

# Employer's Quarterly Federal Tax Return

American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands

▶ See Circular SS for more information concerning employment taxes.

OMB No. 1545-0029

Name (as distinguished from trade name)	Date quarter ended
Trade name, if any	Employer identification number
Address (number and street)	City, state, and ZIP code

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If address is different from prior return, check here ▶ <input type="checkbox"/>	IRS Use	1	1	1	1	1	1	1	1	1	2	3	3	3	3	3	3	3	4	4	4	5	5	5			
		6	7	8	8	8	8	8	8	8	8	8	9	9	9	9	9	9	9	10	10	10	10	10	10	10	10

If you do not have to file returns in the future, check here ▶  and enter date final wages paid ▶ \_\_\_\_\_  
 If you are a seasonal employer, see **Seasonal employers** on page 2 and check here . . . . . ▶

Complete Line 1 for First Quarter Only			
1	Number of employees (except household) employed in the pay period that includes March 12th . . . . .		1
2-5	[Hatched area]		
6	Taxable social security wages . . . . .	6a	× 12.4% (.124) = 6b
	Taxable social security tips . . . . .	6c	× 12.4% (.124) = 6d
7	Taxable Medicare wages and tips . . . . .	7a	× 2.9% (.029) = 7b
8	Total social security and Medicare taxes (add lines 6b, 6d, and 7b) . . . . .		8
9	Adjustment of social security and Medicare taxes (see instructions for required explanation). Sick Pay \$ _____ ± Fractions of Cents \$ _____ ± Other \$ _____ =		9
10	Adjusted total of social security and Medicare taxes (line 8 as adjusted by line 9—see instructions). <b>If \$2,500 or more, this must equal line 17, col. (d), below or line D of Schedule B (Form 941)</b> . . . . .		10
11-13	[Hatched area]		
14	Total deposits for quarter, including overpayment applied from prior quarter . . . . .		14
15	<b>Balance due</b> (subtract line 14 from line 10). See instructions . . . . .		15
16	<b>Overpayment.</b> If line 14 is more than line 10, enter excess here ▶ \$ _____ and check if to be: <input type="checkbox"/> Applied to next return      or <input type="checkbox"/> Refunded.		

- **All filers:** If line 10 is less than \$2,500, you need not complete line 17 or Schedule B (Form 941).
- **Semiweekly schedule depositors:** Complete Schedule B (Form 941) and check here . . . . . ▶
- **Monthly schedule depositors:** Complete line 17, columns (a) through (d), and check here . . . . . ▶

17 Monthly Summary of Federal Tax Liability. Do not complete if you were a semiweekly schedule depositor.			
(a) First month liability	(b) Second month liability	(c) Third month liability	(d) Total liability for quarter

**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 Your Name and Title ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

## Changes To Note

**Social security wage base for 2001.** Stop withholding social security tax after an employee reaches \$80,400 in taxable wages.

**Threshold for deposit requirement increased from \$1,000 to \$2,500.** For the quarter beginning January 1, 2001, if your tax liability for the quarter (line 10) is less than \$2,500, you are not required to make deposits and may pay the taxes with the return. See section 8 of **Circular SS** for more information.

## General Instructions

**Purpose of form.** Use this form to report social security and Medicare taxes for workers in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands.

**Circular SS, Federal Tax Guide for Employers in the U.S. Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands (Pub. 80),** explains the requirements for withholding, depositing, and paying social security and Medicare taxes. It explains the forms you must give your employees, those your employees must give you, and those you must send to the IRS. See **Pub. 15-A, Employer's Supplemental Tax Guide**, for specialized employment tax information supplementing the basic information provided in **Circular SS**.

**Who must file.** You must file a return for the first quarter in which you pay wages subject to social security and Medicare taxes, and for each quarter thereafter. Use Form 941-SS if your principal place of business is in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, or the U.S. Virgin Islands, or if you have employees who are subject to income tax withholding for these jurisdictions.

Once you have filed a return, a preaddressed Form 941-SS will be sent to you every 3 months. You must file a return each quarter, even if you have no tax liability to report. If the form fails to reach you, request one in time to file.

**Seasonal employers.** Employers are not required to 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 **Seasonal employer** box above line 1 on Form 941-SS. The IRS will mail you two Forms 941-SS once a year after March 1. The preprinted information will not include the date the quarter ended. **You must enter the date the quarter ended when you file the return.** The IRS generally will not inquire about unfiled returns if at least one taxable return is filed each year. However, you must check the **Seasonal employer** box on every quarterly return you file. Otherwise, the IRS will expect a return to be filed for each quarter.

