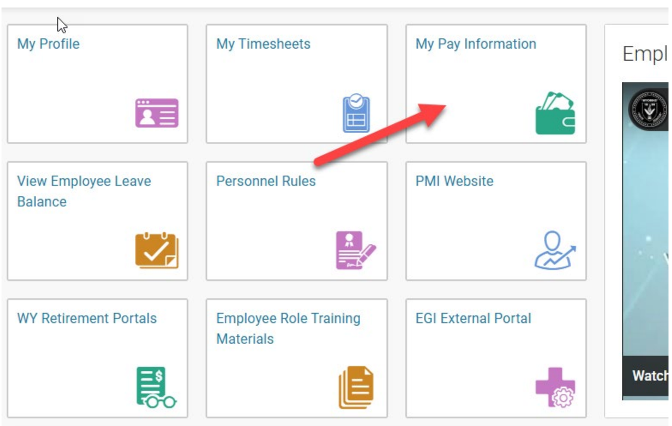
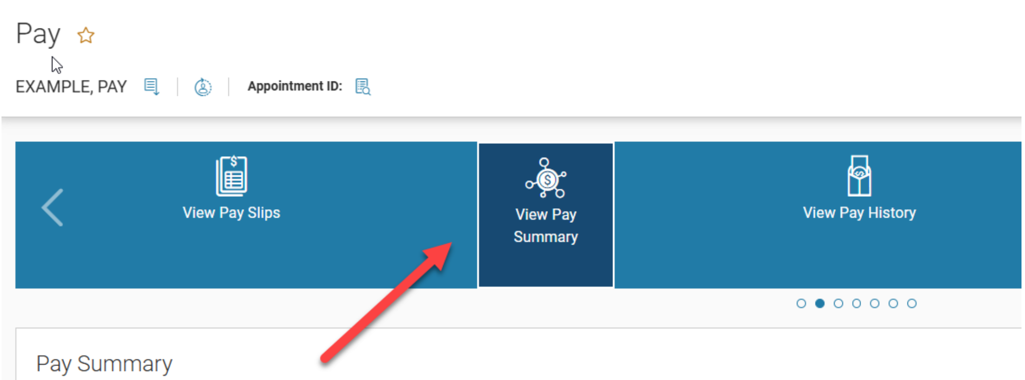
Due to the timing of the one big beautiful bill the IRS was not able to update the W2 form for calendar year 2025. There will be a W2 form change for calendar year 2026 to help with the additional reporting requirements. For tax year 2025 the IRS has provided additional guidance here. This explains how to calculate the premium portion of overtime and your wages from comp time received instead of overtime. While we are here to assist you, **agency HR or staff of the State Auditors Office are not legally allowed to provide you tax reporting advice. We can only provide the amounts to you. We cannot provide guidance on how to fill out tax forms with those amounts. If you have questions on filing out tax forms or filing your taxes you will need to reach out to a tax professional.**

For overtime:

When you log into the ESS portal select the My Pay Information quick link.



Then select the View Pay History section of the carousel.



Then scroll down and you will be able to see total for your overtime pay.

Pay

EXAMPLE, PAY | Appointment ID:

Back

Pay Summary

Search

Pay Summary

Grid Actions

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Year	Pay Category Description	Annual Amount
2025	LONG	$2,520.00
2025	OVERTIME PRE	$1,695.82
2025	SALARY	$33,594.56
Total	$37,810.38	

You will use this amount when you follow the IRS instructions outlined in red below.

Overtime examples

Andrew works overtime during 2025, and he receives a payroll statement from his employer that shows $5,000 as the “overtime premium” that he was paid during 2025. Andrew may include $5,000 (the FLSA overtime premium) to determine the amount of qualified overtime compensation received in tax year 2025.

Assume the same facts as in the first example except that Andrew’s payroll statement shows a total “overtime” amount of $15,000, which is the total amount Andrew was paid for working overtime (the FLSA overtime premium combined with the portion of his regular wages). Andrew may include the $5,000 FLSA overtime premium, computed by dividing $15,000 by 3 in determining the amount of qualified overtime compensation for 2025.

