



## Frequently Asked W-2 Questions

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**Q: Can I file my taxes using my last payslip?**

A: NO. There are a number of year-end adjustments that are processed after the final payslips are created. For example, an ESPP stock sale made within 24 months of the stocks purchase may not be included on your last payslip but would be included in the totals on your W-2.

It is VERY IMPORTANT not to file your taxes based on your last payslip. You must wait for your W-2 statement to file your taxes.

**Q: Why are the taxable wages different from the YTD Gross Wages on my payslips and W-2?**

A: You may have pretax items or domestic partner employer paid benefits that will result in differences between your gross wages and your taxable wages. Pretax items include medical insurance deductions, dental insurance deductions, vision insurance deductions, flexible Spending account (FSA) deductions and 401k plan deductions. These items are deducted from your YTD Gross Wages. Then, you must add back the value of the health care contributions made by Lowe's for a Domestic Partner and/or Domestic Partner's children, if applicable and in some cases the value of employer paid life insurance. Please see the example below:

Gross Wages	\$ 20,000.00
Less pre tax medical insurance deductions	(3,400.00)
Less pre tax dental insurance deductions	(434.00)
Less pre tax vision insurance deductions	(340.00)
Less pre tax flexible spending account deductions	(200.00)
Less pre tax 401k plan deductions	(1,200.00)
Plus value of domestic partner health care contributions by Lowe's	<u>1,000.00</u>
Equals: Federal Taxable Wages in Box 1 of your W-2	\$ 15,426.00

**Q: If I still have questions about my W-2, who can help me?**

A: Please send an email to [w2hotline@lowes.com](mailto:w2hotline@lowes.com). You should get a response within 8 business hours.

**Q: Why were there no federal or state taxes reflected as deductions on my W-2?**

A: You have either submitted a W-4 form for both state and/or federal claiming an "Exempt" status, you are claiming a large number of exemptions or you are working part-time and you did not earn enough to have tax withholding deducted from your pay. Your Federal W-4 elections may be changed on My Lowes Life > My Work Life > Payroll > W-4 Tax Information. Your State W-4 elections must be provided by filling out the short form for your state and faxing it to Payroll at 336-658-2606. State forms can be found at: My Lowes Life > My Home > Lowe's Forms > Government Related > State W-4 Forms.

**Q: What is Third Party Sick and how is it reported on my W-2?**

A: If you see "SKT" – Third Party Sick earnings code on your payslip this is adding the pay you have received from Liberty Mutual the vendor who handles our Short Term/Long Term Disability while employees are on sick leave. This is added for unemployment taxes only and does not add to the total gross on the payroll. Employees who are paid through Liberty Mutual will receive a W-2 from that company and Lowe's only reports earnings for unemployment wages only.

A file is also received from the State of New Jersey to process sick pay and the earnings for the code of "SNJ" – 3<sup>rd</sup> Party Sick New Jersey. We receive a file from New Jersey to process and report the earnings and taxes through your W-2 at Lowe's.

**Q: If I sell my ESPP shares without holding them for the required 24 months will the sale appear on my payslip and W-2?**

A: The sale may or may not appear on your payslip since this can often be an end-of-year adjustment that happens **after** the last payslip is issued. It will however be included in the totals on your W-2 in Box 1 (Federal Taxable Wages). It is important to remember that the amount that will be included in your W-2 from the sale of stock will only be the 15% discount you received when the stock was purchased; it will not be the total gain from the stock sale.

**Q: How much Social Security (FED OASDI/EE) is deducted from my payslip and does this affect me at W-2 processing time?**

A: 4.20% of Social Security taxable wages until a certain earnings level (\$106,800 for 2011) is reached for the year. This level changes from year to year, for the current yearly cap please check with your local HRM, your Corporate Payroll Associate or the Payroll Tax Department at the Corporate Office. Once that cap amount is reached the FED/OASDI/EE will no longer be taken for the remainder of the year in which the cap was met. When the new calendar year begins the deduction will resume. The annual wage base can be found at [www.ssa.gov](http://www.ssa.gov), too.

If you are an employee that transfers from one corporation of Lowe's to another corporation and have met your yearly cap in the first corporation the system will not recognize this when you move to the new corp. Your FED/OASDI/EE will be deducted in the new corporation however you will be able to claim any excess Social Security taxes paid as a credit on your Federal Form 1040.

