

# Instructions for Form 943-X

(Rev. February 2024)

## Adjusted Employer's Annual Federal Tax Return for Agricultural Employees or Claim for Refund

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Volume 2 of 2



Department of the Treasury  
**Internal Revenue Service**

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***Example—Combination of prior year administrative and nonadministrative errors.*** Nathan Black's wages exceeded the \$200,000 withholding threshold for Additional Medicare Tax in November 2023.

The total wages paid to Nathan for 2023 were \$230,000. You withheld \$270 ( $\$30,000 \times 0.009$ ) from Nathan's wages. However, on your 2023 Form 943, you mistakenly reported \$3,000 on line 6, and Additional Medicare Tax withheld of \$27 on line 7. The difference in wages subject to Additional Medicare Tax related to this administrative error is \$27,000 ( $\$30,000 - \$3,000$ ).

Leah Green's wages exceeded the \$200,000 withholding threshold for Additional Medicare Tax in December 2023. The total wages paid to Leah for 2023 were \$220,000. You were required to withhold \$180 ( $\$20,000 \times 0.009$ ) but you withheld nothing and didn't report Leah's \$20,000 in wages subject to Additional

Medicare Tax withholding on line 6 of your 2023 Form 943.

You discover both errors on March 13, 2024. Use Form 943-X, line 10, to correct the errors as shown below.

Column 1 (corrected amount)	50,000.00
Column 2 (Form 943, line 6)	- 3,000.00
Column 3 (difference)	<hr/> 47,000.00

Determine the portion of wages reported in column 3 that is related to the administrative error ( $\$47,000 - \$20,000$  (nonadministrative error) =  $\$27,000$  (administrative error)).

Multiply this portion of column 3 by 0.009 (0.9% tax rate) to determine your tax correction.

Difference related to administrative error	27,000.00
Tax rate (0.9%)	<hr/> x 0.009

Column 4 (tax correction)

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243.00

Be sure to explain the reasons for these corrections on line 41. You must also report that \$20,000 of the amount shown in column 3 was related to the correction of a prior year nonadministrative error and \$27,000 of the amount shown in column 3 was related to the correction of an administrative error.

## **11. Federal Income Tax Withheld**

If you're correcting the federal income tax withheld from wages you reported on Form 943, line 8, enter the total corrected amount in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2.

line 11 (column 1)

- line 11 (column 2)

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line 11 (column 3) If the amount in column 2 is larger than the amount in column 1, use a minus sign in column 3.

Copy the amount in column 3 to column 4. Include any minus sign shown in column 3.



*Generally, you may only correct administrative ! errors to federal income tax withholding (that is, errors in which the amount reported on Form 943, line 8, isn't the amount you actually withheld from an employee's wages) and errors for which section 3509 rates apply. Only transposition or math errors involving the inaccurate reporting of the amount withheld are "administrative errors." The administrative error adjustment corrects the amount reported on Form 943 to agree with the amount actually withheld from employees. See section 2 of Pub. 15 for more*

*information about corrections during the calendar year and about administrative errors. If section 3509 rates apply, see the instructions for lines 16–19, later.*

*You can't file a Form 943-X to correct federal income tax withholding for prior years for nonadministrative errors. In other words, you can't correct federal income tax actually withheld from an employee in a prior year if you discover that you didn't withhold the right amount. For example, you can't correct federal income tax withheld in a prior year because you used the wrong income tax withholding table or you didn't treat a payment correctly as taxable or nontaxable. Similarly, if you paid federal income tax in a prior year on behalf of your employee rather than deducting it from the employee's pay (which resulted in additional wages subject to tax), and in a subsequent year you determine that you incorrectly calculated the amount of*

*tax, you can't correct the federal income tax withholding.*

***Example—Prior year nonadministrative error (failure to withhold federal income tax when required).*** You were required to withhold \$400 of federal income tax from an employee bonus that was paid in December of 2023 but you withheld nothing. You discovered the error on March 15, 2024. You can't file Form 943-X to correct federal income tax withheld reported on your 2023 Form 943 because the error involves a previous year and the amount previously reported for the employee represents the actual amount withheld from the employee during 2023.

***Example—Prior year administrative error (incorrectly reported amount of federal income tax actually withheld).*** You had three employees. In 2023, you withheld \$1,000 of federal income tax from Nathan Black, \$2,000 from Leah Green, and \$6,000



from Becky Lee. The total amount of federal income tax you withheld was \$9,000. You mistakenly reported \$6,000 on line 8 of your 2023 Form 943. You discovered the error on March 15, 2024. This is an example of an administrative error that may be corrected in a later calendar year because the amount actually withheld from employees' wages isn't the amount reported on Form 943. Use Form 943-X to correct the error. Enter \$9,000 in column 1 and \$6,000 in column 2. Subtract the amount in column 2 from the amount in column 1.

Column 1 (corrected amount)	9,000.00
Column 2 (Form 943, line 8)	- 6,000.00
	<hr/>
Column 3 (difference)	3,000.00

Report the \$3,000.00 as a tax correction in column 4.

Be sure to explain the reasons for this correction on line 41.

***Example—Nonadministrative error reporting income tax because of repayment of wages paid in prior year.***

You prepaid Jack Brown \$4,000 of wages for 2 months of work in September 2023. You withheld \$400 of federal income tax at the time you paid Jack. These amounts were reported on your 2023 Form 943. Jack left employment in October 2023 (after only 1 month of service). In February 2024, Jack repaid \$2,000 to you for the 1 month he didn't work. You can't file Form 943-X to reduce the federal income tax withheld because you actually withheld the federal income tax from wages. You also can't file Form 943-X to reduce wages because the wages were income to Jack for the prior year. These amounts were correctly reported on Form 943.

## 12. Tax Adjustments



*For purposes of these instructions, all references to "sick pay" mean ordinary sick pay, not "qualified sick leave wages."*

Don't enter an amount on line 12 unless you need to correct any adjustments reported on Form 943, line 10. Amounts reported on line 12 reflect corrections of amounts misstated on Form 943, line 10. See Example—Third-party sick pay underreported, later.

Enter in column 1 the total **corrected** amount for Form 943, line 10. Enter in column 2 the total originally reported or previously corrected amount from Form 943, line 10. In column 3, enter the difference between columns 1 and 2.

line 12 (column 1)

- line 12 (column 2)

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line 12 (column 3)



*You may need to report negative numbers in any column. Make sure that the difference you enter in column 3 accurately represents the change to adjustments originally reported or previously corrected on Form 943, line 10.*

Copy the amount in column 3 to column 4. Include any minus sign shown in column 3.

On line 41, describe what you misreported on Form 943. Tell us if your adjustment is for fractions of cents, third-party sick pay, or group-term life insurance.

***Example—Third-party sick pay underreported.*** You reported \$6,900 (shown as “-6,900.00”) as a third-party sick pay adjustment (reduction to tax) on your 2023 Form 943, line 10. Your third-party sick pay adjustment should have been \$9,600 (shown as “-9,600.00”) because your third-party sick pay payer withheld that amount of social security and Medicare taxes from your employees. You discover the error in April of

2024. To correct the error, figure the difference on Form 943-X as shown below.

Column 1 (corrected amount)	-9,600.00
Column 2 (Form 943, line 10)	- (6,900.00)
Column 3 (difference)	<hr/> -2,700.00

Here is how you would enter the numbers on Form 943-X.

Column 1	Column 2	Column 3
(corrected amount)	(Form 943, line 10)	(difference)
-9,600.00	-6,900.00	-2,700.00

Report “-2,700.00” as your correction in column 4.

In this example, you’re claiming a credit for \$2,700 in overreported tax for your 2023 Form 943. Always enter the same amount in column 4 (including any minus sign) that you enter in column 3.

Be sure to explain the reasons for this correction on line 41.



*Only use line 12 to correct adjustments for fractions of cents, third-party sick pay, or group-term life insurance previously reported. File a separate Form 943-X for each year being corrected.*

### **13. Qualified Small Business Payroll Tax Credit for Increasing Research Activities**



*The payroll tax credit election must be made on or before the due date of the originally filed income tax return (including extensions). Any election to take the payroll tax credit may be revoked only with the consent of the IRS.*

If you're correcting the qualified small business payroll tax credit for increasing research activities that you reported on Form 943, line 12a (line 12 for years prior to 2020), enter the total corrected amount in

column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2.

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3 as a positive number in column 4.

You must attach a corrected Form 8974 and explain the reasons for this correction on line 41.

## **14. Nonrefundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021**



*Form 943-X and these instructions use the terms "nonrefundable" and "refundable" when discussing credits.*

*The term "nonrefundable" means the portion*

*of the credit which is limited by law to certain taxes. The term "refundable" means the portion of the credit which is in excess of those taxes.*

If you're correcting the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021, that you reported on Form 943, line 12b, enter the total corrected amount from Worksheet 1, Step 2, line 2j, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. For more information about the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in



column 4 or a negative number in column 3 as a positive number in column 4.

