

Instructions for Preparing the Employer's Annual Reconciliation of Wisconsin Income Tax Withheld From Wages (WT-7)

What's New?

New for 2016, *My Tax Account* allows you to key in 1099 MISCs and 1099-Rs, in addition to W-2s, when you file the annual reconciliation (WT-7). See *Online Services* at revenue.wi.gov/withholding/index.html for additional electronic filing options.

Who Must File a Reconciliation

The reconciliation (WT-7) must be filed by every employer and payer who:

- Made payments from which Wisconsin tax was withheld (e.g., wages, bonuses, commissions, pensions).
- Has an active Wisconsin withholding account number.

Note – If an employer (for example, financial institution or insurance company) withholds Wisconsin tax and also has a third party withhold Wisconsin tax on their behalf, information from both sources must be combined on the employer's reconciliation.

Who Must File Wage and Information Returns

Wage and information returns (W-2, 1099-MISC, 1099-R, W-2G) must be filed by every employer and payer who:

- Paid Wisconsin residents and nonresidents for services performed in Wisconsin.
- Is engaged in business with Wisconsin and paid Wisconsin residents for services performed outside of Wisconsin.

Specific wage and information return reporting requirements are provided in [Publication 117, Guide to Wisconsin Wage and Information Returns](#).

Important

Employers and other payers must use their 15-digit Wisconsin withholding number on their reconciliation (WT-7) and wage and information returns (W-2, W-2G, 1099-MISC, 1099-R).

Employers or other payers who never held a Wisconsin withholding number because they were not required to withhold (for example, made payments exempt from withholding) and did not voluntarily withhold, must enter 03688888888801 in the "Employer State ID Number" box on each wage or information return reportable to Wisconsin.

If changes in your business required you to obtain a new federal employer identification number, you may also need to obtain a new Wisconsin withholding tax account number. Please contact the Department of Revenue (608) 266-2776 for further assistance.

Due Date

Information returns reporting Wisconsin withholding, all wage statements, and the reconciliation (if required) are due January 31 following the calendar year.

Information returns (1099-MISC, 1099-R) that do not report Wisconsin withholding are due to the department February 28.

If the Wisconsin due date falls on a weekend or holiday, the due date becomes the business day immediately following the weekend or holiday.

Employers who discontinue business must file a reconciliation, wage statements and information returns within 30 days of discontinuing business.

Employers who no longer have employees subject to withholding must file a reconciliation and wage statements within 30 days of discontinuing withholding if account inactivation is requested, or by January 31, if the employer desires to keep the account active.

Extension of Due Date

Employers may request an extension of 30 days in which to file the reconciliation and wage statements. **There is no extension for the payment of any amount due on Form WT-7.** Extensions must be requested on or before January 31 using one of the following:

- *My Tax Account* – tap.revenue.wi.gov/mta
- Email – dorregistration@revenue.wi.gov
- Mail – Wisconsin Department of Revenue, Mail Stop 3-80, PO Box 8902, Madison WI 53708-8902

Filing the Reconciliation

You must file the reconciliation electronically, unless you receive an approved electronic filing waiver from us.

Electronic filing options include:

- *My Tax Account* – tap.revenue.wi.gov/mta
- Telefile – (608) 261-5340 (Madison)
(414) 227-3895 (Milwaukee)
- File Transfer – DOR [website](#)

See page 2 for wage and information return filing options.

If we approved your electronic filing waiver request, use the fill-in Form WT-7 at revenue.wi.gov/forms/with. Sign and complete the form, prepare your wage statements and information returns.

Preparing Wage Statements

All wage statement copies, including those sent to employees, need to:

1. Be in the IRS approved format.
2. Be legible.
3. Include the employer's 15-digit Wisconsin withholding tax number. See *Important*.
4. Include the amount of Wisconsin tax withheld.

SEVERE PENALTIES MAY BE IMPOSED FOR FAILURE TO WITHHOLD, ACCOUNT FOR, OR PAY WISCONSIN WITHHOLDING TAX.

