

Supporting Statement To Correct Information

Do Not File Separately

▶ **Attach to the employment tax return on which adjustments are made.**

Name	Employer identification number
Telephone number	A This form supports adjustments to: Check one box. <input type="checkbox"/> Form 941 <input type="checkbox"/> Form 941-SS <input type="checkbox"/> Form 945 <input type="checkbox"/> Form 941-M <input type="checkbox"/> Form 943
B This form is filed with the return for the period ending (month, year) ▶	C Enter the date you discovered the error(s) reported on this form. (If you are making more than one correction and they were not discovered at the same time, please explain in Part V.) . . . ▶

Part I Signature and Certification (You **MUST** complete this part for the IRS to process your adjustments for overpayments.)

I certify that Forms W-2c, Statement of Corrected Income and Tax Amounts, have been filed (as necessary) with the Social Security Administration, and that (check appropriate boxes):

- All overcollected income taxes for the current calendar year and all social security and Medicare taxes for the current and prior calendar years have been repaid to employees. For claims of overcollected employee social security and Medicare taxes in earlier years, a written statement has been obtained from each employee stating that the employee has not claimed and will not claim refund or credit of the amount of the overcollection.
- All affected employees have given their written consent to the allowance of this credit or refund. For claims of overcollected employee social security and Medicare taxes in earlier years, a written statement has been obtained from each employee stating that the employee has not claimed and will not claim refund or credit of the amount of the overcollection.
- The social security tax and Medicare tax adjustments represent the employer's share only. An attempt was made to locate the employee(s) affected, but the affected employee(s) could not be located or will not comply with the certification requirements.
- None of this refund or credit was withheld from employee wages.

Sign Here	Signature ▶	Title ▶	Date ▶
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Part II Income Tax/Backup Withholding Adjustment

	(a) Period Corrected (Quarterly returns, enter date quarter ended. Annual returns, enter year.)	(b) Withheld Income Tax Previously Reported for Period	(c) Correct Withheld Income Tax for Period	(d) Withheld Income Tax Adjustment
1				
2				
3				
4				
5	Net withheld income tax/backup withholding adjustment. If more than one page, enter total of all columns (d) on first page only. Enter here and on the appropriate line of the return with which this form is filed . . . ▶			5

Part III Social Security Tax Adjustment (Use the tax rate in effect during the period(s) corrected. You must also complete Part IV for return periods beginning after 12/31/90.)

	(a) Period Corrected (Quarterly returns, enter date quarter ended. Annual returns, enter year.)	(b) Wages Previously Reported for Period	(c) Correct Taxable Wages for Period	(d) Tips Previously Reported for Period	(e) Correct Taxable Tips for Period	(f) Social Security Tax Adjustment
1						
2						
3						
4						
5	Totals.—If more than one page, enter totals on first page only. ▶					
6	Net social security tax adjustment. If more than one page, enter total of ALL columns (f) on first page only. Enter here and on the appropriate line of the return with which this form is filed . . . ▶					6
7	Net wage adjustment. If more than one page, enter the total of ALL lines 7 on first page only. If 5(c) is smaller than 5(b), enter difference in parentheses . . . ▶					7
8	Net tip adjustment. If more than one page, enter the total of ALL lines 8 on first page only. If 5(e) is smaller than 5(d), enter difference in parentheses . . . ▶					8

Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 8 hours and 59 minutes.

If you have comments concerning the accuracy of this time estimate or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

Changes You Should Note.—All nonpayroll items have been removed from **Form 941**, Employer's Quarterly Federal Tax Return, beginning in the first quarter of 1994. The nonpayroll items include backup withholding and withholding for pensions, annuities, IRAs, and gambling winnings. These nonpayroll items will be reported on **Form 945**, Annual Return of Withheld Federal Income Tax. Form 945 is an annual tax return and the return for 1994 will be due January 31, 1995. **Form 941E**, Quarterly Return of Withheld Federal Income Tax and Medicare Tax, will be eliminated. Previous filers of Form 941E will be required to report any employment tax and withholding from wages on Form 941 beginning in the first quarter of 1994. Income tax withholding on nonpayroll items will be reported on Form 945.

Adjustments To Correct Previously Filed Forms 941E.—Beginning in 1994, if you discover an error on a previously filed Form 941E, you may correct it by making a current period adjustment on Form 941. Generally, you are not permitted to correct income tax withholding errors made in a prior calendar year. However, if you must correct an administrative error for nonpayroll income tax withholding (reported on Form 941 or 941E), you may make an adjustment on Form 945. Refer to **Circular E**, Employer's Tax Guide, and the instructions for Forms 941 and 945 for more information on making prior period adjustments.

Purpose.—Form 941c may be used to correct income, social security, and Medicare tax information reported on Forms 941, 941-E, 941-SS, 941-M, 943, or 945. Attach it to the tax return on which you are claiming the adjustment (Form 941, etc.).

Form 941c is not an amended return and **should never be filed separately**. Adjustments should be made on the return (e.g., Form 941) for the period during which the error was discovered. There is no limit on the number of adjustments that can be made, and these adjustments can be for corrections to more than one prior period. The net adjustment increases or decreases your tax liability for the period in which the error was discovered and adjusted.

