



STATE OF DELAWARE  
DEPARTMENT OF FINANCE  
DIVISION OF REVENUE  
CARVEL STATE BUILDING  
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DIVISION OF REVENUE

TECHNICAL INFORMATION MEMORANDUM 96-10

October 28, 1996

SUBJECT: State Information Returns on Magnetic Media.

CONTACT: Betty Bickhart (302) 577-3366 ext. 7447

The Delaware Division of Revenue has previously issued memoranda on the subject of magnetic media reporting of W2 wage and tax information. For purposes of reporting for tax years beginning in 1996, this Technical Information Memorandum is intended to supersede specifically the following: Tax Newsgram 74-9 (December 10, 1974), Tax Newsgram 75-22 (October 20, 1975), Tax Ruling 77-12 (October 23, 1977), Tax Ruling 78-11 (August 30, 1978), Technical Information Memorandum 83-1 (January 4, 1983), Technical Information Memorandum 85-4 (August 5, 1985), Technical Information Memorandum 88-3 (December 22, 1988), and Technical Information Memorandum 91-4 (December 26, 1991).

I. Reporting of Employees' Annual Wage Data and Taxes Withheld at Source.

All employers making annual reports of Delaware income taxes withheld at source (Form W-2) must make such reports on magnetic media provided they are required to file at least 250 such returns with the Division of Revenue, or they file their Federal Form W-2 report on magnetic media with the IRS. Employers not required to report on magnetic media are to continue reporting by means of paper filings.

As used in this Memorandum, the term "magnetic media" means magnetic tapes reels, and 3½" or 5¼" MS-DOS diskettes.

The conditions for acceptance of reporting on magnetic media are as set forth in SSA Pub. No. 31-001, July 1996, ICN 436680, and in its addendum TIB-4, SSA Pub. No. 42-007, October 1996, ICN 965950 pertaining to the filing of magnetic media reporting of W-2 information to the federal government and additionally:

## **Magnetic Tape Specifications**

Tape reels only (no cartridges)  
Nine channel EBCDIC or ASCII recording  
Odd parity  
1600 or 6250 BPI density

### **Data Specifications**

A properly formatted tape file will contain the following records, described in TIB-4, SSA Pub. No. 42-007:

CODE A - Transmitter Information  
CODE E - Employer Information  
CODE S - Supplemental Information

Code S records should be produced only for employees with Delaware income taxes withheld and should not include income taxes withheld for any other state.

Positions 124 - 182 may be blank.

CODE F - Final Record

Code F record should include the record identifier, total number of Code S records in "Number of Employees", total state taxable wages from Code S records in "Annual Wages, Tips & Other Compensation", and total state income tax withheld in "Federal Income Tax Withheld". All other CODE F record numeric fields may be zero filled.

## **Floppy Diskette Specifications**

3½" or 5¼" MS-DOS diskettes.  
All data from one filer must fit on one diskette.  
All other specifications are contained in TIB-4, SSA Pub. No. 42-007, Requirements for MS-DOS (5¼" and 3½") Diskettes.

### **Data Specifications**

A properly formatted diskette file will contain the following records, described in TIB-4, SSA Pub. No. 42-007:

CODES 1A & 2A - Transmitter Information

## **Magnetic Tape Specifications**

Tape reels only (no cartridges)  
Nine channel EBCDIC or ASCII recording  
Odd parity  
1600 or 6250 BPI density

### **Data Specifications**

A properly formatted tape file will contain the following records, described in TIB-4, SSA Pub. No. 42-007:

CODE A - Transmitter Information  
CODE E - Employer Information  
CODE S - Supplemental Information

Code S records should be produced only for employees with Delaware income taxes withheld and should not include income taxes withheld for any other state.

Positions 124 - 182 may be blank.

CODE F - Final Record

Code F record should include the record identifier, total number of Code S records in "Number of Employees", total state taxable wages from Code S records in "Annual Wages, Tips & Other Compensation", and total state income tax withheld in "Federal Income Tax Withheld". All other CODE F record numeric fields may be zero filled.

## **Floppy Diskette Specifications**

3½" or 5¼" MS-DOS diskettes.  
All data from one filer must fit on one diskette.  
All other specifications are contained in TIB-4, SSA Pub. No. 42-007, Requirements for MS-DOS (5¼" and 3½") Diskettes.

### **Data Specifications**

A properly formatted diskette file will contain the following records, described in TIB-4, SSA Pub. No. 42-007:

CODES 1A & 2A - Transmitter Information

CODES 1E & 2E - Employer Information

CODES 1S & 2S - Supplemental Information

Codes 1S & 2S records should be produced only for employees with Delaware income taxes withheld and should not include income taxes withheld for any other state.

Code 1S Positions 124 - 128 and Code 2S Positions 3 - 51 may be blank.

CODE 1F - Final Record

Code 1F record should include the record identifier, total number of Code S records in "Number of Employees", total state taxable wages from Code S records in "Annual Wages, Tips & Other Compensation", and total state income tax withheld in "Federal Income Tax Withheld". All other CODE F record numeric fields may be zero filled.

If you have any questions concerning withholding filing requirements generally, please contact the Public Service Section at (302)-577-3300. If you have questions concerning filing on magnetic media, please contact Betty Bickhart at (302) 577-3366 ext. 7447.

## II. Filing

The magnetic tapes or diskettes described in the Technical Information Memorandum, accompanied by a covering letter containing the same information as required for federal purposes, plus Delaware Form W-3 (Reconciliation of Delaware Income tax Withheld) or Form W-3A/W-2 (Transmittal of Delaware Income Tax Withheld), should be addressed to the State of Delaware, Division of Revenue, 820 North French Street, Wilmington, DE 19801.

The due date for magnetic media withholding is the same as for paper returns -- February 28. The due dates for these returns may be extended upon request to the Director of Revenue and a showing that, unless extended, filing on magnetic media will represent an undue hardship to the reporting entity.

  
William M. Remington  
Director of Revenue