For corrections to 2020 Form 943, line 12b, the credit for qualified sick and family leave wages is only available for wages paid with respect to leave taken after March 31, 2020, and before January 1, 2021. For corrections to 2021, 2022, or 2023 Form 943, line 12b, the credit for qualified sick and family leave wages is only available for wages paid in 2021, 2022, or 2023 with respect to any leave taken after March 31, 2020, and before April 1, 2021. If you're correcting a year before 2020, don't enter any amount on line 14.

**Definition of qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021.** For purposes of the credit for qualified sick and family leave wages, qualified sick and family leave wages are wages for social security and Medicare tax purposes, determined without

regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the Emergency Paid Sick Leave Act (EPSLA) or the Emergency Family and Medical Leave

Expansion Act (Expanded FMLA), as enacted under the FFCRA and amended by the COVID-related Tax Relief Act of 2020. However, don't include any wages otherwise excluded under sections 3121(b)(1)–(22) when reporting qualified sick and family leave wages on your employment tax return and when figuring the credit on Worksheet 1, Step 2, lines 2a and 2a(i), and on Step 2, lines 2e and 2e(i). Instead, include qualified sick leave wages and qualified family leave wages excluded from the definition of employment under sections 3121(b)(1)–(22) separately in Step 2, line 2a(iii) and/or line 2e(iii), respectively, before you figure your total credit in Step 2, line 2d (credit for qualified sick leave wages),

or Step 2, line 2h (credit for qualified family leave wages).

The 2020 Instructions for Form 943 were released before the COVID-related Tax Relief Act of 2020 was enacted on December 27, 2020; therefore, Worksheet 1 in the 2020 Instructions for Form 943 didn't include lines to add the wages that meet an exclusion under sections 3121(b)(1)–(22) when figuring the credit for qualified sick and family leave wages. If your Form 943 for 2020 didn't claim the correct amount of the credit for qualified sick and family leave wages because you paid qualified sick leave wages and/or qualified family leave wages that meet an exclusion under sections 3121(b)(1)–(22), you may file Form 943-X and complete Worksheet 1 to claim the correct amount of the credit. You'll also include on Form 943-X, lines 26 and 27, and on Worksheet 1 any qualified health plan expenses allocable to those wages. The appropriate lines related to the exclusions

under sections 3121(b)(1)–(22) were added to Worksheet 1 in the 2021 Instructions for Form 943.

***Example—Nonrefundable portion of credit for qualified sick and family leave wages increased.*** You originally reported a \$1,000 nonrefundable portion of the credit for qualified sick and family leave wages on Form 943, line 12b, for 2021. In March 2024, you discover that you made an error when figuring the credit. You use Worksheet 1 to refigure the nonrefundable portion of the credit for qualified sick and family leave wages and you determine that the credit is \$2,000. To correct the error, figure the difference on Form 943-X as shown next.

Column 1 (corrected amount)	2,000.00
Column 2 (Form 943, line 12b)	- 1,000.00
Column 3 (difference)	<hr/> 1,000.00

To properly show the credit increase as a reduction to your tax balance, enter the positive number in column 3 as a negative number in column 4. Here is how you would enter the numbers on Form 943-X, line 14.

Column 1	Column 2	Column 3	Column 4
(corrected amount)	(Form 943, line 12b)	(difference)	(tax correction)
2,000.00	1,000.00	1,000.00	-1,000.00

Be sure to explain the reasons for this correction on line 41.

## **15a. Nonrefundable Portion of Employee Retention Credit**

Use line 15a only for corrections to a 2020 or 2021 Form 943.



*Section 206(c) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020 removed the restriction on an employer who has received a Small Business Interruption Loan under the Paycheck Protection Program (PPP) from claiming the employee retention credit. The eligible employer can claim the employee retention credit on any qualified wages that aren't counted as payroll costs in obtaining PPP loan forgiveness. Any wages that could count toward eligibility for the employee retention credit or PPP loan forgiveness can be applied to either of these two programs but not both. If your Form 943 for 2020 didn't claim the correct amount for the employee retention credit because you received a Small Business Interruption Loan under the PPP, you may file Form 943-X and complete Worksheet 2 to claim the correct amount of the credit. For more information, see Notice 2021-20, 2021-11 I.R.B. 922, available at [IRS.gov/irb/2021-11\\_IRB#NOT-2021-20](https://www.irs.gov/irb/2021-11_IRB#NOT-2021-20); and Rev. Proc. 2021-*

*33, 2021-34 I.R.B. 327, available at [IRS.gov/irb/2021-34\\_IRB#REV-PROC-2021-33](https://www.irs.gov/irb/2021-34_IRB#REV-PROC-2021-33).*

## **Instructions for Qualified Wages Paid After March 12, 2020, and Before July 1, 2021**

If you're correcting the nonrefundable portion of the employee retention credit for qualified wages paid after March 12, 2020, and before July 1, 2021, that you reported on Form 943, line 12c, enter the total corrected amount from Worksheet 2, Step 2, line 2h, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2.

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3

as a positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

For more information about the employee retention credit for qualified wages paid after March 12, 2020, and before January 1, 2021, see [Notice 2021-20](#). See Notice 2021-23, 2021-16 I.R.B. 1113, available at [IRS.gov/irb/ 2021-16 IRB#NOT-2021-23](#), for more information about the employee retention credit for qualified wages paid after December 31, 2020, and before July 1, 2021. Also see section IV of Notice 2021-49, 2021-34 I.R.B. 316, available at [IRS.gov/irb/2021-34 IRB#NOT-2021-49](#); and [Rev. Proc. 2021-33](#).

Be sure to explain the reasons for this correction on line 41.





*For corrections to a 2020 Form 943, the employee retention credit is only available for qualified wages paid after March 12, 2020, and before January 1, 2021. For corrections to a 2021 Form 943, the employee retention credit is only available for qualified wages paid after December 31, 2020, and before October 1, 2021, unless the employer was a recovery startup business. An employer that was a recovery startup business could also claim the employee retention credit for wages paid after September 30, 2021, and before January 1, 2022. Adjustments to the nonrefundable portion of the employee retention credit for qualified wages paid after March 12, 2020, and before July 1, 2021, are reported on Form 943-X, line 15a, and adjustments to the refundable portion of the credit are reported on Form 943-X, line 24a. Adjustments to qualified wages for the employee retention credit are reported on Form 943-X, line 28. Adjustments to qualified health plan expenses*

*allocable to the employee retention credit are reported on Form 943-X, line 29. If you claimed the employee retention credit on your original 2020 Form 943 or your original 2021 Form 943 for qualified wages paid before July 1, 2021, and you make any corrections on Form 943-X for the year to amounts used to figure this credit, you'll need to refigure the amount of the credit using Worksheet 2. You'll also use this worksheet to figure the credit for qualified wages paid after March 12, 2020, and before July 1, 2021, if you're claiming the credit for the first time on Form 943-X.*

## **Instructions for Qualified Wages Paid After June 30, 2021, and Before January 1, 2022**



*The Infrastructure Investment and Jobs Act amends section 3134 of the Internal Revenue Code, as enacted under the ARP, to limit the availability of the employee retention credit in the fourth*

*quarter of 2021 to employers that are recovery startup businesses, as defined in section 3134(c)(5). Thus, for wages paid after September 30, 2021, and before January 1, 2022, only the wages paid by recovery startup businesses can be qualified wages. See the 2021 revision of the Instructions for Form 943 for more information about a recovery startup business.*

If you're correcting the nonrefundable portion of the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022, that you reported on Form 943, line 12c, enter the total corrected amount from Worksheet 4, Step 2, line 2h, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2.

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive

number in column 3 as a negative number in column 4 or a negative number in column 3 as a positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

For more information about the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022, see [Notice 2021-49](#) and [Rev. Proc. 2021-33](#). See Notice 2021-65, 2021-51 I.R.B. 880, available at [IRS.gov/irb/2021-51\\_IRB#NOT-2021-65](#), for modifications to Notice 2021-49.

Be sure to explain the reasons for this correction on line 41.



*For corrections to a 2021 Form 943, the employee retention credit is only available for qualified wages paid after December 31, 2020, and before October 1, 2021, unless the employer was a recovery startup business. An employer that was a recovery startup business could also claim the*

*employee retention credit for wages paid after September 30, 2021, and before January 1, 2022. Adjustments to the nonrefundable portion of the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022, are reported on Form 943-X, line 15a, and adjustments to the refundable portion of the credit are reported on Form 943-X, line 24a. Adjustments to qualified wages for the employee retention credit are reported on Form 943-X, line 28. Adjustments to qualified health plan expenses allocable to the employee retention credit are reported on Form 943-X, line 29. If you claimed the employee retention credit on your original 2021 Form 943 and you make any corrections on Form 943-X to amounts used to figure the credit for qualified wages paid after June 30, 2021, and before January 1, 2022, you'll need to refigure the amount of the credit using Worksheet 4. You'll also use this worksheet to figure this credit if you're*

*claiming the credit for the first time on Form 943-X.*

### **15b. Nonrefundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 12d, enter the total corrected amount from Worksheet 3, Step 2, line 2r, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. For more information about the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3 as a positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

For corrections to 2021, 2022, or 2023 Form 943, line 12d, the credit for qualified sick and family leave wages is only available for wages paid in 2021, 2022, or 2023 with respect to any leave taken after March 31, 2021, and before October 1, 2021. If you're correcting a year before 2021, don't enter any amount on line 15b.

