

Quarterly Return of Withheld Federal Income Tax and Medicare Tax

▶ See Circular E for more information concerning Employment Tax Returns.

OMB No. 1545-0029
 Expires 5-31-93

Your name, address, employer identification number, and calendar quarter of return. (If not correct, please change.)

Name _____ Date quarter ended _____
 Address (number and street) _____ Employer identification number _____
 City, state, and ZIP code _____

T
FF
FD
FP
I
T

If address is different from prior return, check here

IRS Use	1	1	1	1	1	1	1	1	1	2	3	3	3	3	3	4	4	4
	5	5	5	6	7	8	8	8	8	8	9	9	9	10	10	10	10	10

If you do not have to file returns in the future, check here Date final wages paid . . . ▶ _____
 If you are an intermittent filer, see **Intermittent filers** on page 2 and check here

Complete for First Quarter Only			
1	Number of employees (except household) employed in the pay period that includes March 12th	▶	1
2	Total wages and tips subject to withholding, plus other compensation	▶	2
3	Total income tax withheld from wages, tips, pensions, annuities, sick pay, gambling, etc.	▶	3
4	Adjustment of withheld income tax for preceding quarters of calendar year (see instructions)	▶	4
5	Adjusted total of income tax withheld (line 3 as adjusted by line 4)	▶	5
6	Taxable Medicare wages paid \$ _____ × 2.9% (.029)	▶	6
7	Adjustment of Medicare tax	▶	7
8	Adjusted total of Medicare tax (line 6 as adjusted by line 7)	▶	8
9	Backup withholding	▶	9
10	Adjustment of backup withholding tax for preceding quarters of calendar year	▶	10
11	Adjusted total of backup withholding (line 9 as adjusted by line 10)	▶	11
12	Total taxes (add lines 5, 8, and 11)	▶	12
13	Advance earned income credit (EIC) payments paid to employees, if any (see instructions)	▶	13
14	Net taxes (subtract line 13 from line 12). This should equal line IV below (plus line IV of Schedule A (Form 941) if you have treated backup withholding as a separate liability)	▶	14
15	Total deposits for quarter, including overpayment applied from prior quarter, from your records	▶	15
16	Balance due (subtract line 15 from line 14). This should be less than \$500. Pay to Internal Revenue Service	▶	16
17	Overpayment , if line 15 is more than line 14, enter excess here ▶ \$ _____ and check if to be: <input type="checkbox"/> Applied to next return OR <input type="checkbox"/> Refunded		

Record of Federal Tax Liability (You must complete if line 14 is \$500 or more and Schedule B (Form 941) is not required.)
 See the instructions before checking these boxes.

If you made deposits using the 95% rule, check here If you are a first time 3-banking-day depositor, check here

Date wages paid	Show tax liability here, <i>not deposits</i> . IRS gets deposit data from FTD coupons.					
	First month of quarter		Second month of quarter		Third month of quarter	
	1st through 3rd	A		I		Q
4th through 7th	B		J		R	
8th through 11th	C		K		S	
12th through 15th	D		L		T	
16th through 19th	E		M		U	
20th through 22nd	F		N		V	
23rd through 25th	G		O		W	
26th through the last	H		P		X	
Total liability for month	I		II		III	
IV Total for quarter (add lines I, II, and III). This should equal line 14 above ▶						

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature ▶ _____ Print Name and Title ▶ _____ Date ▶ _____

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: **Recordkeeping** 11 hr.; **Learning about the law or the form** 34 min.; **Preparing the form** 1 hr., 42 min.; **Copying, assembling, and sending the form to the IRS** 16 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0029), Washington, DC 20503. **DO NOT** send the tax form to either of these offices. Instead, see the instructions below for information on where to file.

Important Reminder.—The wage bases for the two parts of the social security tax (social security and Medicare) now are different. The 1992 wage base for Medicare is \$130,200.

The cost of group-term life insurance in excess of \$50,000 provided former employees is subject to both the employer and employee portion of Medicare tax. Include the cost of the excess coverage on line 6. Any uncollected Medicare tax must be reported as an adjustment on line 7.

