any pre-tax deductions, prepare a notice for employees that explains the calculations of the numbers in boxes 1, 3, and 5.

By February 2*(January 31 falls on a Saturday)*

- Deliver or mail Forms W-2, "Wage and Tax Statement," to all 2003 employees.
- File Form 941 (943 for agricultural employers), "Employer's Quarterly Federal Tax Return."
- File Form 940 (940-EZ for certain one-state employers), "Employer's Annual Federal Unemployment (FUTA) Tax Return."

- For each of Forms 941, 943, 940, and 940-EZ, if all taxes have been deposited when due, the deadline is extended until February 10.

February 16

- For any employee who claimed exemption from withholding last year, but has not submitted a 2004 W-4, begin withholding based on a marital status of "single" and zero withholding allowances.

By March 1*(February 28 falls on a Saturday)*

- File Forms W-2 (Copy A) with the Social Security Administration. If you file electronically, you have an extra month (until March 31) to file (see <http://www.socialsecurity.gov/employer>).

March

- While your year-end experience is still fresh in your mind, review the process and evaluate its strengths and weaknesses. Note changes you should make for next year. **APA**

This article was supplied by the American Payroll Association (<http://www.americanpayroll.org>) in stakeholder partnership with the IRS and SSA.

Introducing EFTPS –
Express Enrollment For New Businesses

Beginning in January 2004, businesses requesting a new EIN (Employer Identification Number) that have Federal Tax Deposit requirements will be pre-enrolled in the Electronic Federal Tax Payment System (EFTPS) to make all their payments electronically—online (<http://www.eftps.gov>) or by phone.



When taxpayers receive their new EIN, they will also receive a separate mailing containing instructions for activating their EFTPS enrollment. Activation involves calling an 800-number, entering banking information, and completing an authorization for EFTPS to transfer funds from their account to Treasury's account for tax payments per their instructions.

Express Enrollment is designed to help taxpayers begin making tax payments faster for their new businesses by using an electronic method of payment that offers payment history and acknowledgement of receipt versus waiting for coupons to arrive in the mail.

Watch your mail for more information if you request a new EIN. **IRS**

IRS Updates
the 'Dirty Dozen'
Common Scams for 2003

WASHINGTON – In an update of an annual consumer alert, the Internal Revenue Service urged taxpayers to avoid falling victim to one of the "Dirty Dozen" tax scams. In the new 2003 ranking, several new scams have reached the top of the consumer watch list, including offshore banking and identity theft schemes. The IRS and other federal agencies are aggressively pursuing and successfully prosecuting promoters of these schemes and many of their clients for fraud and tax evasion. These can result in imprisonment, fines and repayment of taxes owed with interest and penalties. Even innocent taxpayers involved in these schemes can face a staggering amount of back interest and penalties. For more information: <http://www.irs.gov/newsroom/article/0,,id=107493,00.html>. **IRS**

Social Security Changes continued from page 1

Social Security beneficiaries who haven't reached full retirement age can earn \$11,640 before their benefits are reduced. For every \$2 a person earns over \$11,640 before the year of his or her full retirement age, \$1 is withheld from benefits.

In the year employees reach full retirement age, \$1 in benefits is deducted for each \$3 they earn above \$31,080 until the month the employees reach full retirement age.

Benefits are not reduced when employees are full retirement age or older, no matter how much they earn.

Employees receiving Social Security disability benefits must report all wages, no matter how little they earn. **SSA**

**The full retirement age is increasing in gradual steps until it reaches age 67. This change began in 2003, and it affects people born in 1938 or later.*

SSA/IRS Reporter is published quarterly, Spring (March), Summer (June), Fall (Sept.), and Winter (Dec.) by the IRS Small Business/Self-Employed Communications Office.

Comments may be sent to: Joel R. Klein, Editor

Send mail to: Internal Revenue Service, Small Business/Self-Employed Communications, 600 17th Street, MS:6400 DEN Denver, CO 80202-2490

e-mail: SSA.IRS.REPORTER@irs.gov Fax: 303-446-1764

Check Out the New Child Support Web Site for Employers!

The Federal Office of Child Support Enforcement's new "Employer Services" Web site is designed especially for employers. You can access the site at <http://www.acf.hhs.gov/programs/cse/newhire/employer/home.htm>. The Web site is a handy reference on child support, including helpful tips, calculation examples, state-by-state practices, publications, contact information, frequently asked questions and linked resources to help you meet your responsibilities in child support enforcement and ensure the financial security of children and families. You'll find all you need to know about new-hire reporting, income withholding, medical support, remitting payments, electronic payments, and termination notices. **DHHS**

Distinct EIN Hotline Number to be Discontinued

Two new services for business taxpayers has made it possible for the IRS to close its distinct telephone number for obtaining an employer identification number (EIN). Taxpayers who need an EIN should now use the new business and speciality tax line, 800-829-4933, or the new on-line EIN application at <http://www.irs.gov>. Hours for the new line are Monday - Friday, 7:00 a.m. to 10:00 p.m. local time. On-line EIN is available 24 hours a day, seven days a week. **IRS**

IRS Issues Fall Edition of FSLG Newsletter

The IRS recently issued the Fall 2003 edition of the *Federal, State and Local Governments Newsletter (FSLG)* on the IRS Web site at: <http://www.irs.gov/govt/fslg/article/0,,id=103384,00.html>.