**Definition of qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021.**

For purposes of this credit, qualified sick leave wages and qualified family leave wages

are wages for social security and Medicare tax purposes, determined without regard to the exclusions from the definition of employment under sections 3121(b)(1)–(22), that an employer pays that otherwise meet the requirements of the EPSLA or Expanded FMLA, as enacted under the FFCRA and amended for purposes of the ARP. Taxable qualified sick leave wages and qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, were included on Form 943, line 2, and can be adjusted only on Form 943-X, line 6. Total qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, including any qualified leave wages that were above the social security wage base and any qualified leave wages excluded from the definition of employment under sections 3121(b)(1)– (22), were included on Form 943, lines 22 and 25, respectively, and can be adjusted only on



Form 943-X, lines 31 and 34, respectively.  
Use Worksheet 3 to figure your credit.

Be sure to explain the reasons for this correction on line 41.

## **15c. Nonrefundable Portion of COBRA Premium Assistance Credit**

COBRA premium assistance is available for periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021. For more information, see *Credit for COBRA premium assistance payments is limited to periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021* under *Reminders*, earlier.



*Premium payees that receive an election from an assistance eligible individual are entitled to the COBRA premium assistance credit for premiums not paid during the quarter in which the election*

*is received. See [Notice 2021-31](#) for more information.*

If you're correcting the nonrefundable portion of the COBRA premium assistance credit that you reported on Form 943, line 12e, enter the total corrected amount from Worksheet 5, Step 2, line 2g, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2.

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3 as a positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

Be sure to explain the reasons for this correction on line 41.

## **15d. Number of Individuals Provided COBRA Premium Assistance**

If you're correcting the number of individuals provided COBRA premium assistance that you reported on Form 943, line 12f, enter the total corrected amount in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2.

Be sure to explain the reasons for this correction on line 41.

## **16–19. Special Additions to Wages for Federal Income Tax, Social Security Taxes, Medicare Taxes, and Additional Medicare Tax**

Section 3509 provides special rates for the employee share of social security tax, Medicare tax, Additional Medicare Tax, and federal income tax withholding when workers

are reclassified as employees in certain circumstances. The applicable rate depends on whether you filed required information returns. An employer can't recover any tax paid under this provision from the employees. The full employer share of social security and Medicare taxes is due for all reclassifications.

**Note.** Section 3509 rates aren't available if you intentionally disregarded the requirements to withhold taxes from the employee, or if you withheld federal income tax but didn't withhold social security and Medicare taxes.

Section 3509 rates are also not available for certain statutory employees.

On lines 16–19, enter **only** corrections to wages resulting from reclassifying certain workers as employees when section 3509 rates are used to calculate the taxes.

If the employer issued the required information returns, use the section 3509 rates as follows.

- For social security tax, use the employer rate of 6.2% plus 20% of the employee rate of 6.2%, for a total rate of 7.44% of wages.
- For Medicare tax, use the employer rate of 1.45% plus
- 20% of the employee rate of 1.45%, for a total rate of 1.74% of wages.
- For Additional Medicare Tax, 0.18% (20% of the employee rate of 0.9%) of wages subject to Additional Medicare Tax.
- For federal income tax withholding, the rate is 1.5% of wages.

If the employer didn't issue the required information returns, use the section 3509 rates as follows.

- For social security tax, use the employer rate of 6.2% plus 40% of the employee rate of 6.2%, for a total rate of 8.68% of wages.
- For Medicare tax, use the employer rate of 1.45% plus
- 40% of the employee rate of 1.45%, for a total rate of 2.03% of wages.
- For Additional Medicare Tax, 0.36% (40% of the employee rate of 0.9%) of wages subject to Additional Medicare Tax.
- For federal income tax withholding, the rate is 3.0% of wages.

Unlike some other lines on Form 943-X, enter in column 1 only the corrected wages for workers being reclassified, not the amount paid to **all** employees. Enter in column 2 previously reported wages (if any) to reclassified employees. To get the amount for column 4, use the applicable section 3509 rates. If you filed the required information

returns for some employees but didn't file them for other employees, be sure to use the applicable rates for each employee when calculating the amounts in column 4 and show your calculations on line 41. The tax correction in column 4 will be a positive number if you increased the amount of wages you previously reported. See the instructions for line 40, later, for more information.

## **20. Subtotal**

Combine the amounts on lines 6–19 of column 4 and enter the total on line 20.

***Example.*** You entered “-500.00” in column 4 of line 6, “-100.00” in column 4 of line 9, and “1,400.00” in column 4 of line 11. Combine these amounts and enter “800.00” in column 4 of line 20.

Line 6 (column 4)	-500.00
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Line 9 (column 4)	-100.00
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Line 11 (column 4)	+ 1,400.00
<hr/>	
Line 20 (column 4)	800.00

## **21. Deferred Amount of the Employer Share of Social Security Tax**

Use Form 943-X, line 21, if you need to correct the deferred amount of the employer share of social security tax that you reported on your 2020 Form 943, line 14b. Enter the total corrected amount in column 1. In column 2, enter the amount you originally reported or as previously corrected by you or the IRS. In column 3, enter the difference between columns 1 and 2.

Copy the amount in column 3 to column 4. However, because an increase to the deferred amount of the employer share of social security tax defers the payment due, to properly show the amount as a deferral of payment, enter a positive number in column 3 as a negative number in column 4. A



decrease to the deferred amount of the employer share of social security tax decreases the payment you can defer and must be shown as a balance due item; therefore, to properly show the amount as a balance due item, enter a negative number in column 3 as a positive number in column 4.

If you're filing Form 943-X to increase the amount of social security wages paid on or after March 27, 2020, and before January 1, 2021, so that there is an additional amount of social security tax that hasn't yet been paid, and hasn't yet been deferred, then you may use Form 943-X to increase the amount of the deferred employer share of social security tax originally reported on Form 943, line 14b. If you're filing Form 943-X to decrease the amount of social security wages paid on or after March 27, 2020, and before January 1, 2021, so that there is a decrease in the amount of social security tax that is eligible for deferral, then you must use Form 943-X

to decrease the amount of the deferred employer share of social security tax originally reported on Form 943, line 14b, if the decrease in wages causes the amount you originally deferred to exceed the amount that is now eligible for deferral. Otherwise, you may only correct the amount of the deferred employer share of social security tax if the amount originally reported on Form 943, line 14b, isn't the amount you actually deferred (for example, you incorrectly reported the amount that you actually deferred). If you already paid the correct amount of the employer share of social security tax during the payroll tax deferral period, you may not subsequently defer the payment by filing Form 943-X. See [IRS.gov/ETD](https://www.irs.gov/ETD) for more information about the interaction of credits and the deferral of employment tax deposits and payments.

The deferred amount of the employer share of social security tax was only available for deposits and payments due on or after March 27, 2020, and before January 1, 2021, as well as deposits and payments due after January 1, 2021, that were required for wages paid during the applicable period. One-half of the deferred amount of the employer share of social security tax was due by December 31, 2021, and the remainder was due by December 31, 2022. Because both December 31, 2021, and December 31, 2022, were nonbusiness days, payments made on the next business day were considered timely. Any payments or deposits you made before December 31, 2021, were first applied against your payment due on December 31, 2021, and then applied against your payment due on December 31, 2022. For more information about the deferral of employment tax deposits, go to [IRS.gov/ETD](https://www.irs.gov/ETD) and see the Instructions for Form 943, available at [IRS.gov/Form943](https://www.irs.gov/Form943).

Be sure to explain the reasons for any correction on line 41.

## **22. Deferred Amount of the Employee Share of Social Security Tax**

Use Form 943-X, line 22, if you need to correct the deferred amount of the employee share of social security tax that you reported on your 2020 Form 943, line 14c. Enter the total corrected amount in column 1. In column 2, enter the amount you originally reported or as previously corrected by you or the IRS. In column 3, enter the difference between columns 1 and 2.

Copy the amount in column 3 to column 4. However, because an increase to the deferred amount of the employee share of social security tax defers the payment due, to properly show the amount as a deferral of payment, enter a positive number in column 3 as a negative number in column 4. A decrease to the deferred amount of the

employee share of social security tax decreases the payment you can defer and must be shown as a balance due item; therefore, to properly show the amount as a balance due item, enter a negative number in column 3 as a positive number in column 4.

You may only correct the amount of the deferred employee share of social security tax if the amount originally reported on Form 943, line 14c, isn't the amount you actually deferred (for example, you incorrectly reported the amount that you actually deferred). If you already paid the correct amount of the employee's share of social security tax, you may not subsequently defer the payment by filing Form 943-X.