Forms W-4.—Each quarter, send in with Form 941E copies of any Forms W-4 received during this quarter from employees (1) claiming more than 10 withholding allowances or (2) claiming exemption from income tax withholding if their wages are expected to be more than \$200 a week. Include on each copy your name, address, and employer identification number. Do not send copies for employees who no longer work for you at the end of the quarter. For details, see section 10 of Circular E.

Circular E, Employer's Tax Guide, explains the rules for withholding, paying, depositing, and reporting Federal income tax, social security and Medicare taxes, and Federal unemployment (FUTA) tax on wages and fringe benefits. **Circular A**, Agricultural Employer's Tax Guide, explains the rules for employers who have farmworkers. These rules are different, so please ask for this circular if you have farmworkers. You can get these circulars free from IRS offices.

General Instructions

Purpose of Form.—Use this form to report (1) the income tax you withheld, if any, and (2) the employer and employee Medicare tax for certain employers.

If you pay **ANY** wages fully taxable under social security and Medicare, file **Form 941**, Employer's Quarterly Federal Tax Return, not Form 941E.

Example. A, an insurance company, makes annuity payments under contracts bought by individuals. A has employees whose wages are subject to both social security and Medicare taxes. A must file Form 941 and combine the income tax withheld from annuities with the income tax withheld from A's employees' wages.

Who Must File.—Employers who report only backup withholding and withheld income tax and certain state and local government employers who report Medicare tax, but not both social security and Medicare taxes, should use this form. These include state and local governments who have not entered into an agreement with the Secretary of Health and Human Services to cover their employees under section 218 of the Social Security Act, payers of supplemental unemployment compensation benefits, certain churches and church-controlled organizations, and certain payers of annuities and sick pay.

Intermittent filers no longer file for quarters when they regularly have no tax liability because they have paid no wages. To alert the IRS that you will not have to file a return for one or more quarters during the year, check the **Intermittent Filer** box above line 1 on page 1. The IRS will mail two Forms 941E to the intermittent filer once a year after March 1. The preprinted label will not include the date the quarter ended. You must enter the date the quarter ended when you file the return. The IRS will generally not inquire about unfiled returns if at least one taxable return is filed each year. However, you must check the **Intermittent Filer** box on every quarterly return you file. Otherwise, the IRS will expect a return to be filed for each quarter.

But if you go out of business or stop paying wages, file a final return. Be sure to fill in the entries above line 1. You may also file Form W-2 with the Social Security Administration now but not later than March 2, 1993. The IRS will not mail you any Forms 941E after it receives your final return.

When To File.—File a return for the first quarter you are required to withhold income tax and for each quarter thereafter.

Due Dates for Returns

Quarter	Ending	Due Date
Jan.-Feb.-Mar.	Mar. 31	Apr. 30
Apr.-May-June	June 30	July 31
July-Aug.-Sept.	Sept. 30	Oct. 31
Oct.-Nov.-Dec.	Dec. 31	Jan. 31

If you deposited all taxes when due for a quarter, you have 10 more days after the above due date to file. For example, your return for the quarter that ends on March 31 would be due by May 10 instead of April 30. If the due date for filing a return falls on a Saturday, Sunday, or legal holiday, you may file the return on the next business day.

After you file your first return, we will send you a form every 3 months. We will print on it your name, address, employer identification number (EIN), and date the quarter ends. Please use this form. If you don't have a form, get one from an IRS office in time to file the return when due. If you use a form that is not preaddressed, please list your name and EIN exactly as shown on your last return. Also show the date the quarter ends.

Where To File.—

If your principal business, office or agency, or legal residence is located in:	File with the Internal Revenue Service Center at:
Florida, Georgia, South Carolina	Atlanta, GA 39901
New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester	Holtsville, NY 00501
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255
Indiana, Kentucky, Michigan, Ohio, West Virginia	Cincinnati, OH 45999
Kansas, New Mexico, Oklahoma, Texas	Austin, TX 73301
Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming	Ogden, UT 84201
California (all other counties), Hawaii	Fresno, CA 93888
Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee	Memphis, TN 37501

If you have no legal residence, principal place of business, or principal office or agency in any Internal Revenue District, file your return with the Internal Revenue Service Center, Philadelphia, PA 19255.

