

Employer's Annual Tax Return for Agricultural Employees

► For more information, see Circular A.
► For Paperwork Reduction Act Notice, see page 2.

1996

Enter your name, address, employer identification number, and calendar year of return.

Name (as distinguished from trade name)

Calendar year

Trade name, if any

Employer identification number

Address and ZIP code

If address is different from prior return, check here.

If you do not have to file returns in the future, check here

1	Number of agricultural employees employed in the pay period that includes March 12, 1996	1	
2	Total wages subject to social security taxes (see instructions)	2	
3	Social security taxes (multiply line 2 by 12.4% (.124))	3	
4	Total wages subject to Medicare taxes (see instructions)	4	
5	Medicare taxes (multiply line 4 by 2.9% (.029))	5	
6	Federal income tax withheld (see instructions)	6	
7	Total taxes (add lines 3, 5, and 6)	7	
8	Adjustment to taxes (see instructions)	8	
9	Total taxes as adjusted (line 7 as adjusted by line 8)	9	
10	Advance earned income credit (EIC) payments, if any (see instructions on page 4)	10	
11	Net taxes (subtract line 10 from line 9)	11	
12	Total deposits for 1996, including overpayment applied from 1995	12	
13	Balance due (subtract line 12 from line 11). See instructions	13	
14	Overpayment , if line 12 is more than line 11, enter here ► \$		and check if to be: <input type="checkbox"/> Applied to next return, or <input type="checkbox"/> Refunded.

- **All filers:** If line 11 is less than \$500, do not complete line 15 or Form 943-A.
- **Semiweekly schedule depositors:** Complete Form 943-A and check here
- **Monthly schedule depositors:** Complete line 15 and check here.

15 Monthly Summary of Federal Tax Liability					
Deposit period ending	Tax liability for month	Deposit period ending	Tax liability for month	Deposit period ending	Tax liability for month
A January 31 . . .		F June 30 . . .		K November 30 . . .	
B February 29 . . .		G July 31 . . .		L December 31 . . .	
C March 31. . .		H August 31 . . .		M Total liability for year (add lines A through L)	
D April 30 . . .		I September 30 . . .			
E May 31 . . .		J October 31 . . .			

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.

Sign Here

Signature ►

Print Your Name and Title ►

Date ►

Cat. No. 11252K

DETACH HERE

Form 943 Payment Voucher

1996

► Use this voucher when making a payment with your return.

Do not send cash and do not staple your payment to this voucher. Make your check or money order payable to the **Internal Revenue Service**. Be sure to enter your employer identification number, "Form 943," and "1996" on your payment.

1 Enter the amount of the payment you are making \$.	2 Enter the first four letters of your last name (business name if partnership or corporation)	3 Your employer identification number
Instructions for Box 2 —Individuals (sole proprietors, trusts, and estates) - Enter the first four letters of your last name. —Corporations and partnerships - Enter the first four characters of your business name (omit "The" if followed by more than one word).	4 Enter your business name (individual name for sole proprietors) Enter your address Enter your city, state, and ZIP code	

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.

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 Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping** 9 hr., 34 min.; **Learning about the law or the form** 22 min.; **Preparing the form** 1 hr., 28 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 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** below.

Items To Note

Electronic Deposit Requirement.—If your total deposits of social security, Medicare, and withheld Federal income taxes for 1995 were more than \$50,000, you must make electronic deposits for all depository tax liabilities that occur after June 30, 1997, using the Electronic Federal Tax Payment System (EFTPS). This system allows you to make tax deposits without coupons, paper checks, or visits to an authorized depository. You may enroll in EFTPS even if you are not required to use it. For more information on EFTPS, call 1-800-945-8400 or 1-800-555-4477.

Social Security and Medicare Taxes.—The 1996 wage base is \$62,700 for social security. There is no wage base limit for Medicare.

The social security tax rate is 6.2% and the Medicare tax rate is 1.45% each for the employer and the employee.

Reconciliation of Forms 943 and W-3.—You should be sure that the totals shown on Form 943 for income tax withheld, social security wages and tips, Medicare wages and tips, and advance earned income credit agree with the totals on **Form W-3**, Transmittal of Wage and Tax

Statements. See the line 8 instructions for valid reasons the totals may not match. If there is a valid reason, keep any records that show why the totals did not match.

Additional Information.—**Circular A**, Agricultural Employer's Tax Guide, has information you may need for social security, Medicare, Federal unemployment (FUTA), and withheld income taxes. It includes tables showing the income tax to withhold from an employee's wages.