**Note:** If you go out of business or stop paying wages, file a final return. Be sure to fill in the entries above line 1. See Form W-3SS for information on the earlier due dates for the expedited furnishing and filing of Form W-2AS, W-2GU, W-2CM, or W-2VI when a final Form 941-SS is filed.

**When to file.** A return must be filed for each quarter of the calendar year, as follows:

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

If you made deposits on time in full payment of the taxes for a quarter, you have 10 more days after the above due date to file. 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.

**Where to file.** Internal Revenue Service Center, Philadelphia, PA 19255.

**Where to obtain forms.**

**American Samoa.** Department of Treasury, Income Tax Division, Government of American Samoa, Executive Office Bldg., First Floor, Pago Pago, AS 96799.

**Guam.** Department of Revenue and Taxation, Government of Guam, Building 13-1 Mariner Avenue, Tiyjan Barrigada, GU 96913.

**Commonwealth of the Northern Mariana Islands.** Administrator, CNMI Social Security System, Saipan, MP 96960.

**U.S. Virgin Islands.** V.I. Bureau of Internal Revenue, 9601 Estate Thomas, Charlotte Amalie, St. Thomas, VI 00802. Employers in the U.S. Virgin Islands can now call 1-800-829-1040 to contact the IRS.

**Employer identification number (EIN), name, and address.** Use the preaddressed Form 941-SS mailed to you. If you lose it, request another.

If you are liable for social security and Medicare taxes and have not applied for an EIN, file a **Form SS-4, Application for Employer Identification Number**, available upon request. Do not show your social security number on forms calling for an EIN.

If you do not have an EIN by the time a return is due, write "Applied for" and the date you applied in the space shown for the number. If you do not have a number by the time a tax deposit is due, send your payment to the Internal Revenue Service Center where you file your returns. Make it payable to the "United States Treasury" and show on it your name (as shown on Form SS-4), address, kind of tax, period covered, and date you applied for an EIN. For more information about an EIN, see **Pub. 583, Starting a Business and Keeping Records**.

**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 941-SS with an incorrect EIN or using another business' 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 taxes late, unless reasonable cause is shown for the delay. If you are late in doing any of these, attach an explanation to your return.

There are also penalties for failure to (1) furnish Forms W-2AS, W-2GU, W-2CM, or W-2VI to employees and file copies with the SSA and (2) deposit taxes when required. In addition, there are penalties for willful failure to file returns and pay taxes when due and for filing false returns or submitting bad checks.

Interest is charged on taxes paid late at the rate set by law. See **Circular SS** for additional information.

**Caution:** A trust fund recovery penalty may apply if social security and Medicare taxes that must be withheld are not withheld or are not paid. Under this penalty, certain officers or employees of a corporation, employees of a sole proprietorship, or certain members or employees of a partnership become personally liable for payment of the taxes and are penalized an amount equal to the unpaid taxes. See section 9 of **Circular SS** for more details.

## Special Instructions for Employers of Agricultural and Household Employees

**Agricultural employees.** Agricultural wages must be reported on **Form 943, Employer's Annual Tax Return for Agricultural Employees**, and not on Form 941-SS.

**Household employees.** Employers who report wages on household employees, see **Circular SS** and **Pub. 926, Household Employer's Tax Guide**.

## How To Make Deposits

If your total taxes (line 10) are \$2,500 or more for the quarter, you must deposit your tax liabilities at an authorized financial institution with **Form 8109, Federal Tax Deposit Coupon**, or by using the **Electronic Federal Tax Payment System (EFTPS)**. For information on EFTPS, you may write to:

Department of the Treasury  
Internal Revenue Service  
EFTPS Enrollment Processing  
P.O. Box 4210  
Iowa City, IA 52244-4210

You may also see **Circular SS**, call 303-706-6585, or visit the IRS web site at [www.irs.gov](http://www.irs.gov) for EFTPS information.

See section 9 of **Circular SS** for information and rules concerning Federal tax deposits.

**Reconciliation of Forms 941-SS and W-3SS.** Certain amounts reported on the four quarterly Forms 941-SS for 2000 should agree with the Form W-2AS, W-2GU, W-2CM, or W-2VI, totals reported on the 2000 Form W-3SS, or with information filed with the SSA on equivalent magnetic media reports. The amounts that should agree are social security wages, social security tips, and Medicare wages and tips. If the totals do not agree, the IRS will require you to explain any differences and correct any errors.