Employer Identification Number (EIN).— If you have not asked for a number, apply for one on **Form SS-4**, Application for Employer Identification Number. You can get this form from IRS or Social Security Administration (SSA) offices. If you do not have a number by the time a return is due, write "Applied for" and the date you applied in the space shown for the number. For more information about an EIN, including how to deposit taxes before you receive your EIN, see **Pub. 583**, Taxpayers Starting a Business. If you took over a business, please do not use the old owner's number.

Note: Always make certain that the EIN on the form you file matches the EIN assigned to your business by the IRS. Filing a Form 941E with an incorrect EIN or using another business's EIN may result in penalties and delays in processing your return.

Penalties and Interest.—There are penalties for filing a return late and paying or depositing tax late unless there is reasonable cause. If you are late, please attach an explanation to your return.

There are also penalties for willful failure to file returns and pay taxes (including making deposits) when due, collect tax, furnish statements to employees and file copies of Forms W-2 with SSA, or keep records, and for filing false or fraudulent returns or submitting bad checks.

Quarterly Return of Withheld Federal Income Tax and Medicare Tax

▶ See Circular E for more information concerning Employment Tax Returns.

Type or print
 in this space
 your name,
 address,
 employer
 identification
 number, and
 calendar
 quarter of
 return as
 shown on the
 original.

Name _____ Date quarter ended _____
 Address (number and street) _____ Employer identification number _____
 City, state, and ZIP code _____

YOUR COPY

If you do not have to file returns in the future, check here Date final wages paid . . . ▶ _____
 If you are an intermittent filer, see **Intermittent filers** on page 2 and check here

Complete for First Quarter Only			
1	Number of employees (except household) employed in the pay period that includes March 12th ▶	1	
2	Total wages and tips subject to withholding, plus other compensation . . . ▶	2	
3	Total income tax withheld from wages, tips, pensions, annuities, sick pay, gambling, etc. . ▶	3	
4	Adjustment of withheld income tax for preceding quarters of calendar year (see instructions) . ▶	4	
5	Adjusted total of income tax withheld (line 3 as adjusted by line 4) ▶	5	
6	Taxable Medicare wages paid \$ _____ × 2.9% (.029) ▶	6	
7	Adjustment of Medicare tax ▶	7	
8	Adjusted total of Medicare tax (line 6 as adjusted by line 7) ▶	8	
9	Backup withholding ▶	9	
10	Adjustment of backup withholding tax for preceding quarters of calendar year ▶	10	
11	Adjusted total of backup withholding (line 9 as adjusted by line 10) ▶	11	
12	Total taxes (add lines 5, 8, and 11) ▶	12	
13	Advance earned income credit (EIC) payments paid to employees, if any (see instructions) ▶	13	
14	Net taxes (subtract line 13 from line 12). This should equal line IV below (plus line IV of Schedule A (Form 941) if you have treated backup withholding as a separate liability) . . .	14	
15	Total deposits for quarter, including overpayment applied from prior quarter, from your records ▶	15	
16	Balance due (subtract line 15 from line 14). This should be less than \$500. Pay to Internal Revenue Service ▶	16	
17	Overpayment , if line 15 is more than line 14, enter excess here ▶ \$ _____ and check if to be: <input type="checkbox"/> Applied to next return OR <input type="checkbox"/> Refunded		

Record of Federal Tax Liability (You must complete if line 14 is \$500 or more and Schedule B (Form 941) is not required.)

