

FAQs: [RM 01101.004](#) Addressing Anomalous Electronic Annual Wage Reporting Activity and Misuse of SSA's Wage Reporting Services

1. What are the requirements for filing annual wage reports with SSA?

Answer:

The Internal Revenue Service (IRS) requires employers to file annual wage reports for each employee with the Social Security Administration (SSA) using Forms W-2 and W-3, or their equivalents. Most employers must submit these reports electronically using SSA's wage reporting services. Accurate wage reporting is essential for tax administration and Social Security benefit calculations.

References: Act, [Sec. 232](#) and [Sec. 205\(c\)\(2\)\(A\)](#); [20 CFR §422.114](#); and IRS regulation [26 CFR §31.6051-2](#).

2. Who does this policy apply to?

Answer:

[RM 01101.004](#) Addressing Anomalous Electronic Annual Wage Reporting Activity and Misuse of SSA's Wage Reporting Services applies to any user (submitter) of SSA's electronic wage reporting services, including employers and third-party submitters acting on behalf of employers.

3. What is an anomalous wage report?

Answer:

An anomalous wage report is a wage report submitted to SSA that is irregular, inconsistent, exceptional, or unusual and has a high probability of being inaccurate or erroneous.

4. What happens if SSA identifies an anomalous wage report?

Answer:

SSA may delay or decline to process anomalous wage reports. If anomalies are detected, SSA will suspend processing of the affected reports and send an Investigative Notice to the submitter, listing the reports in question and providing instructions for required actions.

5. What is an Investigative Notice?

Answer:

An Investigative Notice is communication from SSA to the submitter indicating that an anomaly has been identified in submitted wage reports. It includes details about the specific reports and instructions for the submitter to review and respond within a specified timeframe.

6. What actions must a submitter take after receiving an Investigative Notice?

Answer:

The submitter must review the identified reports and take the required actions, such as filing corrected data, resubmitting data without the anomalous reports, or providing supporting evidence of accuracy. The submitter has 45 calendar days (SSA presumes 5 additional days for all mailed notices) to respond and may request a one-time 15-day extension. If SSA issued a Second Investigative Notice, the submitter has 15 calendar days to respond.

7. What if the submitter disagrees with SSA's findings?

Answer:

The submitter may provide supporting evidence to demonstrate the legitimacy of the wage reports. Acceptable evidence may include employer documentation, authenticated employer status, tax returns, or IRS Form 941 copies. SSA will review the evidence and, if verified, process the legitimate reports.

8. What happens if the submitter does not respond or resolve the issue?

Answer:

If the submitter fails to respond or resolve the issue, SSA may suspend the submitter's access to electronic wage reporting services and, if necessary, deactivate the submitter's Business Services Online (BSO) credentials. SSA will provide written notices and instructions for requesting review or reactivation.

9. What constitutes misuse of SSA's wage reporting services, and what are the consequences?

Answer:

Misuse of SSA's wage reporting services includes any activity that violates SSA's Terms of Service, such as unauthorized use of the system, or other improper actions. If SSA has reliable information indicating misuse, it may immediately suspend your access and issue a Misuse Suspension Notice. You have 10 calendar days to explain why your actions should not be considered misuse. If SSA determines your explanation is insufficient, your BSO credentials may be deactivated, and you will lose access to SSA's electronic wage reporting services. You may request reactivation by submitting documentation of corrective actions taken. SSA may also notify affected parties or post your name on the Suspended Third-Party Submitters page if applicable.

10. What happens if my access to SSA's electronic wage reporting services is suspended or my BSO credentials are deactivated?

Answer:

If SSA suspends your access to electronic wage reporting services, you will be unable to submit wage reports electronically. SSA will issue a Suspension Notice explaining the reasons for the action and how you can request a review or reinstatement. You have 10 calendar days from the notice date to request a review, providing specific reasons why the suspension should be reconsidered. SSA will review your request and respond within 30 calendar days.

If SSA determines your suspension is final, it may notify the public of the suspension and may deactivate your access to other online wage reporting services. SSA will issue a Deactivation Notice explaining the reasons for this action. You may request reactivation at any time by documenting the good faith actions you have taken to address the issues identified in the Suspension Notice, and, if applicable, in the Deactivation Notice. SSA maintains the authority to reinstate or not reinstate the submitter.

11. Can SSA notify others about a submitter's suspension?

Answer:

Yes. SSA may notify affected persons (such as employers who used a third-party submitter) or post the name of the suspended submitter on SSA's public pages, as appropriate, but only after a suspension is final.

12. What if fraud is suspected?

Answer:

SSA may refer suspected fraud cases to the Office of Inspector General (OIG) for investigation.

13. What is the difference between suspension and deactivation of BSO credentials?

Answer:

- **Suspension:** The submitter cannot submit new electronic wage reports but may still access other online services (e.g., checking status of prior submissions).
 - **Deactivation:** The submitter cannot access any of SSA's online wage reporting services.
-

14. How long does SSA take to review a request for review or reinstatement?

Answer:

SSA will review the request within 30 calendar days of receipt and issue a final response.