Form **4137**

Department of the Treasury
Internal Revenue Service (99)

Social Security and Medicare Tax on Unreported Tip Income

► See instructions below and on back.

► Attach to Form 1040, Form 1040NR, Form 1040NR-EZ, Form 1040-SS, or Form 1040-PR.

OMB No. 1545-0074

2011

Attachment Sequence No. **24**

Name of person who received tips. If married, complete a separate Form 4137 for each spouse with unreported tips.

Social security number

1	(a) Name of employer to whom you were required to, but did not report all your tips (see instructions)	(b) Employer identification number (see instructions)	(c) Total cash and charge tips you received (including unreported tips) (see instructions)	(d) Total cash and charge tips you reported to your employer
A				
B				
C				
D				
E				

2	Total cash and charge tips you **received** in 2011. Add the amounts from line 1, column (c)	2	
3	Total cash and charge tips you **reported** to your employer(s) in 2011. Add the amounts from line 1, column (d)	3	
4	Subtract line 3 from line 2. This amount is income you **must** include in the total on Form 1040, line 7; Form 1040NR, line 8; or Form 1040NR-EZ, line 3	4	
5	Cash and charge tips you received but did not report to your employer because the total was less than $20 in a calendar month (see instructions)	5	
6	Unreported tips subject to Medicare tax. Subtract line 5 from line 4	6	
7	Maximum amount of wages (including tips) subject to social security tax	7	
8	Total social security wages and social security tips (total of boxes 3 and 7 shown on your Form(s) W-2) or railroad retirement (tier 1) compensation	8	
9	Subtract line 8 from line 7. If line 8 is more than line 7, enter -0- here and on line 10 and go to line 12	9	
10	Unreported tips subject to social security tax. Enter the **smaller** of line 6 or line 9. If you received tips as a federal, state, or local government employee, see instructions	10	
11	Multiply line 10 by .042 (social security tax rate)	11	
12	Multiply line 6 by .0145 (Medicare tax rate)	12	
13	Add lines 11 and 12. Enter the result here and on Form 1040, line 57; Form 1040NR, line 55; or Form 1040NR-EZ, line 16 (Form 1040-SS and 1040-PR filers, see instructions.)	13	

General Instructions

What's New

The social security tax rate an employee must pay on tips is changed from .062 to .042. This rate applies to calendar year 2011 only.

Purpose of form. Use Form 4137 **only** to figure the social security and Medicare tax owed on tips you did not report to your employer, including any allocated tips shown on your Form(s) W-2 that you must report as income. You must also report the income on Form 1040, line 7; Form 1040NR, line 8; or Form 1040NR-EZ, line 3. By filing this form, your social security and Medicare tips will be credited to your social security record (used to figure your benefits).

CAUTION *If you believe you are an employee and you received Form 1099-MISC, Miscellaneous Income, instead of Form W-2, Wage and Tax Statement, because your employer did not consider you an employee, do not use this form to report the social security and Medicare tax on that income. Instead, use Form 8919, Uncollected Social Security and Medicare Tax on Wages.*

Who must file. You must file Form 4137 if you received cash and charge tips of $20 or more in a calendar month and did not report all of those tips to your employer. You must also file Form 4137 if box 8 of your Form(s) W-2 shows allocated tips that you must report as income.

Allocated tips. You must report all your tips from 2011, including both cash tips and noncash tips, as income on Form 1040, line 7; Form 1040NR, line 8; or Form 1040NR-EZ, line 3. Any tips you reported to your employer in 2011 are included in the wages shown in box 1 of your Form W-2. Add to the amount in box 1 only the tips you received in 2011 and did not report to your employer. This should include any allocated tips shown in box 8 on your Form(s) W-2, unless you have adequate records to show that your unreported tips are less than the amount in