Brad’s employer has a practice of paying overtime at a rate of two times an employee’s regular rate of pay, and Brad was paid $20,000 in overtime pay during 2025. Brad’s last pay stub for 2025 shows “overtime” of $20,000 paid in 2025. For purposes of determining the amount of qualified overtime compensation received in tax year 2025, Brad may include $5,000 ($20,000 divided by 4).

For the comp time portion: If you have received any comp time payouts throughout the year you will be able to find that amount as well shown under COMP payout category.

Grid Actions

1 - 3 of 3 Records — View per Page - 20 50 100 — Page 1 of 1

Year	Pay Category Description	Annual Amount
2025	COMP PAYOUT	$7,011.22
2025	LONG	$880.00
2025	SALARY	$60,835.00
Total	$68,726.22	

Wages paid when comp is used can also be tax deductible if its for comp time earned in lieu of being paid overtime. Unfortunately, due to the timing of this again there is not a way for us to show you this total in an easy manner. If you are interested in receiving this amount, please reach out to your agency HR. They will be able to provide the total wages for comp time used. This total should be combined with the comp payout total. Below is IRS guidance on how to report that number.

> $20,000 in overtime pay during 2025. Brad's last pay stub for 2025 shows "overtime" of $20,000 paid in 2025. For purposes of determining the amount of qualified overtime compensation received in tax year 2025, Brad may include $5,000 ($20,000 divided by 4).
>
> Carol is a covered, nonexempt employee under the FLSA and works in law enforcement and is paid $15,000 of overtime pay on a "work period" basis of 14 days that complies with the FLSA. *See* Fact Sheet #8: Law Enforcement and Fire Protection Employees Under the Fair Labor Standards Act (FLSA) | U.S. Department of Labor. For purposes of determining the amount of qualified overtime compensation received in tax year 2025, Carol may include $5,000 ($15,000 divided by 3).
>
> Diane works for a State or local government agency that gives compensatory time at a rate of one and one-half hours for each overtime hour worked. In 2025, Diane was paid wages of $4,500 for compensatory time off based on that overtime. To determine the amount of qualified overtime compensation received in tax year 2025, Diane may include $1,500, one-third of these wages, for purposes of determining the qualified overtime compensation deduction.
>
> Today's guidance provides additional examples for workers who receive overtime. The IRS will continue to update taxpayers about tax benefits from the One, Big, Beautiful Bill on IRS.gov.

Again, agency HR or staff of the State Auditor's Office are not legally allowed to provide you tax reporting advice. We can only provide the amounts to you. We cannot provide guidance on how to fill out tax forms with those amounts. If you have questions on filing out tax forms or filing your taxes you will need to reach out to a tax professional. Going Forward into 2026 there will be a change on the W2. The current proposed draft of the W2 will add this premium portion into box 12 under the code TT.