General Instructions

Purpose of Form.—Use Form 943 to report income tax withheld and employer and employee social security and Medicare taxes on farmworkers. If you have household employees working in your private home on your farm operated for a profit, they are considered farm employees. To report social security, Medicare, and income tax withholding on the wages of household employees, you may either:

1. File **Schedule H (Form 1040)**, Household Employment Taxes, with your individual income tax return, or
2. Include the wages with other farm employee wages on Form 943.

If you paid wages to a household employee in a home that is not on a for-profit farm, you must report the taxes on Schedule H. If you paid wages to nonfarm workers, do not report these on Form 943. Report them on **Form 941**, Employer's Quarterly Federal Tax Return. See **Pub. 926**, Household Employer's Tax Guide, for more information about household employees.

Who Must File.—File Form 943 if you paid to one or more farmworkers wages and the wages were subject to social security and Medicare taxes or income tax withholding under the tests discussed below. (For definitions of farmworkers and wages, see Circular A.)

The \$150 Test or the \$2,500 Test.—All cash wages you pay to farmworkers are subject to social security and Medicare taxes and income tax withholding for any calendar year that you meet either of these tests:

- You pay an employee cash wages of \$150 or more for farmwork.
- The total (cash and noncash) you pay to farmworkers is \$2,500 or more (1996).

If the \$2,500-or-more test for the group is not met, the \$150-or-more test for an individual still applies.

Exceptions.—Special rules apply to certain hand-harvest laborers who receive less than \$150

in annual cash wages and household employees who receive less than \$1,000 in annual cash wages. For more information, see Circular A.

When To File.—For 1996, file Form 943 by January 31, 1997. However, if you made deposits on time in full payment of the taxes due for the year, you may file the return by February 10.

After you file your first return, the IRS will send you a form every year. If you receive a form for a year in which you are not liable for filing, write "NONE" on line 11 and send the form back to the IRS.

If you stop paying wages during the year and do not expect to pay wages again, file a final return for 1996. Be sure to mark the box at the top. If you later become liable for any of the taxes, notify the IRS.

Where To File.—Find the state and, if applicable, county location of your legal residence, principal place of business, office, or agency in the list below. Send your return to the **Internal Revenue Service** at the address listed for your location. No street address is needed.

Florida, Georgia, South Carolina	
Return without payment: Atlanta, GA 39901-0018	Return with payment: P.O. Box 105094 Atlanta, GA 30348-5094

New Jersey, New York (New York City and counties of Nassau, Rockland, Suffolk, and Westchester)	
Return without payment: Holtsville, NY 00501-0018	Return with payment: P.O. Box 254 Newark, NJ 07101-0254

New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	
Return without payment: Andover, MA 05501-0018	Return with payment: P.O. Box 371475 Pittsburgh, PA 15250-7475

Illinois, Iowa, Minnesota, Missouri, Wisconsin	
Return without payment: Kansas City, MO 64999-0018	Return with payment: P.O. Box 970015 St. Louis, MO 63197-0015

Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	
Return without payment: Philadelphia, PA 19255-0018	Return with payment: P.O. Box 8526 Philadelphia, PA 19162-8526

Indiana, Kentucky, Michigan, Ohio, West Virginia	
Return without payment: Cincinnati, OH 45999-0018	Return with payment: P.O. Box 6538 Chicago, IL 60680-6538

Kansas, New Mexico, Oklahoma, Texas	
Return without payment: Austin, TX 73301-0018	Return with payment: P.O. Box 970015 St. Louis, MO 63197-0015

(Continued on page 4)

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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

Return without payment:
Ogden, UT 84201-0018

Return with payment:
P.O. Box 7353
San Francisco, CA
94120-7353

California (all other counties), Hawaii

Return without payment:
Fresno, CA 93888-0018

Return with payment:
P.O. Box 60819
Los Angeles, CA 90060-0819

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee

Return without payment:
Memphis, TN 37501-0018

Return with payment:
P.O. Box 1212
Charlotte, NC 28201-1212

If you have no legal residence or principal place of business in any state

All returns:
Philadelphia, PA 19255-8526

Forms W-2 and W-3.—By January 31, 1997, give Form W-2 to each employee who was working for you at the end of 1996. If an employee stops working for you before the end of the year, give him or her Form W-2 any time after employment ends but no later than January 31 of the following year. If the employee asks you for Form W-2, give him or her the completed form within 30 days of the request or the last wage payment, whichever is later.

By February 28, 1997, send Copy A of all Forms W-2 with Form W-3 to the Social Security Administration. The address is in the instructions for Form W-3.

Filing on Magnetic Media.—If you must prepare 250 or more Forms W-2, you are required to use magnetic media instead of filing Copy A of Form W-2. See the Instructions for Form W-2 for more information.

