

Understanding Box 14 on Your W-2

Tips, Overtime, and Tax Reporting

This document explains the information shown in **Box 14** of your W-2 and how it may be used when preparing your tax return.

Box 14 (Informational Only)

Box 14 provides additional payroll details and does not change wages or taxes on the W-2.

TIPS OBBBA

Total tips reported for the year

OT OBBBA

Overtime premium portion only (additional 0.5x)

Overtime Pay & Reporting

Overtime is paid at **1.5x** the regular rate and reported in two parts:

- **1.0x Regular Rate** – Included in regular wages
- **0.5x Premium** – Reported in Box 14 as **OT OBBBA**

Only the 0.5x premium appears in Box 14.

Overtime Example

Regular rate: \$20/hour

Overtime hours: 10

- $10 \times \$20 = \200 (regular wages)
- $10 \times \$10 = \100 (OT OBBBA – Box 14)

Total overtime paid: \$300

Although Box 14 shows \$100, the full \$300 is included on your W-2.

Federal Tax Filing Clarification

- Tips and overtime are taxable wages
- Box 14 entries are informational only
- Box 14 does not change wages, withholding, or taxes on the W-2

Certain federal tax provisions **may** allow eligible taxpayers to claim credits or adjustments related to tips or overtime **when filing Form 1040**, depending on IRS rules and individual circumstances.