**Adjustment of tax on tips.** If, by the 10th of the month after the month you received an employee's report on tips, you do not have enough employee funds available to withhold the employee's share of social security and Medicare taxes, you no longer have to collect it. Report the entire amount of these tips on lines 6c (social security tips) and 7a (Medicare wages and tips). Include as an adjustment in the "Other" space on line 9 the total uncollected employee share of the social security and Medicare taxes.

# Employer's Quarterly Federal Tax Return

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▶ See Circular SS for more information concerning employment taxes.

OMB No. 1545-0029

Name (as distinguished from trade name) \_\_\_\_\_ Date quarter ended \_\_\_\_\_

Trade name, if any \_\_\_\_\_ Employer identification number \_\_\_\_\_

Address (number and street) \_\_\_\_\_ City, state, and ZIP code \_\_\_\_\_

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If address is different from prior return, check here ▶  **IRS Use**

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

If you do not have to file returns in the future, check here ▶  and enter date final wages paid ▶ \_\_\_\_\_

If you are a seasonal employer, see **Seasonal employers** on page 2 and check here . . . . . ▶

**Complete Line 1 for First Quarter Only**

1 Number of employees (except household) employed in the pay period that includes March 12th . . . . .			1		
2-5					
6	6a	× 12.4% (.124) =	6b		
	6c	× 12.4% (.124) =	6d		
7	7a	× 2.9% (.029) =	7b		
8	Total social security and Medicare taxes (add lines 6b, 6d, and 7b)		8		
9	Adjustment of social security and Medicare taxes (see instructions for required explanation). Sick Pay \$ _____ ± Fractions of Cents \$ _____ ± Other \$ _____ =		9		
10	Adjusted total of social security and Medicare taxes (line 8 as adjusted by line 9—see instructions). <b>If \$2,500 or more, this must equal line 17, col. (d), below or line D of Schedule B (Form 941)</b>		10		
11-13					
14	Total deposits for quarter, including overpayment applied from prior quarter		14		
15	Balance due (subtract line 14 from line 10). See instructions		15		
16	Overpayment. If line 14 is more than line 10, enter excess here ▶ \$ _____ and check if to be: <input type="checkbox"/> Applied to next return      or <input type="checkbox"/> Refunded.				

- **All filers:** If line 10 is less than \$2,500, you need not complete line 17 or Schedule B (Form 941).
- **Semiweekly schedule depositors:** Complete Schedule B (Form 941) and check here . . . . . ▶
- **Monthly schedule depositors:** Complete line 17, columns (a) through (d), and check here . . . . . ▶

<b>17 Monthly Summary of Federal Tax Liability.</b> Do not complete if you were a semiweekly schedule depositor.			
(a) First month liability	(b) Second month liability	(c) Third month liability	(d) Total liability for quarter

**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 Your Name and Title ▶ \_\_\_\_\_ Date ▶ \_\_\_\_\_

## Specific Instructions

**Line 1—Number of employees.** Enter the number of employees on your payroll during the pay period including March 12 (on the January-March calendar quarter return only). Do not include household employees, persons who received no pay during the pay period, pensioners, or members of the Armed Forces.

**Line 6a—Taxable social security wages.** Enter the total wages (before deductions and excluding tips) subject to social security tax that you paid to each employee during the quarter. See section 4 of Circular SS for information on types of wages subject to social security tax. Enter the amount before deductions. Do not include tips on this line. Also include any sick pay and taxable fringe benefits subject to social security taxes. After you reach \$80,400 for an employee in 2001, including tips, do not report any amount you later pay the employee in the year. See the line 7a instructions for Medicare tax. If none of the payments are subject to social security tax, enter -0-.

**Line 6c—Taxable social security tips.** Enter all tips your employees reported during the quarter until tips and wages for an employee reach \$80,400 in 2001. Do this even if you were not able to withhold the employee tax (6.2%). However, see **Adjustment of tax on tips** on page 2.

An employee must report to you cash tips, including tips you paid to the employee for charge customers, totaling \$20 or more in a month by the 10th of the next month. The employee may use **Form 4070**, Employee's Report of Tips to Employer, or a written statement.

Do not include allocated tips on this line. Instead, report them on **Form 8027**, Employer's Annual Information Return of Tip Income and Allocated Tips. Allocated tips are not reportable on Form 941 and are not subject to withholding of income, social security, or Medicare taxes.