The deferred amount of the employee share of social security tax was only available for social security wages of less than \$4,000 paid to an employee in any biweekly pay period (or the equivalent threshold amount for other pay periods) paid on a pay date during the

period beginning on September 1, 2020, and ending on December 31, 2020. The due date for withholding and payment of the deferred employee share of social security tax was postponed until the period beginning on January 1, 2021, and ending on December 31, 2021. The employer was liable to pay the deferred employee share of social security tax to the IRS and was required to do so before January 1, 2022, to avoid interest, penalties, and additions to tax on those amounts.

Because January 1, 2022, was a nonbusiness day, payments made on January 3, 2022, were considered timely. For more information about the deferral of the employee share of social security tax, see Notice 2020-65, 2020-38 I.R.B. 567, available at

[IRS.gov/irb/2020-38\\_IRB#NOT-2020-65](https://www.irs.gov/irb/2020-38_IRB#NOT-2020-65); and Notice 2021-11, 2021-06 I.R.B. 827, available at [IRS.gov/irb/2021-06\\_IRB#NOT-2021-11](https://www.irs.gov/irb/2021-06_IRB#NOT-2021-11).

Be sure to explain the reasons for any correction on line 41.

## **23. Refundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021**

If you're correcting the refundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021, that you reported on Form 943, line 14d, enter the total corrected amount from Worksheet 1, Step 2, line 2k, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. For more information about the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/PLC).

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3

as a positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

For corrections to 2020 Form 943, line 14d, the credit for qualified sick and family leave wages is only available for wages paid with respect to leave taken after March 31, 2020, and before January 1, 2021. For corrections to 2021, 2022, or 2023 Form 943, line 14d, the credit for qualified sick and family leave wages is only available for wages paid in 2021, 2022, or 2023 with respect to any leave taken after March 31, 2020, and before April 1, 2021. If you're correcting a year before 2020, don't enter any amount on line 23.

Be sure to explain the reasons for this correction on line 41.



## 24a. Refundable Portion of Employee Retention Credit

Use line 24a only for corrections to a 2020 or 2021 Form 943.



*For corrections to a 2020 Form 943, the employee retention credit is only available for qualified wages paid after March 12, 2020, and before January 1, 2021. For corrections to a 2021 Form 943, the employee retention credit is only available for qualified wages paid after December 31, 2020, and before October 1, 2021, unless the employer was a recovery startup business. An employer that was a recovery startup business could also claim the employee retention credit for wages paid after September 30, 2021, and before January 1, 2022.*

## **Instructions for Qualified Wages Paid After March 12, 2020, and Before July 1, 2021**

If you're correcting the refundable portion of the employee retention credit that you reported on Form 943, line 14e, for qualified wages paid after March 12, 2020, and before July 1, 2021, enter the total corrected amount from Worksheet 2, Step 2, line 2i, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. For more information about the employee retention credit for qualified wages paid after March 12, 2020, and before January 1, 2021, see [\*Notice 2021-20\*](#). See [\*Notice 2021-23\*](#) for more information about the employee retention credit for qualified wages paid after December 31, 2020, and before July 1, 2021. Also see section IV of [\*Notice 2021-49\*](#), and [\*Rev. Proc. 2021-33\*](#).

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3 as a positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

Be sure to explain the reasons for this correction on line 41.

## **Instructions for Qualified Wages Paid After June 30, 2021, and Before January 1, 2022**

If you're correcting the refundable portion of the employee retention credit that you reported on Form 943, line 14e, for qualified wages paid after June 30, 2021, and before January 1, 2022, enter the total corrected amount from Worksheet 4, Step 2, line 2i, in column 1. In column 2, enter the amount you

originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. For more information about the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022, see [Notice 2021-49](#) and [Rev. Proc. 2021-33](#). See [Notice 2021-65](#) for modifications to Notice 2021-49.

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3 as a positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for [line 14](#), earlier.

Be sure to explain the reasons for this correction on line 41.

## **24b. Refundable Portion of Credit for Qualified Sick and Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the refundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 14f, enter the total corrected amount from Worksheet 3, Step 2, line 2s, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. For more information about the credit for qualified sick and family leave wages, go to [IRS.gov/PLC](https://www.irs.gov/plc).

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in

column 4 or a negative number in column 3 as a

positive number in column 4. For an example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

For corrections to 2021, 2022, or 2023 Form 943, line 14f, the credit for qualified sick and family leave wages is only available for wages paid in 2021, 2022, or 2023 with respect to any leave taken after March 31, 2021, and before October 1, 2021. If you're correcting a year before 2021, don't enter any amount on line 24b.

Be sure to explain the reasons for this correction on line 41.

## **24c. Refundable Portion of COBRA Premium Assistance Credit**

COBRA premium assistance is available for periods of coverage beginning on or after

April 1, 2021, through periods of coverage beginning on or before September 30, 2021. For more information, see *Credit for COBRA premium assistance payments is limited to periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021* under *Reminders*, earlier.

If you're correcting the refundable portion of the COBRA premium assistance credit that you reported on Form 943, line 14g, enter the total corrected amount from Worksheet 5, Step 2, line 2h, in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2.

Copy the amount in column 3 to column 4. However, to properly show the amount as a credit or balance due item, enter a positive number in column 3 as a negative number in column 4 or a negative number in column 3 as a positive number in column 4. For an

example of how to report amounts in columns 1–4 for an employment tax credit, see the instructions for line 14, earlier.

Be sure to explain the reasons for this correction on line 41.

### **Corrections to Form 943, Line 14g (For 2020) or Line 14i (For 2021)**

Form 943-X doesn't include a line to correct amounts reported on Form 943, line 14g (14i), for the total advances received from filing Form(s) 7200 for the year. If a discrepancy exists between the amount reported on Form 943 and the amount of advance payments issued, the IRS will generally correct the amount reported on Form 943, line 14g (14i), to match the amount of advance payments issued. However, aggregate filers may need to correct the amount reported on Form 943, line 14g (14i), to reflect the correct advance payments received by their clients or



customers. If you're an aggregate filer that needs to correct the amount reported on Form 943, line 14g (14i), include any increase or decrease to the amount in the "Total" reported on Form 943-X, line 25; write "Correction to line 14g (14i)" on the dotted line to the left of the entry box on line 25; explain your correction on line 41; and attach Schedule R (Form 943) to Form 943-X to show corrections for your clients or customers.

## **25. Total**

Combine the amounts from column 4 on lines 20–24c and enter the result on line 25.

**Your credit.** If the amount entered on line 25 is less than zero, for example, "-115.00," you have a credit because you overreported your federal employment taxes.

- If you checked the box on line 1, include this amount on the "Total deposits" line of Form 943 for the year during which you

filed Form 943-X. Don't make any changes to your record of federal tax liability reported on Form 943, line 17, or Form 943-A, unless you were assessed an FTD penalty. For more information, see the Form 943-A instructions.

- If you checked the box on line 2, you're filing a claim for refund or abatement of the amount shown.

If your credit is less than \$1, we will send a refund or apply it to your next return only if you ask us in writing to do so.

**Amount you owe.** If the amount on line 25 is a positive number, you must **pay** the amount you owe **by the time you file** Form 943-X. You may not use any credit that you show on another Form 943-X to pay the amount you owe, even if you filed for the amount you owe and the credit at the same time.

If you owe tax and are filing a timely Form 943-X, don't file an amended Form 943-A unless you were assessed an FTD penalty caused by an incorrect, incomplete, or missing Form 943-A. Don't include the tax increase reported on Form 943-X on any amended Form 943-A you file.

If you owe tax and are filing a late Form 943-X, that is, after the due date of Form 943 for the year in which you discovered the error, you must file an amended Form 943-A with the Form 943-X. Otherwise, the IRS may assess an "averaged" FTD penalty. The total tax reported on Form 943-A, line M, must match the corrected tax (Form 943, line 13, combined with any correction reported on Form 943-X, line 20) for the year, less any previous abatements and interest-free tax assessments.

**Payment methods.** You may pay the amount you owe on line 25 electronically using the Electronic Federal Tax Payment

System (EFTPS), by credit card or debit card, or by a check or money order.

- The preferred method of payment is EFTPS. For more information, go to [EFTPS.gov](https://www.irs.gov/eftps), or call 800-555-4477 (800-244-4829 (Spanish) or 303-967-5916 if you're outside the United States (toll call)). To contact EFTPS using Telecommunications Relay Services (TRS) for people who are deaf, hard of hearing, or have a speech disability, dial 711 and then provide the TRS assistant the 800-555-4477 number above or 800-733-4829. Additional information about EFTPS is also available in Pub. 966.
- To pay by credit or debit card, go to [IRS.gov/ PayByCard](https://www.irs.gov/payments/credit-debit). Your payment will be processed by a payment processor who will charge a processing fee.
- If you pay by check or money order, make it payable to "United States Treasury." On your check or money order, be sure to

write your EIN, "Form 943-X," and the year corrected. You don't have to pay if the amount you owe is less than \$1.

