

## ***Attention!***

This form is provided for informational purposes and should not be reproduced on personal computer printers by individual taxpayers for filing. The printed version of this form is a "machine readable" form. As such, it must be printed using special paper, special inks, and within precise specifications.

Additional information about the printing of these specialized tax forms can be found in: Publication 1167, *Substitute Printed, Computer-Prepared, and Computer-Generated Tax Forms and Schedules*; and, Publication 1179, *Specifications for Paper Document Reporting and Paper Substitutes for Forms 1096, 1098, 1099 Series, 5498, and W-2G*.

The publications listed above may be obtained by calling 1-800-TAX-FORM (1-800-829-3676). Be sure to order using the IRS publication number.

# 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 1-31-96

**Enter state code for state in which deposits made.** ▶    
 (see page 4 of instructions).

Name  Date quarter ended

Address (number and street)

City, state, and ZIP code

Employer identification number

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	8	9	9	9	10	10	10	10	10	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 for preceding quarters of calendar year . . . . .	10	
11	Adjusted total of backup withholding (line 9 as adjusted by line 10) . . . . .	11	
12	<b>Total taxes</b> (add lines 5, 8, and 11) . . . . .	12	
13	Advance earned income credit (EIC) payments made to employees, if any (see instructions) . . . . .	13	
14	Net taxes (subtract line 13 from line 12). <b>This should equal line 18, column (d), below or line D of Schedule B (Form 941)</b> (plus line D of Schedule A (Form 941) if you have treated backup withholding as a separate liability) . . . . .	14	
15	<b>Total deposits</b> for quarter, including overpayment applied from prior quarter, from your records . . . . .	15	
16	<b>Balance due</b> (subtract line 15 from line 14). This should be less than \$500. Pay to Internal Revenue Service . . . . .	16	
17	<b>Overpayment</b> , 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		

**18 Monthly Summary of Federal Tax Liability.** If line 14 is less than \$500, you need not complete line 18. If you are a monthly depositor, summarize your monthly tax liability below. If you are a semiweekly depositor or have accumulated a tax liability of \$100,000 or more on any day, attach Schedule B (Form 941) and check here (see instructions) . . . . . ▶

Liability for month.	(a) First month	(b) Second month	(c) Third month	(d) Total for quarter
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**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: **Recording 9 hr.**, 5 min.; **Learning about the law or the form 28 min.**; **Preparing the form 1 hr.**, 34 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 **Where To File** on this page.

**Important Changes for 1993.**—The deposit rules have changed for 1993. See **Circular E**, Employer's Tax Guide, section 13, for detailed instructions on the new rules. Page 4 of these instructions explains the use of the Monthly Summary of Federal Tax Liability (at the bottom of Form 941E), and **Schedule B (Form 941)**, Employer's Record of Federal Tax Liability.

**Important Reminders.**—The wage bases for the two parts of the social security tax (social security and Medicare) are different. The 1993 wage base for Medicare is \$135,000.

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.

Circular E 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 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 February 28, 1994. 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.

**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. For details, see section 10 of Circular E.

**Form W-5.**—Each eligible employee wishing to receive any advance earned income credit (EIC) payments must give you a completed Form W-5. The employer's requirement to notify certain employees about the EIC can be met by giving each eligible employee **Notice 797**, Possible Federal Tax Refund Due to the Earned Income Credit (EIC). See section 18 of Circular E and **Pub. 596**, Earned Income Credit, for more information.

**Employer Identification Number (EIN).**—If you have not asked for an EIN, 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 an EIN 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 former owner's EIN.

**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' 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 when due, furnish Forms W-2 to employees and file copies with the SSA, keep records, deposit taxes when required, and for filing false returns or submitting bad checks. Interest is charged on taxes paid late at the rate set by law. See Circular E for additional information.

# Quarterly Return of Withheld Federal Income Tax and Medicare Tax

▶ See Circular E for more information concerning employment tax returns.