> **Instructions for Employee** *(continued from back of Copy C)*
>
> **Box 12** *(continued)*
>
> **M—**Uncollected social security or RRTA tax on taxable cost of group-term life insurance over $50,000 (former employees only). See the Form 1040 instructions.
>
> **N—**Uncollected Medicare tax on taxable cost of group-term life insurance over $50,000 (former employees only). See the Form 1040 instructions.
>
> **P—**Excludable moving expense reimbursements paid directly to a member of the U.S. Armed Forces or intelligence community (not included in box 1, 3, or 5).
>
> **Q—**Nontaxable combat pay. See the Form 1040 instructions for details on reporting this amount.
>
> **R—**Employer contributions to your Archer MSA. Report on Form 8853.
>
> **S—**Employee salary reduction contributions under a section 408(p) SIMPLE plan. (This includes salary reduction contributions made to a Roth SIMPLE IRA.)
>
> **T—**Adoption benefits (not included in box 1). Complete Form 8839 to figure any taxable and nontaxable amounts.
>
> **V—**Income from exercise of nonstatutory stock option(s) (included in boxes 1, 3 (up to the social security wage base), and 5). See Pub. 525 for reporting requirements.
>
> **GG—**Income from qualified equity grants under section 83(i).
>
> **HH—**Aggregate deferrals under section 83(i) elections as of the close of the calendar year.
>
> **II—**Medicaid waiver payments excluded from gross income under Notice 2014-7.
>
> **TA—**Employer contributions under a section 128 Trump account contribution program paid to a Trump account of an employee or a dependent of an employee.
>
> **TP—**Total amount of cash tips reported to the employer. The employer is not a specified service trade or business. Use this amount in determining the deduction for qualified tips on Sch. 1-A (Form 1040).
>
> **TS—**Total amount of cash tips reported to the employer. The employer is a specified service trade or business. Do not use this amount in determining the deduction for qualified tips.
>
> **TT—**Total amount of qualified overtime compensation. Use this amount in determining the deduction for qualified overtime compensation on Sch. 1-A (Form 1040).
>
> **Box 13.** If the "Retirement plan" box is checked, special limits may apply to the amount of traditional IRA contributions you may deduct. See Pub. 590-A.
>
> **Box 14a.** Employers may use this box to report information such as state disability insurance taxes withheld, union dues, uniform payments, health insurance premiums deducted, nontaxable income, educational assistance

In order for us to comply with this new reporting requirement we are having to break out overtime into its components which will make it look different on the pay stub.

What you will see is your overtime broken into two buckets. One for OT base pay and the other OT Premium. The overtime premium can be made up of several lines as shown below depending on the different pay you are receiving that is included in your overtime rate such as longevity and add on pay.

STATE OF WYOMING

TEST H EMPLOYEE

Employee Agency: 003
Employee Division: PFSC

Pay Location: 003
Employee Id: 0000067187

Pay Period End Date: 09-15-2025
Advice Date: 11-28-2025
Advice Number: 000000009604353

Total Gross Amt: 5,905.78
Total Deductions Amt: 1,221.75
Net Pay Amt: 4,684.03

Federal Exemptions: 0
Tax Status Claimed: S
Control Number: 10224310

EARNINGS				
Description	Pay Rate	Hours	Pay Amount	YTD Amount
ADD ON PAY	$300.00	300.00	$300.00	$300.00
LONG	$80.00	80.00	$80.00	$80.00
OT BASE PAY	$23.49	41:00	$963.09	$963.09
OT PREMIUM	$0.69	41:00	$28.38	$616.37
OT PREMIUM	$11.75	41:00	$481.55	$616.37
OT PREMIUM	$2.60	41:00	$106.44	$616.37
SALARY	$23.49	168:00	$3,946.32	$3,946.32
Total			$5,905.78	$5,905.78

DEDUCTIONS		
Description	Deduction Amount	YTD Deduction Amount
FICA EE	$366.16	$366.16
FED INC TAX	$552.63	$552.63
MDCR EE	$85.63	$85.63
EMPL RET CONTRI	$217.33	$217.33
Total	$1,221.75	

In 2026 in ESS under the view pay history section mentioned above you will see the same breakout.

Pay

EMPLOYEE, TEST H | Appointment ID:

Back

Search

Pay Summary

Grid Actions

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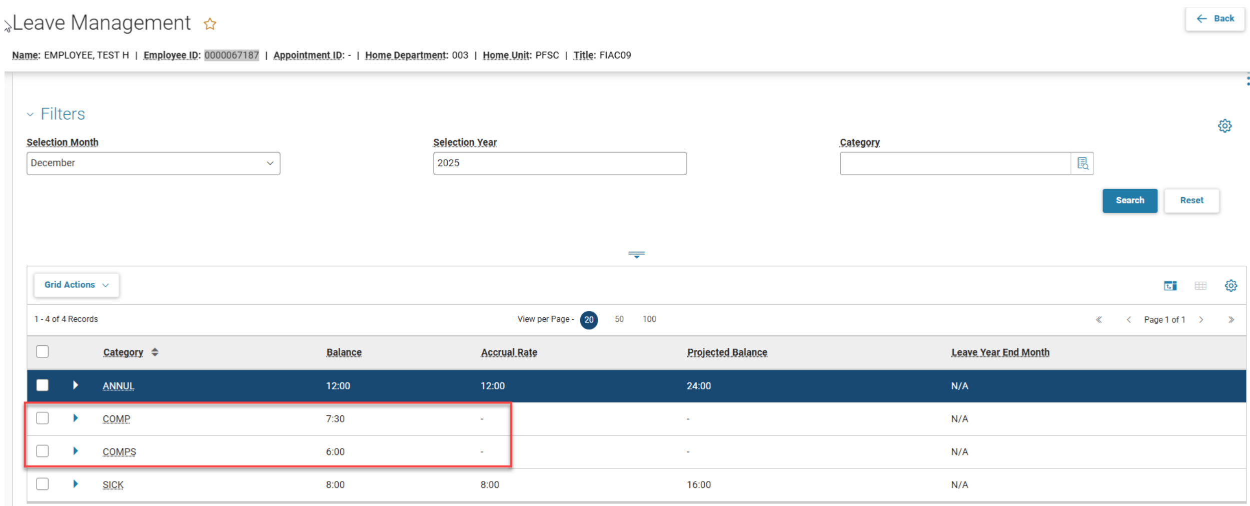
Year	Pay Category Description	Annual Amount
2025	ADD ON PAY	$300.00
2025	LONG	$80.00
2025	OT BASE PAY	$963.09
2025	OT PREMIUM	$616.37
2025	OVERTIME PRE	$0.00
2025	SALARY	$3,946.32
Total		$5,905.78

Comp time received in lieu of overtime will also be separated out when paid to you. There will now be two comp time leave balances. One for the time earned for overtime (COMP) and one for the comp time earned for holidays or straight time (COMPS).



Leave Management

Name: EMPLOYEE, TEST H | Employee ID: 0000067187 | Appointment ID: - | Home Department: 003 | Home Unit: PFSC | Title: FIAC09

Filters

Selection Month: December

Selection Year: 2025

Category:

Search Reset

Grid Actions

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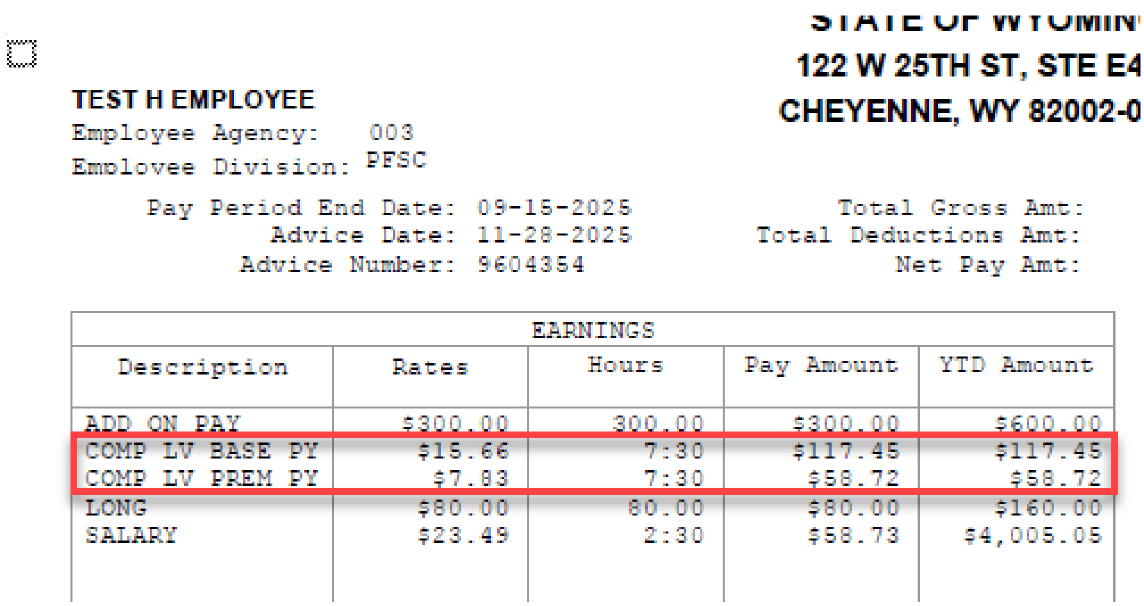
Category	Balance	Accrual Rate	Projected Balance	Leave Year End Month
ANNUL	12:00	12:00	24:00	N/A
COMP	7:30	-	-	N/A
COMPS	6:00	-	-	N/A
SICK	8:00	8:00	16:00	N/A