## **Lines 26–38**

For lines 26–38, you'll only enter amounts in columns 1, 2, and 3. These lines don't have an entry space for column 4 because these adjustments don't directly result in an increase or decrease to your tax. The amounts entered on lines 26–36 are amounts that you use on Worksheets 1–5, as applicable, to figure your credits. If you reported an incorrect amount on lines 18–29 on your original Form 943, then you'll use lines 26–38 of Form 943-X to report the correction. Use Worksheets 1–5, as applicable, to refigure your credits based on the corrected amounts reported in column 1. Be sure to explain the reasons for your corrections to lines 26–38 on line 41.

## **26. Qualified Health Plan Expenses Allocable to Qualified Sick Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021**

If you're correcting the qualified health plan expenses allocable to qualified sick leave wages for leave taken after March 31, 2020, and before April 1, 2021, that you reported on Form 943, line 18, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 1, Step 2, line 2b.

## **27. Qualified Health Plan Expenses Allocable to Qualified Family Leave Wages for Leave Taken After March 31, 2020, and Before April 1, 2021**

If you're correcting the qualified health plan expenses allocable to qualified family leave wages for leave taken after March 31, 2020, and before April 1, 2021, that you reported on Form 943, line 19, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 1, Step 2, line 2f.

## **28. Qualified Wages for the Employee Retention Credit**

Use line 28 only for corrections to a 2020 or 2021 Form 943.

If you're correcting the qualified wages for the employee retention credit that you reported on Form 943, line 20, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 2, Step 2, line 2a, for qualified wages paid after March 12, 2020, and before July 1, 2021. Enter the corrected amount from column 1 on Worksheet 4, Step 2, line 2a, for qualified wages paid after June 30, 2021, and before January 1, 2022.

## **29. Qualified Health Plan Expenses for the Employee Retention Credit**

Use line 29 only for corrections to a 2020 or 2021 Form 943.



If you're correcting the qualified health plan expenses allocable to wages reported on Form 943, line 20, that you reported on Form 943, line 21, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 2, Step 2, line 2b, for qualified health plan expenses allocable to qualified wages paid after March 12, 2020, and before July 1, 2021. Enter the corrected amount from column 1 on Worksheet 4, Step 2, line 2b, for qualified health plan expenses allocable to qualified wages paid after June 30, 2021, and before January 1, 2022.

### **30. Credit From Form 5884-C, Line 11, for the Year**

Use line 30 only for corrections to a 2020 Form 943.

If you're correcting the credit from Form 5884-C, line 11, for the year, that you reported on 2020 Form 943, line 22, enter the total corrected amount in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 1, Step 1, line 1g. Entering an amount here is strictly for purposes of figuring the credit for qualified sick and family wages for leave taken after March 31, 2020, and before April 1, 2021, on Worksheet 1. For purposes of figuring the employee retention credit for qualified wages paid after March 12, 2020, and before July 1, 2021, enter the corrected amount from column 1 on Worksheet 2, Step 1, line 1h, unless you also completed Worksheet 1 and you're bringing the amount from Worksheet 1, Step 1, line 1j, forward to Worksheet 2, Step 1, line 1a. Reporting a correction on this

line doesn't correct the credit claimed on Form 5884-C.

### **31. Qualified Sick Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 22, enter the total corrected amount in column 1. In column 2, enter the amount you originally reported or as previously corrected.

In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 3, Step 2, line 2a.

Be sure to explain the reasons for this correction on line 41.

## **32. Qualified Health Plan Expenses Allocable to Qualified Sick Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the qualified health plan expenses allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 23, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 3, Step 2, line 2b.

Be sure to explain the reasons for this correction on line 41.

### **33. Amounts Under Certain Collectively Bargained Agreements Allocable to Qualified Sick Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the amounts under certain collectively bargained agreements allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 24, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 3, Step 2, line 2c.

Be sure to explain the reasons for this correction on line 41.

### **34. Qualified Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 25, enter the total corrected amount in column 1. In column 2, enter the amount you originally reported or as previously corrected.

In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 3, Step 2, line 2g.

Be sure to explain the reasons for this correction on line 41.

## **35. Qualified Health Plan Expenses Allocable to Qualified Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the qualified health plan expenses allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 26, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 3, Step 2, line 2h.

Be sure to explain the reasons for this correction on line 41.

## **36. Amounts Under Certain Collectively Bargained Agreements Allocable to Qualified Family Leave Wages for Leave Taken After March 31, 2021, and Before October 1, 2021**

If you're correcting the amounts under certain collectively bargained agreements allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, that you reported on Form 943, line 27, enter the total corrected amount for all employees in column 1. In column 2, enter the amount you originally reported or as previously corrected. In column 3, enter the difference between columns 1 and 2. Enter the corrected amount from column 1 on Worksheet 3, Step 2, line 2i.

Be sure to explain the reasons for this correction on line 41.





*Recovery startup businesses are limited to a maximum employee retention credit of \$50,000 per quarter. Don't enter more than \$50,000 per quarter in total on lines 15a and 24a.*

### **37. If You're Eligible for the Employee Retention Credit in the Third Quarter of 2021 Solely Because Your Business Is a Recovery Startup Business . . .**

Whether you complete line 37 to tell us if you're eligible for the employee retention credit in the third quarter of 2021 **solely** because your business is a recovery startup business depends on its applicability and whether you originally reported an amount on your 2021 Form 943, line 28.

- If you reported the total of any amounts included on lines 12c and 14e on line 28 for the third quarter on your originally filed 2021 Form 943 but that is no longer

accurate, explain in detail on line 41 why you no longer think that you're a recovery startup business and the reasons that you still qualify for the employee retention credit.

- If you didn't report the total of any amounts included on lines 12c and 14e on line 28 for the third quarter on your originally filed 2021 Form 943 and this still doesn't apply, don't complete line 37.
- If you didn't report the total of any amounts included on lines 12c and 14e for the third quarter on your originally filed 2021 Form 943 but you're now claiming the employee retention credit as a recovery startup business, complete line 37 with the total of the corrected amounts included on Form 943-X, lines 15a and 24a.

**Recovery startup business.** For the third quarter of 2021, a recovery startup business is an employer that:

- Began carrying on a trade or business after February
- 15, 2020;
- Had average annual gross receipts of \$1 million or less for the 3 tax years ending with the tax year before the calendar quarter in which the employee retention credit is claimed; and
- Isn't otherwise eligible for the employee retention credit because business operations aren't fully or partially suspended due to a governmental order or because gross receipts (within the meaning of section 448(c) or, if you're a tax-exempt organization, section 6033) aren't less than 80% of the gross receipts for the same calendar quarter in calendar year 2019.

## **38. If You're Eligible for the Employee Retention Credit in the Fourth Quarter of 2021 Solely Because Your Business Is a Recovery Startup Business . . .**

For the fourth quarter of 2021, only a recovery startup business may claim the employee retention credit.

Whether you complete line 38 to tell us if you're eligible for the employee retention credit in the fourth quarter of 2021 **solely** because your business is a recovery startup business depends on its applicability and whether you originally reported an amount on your 2021 Form 943, line 29.

- If you reported the total of any amounts included on lines 12c and 14e on line 29 for the fourth quarter on your originally filed 2021 Form 943 but that is no longer accurate, explain in detail on line 41 why you no longer think that you're a recovery

startup business and the reasons that you still qualify for the employee retention credit.

- If you didn't report the total of any amounts included on lines 12c and 14e on line 29 for the fourth quarter on your originally filed 2021 Form 943 and this still doesn't apply, don't complete line 38.
- If you didn't report the total of any amounts included on lines 12c and 14e for the fourth quarter on your originally filed 2021 Form 943 but you're now claiming the employee retention credit as a recovery startup business, complete line 38 with the total of the corrected amounts included on Form 943-X, lines 15a and 24a.

For the fourth quarter of 2021, a recovery startup business is an employer that began carrying on a trade or business after February 15, 2020, and had average annual gross receipts of \$1 million or less for the 3 tax

years ending with the tax year before the calendar quarter in which the employee retention credit is claimed.

## **Part 4: Explain Your Corrections for the Calendar Year You're Correcting 39. Corrections of Both Underreported and Overreported Amounts**

Check the box on line 39 if any corrections you entered on lines 6–19, lines 21–24c, or lines 26–38, column 3, reflect both underreported and overreported amounts.

**Example.** If you had an increase to social security wages of \$15,000 for Nathan Black and a decrease to social security wages of \$5,000 for Leah Green, you would enter \$10,000 on line 6, column 3. That \$10,000 represents the net change from offsetting corrections.

On line 41, you must explain the reasons for both the \$15,000 increase and the \$5,000 decrease.

## **40. Did You Reclassify Any Workers?**

Check the box on line 40 if you reclassified any workers to be independent contractors or nonemployees. Also check this box if the IRS or you determined that workers you treated as independent contractors or nonemployees should be classified as employees. On line 41, give us a detailed reason why any worker was reclassified and, if you used section 3509 rates on lines 16–19 for any worker reclassified as an employee, explain why section 3509 rates apply and what rates you used.

