

TO: All University Employees

FROM: Robin Trainor, Director of Disbursements

DATE: January 2, 2013

SUBJECT: Important Tax Information

2013 Tax Withholding Information

Social Security Wage Base and Medicare Tax Rates for 2013

The Social Security Wage Base will be \$113,700 for 2013 for a maximum Social Security tax of \$7,049.40. In 2013, the social security tax rate will be 6.2%. As of January 1, 2013, the employee portion of the payroll tax for Social Security reverted to its normal rate of 6.2% -- up from the 4.2% it's been since 2011. The tax had been temporarily reduced by 2 percent. You will see this change in withholding starting with the January payrolls.

The Medicare tax rate will remain 1.45% on the first \$200,000 of wages. All wages in excess of \$200,000 will be taxed at 2.35%. This higher rate will begin on the paycheck in which the employee's wages exceed the \$200,000.

Changes in Filing Status

Please note that you are required to file a new Form W-4 for the next calendar year if your filing status or number of allowances has changed. Examples of a change in filing status or number of allowances are:

- You become divorced or legally separated.
- Your spouse dies.
- You were married.
- There has been a birth or adoption of a child.

If you have a change in filing status or allowances, you can complete a new Form W-4 for 2013 via the BUSS (buss.brandeis.edu).

Claiming Exempt on Form W-4

Employees, including students, claiming 'exempt' from withholding during calendar year 2012 on their Form W-4 must submit to payroll a new Form W-4 by February 15, 2013 to renew their 'exempt' status. If the Payroll Office does not receive a new completed Form W-4 by February 15, 2013, per IRS regulations, the Payroll Office must begin withholding federal income tax on February 16, 2013 as if the employee is single, with zero withholding allowances. Please note that students do not need to file a Form W-4 for FICA exemption. FICA is not withheld during the academic year for any student. Being a full time student and a dependent does not automatically exempt someone from withholding requirements. Please consult your tax advisor for your particular situation.

Requests for Duplicate Form W-2 for 2012 and prior years

Original W-2s for 2012 will be mailed, per IRS regulations, by January 31, 2013. Requests for duplicate W-2s for 2012 must be made in writing by completing a "W-2 Request Form". This form is available on the Payroll website (www.brandeis.edu/financialaffairs/forms/payroll-forms.html). In order to protect your privacy and ensure that only you receive the duplicate W-2 copy, we will not fax you a duplicate W-2, nor will we take the request over the telephone. Duplicate W-2s will be produced once a week and either mailed to your home address, or held for pick-up.

Verification of Name and Address

We are making every effort to mail W-2 forms to your correct address. Please take a moment to log onto the BUSS and verify that the address that appears on the top of your advice is the address that should be used to mail you your 2012 W-2. If you find errors, you can update your address information via the BUSS website as well, but you must do this no later than Friday, January 11, 2013 in order to ensure your W-2 is printed and mailed to the correct mailing address.

Claiming Treaty Benefits for 2013

A separate notice has been sent to all foreign students, postdoctoral individuals and foreign faculty regarding the claiming of treaty benefits for calendar year 2013. Individuals who have never applied for treaty benefits must complete a Foreign National Information Form. The form is available on the Payroll Office website www.brandeis.edu/financialaffairs/forms/payroll-forms.html.

If you have any questions, please contact the Payroll Office at payroll@brandeis.edu or at x64453