2009 WITHHOLDING TAX RECONCILIATION FOR EMPLOYER'S MONTHLY/QUARTERLY RETURNS – FORM W-3 INSTRUCTIONS

1. Complete address section of form including EIN# and phone number, or update information if necessary.

2. Fill in lines 1-12, for Taxable Wages and Withholding of Remittances section. Include subtotals for each quarter.

3. Line 13. Indicate the number of employees withheld on and submit electronic copies of W-2s. Refer to our website **http://fairfield-city.org/Finance/tax** for proper formats.

4. Line 14. List the Total Company Payroll for entire year.

5. Line 15. Indicate the amount of Total Company Payroll that is not taxable to City of Fairfield. This includes amounts paid to employees who did not work or live in Fairfield during 2009. It also includes employees who are Fairfield residents, but had 1.5% or more local taxes withheld for another city. For Fairfield residents who had local taxes (at less than 1.5%) you will need to compute an adjusted wage amount to compensate for other city withholding. For Example, a Fairfield resident employee earns $52,000.00, but has $25,000.00 withheld at 1.0% for another city. The employees Fairfield tax should be $780.00 ($52,000 @ 1.5%), you will need to subtract the other city withholding from the Fairfield amount or $780.00-250.00 ($25,000 @ 1.0%) = 530.00. Divide the adjusted tax amount by Fairfield's tax rate of 1.5% to compute the taxable wage of $35,333.33 ($530.00 ÷ 1.5%).

6. Line 16. Subtract line 15 from line 14 to report the taxable wages.

7. Line 17. Multiply line 16 by 1.5% (0.015) to determine withholding tax liability.

8. Line 18. Add the quarterly subtotals to compute the amount paid in through monthly/quarterly remittances.

9. Line 19. If line 18 is greater than line 17, go to line 21, otherwise go to line 20.

10. Line 20. Subtract line 18 from line 17, make check payable to City of Fairfield, or complete credit card section.

11. Line 21. Subtract line 17 from line 18 and provide explanation of why overpayment occurred. Indicate if you want the amount transferred to next year or refunded. Overpayments will not be refunded without written request from taxpayer.

12. Sign, print name & title and date.

Effective 2007 Employers are required to submit payments and filings electronically. Please refer to our website: http://fairfield-city.org/Finance/tax for instructions.