

DATE: December 19, 2025

TO: Agency Addressed (No. 18, 2025-2026)

FROM: Renée Hermeling, Division Director  
Division of Accounting & Auditing  
Department of Financial Services

SUBJECT: OVERTIME WAGES – TAX DEDUCTION 2025

Public Law 119-21, commonly known as the One Big Beautiful Bill Act, was signed into law on July 4, 2025. Due to the impacts that this law has on taxability of overtime, we anticipate that agency payroll personnel will receive questions from their employees related to the qualified overtime provision.

This memo notifies all agencies that employee overtime wages will not be recorded as a separate item on an employee's Form W-2 for tax year 2025. Employees who were paid overtime wages in 2025 will be able to find their overtime wage total for the year on their Annual Earnings and Benefits Statement (AEBS).

The AEBS should be available to all employees no later than February 1st. To access the AEBS, employees will need to login to the [Employee Information Center](#) website, look for the "View Tax Information" section on their homepage and click on the link that is titled "Annual Earnings and Benefits Statements". Select the appropriate year and click the display button. The total of overtime wages paid can be found in the first column under Wage Amount.

For additional information on how to calculate the qualified overtime compensation for the annual deduction, employees should be directed to visit the Internal Revenue Service website for guidance or reach out to a tax professional for assistance.

If agency payroll personnel have any questions or concerns, please email [BOSPTaxation@MyFloridaCFO.com](mailto:BOSPTaxation@MyFloridaCFO.com) or call (850) 413- 5513.