

CITY OF RENTON
November 2012
NOTICE TO ALL EMPLOYEES

2012 W-2 Forms

The Finance Department will soon be preparing the 2012 W-2 Wage and Tax Statements. ***Your 2012 W-2 will be mailed to the address we have on file for you no later than January 31, 2012, as required by law. The address we have on file for you is listed on your pay check/direct deposit advice. Please review and send any address changes to Human Resources.*** After you receive your 2012 W-2, please verify that your name and social security number match your name and social security number on your social security card. Using a new name without updating the Social Security Administration's records may prevent the posting of your Social Security and Medicare earnings. If your name has recently changed, (e.g., due to marriage, divorce, etc.), we will continue to use your old name until you have obtained a new social security card and provided HR with a copy of the new card. You may call the Social Security Administration toll free at 1-800-772-1213 with any questions regarding this process.

Form W-4. Employee's Withholding Allowance Certificate

Did you marry or divorce, gain or lose a dependent, or have major changes in your family income in 2012? If you answered "yes" to any of these questions, you may want to file a new Form W-4 which can be found on RentonNet under **City Forms/Finance/Finance/Payroll**. If you need additional assistance determining how many deductions to withhold, a calculator is available on the IRS website (www.irs.gov).

If you are currently claiming "exempt" from tax withholding, and wish to retain your exempt status, you must submit a new W-4 for 2013. This must be completed and submitted to the Payroll Department by **February 15**; otherwise, your withholding for Federal taxes will be changed to the highest rate of "Single" with zero (0) withholding allowances.

Social Security Taxes (OASDI)

The Payroll tax cut that was extended to employees for 2012 will be ending December 31, 2012. Beginning January 1, 2013 your employee portion of OASDI will increase 2% from **4.2% to 6.2%**. This increase will begin on your 1/10/2013 paycheck.

Direct Deposit

You can choose to have your wages direct deposited into up to four different bank accounts. The Authorization for Direct Deposit can be found on RentonNet (**City Forms/Finance/Finance/Payroll**), at the front counter of Finance on the first floor of City Hall and is also available in Human Resources.

Annual Employee Limits for 2013 (subject to change by the IRS or other government entity)	
Basic Deferral Limit for 457(b) Plans up to age 50 <i>-per year</i>	\$ 17,500.00
Age 50 Catch Up Limit for 457(b) Plans, for over age 50 <i>(additional per year)</i>	\$ 5,500.00
Pre-Retirement Catch Up <i>-per year</i> (three years before retiring but not in the year you retire)	\$ 35,000.00
Social Security Wage Ceiling	\$ 113,700.00
Maximum Social Security Amount Withheld	\$ 7,049.40
Minimum wage per hour in the State of Washington (as of 1/1/13)	\$ 9.19

PERS 2 Members

If you were a PERS Plan 2 member prior to March 1, 2002, and employed in a PERS eligible position on January 1, you have the option to transfer to PERS 3 in January of any year. Complete a Member Information Form (available from HR) and return it to HR before the end of January. **The form must be dated in January.** Please note, the decision to transfer to PERS Plan 3 is irrevocable and once completed, cannot be changed until you change employers. You can obtain more information at www.drs.wa.gov

December 21, 2012 Paycheck

On your check stub dated December 21, 2012, a summary of your yearly wages and deductions can be found. The 'gross earnings' reported to the IRS are for the fiscal year December 16, 2011- December 15, 2012. On the **right section** of the pay stub you will find all deductions and the amounts withheld for the year. This includes amounts paid for Union Dues, Health Care premiums, payroll taxes, contributions to deferred comp, retirement system, etc. In the **middle section** of the pay stub you will find a summary of all the benefits that the City provided for you, including premiums paid for medical insurance, dental insurance, long term disability, and group life insurance, as well as contributions the City made to your retirement system (if applicable), Social Security, Medicare and industrial insurance.

This information is also available in Employee Services located on RentonNet. The W-2 information may not be current until year-end updates are completed. **If you keep one pay stub a year, this would be the one to keep.**

Payroll Deductions

If you would like to add or change any of your miscellaneous deductions (Renton Food Bank, Qualstar credit union Renton Gives, etc.) please complete the Authorization for Payroll Deduction found on RentonNet, at the front counter of Finance on the first floor of City Hall and in Human Resources.

If you have any questions regarding the above information, please contact Payroll at 425-430-6926.

Thank you