**Q: I'm an employee claiming zero exemptions on my W-4 but still have no federal withholding deducted. I always end up having to pay at year-end when my W-2 is filed. Why?**

A: If you are a part-time employee with limited hours, you're probably not earning enough to trigger any federal withholding. You should consider filing a new W-4 to request an additional amount of tax to be withheld from each payslip to ensure that your year-end taxes will be covered. You will need to check with your tax preparer for guidance on what to claim. Also, you may not be paying tax because you have accidentally claimed an 'Exempt' status on your Federal and/or State W-4.

Your Federal W-4 elections must be changed on My Lowes Life > My Work Life > Payroll > W-4 Tax Information. Your State W-4 elections must be provided by filling out the short form for your state and faxing it to Payroll at 336-658-2606. State forms can be found at: My Lowes Life > My Home > Lowe's Forms > Government Related > State W-4 Forms.

**Q: How can I receive my W-2 EARLY each year?**

A: You must act by Jan. 14! Give your consent online and your original W-2 will be delivered to you earlier than the paper version. Just go to My Lowe's Life > My Wealth > Payroll Services > W-2 Services and select "Consent for Online Delivery." Once registered, you'll receive your W-2 statement on Jan 15, about 10 to 15 days earlier than paper W-2s will be delivered. If you already registered, you don't need to re-register as prior-year elections remain active.

Original W-2s will be posted on a secure Web site on Jan. 15. You'll receive an e-mail when your W-2 is available. Electronically furnished W-2s can be downloaded for free for the remainder of the year. Any election received after Jan. 14 will be regarded as consent for next year. For employees who don't elect to receive their W-2s electronically, paper statements will be postmarked and mailed to their work locations before Jan. 31. Employees "On Leave" or "Terminated" that did not elect online delivery will receive their W-2 at their home address.

The company code is 11116 for employees accessing [www.w2express.com](http://www.w2express.com) from a computer away from your workplace. Need help? **Call the Client Service Center for W2 eXpress at (877) 325-9239.** Information is in both English and Spanish. Active employees accessing their W-2 from My Lowe's Life > My Wealth > Payroll Services > W-2 Services will not need to enter a PIN to access a W-2.

**Q: How do I access my W-2 online?**

Active employees go to My Lowe's Life > My Wealth > Payroll Services > W-2 Services. Click on "Get your W-2 now" if online delivery was elected. If you did not elect online delivery, beginning Feb 1 go to the same website and click on "W-2 reprint." Beside the current year's W-2 click on the blue/white arrow and select "Online" and follow the steps to print it out. Employees can receive 1 reprint free for the current year W-2 however there is a charge for prior-year W-2 statements.

NOTE- If you worked in more than one state or lived in one state and worked in another, you may have 2 W-2's. Make sure you look at all the pages when you print the W-2. The 2<sup>nd</sup> W-2 will be the LAST page to print.

Terminated employees should go to [www.w2express.com](http://www.w2express.com). On the first screen enter LOWES in the employer name field or enter our employer code of 11116. On the next screen, enter your SSN and your default PIN (last four digits of SSN + MM + YY of your birth date) Example: SSN = 123-45-6789 and a birth date of January 12, 1975 would be 67890175 and click on "Continue" to get logged into the website. You will be required to change your PIN upon logging in for the first time using the default PIN. On the main menu, either select "Get your W-2 now" if you gave consent for online delivery or click on W-2 reprint after Feb 1 if you have not given consent for online delivery yet and follow the instructions above to get your ONE free reprint.

Need help? **Call the Client Service Center for W2 eXpress at (877) 325-9239.**

**Q: If a W-2 is lost how do I get a copy?**

A: See the instructions above for doing a W-2 reprint beginning Feb 1.

**Q: If I worked in the state of NY but have worked in another state during the year, what do I need to know?**

A: If you worked part of the year in the state of New York, we are required to put the full year's Federal Taxable wages in the NY Taxable wages in Box 16 on your W-2. If you need to know exactly what wages were earned while in New York, please send an email to [w2hotline@lowes.com](mailto:w2hotline@lowes.com).

**Q: Domestic Partner Insurance issue:**

A: If you work in California and have Domestic Partner insurance, your California wages will be lower than your Federal wages because the employer portion of Domestic Partner insurance is not taxable in California.