**Enter state code for state in which deposits made.** ▶   
 (see page 4 of instructions).

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

<b>Complete for First Quarter Only</b>			
1	Number of employees (except household) employed in the pay period that includes March 12th . . . . . ▶	<b>1</b>	
2	Total wages and tips subject to withholding, plus other compensation . . . . .	<b>2</b>	
3	Total income tax withheld from wages, tips, pensions, annuities, sick pay, gambling, etc. . . . .	<b>3</b>	
4	Adjustment of withheld income tax for preceding quarters of calendar year (see instructions). . . . .	<b>4</b>	
5	Adjusted total of income tax withheld (line 3 as adjusted by line 4) . . . . .	<b>5</b>	
6	Taxable Medicare wages paid . . . . . \$ _____ × 2.9% (.029)	<b>6</b>	
7	Adjustment of Medicare tax . . . . .	<b>7</b>	
8	Adjusted total of Medicare tax (line 6 as adjusted by line 7) . . . . .	<b>8</b>	
9	Backup withholding . . . . .	<b>9</b>	
10	Adjustment of backup withholding for preceding quarters of calendar year . . . . .	<b>10</b>	
11	Adjusted total of backup withholding (line 9 as adjusted by line 10) . . . . .	<b>11</b>	
12	<b>Total taxes</b> (add lines 5, 8, and 11) . . . . .	<b>12</b>	
13	Advance earned income credit (EIC) payments made to employees, if any (see instructions) . . . . .	<b>13</b>	
14	Net taxes (subtract line 13 from line 12). <b>This should equal line 18, column (d), below or line D of Schedule B (Form 941)</b> (plus line D of Schedule A (Form 941) if you have treated backup withholding as a separate liability) . . . . .	<b>14</b>	
15	<b>Total deposits</b> for quarter, including overpayment applied from prior quarter, from your records . . . . .	<b>15</b>	
16	<b>Balance due</b> (subtract line 15 from line 14). This should be less than \$500. Pay to Internal Revenue Service . . . . .	<b>16</b>	
17	<b>Overpayment</b> , 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		

**18 Monthly Summary of Federal Tax Liability.** If line 14 is less than \$500, you need not complete line 18. If you are a monthly depositor, summarize your monthly tax liability below. If you are a semiweekly depositor or have accumulated a tax liability of \$100,000 or more on any day, attach Schedule B (Form 941) and check here (see instructions) . . . . . ▶

	(a) First month	(b) Second month	(c) Third month	(d) Total for quarter
Liability for month. . . . .				

**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 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 payment of the taxes and are penalized an amount equal to the unpaid taxes. See section 14 of Circular E for more details.

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.—

Certain amounts reported on the four quarterly Forms 941E for 1993 should agree with the **Forms W-2**, Wage and Tax Statement, totals reported on **Form W-3**, Transmittal of Wage 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.

**State Code.**—If you made your deposits in a state other than that shown in your address on Form 941E, enter the state code for that state in the box provided in the upper left corner of the form. Use the Postal Service two-letter state abbreviation as the state code. Enter the code "MU" in the state code box if you deposit in more than one state. If you deposit in the same state as shown in your address, do not make an entry in this box.

**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 or Medicare tax on it. Do not include pensions, 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 **Pub. 952**, Sick Pay Reporting, 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**, Supporting 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 date on which you found the error; and (e) how you and your employee(s) have settled any overcollection. See section 14 of Circular E for more details.

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 \$135,000 of wages for an employee in 1993. The combined tax rate is 2.9%.

**Line 7—Adjustment of Medicare tax.**—Use this line to correct errors in Medicare tax reported on an earlier return. Explain any amount on Form 941c or 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. See section 14 of Circular E for details.

**Line 9—Backup withholding.**—Enter the amount withheld as backup withholding.

**Line 10—Adjustment of backup withholding.**—Use this line to correct errors on backup withholding in earlier quarters of the same calendar year.

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

**Line 14—Net taxes.**—Subtract line 13 from line 12 and enter the result. If line 13 is more than line 12, enter the result in brackets.

**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.

**Line 18—Monthly Summary of Federal Tax Liability.**—**Note:** This is a summary of your monthly tax liability, NOT a summary of deposits made. If line 14 is less than \$500, you need not complete line 18 or Schedule B (Form 941).

Complete line 18 if you are qualified to deposit on a monthly basis (see Circular E, section 13, for more details on the deposit rules). You are a monthly depositor for the calendar year if the amount of employment and withholding tax liability accumulated during a lookback period is not more than \$50,000. The lookback period is defined as the 4 consecutive quarters ending on June 30 of the prior year. For 1993, the lookback period begins 07/01/91 and ends 06/30/92. If you accumulated more than \$50,000 during the lookback period or accumulated \$100,000 or more on any day during a deposit period, do not complete columns (a) through (d) of line 18. Instead, check the Schedule B box on line 18 and complete Schedule B (Form 941).

If you were not able to implement the new deposit rules for 1993, you will not be penalized for continuing to use the old deposit rules. If you continue to use the old deposit rules, enter all tax liabilities on Schedule B (Form 941) on the date they were accumulated (regardless of your deposit requirements under the old rules).

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

**How To Make Deposits.**—Use **Form 8109**, Federal Tax Deposit Coupon, to deposit your taxes. 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.

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 Medicare and withheld income taxes.

If you treat backup withholding as a separate tax, show the backup withholding amounts 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.

**Signature.**—Be sure to sign the return.