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IRS-APPROVED IRIS TRANSMITTER

W-2 / SSA NAME-SSN MISMATCH COMPLIANCE GUIDE

EMPLOYER GUIDE: SSA NO-MATCH LETTERS, FORM W-2c & COMPLIANCE STEPS

About 1099FIRE
1099FIRE is an IRS-approved IRIS transmitter with validated TCC credentials. We provide end-to-end information return filing services so your organization can file through IRIS without needing to obtain your own TCC, build XML infrastructure, or manage the submission lifecycle in-house. Visit 1099fire.com to get started.

What This Guide Covers

- Why W-2 name/SSN mismatches happen
- What the SSA no-match letter means (and does not mean)
- Step-by-step resolution process for employers
- How to file a corrected wage report (Form W-2c)
- Free SSA verification tools to prevent future mismatches
- Penalty exposure and compliance timeline
- Side-by-side comparison: W-2 (SSA) vs. 1099 (IRS) mismatch process

Key Takeaway

A W-2 name/SSN mismatch is a wage reporting discrepancy handled through the Social Security Administration, not the IRS. There is no CP2100 notice, no "B Notice," and no 24% backup withholding requirement. The fix is a corrected wage report (Form W-2c), not a withholding action — but acting promptly matters, as penalties can apply for uncorrected filings.

Step 1: Understand why this happens

Each year, employers send Copy A of every Form W-2 to the SSA. The SSA matches the name and SSN on each W-2 against its database of issued Social Security numbers. When the SSA cannot find a match, those earnings cannot be credited to the employee's lifetime record — which affects their future retirement, disability, and survivor benefits. The SSA will then notify you.

Common, entirely innocent causes of a mismatch include:

- Typographical errors in the name or SSN during data entry
- Hyphenated, multiple, or recently changed surnames (marriage, divorce) not reported to the SSA
- Outdated employer records that do not reflect a legal name change
- The employee using a nickname or shortened name instead of the legal name on file with the SSA
- Transposed digits in the Social Security Number

Step 2: Know what the notice does and does not mean

If the SSA cannot match one or more employees on your filed W-2s, you will receive an Employer Correction Request Notice — sometimes called a "no-match letter." A few important points:

- It does not mean any wrongdoing occurred. It simply reports an error in either your records or the SSA's records.
- It makes no statement about an employee's immigration status or work authorization. A mismatch is far more often caused by a typo or unreported name change.
- It does not, by itself, trigger any IRS withholding obligation. This is the central difference from a 1099/TIN mismatch situation.

Key Difference From a 1099 / TIN Mismatch

A W-2 name/SSN mismatch is handled through the Social Security Administration, not the IRS TIN Matching program. There is no CP2100 notice, no "B Notice," and no 24% backup withholding requirement. The fix is a corrected wage report (Form W-2c), not a withholding action.

Step 3: Resolve the mismatch

3a. Check your own records first

- Ask to see the employee's Social Security card and compare it to your payroll records.
- Confirm the name was entered exactly as shown on the card, including correct handling of hyphenated or multiple surnames.
- If you find a data entry error on your end, correct your internal records and prepare a Form W-2c (see Step 4).

3b. If your records already match, involve the employee

- Ask the employee to verify their SSN and confirm it matches what is on their Social Security card.
- If everything appears correct on both sides, the discrepancy is likely on the SSA's end — ask the employee to contact any Social Security office directly to resolve it.
- Document the steps you have taken and the date you took them. This record matters if a penalty notice is later issued.

3c. Use SSA's free verification tools to prevent future mismatches

- The Social Security Number Verification Service (SSNVS) lets you verify names and SSNs for current or former employees before filing — either for a quick check of up to 10 at a time or a bulk upload of an entire payroll file.
- If you use SSNVS, use it consistently for all employees rather than selectively, per SSA guidance.
- SSNVS can only be used for wage reporting purposes — not as a tool for work authorization or immigration verification.

Step 4: File a corrected wage report (Form W-2c)

Once you have the correct name and/or SSN, file Form W-2c to correct the record:

- Form W-2c includes "previously reported" and "correct" columns — you only need to correct the name and/or SSN fields; wage and withholding amounts do not need to be touched unless they were also wrong.
- Provide a copy of the W-2c to the employee so they can use it if they need to amend a previously filed personal tax return.
- Keep copies of the W-2c filing and any correspondence with the employee or the SSA for your records.

Step 5: Know the penalty exposure for delay

Unlike a 1099 mismatch, there is no backup withholding requirement — but there is still a financial reason to act promptly:

- The IRS may impose a penalty for each W-2 filed with an incorrect SSN that is not corrected in a timely manner.
- An employee who fails to furnish a correct SSN to their employer may also be subject to a penalty.
- Employers are generally expected to submit corrected information within 60 days of identifying the issue.

Step 6: When it's more than a typo

A Note of Caution

If an employee cannot provide a correct SSN or a satisfactory explanation within a reasonable time, this can raise questions about work authorization that go beyond a simple wage-reporting fix. This is a sensitive area that intersects with Form I-9 and immigration compliance, not just tax filing. We recommend involving employment counsel before treating an unresolved mismatch as anything other than a recordkeeping issue.

Quick reference comparison

Because it is easy to confuse this process with the 1099/TIN mismatch process, here is a side-by-side comparison:

	W-2 (Employee / SSA)	1099 (Vendor / IRS)
Who flags the mismatch	Social Security Administration	Internal Revenue Service
Notice received	Employer Correction Request Notice ("no-match letter")	CP2100 / CP2100A notice

Withholding required?	No backup withholding requirement	Yes — 24% backup withholding if unresolved
Correction form	Form W-2c	Updated Form W-9 (or SSA/IRS validation for a second notice)
Verification tool	SSNVS (SSA)	TIN Matching e-services (IRS)

Disclaimer

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