5. List the state of withholding as Wisconsin.
6. List the employer's name and FEIN.
7. List the name and social security number of the employee.

DO NOT use carbon copied or NCR W-2 forms.

DO NOT alter a wage statement in any way.

How to Correct Reconciliation Errors

If an error was made on a filed reconciliation, file another reconciliation with the correct information. Options include:

- File an amended return electronically.
- Complete the fill-in Form WT-7, mark the bracket for amended returns in the upper right of the form, and enclose an explanation of the change.

File corrected statements only for those containing errors. Options include:

- Submit a corrected W-2 text file at revenue.wi.gov/eserv/w-2.html, or
- Submit a W-2c to Wisconsin Department of Revenue, PO Box 8920, Madison WI 53708-8920.

Be sure to furnish corrected copies of the statements to the employees involved and advise them to file the corrected copies with their income tax returns.

Filing Wage and Information Returns

You must enter the employer or payer's Wisconsin withholding tax number on each wage and information return reportable to Wisconsin. See *Important* on page 1.

If you file 50 or more wage statements or 50 or more information returns, you must file these statements/returns electronically. File wage statements:

- As you file your reconciliation through *My Tax Account* (recommended if you file 10 or less W-2s),
- At DOR's website, revenue.wi.gov/eserv/w-2.html, using a PDF file created at the Social Security Administration's website, or
- At DOR's website, revenue.wi.gov/eserv/w-2.html, using an EFW2 text file. Wisconsin specifications are outlined in Publication 172.

File nonwage information returns in *My Tax Account* (for 1099-MISC and 1099-Rs) or submit a text file through DOR's website, revenue.wi.gov/eserv/w-2.html.

Note:

- Employers and payers required to file wage and information returns electronically may request a waiver from electronic filing using Form EFT-102, if filing electronically would cause an undue hardship.
- We no longer accept magnetic media for filing W-2s and 1099s.

If you file fewer than 50 wage statements or fewer than 50 information returns, we encourage you to file electronically. You will receive a confirmation number.

Otherwise mail these statements and returns to Wisconsin Department of Revenue, PO Box 8920, Madison WI 53708-8920. Do not send a transmittal sheet.

Line Instructions

Enter information reportable to Wisconsin:

Line 1 Enter the total number of W-2s sent to us electronically or by mail.

Line 2 Enter the total number of 1099-MISCs sent to us electronically or by mail.

Line 3 Enter the total number of other information returns (1099-R, W-2G, etc.) sent to us electronically or by mail.

Line 4 Enter total (add lines 1, 2 and 3).

Important! Report the number of W-2s and 1099s that are being filed as of January 31 (those that include "WI" in W-2 box 15, 1099-MISC box 17, 1099-R box 13, W-2G box 13).

For Form 1099s that are furnished to payees after January 31 and before February 28, it is not necessary to amend the Form WT-7 unless there is withholding associated with the Form 1099s.

Line 5 Enter the total amount of Wisconsin income tax withheld from wages or other payments as shown on the W-2, 1099-R, W-2G etc.

Line 6 Enter the amount of Wisconsin income tax withheld as shown on your payroll records. Show the four quarters on lines 6a, 6b, 6c, and 6d respectively, and the total on line 6e.*

Line 7 Enter the amount shown on line 5 or line 6e. If lines 5 and 6e are not equal, enter the larger of the two amounts.

Line 8 Enter the total amount of withholding tax reported on deposit reports (WT-6 or EFT records) for the calendar year covered by the reconciliation. If you file on an annual basis, enter zero (0) and remit withheld amounts with this reconciliation.*

Line 9 If the total tax withheld (line 7) is more than the total tax paid (line 8), enter the amount of TAX DUE on line 9. Pay the amount due in full with this reconciliation to the Wisconsin Department of Revenue.

Line 10 If the total tax paid (line 8) is more than the total tax withheld (line 7), enter the OVERPAID amount on this line. DO NOT take credit for the overpayment on subsequent deposit reports. The overpayment will be refunded to you upon verification.

*DO NOT include amounts withheld for payment (garnishment/certification) of an employee's delinquent taxes.