Increase or decrease your next employment tax deposit by the amount of the net adjustment. Form 941c, or an equivalent statement, must be attached to the return showing the adjustment(s) to provide the required background information and certifications. If prior period adjustments are made in this manner they will be interest free.

If your adjustment(s) corrects an overpayment, you have the option of applying for a refund using **Form 843**, Claim for Refund and Request for Abatement, instead of making an adjustment as discussed above. If you choose to file Form 843, you will receive a refund check instead of reducing your current employment tax deposits. The adjustment method generally will result in a faster refund of the overpayment. When filing Form 843, attach Form 941c or an equivalent statement.

You may use Form 941c even though you filed the original return on magnetic media.

You are not required to correct tax liability for deposit purposes shown on the Monthly Summary of Federal Tax Liability (e.g., line 17 of Form 941) or Schedule B (Form 941) or to correct tax deposits made. You are also not required to correct the amount previously reported on Form 941, Line 2, Total wages and tips subject to withholding, plus other compensation.

If you did not file a return for one or more return periods, do **not** use Form 941c to report the information. Instead, file the required returns.

Note: *For the purposes of making adjustments for prior period returns, all of the above returns (quarterly and annual) are considered to be filed on April 15 of the year after the close of the tax year, and the adjustment may be made only within 3 years of that date.*

Specific Instructions

Complete all applicable columns in the line for each return period you are correcting. Show the total amount paid to all employees, not the amount for each individual employee, on Form 941c. If you need more space, use additional Forms 941c. If you use additional Forms 941c as continuation pages, be sure the total and net adjustment lines on the first form include the totals from the continuation pages. These lines are line 5 of Part II, lines 5 through 8 of Part III, and lines 5 through 7 of Part IV.

Item A—Check the box for the kind of return being adjusted.

Item B—Show the return period in which you are reporting tax adjustment(s). Attach Form 941c to the return for this period. **DO NOT** show the return period(s) being corrected in this entry space.

Item C—Enter the date you discovered the error(s). If you are making more than one correction and they were not discovered at the same time, please explain in Part V. The date you discover the error(s) is the date your tax liability increases or decreases. Your deposits for this date must be adjusted accordingly.

Part I—Signature and Certification—If any adjustment is for an overpayment, it cannot be processed unless at least one of these boxes is checked and the signature provided. If you obtained written consents or statements from some employees but were unable to locate or secure the cooperation of the remaining employees, check both boxes 2 and 3. Provide a summary in Part V of the amount of the adjustments for employees who provided statements and for those who did not. You are entitled to an adjustment for both the employer and employee shares of social security and Medicare taxes for those employees who provided the required written statement. You may make adjustments for only the employer's share for those employees that did not provide statements.

Part II—Income Tax/Backup Withholding Adjustment—Use this section to correct income tax and backup withholding information you previously reported. Show the total amount of tax withheld, not the amount withheld from each individual.

After the end of the year, you cannot adjust the amounts reported as income tax withheld or backup withholding unless it is to correct an administrative error. An administrative error would be any error that does not change the amount of income tax that was actually withheld. For example, if the total income tax actually withheld was incorrectly reported due to a mathematical computation or transposition error, this would be an administrative error.

You will not be allowed a refund or credit for any prior year overpayment of income tax or backup withholding that you withheld. This is because the amount of withholding shown on **Form W-2**, Wage and Tax Statement, is used as a credit when filing the income tax return (Form 1040, etc.). If you are making an administrative adjustment for a period during a prior calendar year, provide an explanation in Part V.

Part III—Social Security Tax Adjustment—Use this section to correct social security wages and tips information you previously reported. You may also use this section to support adjustments that increase or decrease social security taxes on current returns.

You may make corrections for more than one period on Form 941c. However, if you filed two or more types of tax returns that need correction (for example, Form 941 and Form 943), use a separate Form 941c for each type of return.

Complete all applicable columns in the line for each return period you are correcting. If you need more space, use additional Forms 941c. Show the total amount paid to all employees, not the amount for each individual employee, on Form 941c. If you are reducing social security taxes for an earlier period, be sure to read and check the appropriate boxes in the Signature and Certification section.

Since Form W-2 is used by the Social Security Administration (SSA) to post the employee's social security wages and tips to his or her earnings record, you must file a **Form W-2c**, Statement of Corrected Income and Tax Amounts, with the SSA and give copies to the employee for any social security correction made after the Form W-2 has been filed with the SSA.

Part IV—Medicare Tax Adjustment— **Note:** *Only use this part for return periods beginning after 12/31/90.* Use this section to correct Medicare wages and tips information you previously reported.

Exception—Some government employees have been subject only to Medicare tax during periods before 1991. Government employers should use Part IV to report adjustments to Medicare taxes withheld for these employees prior to 1991.

If you are reducing Medicare taxes for an earlier period, be sure to read and check the appropriate boxes in the Signature and Certification section. You must file a Form W-2c with the SSA and give copies to the employee for any Medicare correction made after the Form W-2 has been filed with the SSA.