**Return not filed because you didn't treat any workers as employees.** If you didn't previously file Form 943 because you mistakenly treated workers as independent

contractors or as nonemployees, file a Form 943 for each delinquent year.

On each Form 943 for which you're entitled to use section 3509 rates, complete the following steps.

- Write "**Misclassified Employees**" in **bold** letters across the top margin of page 1.
- Enter a zero on line 13.
- Complete the signature area.
- Attach a completed Form 943-X (see instructions next).
- On each attached Form 943-X, complete the following steps.
- Complete the top of Form 943-X, including the date you discovered the error.
- Enter the wage amounts on lines 16–19, column 1.
- Enter zeros on lines 16–19, column 2.



- Complete columns 3 and 4 as instructed in Part 3.
- Provide a detailed statement on line 41.
- Complete the signature area.



*If you can't use section 3509 rates (for example, because the workers you treated as nonemployees were certain statutory employees), file a Form 943 for each delinquent year. Write "**Misclassified Employees**" in **bold** letters across the top margin of page 1 of each Form 943. Complete Form 943 using the Instructions for Form 943. Attach a Form 943-X to each Form 943. Complete the top of Form 943-X, including the date you discovered the error, and provide a detailed explanation on line 41.*

## **41. Explain Your Corrections**

Treasury regulations require you to explain in detail the grounds and facts relied upon to support each correction. On line 41, describe in detail each correction you entered in

column 4 on lines 6–19 and lines 21–24c.  
Also use

line 41 to describe in detail corrections made on lines 26– 38. If you need more space, attach additional sheets, but be sure to write your name, EIN, “Form 943-X,” and the calendar year you’re correcting on the top of each sheet.

You must describe the events that caused the underreported or overreported amounts. Explanations such as “social security and Medicare wages were overstated,” “administrative/payroll errors were discovered,” or “taxes were not withheld” are insufficient and may delay processing your Form 943-X because the IRS may need to ask for a more complete explanation.

Provide the following information in your explanation for each correction.

- Form 943-X line number(s) affected.
- Date you discovered the error.

- Amount of the error.
- Cause of the error.

You may report the information in paragraph form. The following paragraph is an example.

“The \$1,000 difference shown in column 3 of lines 6 and 9 was discovered on May 15, 2024, during an internal payroll audit. We discovered that we included \$1,000 of wages for one of the employees twice. This correction removes the reported wages that were never paid.”

For corrections shown on lines 16–19, explain why the correction was necessary and attach any notice you received from the IRS.

## **Part 5: Sign Here**

You must complete all five pages of Form 943-X and sign it on page 5. If you don't sign, processing of Form 943-X will be delayed.

**Who must sign the Form 943-X?** The following persons are authorized to sign the return for each type of business entity.

- **Sole proprietorship**—The individual who owns the business.
- **Corporation (including a limited liability company (LLC) treated as a corporation)**—The president, vice president, or other principal officer duly authorized to sign.
- **Partnership (including an LLC treated as a partnership) or unincorporated organization**—A responsible and duly authorized partner, member, or officer having knowledge of its affairs.
- **Single-member LLC treated as a disregarded entity for federal income tax purposes**—The owner of the LLC or a principal officer duly authorized to sign.
- **Trust or estate**—The fiduciary.

Form 943-X may also be signed by a duly authorized agent of the taxpayer if a valid power of attorney has been filed.

**Alternative signature method.** Corporate officers or duly authorized agents may sign Form 943-X by rubber stamp, mechanical device, or computer software program.

For details and required documentation, see Rev. Proc. 2005-39, 2005-28 I.R.B. 82, available at [IRS.gov/irb/ 2005-28 IRB#RP-2005-39](https://www.irs.gov/irb/2005-28_IRB#RP-2005-39).

### **Paid Preparer Use Only**

A paid preparer must sign Form 943-X and provide the information in the *Paid Preparer Use Only* section of Part 5 if the preparer was paid to prepare Form 943-X and isn't an employee of the filing entity. Paid preparers must sign paper returns with a manual signature. The preparer must give you a copy of the return in addition to the copy to be filed with the IRS.

If you're a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. Include your complete address. If you work for a firm, enter the firm's name and the EIN of the firm. You can apply for a PTIN online or by filing Form W-12. For more information about applying for a PTIN online, go to [IRS.gov/PTIN](https://www.irs.gov/PTIN). You can't use your PTIN in place of the EIN of the tax preparation firm.

Generally, you're not required to complete this section if you're filing the return as a reporting agent and have a valid Form 8655 on file with the IRS. However, a reporting agent must complete this section if the reporting agent offered legal advice, for example, advising the client on determining whether its workers are employees or independent contractors for federal tax purposes.



Worksheet 1. Adjusted Credit for Qualified Sick and Family Leave  
Wages for Leave Taken After March 31, 2020, and Before April 1,  
2021

Keep for Your Records 

You must use this worksheet if you claimed the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021, on your original Form 943 and you correct any amounts used to figure the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 943-X.

<b>Step 1.</b>		<b>Determine the corrected employer share of social security tax after it is reduced by any credit claimed on Form 8974 and any credit to be claimed on Form 5884-C and/or Form 5884-D</b>	
1a	Enter the amount of social security wages from Form 943, line 2, or, if corrected, the amount from Form 943-X, line 6, column 1	1a	_____
1b	Multiply line 1a by 6.2% (0.062)	1b	_____
1c	If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of social security tax included on Form 943, line 10, or, if corrected, the amount of the employer share of social security tax on sick pay that you included on Form 943-X, line 12, column 1 (enter as a <b>negative</b> number)	1c	_____
1d	Employer share of social security tax included on Form 943-X, line 17, column 4	1d	_____
1e	<b>Employer share of social security tax.</b> Combine lines 1b, 1c, and 1d	1e	_____
1f	Enter the amount from Form 8974, line 12 (including any amended Form 8974 attached to Form 943-X)	1f	_____
1g	Enter the amount from Form 5884-C, line 11, for this year (for 2020, this amount was also included on Form 943, line 22, or, if corrected, the amount from Form 943-X, line 30, column 1)	1g	_____
1h	Enter the amount from Form 5884-D, line 12, for the year	1h	_____
1i	<b>Total nonrefundable credits already used against the employer share of social security tax.</b> Add lines 1f, 1g, and 1h	1i	_____
1j	<b>Employer share of social security tax remaining.</b> Subtract line 1i from line 1e	1j	_____
<b>Step 2.</b>		<b>Figure the sick and family leave credit</b>	
2a	Qualified sick leave wages reported on Form 943, line 2a, or, if corrected, the amount from Form 943-X, line 7, column 1	2a	_____
2a(i)	Qualified sick leave wages included on Form 943, line 4, or, if corrected, the amount from Form 943-X, line 9, column 1, but not included on Form 943, line 2a, or Form 943-X, line 7, column 1, because the wages reported on that line were limited by the social security wage base	2a(i)	_____
2a(ii)	Total qualified sick leave wages. Add lines 2a and 2a(i)	2a(ii)	_____
2a(iii)	Qualified sick leave wages excluded from the definition of employment under sections 3121(b)(1)–(22)	2a(iii)	_____
2b	Qualified health plan expenses allocable to qualified sick leave wages (Form 943, line 18, or, if corrected, Form 943-X, line 26, column 1)	2b	_____
2c	Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145)	2c	_____
2d	<b>Credit for qualified sick leave wages.</b> Add lines 2a(ii), 2a(iii), 2b, and 2c	2d	_____
2e	Qualified family leave wages reported on Form 943, line 2b, or, if corrected, the amount from Form 943-X, line 8, column 1	2e	_____
2e(i)	Qualified family leave wages included on Form 943, line 4, or, if corrected, the amount from Form 943-X, line 9, column 1, but not included on Form 943, line 2b, or Form 943-X, line 8, column 1, because the wages reported on that line were limited by the social security wage base	2e(i)	_____
2e(ii)	Total qualified family leave wages. Add lines 2e and 2e(i)	2e(ii)	_____
2e(iii)	Qualified family leave wages excluded from the definition of employment under sections 3121(b)(1)–(22)	2e(iii)	_____
2f	Qualified health plan expenses allocable to qualified family leave wages (Form 943, line 19, or, if corrected, Form 943-X, line 27, column 1)	2f	_____
2g	Employer share of Medicare tax on qualified family leave wages. Multiply line 2e(ii) by 1.45% (0.0145)	2g	_____
2h	<b>Credit for qualified family leave wages.</b> Add lines 2e(ii), 2e(iii), 2f, and 2g	2h	_____
2i	<b>Credit for qualified sick and family leave wages.</b> Add lines 2d and 2h	2i	_____
2j	<b>Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021.</b> Enter the smaller of line 1j or line 2i. Enter this amount on Form 943-X, line 14, column 1	2j	_____
2k	<b>Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021.</b> Subtract line 2j from line 2i and enter this amount on Form 943-X, line 23, column 1	2k	_____



Worksheet 2. Adjusted Employee Retention Credit for Qualified Wages Paid After March 12, 2020, and Before January 1, 2021, for a 2020 Form 943, or Qualified Wages Paid After December 31, 2020, and Before July 1, 2021, for a 2021 Form 943

Keep for Your Records 

You must use this worksheet if you claimed the employee retention credit for qualified wages paid after March 12, 2020, and before January 1, 2021, on your original 2020 Form 943 or for qualified wages paid after December 31, 2020, and before July 1, 2021, on your original 2021 Form 943 and you correct any amounts used to figure the employee retention credit. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 943-X.