Penalties and Interest.—There are penalties for filing a return late, for paying or depositing taxes late, or for failing to deposit electronically when required, unless there is reasonable cause. If you are late, please attach an explanation to your return. There are penalties for willful failure to (1) file returns and pay taxes when due, (2) give Form W-2 to employees, or (3) keep records. There are also penalties for filing false returns or submitting bad checks. Interest is charged on taxes paid late at the rate set by law. See Circular A for details.

Caution: *If income, social security, and Medicare taxes that must be withheld are not withheld or are not paid to the IRS, the trust fund recovery penalty*

may apply. The penalty is 100% of the unpaid taxes. This penalty may apply to you if these unpaid taxes cannot be immediately collected from the employer or business. See Circular A for details.

Specific Instructions

Line 1.—Do not include household employees in your private nonfarm home, persons who receive no pay during the pay period, pensioners, or members of the Armed Forces.

Line 2.—Show the total taxable cash wages you paid all your employees for farmwork in the calendar year. Do not include (a) the value of noncash items such as food or lodging or (b) pay for services other than farmwork. Report the full cash wages before tax was deducted. If you paid an employee more than \$62,700 in 1996, show only \$62,700 for that employee.

Line 4.—Show the total taxable cash wages you paid all your employees for farmwork in the calendar year. Do not include (a) the value of noncash items such as food or lodging or (b) pay for services other than farmwork. Report the full cash wages before tax was deducted.

Line 6.—You must withhold income tax from employees from whom you withhold social security and Medicare taxes. See Circular A for more information on withholding rules. Enter income tax withheld on wages paid to employees. If you are not required to withhold income tax, enter -0-.

Line 8.—Use line 8 to adjust amounts of social security and Medicare taxes reported in the current year or a prior year. (See also *Income tax adjustments* below.)

Current year adjustments. In certain cases, amounts reported as social security and Medicare taxes on lines 3 and 5 must be adjusted to arrive at your correct liability.

Fractions of cents.—If there is a difference between the total tax on line 3 or 5 and the total deducted from your employees' wages because of fractions of cents added or dropped in collecting the tax, report the difference on line 8. If this difference is the only entry, write "Fractions only" in the margin.

Prior year adjustments. Prior year adjustments include errors in social security and Medicare taxes reported on earlier returns or errors in credits for overpayment of penalty or interest paid on tax for an earlier year. If you report both an underpayment and an overpayment, show only the difference. Because any amount shown on line 8 increases or decreases your tax liability, the adjustment must be included on your record of Federal tax liability on Form 943 or 943-A. Your deposit requirements determine which liability

report is used. Include the adjustment in the report entry area that corresponds with the date on which the error was found.

Explain any prior year adjustments on line 8 on **Form 941c**, Supporting Statement To Correct Information, or attach a statement that shows the same information.

Enter on Form 941c or include in the statement the total wages for all your employees as previously reported and as corrected.

If you are adjusting an employee's social security wages, Medicare wages, or tax withheld for a prior year, you must also file **Form W-2c**, Corrected Wage and Tax Statement, and **Form W-3c**, Transmittal of Corrected Wage and Tax Statements, with the social security office where you filed Forms W-2. You can get these from the IRS.

Income tax adjustments.—Generally, you cannot adjust amounts reported as income tax withheld in a prior calendar year unless it is to correct an **administrative error**. An administrative error occurs if the amount you entered on the return is not the amount you actually withheld. See Circular A for more information.

Line 9.—Add line 7 to line 8 if you are adjusting to report additional taxes. Subtract line 8 from line 7 if reducing taxes.

Line 10.—Employees who are eligible can receive advance EIC payments with their wages by giving you **Form W-5**, Earned Income Credit Advance Payment Certificate, annually. For more information, see Circular A.

Line 12.—Show the total amount deposited for the year, including any overpayment from 1995, as shown in your records.

Line 13.—You should have a balance due only if your total tax liability for the year (line 11) is less than \$500.

Exception. The balance due may be \$500 or more if you are a monthly schedule depositor and are making payments under the accuracy of deposits rule (discussed in Circular A). If line 11 is \$500 or more and you have deposited all taxes when due, the amount shown on line 13 (balance due) should be zero. Please write your EIN, "Form 943," and "1996" on your check.

Line 14.—If you deposited more than the correct amount for a year, you can have the overpayment refunded or applied to your next return.

Deposit requirements.—In general, you must deposit employer and employee social security and Medicare taxes, and withheld income tax of \$500 or more electronically or with an authorized financial institution or a Federal Reserve bank (FRB). See Circular A for more information.