The *FSLG Newsletter* is specifically written for federal, state and local government employers. The current edition features articles on information return reporting, backup withholding, chore workers, tax-exempt bonds, and other topics. It also provides an IRS FSLG contact list for further information.

The *FSLG Newsletter* is a publication of the Federal, State, and Local Governments office of the Tax Exempt and Government Entities Operating Division. It is issued electronically on a quarterly basis and provides information that is of specific interest to governmental employers. To subscribe to the *FSLG Newsletter*, employers can visit "The Newsroom" section (at the top of the page) on <http://www.irs.gov>. Look under the "contents" listing (in the left column) and click on "e-News Subscriptions." **IRS**

HELP Telephone Numbers and Web Addresses to Use When You Have Questions:

Internal Revenue Service

Business and Specialty Tax Line
800-829-4933

Electronic Federal Tax Payment System (EFTPS) Hotline
800-555-4477 or 800-945-8400

Employee Plans Taxpayer Assistance Telephone Service
877-829-5500 (toll free)

Employer Identification Number (EIN) Request Number
800-829-4933
Monday - Friday, 7:00 a.m. to 10 p.m., local time or www.irs.gov, key word (upper right) "EIN."

Form 941 and Form 940 Filing On-Line Filing Program / Austin Submission Center

New Toll Free Number for e-Help
866-255-0654
Supports IRS e-file, TeleFile and future e-services customers.
Go to www.irs.gov/efile/article/0,,id=109708,00.html for specifics.

Forms (IRS)
Forms may be ordered at 800-829-3676.

General IRS Tax Law Questions and Account Information
800-829-1040

Information Reporting Program Customer Service Section
866-455-7438 (toll free)
304-263-8700 (non-toll free)
Monday - Friday, 8:30 a.m. to 4:30 p.m., ET.

Telecommunications Devices for the Deaf (TDD) may be reached non-toll free at 304-267-3367.

Taxpayers can contact this unit via e-mail at mcirp@irs.gov.

Information Reporting Program Web Page
www.irs.gov/smallbiz

IRS Tax Fax
703-368-9694 (non-toll free)
This service offers faxed topical tax information.

Keywords on IRS.gov
IRS.gov is now using keywords as another way to help makes your visit less taxing! Look for the IRS to begin publishing keywords in its public service, outreach, and other materials for taxpayers and tax professionals. For a current list and more information about IRS keywords, check out www.irs.gov/help/article/0,,id=108258,00.html.

National Taxpayer Advocate's Help Line
877-777-4778 (toll free)

Social Security Tax Questions
Social Security Tax questions should be referred to the IRS at 800-829-1040.

Taxpayer Advocacy Panel
888-912-1227 (toll-free)

Telephone Device for the Deaf (TDD)
800-829-4477

Tele-Tax System
800-829-4477

Social Security Administration

Copy A / Form W-2 Reporting
Questions about wage reporting (submitting Copy A of Form W-2 to SSA) should be referred to the SSA's Employer Reporting Service at 800-772-6270 or e-mailed to employerinfo@ssa.gov.

General SSA Benefit Questions
General Social Security benefit questions should be referred to SSA's Tele Service Center at 800-772-1213.

Paper Form W-2 Filers

Do you wait until the last minute to file your paper Forms W-2 with Social Security? Do you use a typewriter or maybe even a pen to complete the forms? Are you tired of the paper that inundates your desk every January? Well, you're not alone.

Each year, businesses send 48 million paper Forms W-2 to Social Security. That's 230 tons of paper delivered to our doorstep during January and February each year! It is a labor-intensive, costly task to process each one of the forms.

Over the years, Social Security has implemented improvements to the paper filing process; e.g., scanners, laser printed forms, etc. But those solutions do not reduce the paperwork burden or costs to businesses and taxpayers.

That is why Social Security created an electronic filing option specifically for the paper filer. It's called W-2 Online and it was designed for the small employer who may have limited computer skills. It's a fast, secure alternative to all those paper forms. All you need is a computer with Internet access (available at most libraries), Adobe® Acrobat Reader™ software (available free from Adobe Systems Web site), and a printer.