Step 1.

Determine the corrected employer share of social security tax after it is reduced by any credit claimed on Form 8974 and any credit to be claimed on Form 5884-C and/or Form 5884-D

1a

If you completed Worksheet 1 to claim a credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021, and you're also claiming the employee retention credit, enter the amount from Worksheet 1, Step 1, line 1j, and go to Step 2. Otherwise, complete lines 1b–1k below and then go to Step 2

1a

1b

Enter the amount of social security wages from Form 943, line 2a, or, if corrected, the amount from Form 943-X, line 7, column 1

1b

1c

Multiply line 1b by 6.2% (0.062)

1c

1d

If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of social security tax included on Form 943, line 10, or, if corrected, the amount of the employer social security tax on sick pay that you included on Form 943-X, line 12, column 1 (enter as a negative number)

1d

1e

Employer share of social security tax included on Form 943-X, line 17, column 4

1e

1f

Employer share of social security tax. Combine lines 1c, 1d, and 1e

1f

1g

Enter the amount from Form 943, line 12a, or, if corrected, the amount from Form 943-X, line 13, column 1 (credit from Form 8974)

1g

1h

Enter the amount from Form 5884-C, line 11, for this year (for 2020, this amount was also included on Form 943, line 22, or, if corrected, the amount from Form 943-X, line 30, column 1)

1h

1i

Enter the amount from Form 5884-D, line 12, for this year

1i

1j

Total nonrefundable credits already used against the employer share of social security tax. Add lines 1g, 1h, and 1i

1j

1k

Employer share of social security tax remaining. Subtract line 1j from line 1f

1k

Step 2.

Figure the employee retention credit for qualified wages paid after March 12, 2020, and before July 1, 2021

Caution: For qualified wages paid before January 1, 2021, the cumulative total for 2020 that can be claimed on lines 2a and 2b can't exceed \$10,000 per employee. For qualified wages paid after December 31, 2020, and before July 1, 2021, the total amount included on lines 2a and 2b is limited to a maximum of \$10,000 per employee in each of the first quarter and the second quarter of 2021 (\$20,000 in total for purposes of this worksheet).

2a

Qualified wages (excluding qualified health plan expenses) for the employee retention credit for qualified wages paid after March 12, 2020, and before January 1, 2021, for a 2020 Form 943, or qualified wages paid after December 31, 2020, and before July 1, 2021, for a 2021 Form 943 (these qualified wages are included in the total reported on Form 943, line 20, or, if corrected, Form 943-X, line 28, column 1)

2a

2b

Qualified health plan expenses allocable to qualified wages for the employee retention credit for qualified wages paid after March 12, 2020, and before January 1, 2021, for a 2020 Form 943, or qualified wages paid after December 31, 2020, and before July 1, 2021, for a 2021 Form 943 (these qualified health plan expenses are included in the total reported on Form 943, line 21, or, if corrected, Form 943-X, line 29, column 1)

2b

2c

Add lines 2a and 2b

2c

2d

Retention credit. If you're correcting your 2020 Form 943, multiply line 2c by 50% (0.50). If you're correcting your 2021 Form 943, multiply line 2c by 70% (0.70)

2d

2e

Enter the amount of the employer share of social security tax from Step 1, line 1a, or, if applicable, Step 1, line 1k

2e

2f

Enter the amount of the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2020, and before April 1, 2021 (this amount may come from Worksheet 1, Step 2, line 2j, in these instructions if you're correcting that credit for the year or you may need to enter the credit claimed on your original Form 943)

2f

2g

Subtract line 2f from line 2e

2g

2h

Nonrefundable portion of employee retention credit. Enter the smaller of line 2d or line 2g. Enter this amount on Form 943-X, line 15a, column 1

2h

2i

Refundable portion of employee retention credit. Subtract line 2h from line 2d and enter this amount on Form 943-X, line 24a, column 1

2i



Worksheet 3. Adjusted Credit for Qualified Sick and Family Leave  
Wages for Leave Taken After March 31, 2021, and Before October 1, 2021

Keep for Your Records



You must use this worksheet if you claimed the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, on your original Form 943 and you correct any amounts used to figure the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 943-X.

**Step 1. Determine the corrected employer share of Medicare tax**

1a	Enter the amount of Medicare wages from Form 943, line 4, or, if corrected, the amount from Form 943-X, line 9, column 1	1a	
1b	Multiply line 1a by 1.45% (0.0145)	1b	
1c	If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of Medicare tax included on Form 943, line 10, or, if corrected, the amount of the employer share of Medicare tax on sick pay that you included on Form 943-X, line 12, column 1 (enter as a <b>negative</b> number)	1c	
1d	Employer share of Medicare tax included on Form 943-X, line 18, column 4	1d	
1e	<b>Employer share of Medicare tax.</b> Combine lines 1b, 1c, and 1d	1e	
1f	For corrections to tax years beginning after December 31, 2022, only, enter the amount from Form 8974, line 16 (including any amended Form 8974 attached to Form 943-X)	1f	
1g	<b>Employer share of Medicare tax remaining.</b> Subtract line 1f from line 1e	1g	

**Step 2. Figure the sick and family leave credit**

2a	Qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021, reported on Form 943, line 22, or, if corrected, the amount from Form 943-X, line 31, column 1	2a	
2a(i)	Qualified sick leave wages included on Form 943, line 22, or, if corrected, the amount from Form 943-X, line 31, column 1, that were not included as wages reported on Form 943, lines 2 and 4, or, if corrected, the amount from Form 943-X, lines 6 and 9, column 1, because the qualified sick leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22)	2a(i)	
2a(ii)	Subtract line 2a(i) from line 2a	2a(ii)	
2a(iii)	Qualified sick leave wages included on Form 943, line 22, or, if corrected, the amount from Form 943-X, line 31, column 1, that were not included as wages reported on Form 943, line 2, or, if corrected, the amount from Form 943-X, line 6, column 1, because the qualified sick leave wages were limited by the social security wage base	2a(iii)	
2a(iv)	Subtract line 2a(iii) from line 2a(ii)	2a(iv)	
2b	Qualified health plan expenses allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021, reported on Form 943, line 23, or, if corrected, the amount from Form 943-X, line 32, column 1	2b	
2c	Amounts under certain collectively bargained agreements allocable to qualified sick leave wages for leave taken after March 31, 2021, and before October 1, 2021, reported on Form 943, line 24, or, if corrected, the amount from Form 943-X, line 33, column 1	2c	
2d	Employer share of social security tax on qualified sick leave wages. Multiply line 2a(iv) by 6.2% (0.062)	2d	
2e	Employer share of Medicare tax on qualified sick leave wages. Multiply line 2a(ii) by 1.45% (0.0145)	2e	
2f	<b>Credit for qualified sick leave wages.</b> Add lines 2a, 2b, 2c, 2d, and 2e	2f	
2g	Qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, reported on Form 943, line 25, or, if corrected, the amount from Form 943-X, line 34, column 1	2g	
2g(i)	Qualified family leave wages included on Form 943, line 25, or, if corrected, the amount from Form 943-X, line 34, column 1, that were not included as wages reported on Form 943, lines 2 and 4, or, if corrected, the amount from Form 943-X, lines 6 and 9, column 1, because the qualified family leave wages were excluded from the definition of employment under sections 3121(b)(1)–(22)	2g(i)	
2g(ii)	Subtract line 2g(i) from line 2g	2g(ii)	
2g(iii)	Qualified family leave wages included on Form 943, line 25, or, if corrected, the amount from Form 943-X, line 34, column 1, that were not included as wages reported on Form 943, line 2, or, if corrected, the amount from Form 943-X, line 6, column 1, because the qualified family leave wages were limited by the social security wage base	2g(iii)	
2g(iv)	Subtract line 2g(iii) from line 2g(ii)	2g(iv)	
2h	Qualified health plan expenses allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, reported on Form 943, line 26, or, if corrected, the amount from Form 943-X, line 35, column 1	2h	
2i	Amounts under certain collectively bargained agreements allocable to qualified family leave wages for leave taken after March 31, 2021, and before October 1, 2021, reported on Form 943, line 27, or, if corrected, the amount from Form 943-X, line 36, column 1	2i	
2j	Employer share of social security tax on qualified family leave wages. Multiply line 2g(iv) by 6.2% (0.062)	2j	
2k	Employer share of Medicare tax on qualified family leave wages. Multiply line 2g(ii) by 1.45% (0.0145)	2k	
2l	<b>Credit for qualified family leave wages.</b> Add lines 2g, 2h, 2i, 2j, and 2k	2l	
2m	<b>Credit for qualified sick and family leave wages.</b> Add lines 2f and 2l	2m	
2n	Enter any employee retention credit claimed under section 2301 of the CARES Act with respect to qualified wages paid after March 31, 2021, and before July 1, 2021, that were also taken into account for the credit for qualified sick and family leave wages	2n	
2o	Enter any credit claimed under section 41 for increasing research activities with respect to any wages taken into account for the credit for qualified sick and family leave wages	2o	
2p	Add lines 2n and 2o	2p	
2q	<b>Credit for qualified sick and family leave wages after adjusting for other credits.</b> Subtract line 2p from line 2m	2q	
2r	<b>Nonrefundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021.</b> Enter the smaller of line 1g or line 2q. Enter this amount on Form 943-X, line 15b, column 1	2r	
2s	<b>Refundable portion of credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021.</b> Subtract line 2r from line 2q and enter this amount on Form 943-X, line 24b, column 1	2s	

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**Worksheet 4. Adjusted Employee Retention Credit for Qualified Wages Paid After June 30, 2021, and Before January 1, 2022**

Keep for Your Records 

You must use this worksheet if you claimed the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022, on your original 2021 Form 943 and you correct any amounts used to figure the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 943-X.

