

Name: _____ Address: _____ Federal I.D. # _____

FORM 943 AND W-2 REQUIREMENTS / WORKSHEET FOR 2016

You must file a Form 943, Employer's Annual Tax Return for Agricultural Employees, and file W-2's for each calendar year you employ a farm worker if:

- You pay \$2,500 or more during the year to all your employees for agricultural labor; or
- You pay cash wages to an employee of \$150 or more in a year. The \$150 test applies separately to each farm worker you employ. If you employ a family of workers, each member is treated separately.

You are required to withhold social security taxes on these wages at a rate of 7.65% for 2016. (6.2% Social Security + 1.45% Medicare). In addition, you are required to withhold federal and state income taxes. Each employee is required to file form W-4, Iowa Form W-4 and federal form I-9 with you to claim their withholding allowances.

Form 943 must be filed on or before January 31, 2017. If your total tax liability for the year (gross wages X 15.3% + federal withholding), is less than \$2,500, the tax is due January 31, 2017 and payment is sent in with the form or paid using EFTPS. If your total tax liability is \$2,500 or more, the tax is due January 15, 2017. In addition, monthly tax deposits are required throughout the year via EFTPS. You can no longer make Federal Tax Deposits through your bank.

You must give a Form W-2, Wage & Tax Statement, to every employee who meets the above test. The W-2 for the recipient must be provided by January 31, 2017.

Please list below all agricultural employees and their cash wages for 2016.

Also please list all employees that were paid non-cash wages, (for example: grain or hogs). Use the enclosed Wages Paid in Commodities Record (green sheet) to record and compute the fair market value of the commodity on the date the commodity was transferred to the employee. Social Security tax and withholding taxes are not required on non-cash wages; however, a W-2 is still required.

Recipients Name	Address	Social Security Number	Gross Cash Or Non Cash Wages	Social Security Tax Withheld	Medicare Tax Withheld	Federal Tax Withheld	State Tax Withheld	Actual Net Wages Paid By Check	
EXAMPLE #1: John Doe (Cash wages)	308 120th St, Algona, IA 50511	480-22-3659	\$3,000.00	\$186.00	\$43.50	\$300.00	\$150.00	= \$2,320.50	
EXAMPLE #2: Jane Doe (Grain wages)	308 120th St, Algona, IA 50511	479-22-3659	<i>Grain wages - enter data on "Wages Paid in Commodities Record" (green sheet)</i>						

2016 Commodity Wages – Please list all employees, including family members that were paid non-cash wages (for example: grain or hogs). Please carry the “Value at date of transfer” amount to the Form 943 and W-2 Requirements / Worksheet for 2016 and enter in the Gross Cash or Non Cash Wages column for the employee.

WAGES PAID IN COMMODITIES RECORD									
Employee	Commodity type (corn, pigs, etc.)	Transfer Data				Sale Data			
		Date of transfer to the employee	Quantity (bushels, head, lbs, etc.)	Price per unit at date of transfer	Value at date of transfer (Quantity x Price)	Date sold by employee	Sales price received	Gain (loss)	
EXAMPLE #2: Jane Doe	corn	3/1/2016	500 bu.	\$4.50	\$2,250.00	5/1/2016	2,000.00	(250.00)	

IF YOU TRACKED THIS DATA THROUGH THE YEAR ON THE 2016 SHEET WE PROVIDED LAST YEAR, PLEASE PROVIDE THAT SHEET IN LIEU OF THIS ONE.