**Line 7a—Taxable Medicare wages and tips.** Report all wages and tips subject to the Medicare tax. If none of the payments are subject to the Medicare tax, enter -0-. Include all tips your employees reported during the quarter, even if you were not able to withhold the employee tax (1.45%). However, see **Adjustment of tax on tips** on page 2.

**Line 9—Adjustment of social security and Medicare taxes.**

**Current period adjustments.** In certain cases, amounts reported as social security and Medicare taxes on lines 6b, 6d, and 7b must be adjusted to arrive at your correct tax liability.

The most common current period adjustment is the **fractions of cents** (rounding) adjustment. Each pay period, you round off fractions of cents when computing social security and Medicare tax withholding for each employee. This rounding can result in a difference between the actual amount of tax withheld and deposited (with your share) and the amount of total tax on line 8. If there is a difference due to fractions of cents rounding, report it as an adjustment on line 9 and in the "Fractions of Cents" entry space.

See page 2 for information on adjustments for uncollected tax on tips. Information on current period adjustments for group-term life insurance premiums paid for former employees and sick pay paid by a third-party payer is available in section 13 of **Circular E**, Employer's Tax Guide.

**Prior period adjustments.** Use line 9 to correct errors in tax reported on an earlier return. If you report both an underpayment and an overpayment, show only the net amount. Enter the adjustments for sick pay and fractions of cents (see instructions above) in the appropriate line 9 entry spaces. Enter the amount of all other adjustments in the "Other" entry space, and enter the total of the three types of adjustments in the line 9 entry space to the right. Except for current period adjustments, explain any amount on line 9 on **Form 941c**, Supporting Statement To Correct Information, or attach an equivalent supporting statement.

Because Form W-2AS, W-2GU, W-2CM, or W-2VI is used by the SSA to post the employee's wages to his or her earnings record, you must give a corrected form to the employee if a form was issued showing any incorrect information. Use **Form W-2c**, Corrected Wage and Tax Statement. Give employees Copies B and C of Form W-2c. Send Copy A of the Form W-2c, together with **Form W-3c**, Transmittal of Corrected Wage and Tax Statements, to the Social Security Administration.

**Line 10—Adjusted total of social security and Medicare taxes.** Add line 9 to line 8 if line 9 is positive. Subtract line 9 from line 8 if line 9 is negative.

**Line 15—Balance due. You do not have to pay if line 15 is under \$1.** You should have a balance due only if your total tax liability for the quarter (line 10) is less than \$2,500. (However, see section 9 of Circular SS regarding payments made under the accuracy of deposits rule.) If line 10 is \$2,500 or more and you have deposited all taxes when due, the amount shown on line 15 (balance due) should be zero. Pay to the United States Treasury. Enter your EIN, "Form 941-SS," and the tax period on your payment.

**Caution:** *If you fail to make deposits as required and instead pay these amounts with your return, you may be subject to a penalty.*

**Line 16—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 under your EIN. If line 16 is under \$1, we will send a refund or apply it to your next return only on written request.

**Line 17—Monthly summary of Federal tax liability. Note:** *This is a summary of your monthly tax liability, not a summary of deposits made. If line 10 is less than \$2,500, do not complete line 17 or Schedule B (Form 941).*

Complete line 17 only if you are a monthly schedule depositor (see Circular SS, section 9, for more details on the deposit rules). You are a monthly schedule depositor for the calendar year if your Form 941-SS taxes (line 10) reported for the lookback period are not more than \$50,000. The lookback period is the four consecutive quarters ending on June 30 of the prior year. For 2001, the lookback period begins July 1, 1999, and ends June 30, 2000. If you reported more than \$50,000 during the lookback period or accumulated \$100,000 or more on any day during a month, do not complete columns (a) through (d) of line 17. Instead, complete and attach Schedule B (Form 941).

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on this form to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Subtitle C, Employment Taxes, of the Internal Revenue Code imposes employment taxes on wages. This form is used to determine the amount of the taxes that you owe. Section 6011 requires you to provide the requested information if the tax is applicable to you. Section 6109 requires you to provide your employer identification number (EIN). Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia for use in administering their tax laws. If you fail to provide this information in a timely manner, you may be subject to penalties and interest.

You are 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.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 7 hr., 54 min.; **Learning about the law or the form**, 18 min.; **Preparing and sending the form to the IRS**, 25 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the tax form to this address. Instead, see **Where to file** on page 2.