Here's a brief snapshot of how it works. First, you'll need to register with Social

continued on page 6

W-2 Online *continued from page 5*

Security for a PIN and password. Next, you can log on to the Business Services Online Web site and fill in up to 20 Forms W-2 on your computer screen. Social Security will prepare the transmittal Form W-3 for you – calculated from your W-2s. Third, review the information and print copies for your employees and your records. And finally, with one click you can submit the whole file electronically.

That's all there is to it. And don't worry if you have more than 20 W-2s to file. When you use W-2 Online, you can submit multiple sets of 20.

There are many advantages to filing electronically. For instance, you get a later filing deadline (electronic filers have until March 31 to file – a full month later than paper filing); you're provided with an electronic receipt that you can print as proof of timely filing; and you can track the status of your W-2 report as it's processed. And best of all it's free!

Call Social Security's Employer Hotline at 800-772-6270 and ask for a copy of the *Business Services Online Handbook*. It contains complete step-by-step instructions for getting your PIN and password and using *W-2 Online*. Also ask for "The Expert" serving your State for one-on-one assistance with filing electronically.

Computer-Generated Paper Forms W-2

A large number of companies use payroll/ tax software to generate paper Forms W-2 even though the software may already be programmed for electronic filing. Ask your vendor if his or her software is formatted according to Social Security's Magnetic Media Reporting and Electronic Filing (MMREF-1) specification. If it is, then you're one click away from filing electronically. **SSA**

Social Security Guidelines for Employers Hiring Foreign Workers

As an employer, you may hire temporary employees from abroad. If so, you expect your employees to have a Social Security number so you can report their wages. As you know, a Social Security number generally is assigned only to people who are authorized to work in the United States. In order to get a Social Security number, foreign workers must comply with several federal laws and regulations before they can get a number and work in the United States. If you are thinking of hiring foreign workers, here is some information for you.

Why does it take so long to get a Social Security number?

Social Security verifies the information on applications and documents to make sure Social Security numbers are issued only to qualified applicants. When foreign workers apply for Social Security numbers, their applications and documents are verified with the Department of Homeland Security (DHS). The DHS advises Social Security if the applicant is authorized to work in the United States. It may take a few days or several weeks to get a Social Security number depending on how long it takes to verify the documents presented. Social Security will issue a number within 2 days of receiving the verification from DHS.

What are your responsibilities to your foreign workers?

As an employer, you should advise your foreign workers that they are required to apply for a Social Security number. You can hire foreign workers who have applied for Social Security numbers, but do not yet have one. If you do so, you must pay their wages as scheduled; you may not delay payment pending receipt of their Social Security numbers. In some instances, foreign

workers may leave your employ before their Social Security numbers are issued, so you should get as much identifying information as possible. You need to know the foreign worker's full name as it appears on his or her passport and Social Security number application (sometimes they are different), date of birth, place of birth, father's full name, mother's full maiden name, gender, address, telephone number, the location of the Social Security office where the person applied for the number and the date of the application.

How do you report wages for foreign workers who don't have a Social Security number?

When it's time to file your wage reports, you can file even if your foreign workers don't have Social Security numbers. On the paper form in Box "d" enter "Applied For". If you file your wage reports electronically or on magnetic tape or cartridge, enter zero in the field for Social Security numbers.

Tell your foreign workers that it's important they give you their Social Security number. The foreign worker should know that even if they no longer work for you or they return home, you still need to know their Social Security number to report their wages.

What do I do when foreign workers give me their Social Security number after I file my wage report?

You have to do a "Corrected Wage and Tax Statement," Form W-2c, to show the foreign workers Social Security numbers.

If you are planning to hire foreign workers, here is some information you can give them.

How do I apply for a Social Security Number?

Applying for a Social Security number is free. When you apply for a Social

Security number at a Social Security office, you must complete Form SS-5, "Application for a Social Security Card," and provide the necessary documents. All documents must be either originals or copies certified by the issuing agency. Social Security cannot accept photocopies or notarized copies of documents. Here are some examples of the documents you must bring:

Age: A birth certificate is generally the best evidence of age, and must be presented if it is in your possession or can easily be obtained. If not, Social Security can consider other documents, such as your passport or a document issued by the Department of Homeland Security (DHS), to prove your age.

Identity: Social Security must see a document other than your birth certificate that shows the name you want on your Social Security card. Social Security prefers a recently issued document with a photograph, such as a document issued by DHS.

Immigration status: Social Security needs to see the DHS document I-94, "Arrival/Departure Record," issued to you when you arrived in the United States, showing your lawful immigration status.

Eligibility to work: For most foreign workers, Social Security only needs to see your I-94, "Arrival/Departure Record." And, if you are an exchange visitor, you must provide your IAP-66, or DS-2019, "Certificate of Eligibility for Exchange Visitor (J-1) Status." (If you are in the United States as a student or an international visitor, you will also need an original, signed letter from your sponsor showing that you are authorized to work.) **SSA**