

# 1A & WI-Z

Wisconsin income tax

Form 1A & WI-Z instructions

2000

Save time! File electronically!



- Your refund will be issued in days instead of weeks
- You can have your refund deposited directly in your bank account
- It's fast and accurate
- File your Wisconsin and federal returns at the same time
- Receive confirmation that your return has been received

Just log on to [www.dor.state.wi.us](http://www.dor.state.wi.us) or ask your tax preparer to file your tax return electronically.

Details on page 3.

## New Tax Cuts are in effect



- **Lower** tax rates. New tax rates range from 4.73% to 6.75%.
- **New** personal exemptions. See page 8.
- **Bigger** married couple credit – up to \$440.
- **Increased** standard deduction, as reflected on page 16.
- *It's back bigger than ever:* **School property tax / rent credit** of up to \$300.

## Tax Tip

- If you are single or retired and have income of less than \$10,000 (\$19,000 if married), don't overlook the **Working Families Tax Credit**. You may qualify for this credit, see page 11.

**Filing Deadline is  
Monday, April 16, 2001**

**Need help filing?  
See page 4.**

### FEDERAL PRIVACY ACT

In compliance with federal law, you are hereby notified that the request for your social security number on the Wisconsin income tax return is made under the authority of Section 71.03(6)(a) of the Wisconsin Statutes. The disclosure of this number on your return is mandatory. It will be used for identification purposes throughout the processing, filing and auditing of your return and the issuance of refund checks.



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### Who Must File

Refer to the table to see if you must file a return for 2000.

Filing status	Age as of December 31, 2000	You must file if your gross income* (or total gross income of husband and wife) during 2000 was:
Single	Any age	\$9,000 or more
Married – filing joint return	Any age	\$18,000 or more
Married – filing separate return	Any age	\$9,000 or more (applies to each spouse individually)
Head of household	Under 65 65 or older	\$9,900 or more \$10,100 or more

\* Gross income means all income (before deducting expenses) reportable to Wisconsin which is received in the form of money, property, or services. It does not include items which are exempt from Wisconsin tax (for example, the portion of social security benefits which is not taxable on your Wisconsin return).

### Other Filing Requirements

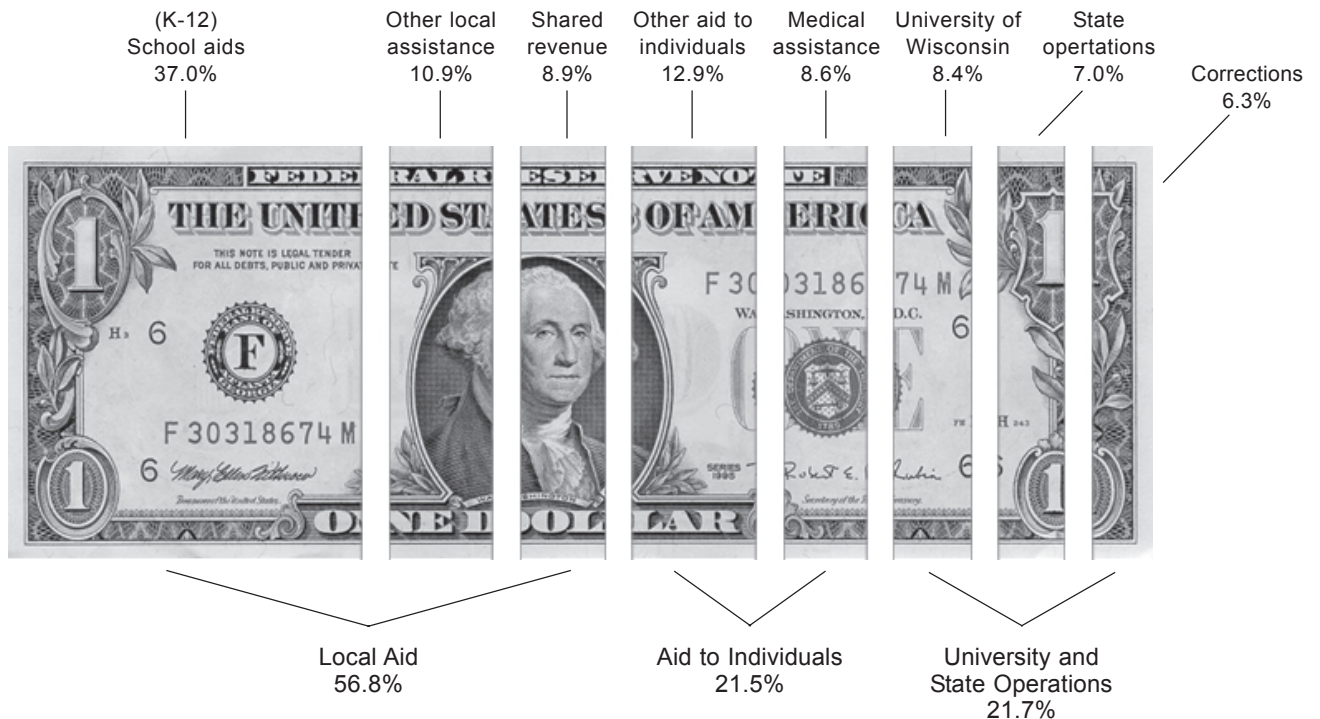
Even if your income is less than the amounts shown on the table, you must file a return for 2000 if:

- Note** • You could be claimed as a dependent on someone else's return and either of the following applies:
- (1) You had gross income of more than \$700 which included at least \$251 of unearned income, or
  - (2) You had gross income (unearned income and earned income combined) of more than –
    - \$7,200 if single
    - \$9,300 if head of household
    - \$12,970 if married filing jointly
    - \$6,160 if married filing separately.