When you use time from the comp balance you will see new pay codes that are split into two buckets. One for comp base pay and the other comp premium.



STATE OF WYOMIN
122 W 25TH ST, STE E4
CHEYENNE, WY 82002-0

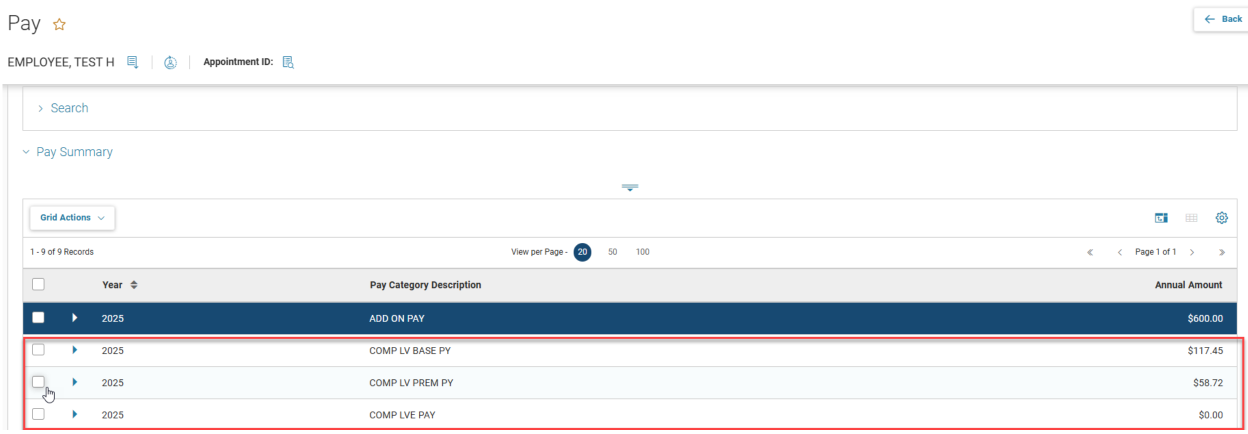
TEST H EMPLOYEE
Employee Agency: 003
Employee Division: PFSC

Pay Period End Date: 09-15-2025
Advice Date: 11-28-2025
Advice Number: 9604354

Total Gross Amt:
Total Deductions Amt:
Net Pay Amt:

EARNINGS				
Description	Rates	Hours	Pay Amount	YTD Amount
ADD ON PAY	$300.00	300.00	$300.00	$600.00
COMP LV BASE PY	$15.66	7:30	$117.45	$117.45
COMP LV PREM PY	$7.83	7:30	$58.72	$58.72
LONG	$80.00	80.00	$80.00	$160.00
SALARY	$23.49	2:30	$58.73	$4,005.05

The amounts will also display under the pay summary in ESS.



Year	Pay Category Description	Annual Amount
2025	ADD ON PAY	$600.00
2025	COMP LV BASE PY	$117.45
2025	COMP LV PREM PY	$58.72
2025	COMP LVE PAY	$0.00

The portion reported under OT/comp premium will be what is reported in box 12 TT of your 2026 W2 that you will receive in 2027.

We appreciate your understanding as we work to comply with all tax codes.