**Step 1. Determine the corrected employer share of Medicare tax**

- |    |   |    |       |
|----|---|----|-------|
| 1a | If you completed Worksheet 3 to claim a credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021, and you're also claiming the employee retention credit, enter the amount from Worksheet 3, Step 1, line 1g, and go to Step 2. Otherwise, complete lines 1b–1f below and then go to Step 2                        | 1a | _____ |
| 1b | Enter the amount of Medicare wages from Form 943, line 4, or, if corrected, the amount from Form 943-X, line 9, column 1  | 1b | _____ |
| 1c | Multiply line 1b by 1.45% (0.0145)  | 1c | _____ |
| 1d | If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of Medicare tax included on Form 943, line 10, or, if corrected, the amount of the employer share of Medicare tax on sick pay that you included on Form 943-X, line 12, column 1 (enter as a <b>negative</b> number) | 1d | _____ |
| 1e | Employer share of Medicare tax included on Form 943-X, line 18, column 4  | 1e | _____ |
| 1f | <b>Employer share of Medicare tax.</b> Combine lines 1c, 1d, and 1e   | 1f | _____ |

**Step 2. Figure the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022**

**Caution:** You must be a recovery startup business to claim the employee retention credit for qualified wages paid after September 30, 2021, and before January 1, 2022 (fourth quarter 2021). The total amount included on lines 2a and 2b is limited to a maximum of \$10,000 per employee in each of the third quarter and the fourth quarter of 2021 (\$20,000 in total for purposes of this worksheet).

- |    |   |    |       |
|----|---|----|-------|
| 2a | Qualified wages (excluding qualified health plan expenses) for the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022 (these qualified wages are included in the total reported on Form 943, line 20, or, if corrected, Form 943-X, line 28, column 1)  | 2a | _____ |
| 2b | Qualified health plan expenses allocable to qualified wages for the employee retention credit for qualified wages paid after June 30, 2021, and before January 1, 2022 (these qualified health plan expenses are included in the total reported on Form 943, line 21, or, if corrected, Form 943-X, line 29, column 1)  | 2b | _____ |
| 2c | Add lines 2a and 2b   | 2c | _____ |
| 2d | <b>Retention credit.</b> Multiply line 2c by 70% (0.70). If you qualify for the employee retention credit <b>solely</b> because your business is a recovery startup business, don't enter more than \$50,000 for each of the third quarter and the fourth quarter of 2021 (\$100,000 in total for the year)   | 2d | _____ |
| 2e | Enter the amount of the employer share of Medicare tax from Step 1, line 1a, or, if applicable, Step 1, line 1f   | 2e | _____ |
| 2f | Enter the amount of the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (this amount may come from Worksheet 3, Step 2, line 2r, in these instructions if you're correcting that credit or you may need to enter the credit claimed on your original Form 943) | 2f | _____ |
| 2g | Subtract line 2f from line 2e   | 2g | _____ |
| 2h | <b>Nonrefundable portion of employee retention credit.</b> Enter the smaller of line 2d or line 2g. Enter this amount on Form 943-X, line 15a, column 1   | 2h | _____ |
| 2i | <b>Refundable portion of employee retention credit.</b> Subtract line 2h from line 2d and enter this amount on Form 943-X, line 24a, column 1   | 2i | _____ |

Worksheet 5. Adjusted COBRA Premium Assistance Credit

Keep for Your Records



You must use this worksheet if you claimed the COBRA premium assistance credit on your original Form 943 and you correct any amounts used to figure the COBRA premium assistance credit. You'll also use this worksheet to figure this credit if you're claiming it for the first time on Form 943-X.

**Step 1. Determine the corrected employer share of Medicare tax**

1a	If you completed Worksheet 3 or Worksheet 4, and you're also claiming the COBRA premium assistance credit, enter the amount listed on Worksheet 3, line 1g, or Worksheet 4, line 1a or 1f (as applicable). Otherwise, complete lines 1b–1h below and then go to Step 2	1a	_____
1b	Enter the amount of Medicare wages from Form 943, line 4, or, if corrected, the amount from Form 943-X, line 9, column 1	1b	_____
1c	Multiply line 1b by 1.45% (0.0145)	1c	_____
1d	If you're a third-party payer of sick pay that isn't an agent and you're claiming credits for amounts paid to your employees, enter the employer share of Medicare tax included on Form 943, line 10, or, if corrected, the amount of the employer share of Medicare tax on sick pay that you included on Form 943-X, line 12, column 1 (enter as a <b>negative</b> number)	1d	_____
1e	Employer share of Medicare tax included on Form 943-X, line 18, column 4	1e	_____
1f	<b>Employer share of Medicare tax.</b> Combine lines 1c, 1d, and 1e	1f	_____
1g	For corrections to tax years beginning after December 31, 2022, only, enter the amount from Form 8974, line 16 (including any amended Form 8974 attached to Form 943-X)	1g	_____
1h	<b>Employer share of Medicare tax remaining.</b> Subtract line 1g from line 1f	1h	_____

**Step 2. Figure the COBRA premium assistance credit**

2a	Enter the COBRA premium assistance that you provided for periods of coverage beginning on or after April 1, 2021, through periods of coverage beginning on or before September 30, 2021	2a	_____
2b	Enter the amount of the employer share of Medicare tax from Step 1, line 1a, or, if applicable, Step 1, line 1h	2b	_____
2c	Enter the amount of the nonrefundable portion of the credit for qualified sick and family leave wages for leave taken after March 31, 2021, and before October 1, 2021 (this amount may come from Worksheet 3, Step 2, line 2r, in these instructions if you're correcting that credit or you may need to enter the credit claimed on your original Form 943)	2c	_____
2d	Enter the amount of the nonrefundable portion of the employee retention credit (this amount may come from Worksheet 4, Step 2, line 2h, in these instructions if you're correcting that credit or you may need to enter the credit claimed on your original Form 943)	2d	_____
2e	<b>Other nonrefundable credits used against the employer share of Medicare tax.</b> Add lines 2c and 2d	2e	_____
2f	Subtract line 2e from line 2b	2f	_____
2g	<b>Nonrefundable portion of the COBRA premium assistance credit.</b> Enter the smaller of line 2a or line 2f. Enter this amount on Form 943-X, line 15c, column 1	2g	=====
2h	<b>Refundable portion of the COBRA premium assistance credit.</b> Subtract line 2g from line 2a and enter this amount on Form 943-X, line 24c, column 1	2h	=====



# How Can You Get Forms, Instructions, and Publications From the IRS?



You can view, download, or print most of the forms, instructions, and publications you may need at [IRS.gov/Forms](https://www.irs.gov/forms). Otherwise, you can go to [IRS.gov/OrderForms](https://www.irs.gov/orderforms) to place an order and have them mailed to you. The IRS will process your order for forms and publications as soon as possible. Don't resubmit requests you've already sent us. You can get forms and publications faster online.

**Paperwork Reduction Act Notice.** We ask for the information on Form 943-X to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Subtitle C, Employment Taxes, of the Internal Revenue Code imposes employment taxes, including federal income tax withholding, on wages. This form is used

to determine the amount of taxes you owe. Section 6011 requires you to provide the requested information if the tax applies to you.

You're 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 and 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.

The time needed to complete and file Form 943-X will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping . . . . .</b>	<b>23 hr., 40 min.</b>
<b>Learning about the law or the form. . . . .</b>	<b>52 min.</b>

**Preparing and sending the form to the IRS . . . .** 2 hr., 29 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 943-X simpler, we would be happy to hear from you. You can send us comments from [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can send your comments to: Internal Revenue Service, Tax Forms and Publications Division, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Don't send Form 943-X to this address. Instead, see *Where Should You File Form 943-X*, earlier.

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