See the instructions before checking these boxes.
 If you made deposits using the 95% rule, check here If you are a first time 3-banking-day depositor, check here

	Date wages paid	Show tax liability here, <i>not deposits</i> . IRS gets deposit data from FTD coupons.					
		First month of quarter		Second month of quarter		Third month of quarter	
DO NOT Show Federal Tax Deposits Here	1st through 3rd	A		I		Q	
	4th through 7th	B		J		R	
	8th through 11th	C		K		S	
	12th through 15th	D		L		T	
	16th through 19th	E		M		U	
	20th through 22nd	F		N		V	
	23rd through 25th	G		O		W	
	26th through the last	H		P		X	
	Total liability for month	I		II		III	
IV Total for quarter (add lines I , II , and III). This should equal line 14 above ▶							

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature ▶ _____ Print Name and Title ▶ _____ Date ▶ _____

Caution: A 100% penalty may apply where income, social security, and Medicare taxes that should be withheld are not withheld or are not paid to the IRS. Under this penalty, certain officers or employees of a corporation, or certain members or employees of a partnership become personally liable for the payments of the taxes and are penalized an equal amount.

Interest is charged on tax paid late at the rate set by law.

You can avoid penalties and interest by filing correct returns on time and by paying any tax due with the returns. See Circular E for additional information.

Specific Instructions

Reconciliation of Forms 941E and W-3.—Amounts reported on the four quarterly Forms 941E for 1992 should agree with the **Forms W-2, Wage and Tax Statement**, totals reported on **Form W-3, Transmittal of Income and Tax Statements**, filed with the SSA or with information filed on equivalent magnetic media reports. The amounts that should agree are Medicare wages and the advance earned income credit. If the totals do not agree, the IRS will require you to explain any differences and correct any errors. You can avoid this by making sure that correct amounts are reported on Forms 941E and W-3.

Line 1—Number of employees.—Complete for the January–March calendar quarter only. Do not include household employees, persons who received no pay during the pay period, pensioners, or members of the Armed Forces. If you have only household employees in the pay period, enter zero. An entry of 250 or more on line 1 indicates a need to file wage reports on magnetic media. You should immediately request Pub. TIB-4 from the SSA if not already a magnetic media filer. Call 1-800-772-1213 for more information.

Line 2.—Enter the total of all wages you paid, tips reported to you, taxable fringe benefits, and other compensation you paid to your employees even if you do not have to withhold income tax on it. Do not include annuities, supplemental unemployment compensation benefits, or gambling winnings even if you withheld income tax on them.

When an employer receives timely notice from its insurance carrier concerning the amount of third-party sick pay paid, the employer should include the third-party sick pay on this line. In these cases, an insurance carrier should not include third-party sick pay that it paid to the employees of policy holders. See section 19 of Circular E for more details.

Line 3.—Enter the total income tax you withheld on wages, tips, taxable fringe benefits, annuities, supplemental unemployment compensation benefits, and gambling winnings. An insurance company should enter the income tax it withheld on third-party sick pay here.

Line 4—Adjustment of withheld income tax.—Use line 4 to correct errors in income tax withheld from wages paid in earlier quarters of the same calendar year. Explain any amount on **Form 941c, Statement to Correct Information**, or attach a statement that shows: (a) what the error was; (b) ending date of each quarter in which the error was made; (c) the amount of the error for each

quarter; (d) the quarter in which you found the error; and (e) how you and your employee(s) have settled any overcollection or undercollection.

Do not use this line to adjust income tax withholding for earlier years.

Line 5—Adjusted total of income tax withheld.—Add line 4 to line 3 if you are reporting additional withheld income tax for an earlier quarter in this calendar year. Subtract line 4 from line 3 if you are reducing the amount of withheld income tax reported for an earlier quarter during this calendar year.

Line 6—Taxable Medicare wages.—State and local government employers use this line to report wages of employees that are subject to **ONLY** the Medicare portion of social security taxes. Do not report more than \$130,200 of wages for an employee in 1992. The combined tax rate is 2.9%.

Do not report wages here if you have any group covered by a section 218 agreement. Instead, report these wages on Form 941.

Line 7—Adjustment of Medicare tax.—Use this line to correct errors in Medicare tax reported on an earlier return. Explain any amount in an attached statement that shows the information required by items (a)–(e) of line 4 instructions. Also include the total uncollected employee Medicare tax on group-term life insurance premiums paid to former employees.