Unearned income includes taxable interest, dividends, and taxable scholarship and fellowship grants not reported on a W-2. Earned income includes wages, tips, and taxable scholarship and fellowship grants reported on a W-2.

### Where your State tax dollar goes

Here is a rough breakdown of how each of the \$11.3 billion state tax dollars collected between July 1, 1999 and June 30, 2000 were spent.



- You owe a Wisconsin penalty on an Individual Retirement Account (IRA), annuity, or other retirement plan or on a medical savings account.
- You were a nonresident or part-year resident of Wisconsin for 2000 and your gross income (or the combined gross income of you and your spouse) during 2000 was \$2,000 or more.

**Who Should File**

Even if you don't have to file, you should file to get a refund if:

- You had Wisconsin income tax withheld from your wages.
- You paid estimated taxes for 2000.
- You can take the earned income credit.

**Electronic Filing**

Electronic filing is one of the fastest ways to receive federal and state income tax refunds. Refunds deposited directly in a financial institution account can be issued in as little as

five working days; checks in as little as seven working days. To file your income tax return electronically, you can ...

- *Use a tax professional.* Check your local telephone directory for the names of tax professionals who offer electronic filing.
- *Use your personal computer.* You may purchase off-the-shelf tax preparation software for installation on your computer, or you may connect to one of the web sites that offer electronic filing. For more information, visit our web site at [www.dor.state.wi.us](http://www.dor.state.wi.us).

When filing electronically, you must file both your federal and Wisconsin returns at the same time.

Although most Wisconsin returns can be filed electronically, there are some which may not. Returns containing one or more of the following items may not be filed electronically:

1. Homestead credit
2. Credit for tax paid to another state
3. Wisconsin Schedule DC, HR, or T

**Which Form To File For 2000**

(Note If you are required to file a federal Form 1040 (long form), it is likely that you will need to file a Wisconsin Form 1. See "You must file Form 1 if you:" below.)

You may file Form WI-Z if you:	You may file Form 1A if you:	You must file Form 1 if you:	You must file Form 1NPR if you:
<ul style="list-style-type: none"> <li>• File federal Form 1040EZ or file your federal return using TeleFile <i>AND</i></li> <li>• Were a Wisconsin resident all year <i>AND</i></li> <li>• Did not have interest income from state, municipal, or U.S. bonds <i>AND</i></li> <li>• Did not receive unemployment compensation <i>AND</i></li> <li>• Are not claiming any credits other than Wisconsin tax withheld from wages, renter's and homeowner's school property tax credit, working families tax credit, or the married couple credit <i>AND</i></li> <li>• Are not claiming Wisconsin homestead credit.</li> </ul>	<ul style="list-style-type: none"> <li>• Were single all year or married and file a joint return or as head of household <i>AND</i></li> <li>• Were a Wisconsin resident all year <i>AND</i></li> <li>• Have income only from wages, salaries, tips, scholarships and fellowships, interest, dividends, capital gain distributions, unemployment compensation, social security, pensions, annuities, and IRAs <i>AND</i></li> <li>• Have no adjustments to income (except IRA deductions and the student loan interest deduction) <i>AND</i></li> <li>• Are not claiming the itemized deduction credit, credit for tax paid to another state, historic rehabilitation credit, or credit for repayment of income previously taxed <i>AND</i></li> <li>• Are not subject to a Wisconsin penalty on an IRA or a qualified retirement plan or on a medical savings account.</li> </ul> <p><b>Exception</b> If you used federal Form 4972, you must file Form 1.</p>	<ul style="list-style-type: none"> <li>• Were a Wisconsin resident all year <i>AND</i></li> <li>• Were married and file a separate return, or were divorced during the year <i>OR</i></li> <li>• Have income which may not be reported on Form WI-Z or 1A (such as capital gain, rental, farm, or business income) <i>OR</i></li> <li>• Claim adjustments to income (such as for alimony paid, tuition expense, or disability income exclusion) <i>OR</i></li> <li>• Claim credit for itemized deductions, historic preservation, tax paid to another state, or repayment of income previously taxed <i>OR</i></li> <li>• Are subject to a Wisconsin penalty on an IRA or a qualified retirement plan or on a medical savings account <i>OR</i></li> <li>• Are subject to the alternative minimum tax.</li> </ul>	<ul style="list-style-type: none"> <li>• Were domiciled* in another state or country at any time during the year <i>OR</i></li> <li>• Are married filing a joint return and your spouse was domiciled* in another state or country at any time during the year.</li> </ul> <p>*Your domicile is your true, fixed, and permanent home to which, whenever absent, you intend to return. You can be physically present or residing in one locality but maintain your domicile in another.</p> <p>Your domicile, once established, does not change unless all three of the following circumstances occur or exist:</p> <ol style="list-style-type: none"> <li>(1) You intend to abandon your old domicile and take actions consistent with that intent, <i>AND</i></li> <li>(2) You intend to acquire a new domicile and take actions consistent with that intent, <i>AND</i></li> <li>(3) You are physically present in the new domicile.</li> </ol>