Line 9—Backup withholding.—Enter the income tax withheld as backup withholding.

Line 10—Adjustment of backup withholding.—Use this line to correct errors on backup withholding tax.

Line 13—Advance EIC payments.—Enter the total advance earned income credit (EIC) payments made to employees during the quarter.

Line 14—Net tax.—Subtract line 13 from line 12 and enter the result. If line 13 is more than line 12, enter the result in brackets. Complete the Record of Federal Tax Liability if line 14 is \$500 or more.

Line 15—Total deposits for the quarter.—Enter the total deposits for the quarter including backup withholding reported on Schedule A (Form 941) and any overpayment applied from the previous quarter.

Line 16—Balance due.—If you deposited all tax when due, any balance on this line will be less than \$500. Enter your EIN, "Form 941E," and the tax period to which the payment applies on your check or money order.

Line 17—Overpayment.—If you deposited more than the correct amount for a quarter, you can have the overpayment refunded or applied to your next return. Also, the IRS may apply your overpayment to any past due tax account that we have under your EIN.

Completing the Record of Federal Tax Liability (ROFT)

Note: This is a record of when you were liable for taxes, NOT a record of when you made a deposit.

(a) Line 12 is less than \$500.—You do not have to complete the ROFT.

(b) Your tax liability is \$500 or more but less than \$3,000 for each month of the

quarter.—Only enter your total liability for each month on the total lines (I, II, III, and IV). No other entries are required.

(c) Your tax liability is \$3,000 or more for at least one month during the quarter but less than \$100,000 during each eighth-monthly period.—Each month is divided into eight deposit periods (called eighth-monthly periods) that end on the 3rd, 7th, 11th, 15th, 19th, 22nd, 25th, and last day of the month as shown in the ROFT. Find the eighth-monthly period(s) during the quarter in which you had a payday. Make entries only on the lines next to these periods. (For example, if you pay wages on the 1st and 15th of each month, complete lines A, D, I, L, Q, T, and the monthly total lines.) Enter your tax liability (income tax withheld plus the employee and employer Medicare tax minus any advance earned income credit payments) for each eighth-monthly period during which you had a payday.

(d) Your tax liability is \$100,000 or more during any eighth-monthly period.—You **DO NOT** have to complete the ROFT. Instead, you must complete and attach **Schedule B (Form 941), Supplemental Record of Federal Tax Liability**. You must enter the total of Column 2 from Schedule B (Form 941) on line IV of the ROFT.

DO NOT show Federal tax deposits here. That information is obtained from the deposit coupon.

For tax deposit purposes, you can either combine backup withholding with other taxes reported on Form 941E and deposit the combined total, or you can treat backup withholding as a separate tax and deposit it separately following the deposit rules used for social security, Medicare, and withheld income taxes.

If you treat backup withholding as a separate tax, show the backup withholding amounts for deposit purposes on Schedule A (Form 941) and when depositing these taxes, mark the "Sch. A" entry on the deposit coupon. Schedule A (Form 941) must be attached to Form 941E.

The total of the tax liability column (line IV) (plus line IV of Schedule A if you have treated backup withholding as a separate liability) must equal Net taxes (line 14). Otherwise, you may be charged a penalty, based on your average tax liability, for not making deposits of taxes.

How To Make Deposits.—Use **Form 8109, Federal Tax Deposit Coupon**, to deposit your taxes. See Circular E, section 13, for information and rules concerning Federal tax deposits.

Do not use the deposit coupons to pay delinquent taxes for which you have received a notice from the IRS. These payments should be sent directly to your Internal Revenue Service Center along with a copy of any related notice the IRS sent you.

Check the first box at the top of the ROFT only if you are making deposits using the 95% rule explained in Circular E.

Check the second box at the top of the ROFT only if you qualify for the exception under Rule 4 explained in Circular E and attach a statement showing your net taxes for each of the preceding four calendar quarters.

Signature.—Be sure to sign the return.