

WITHHOLDING TAX UPDATE

2000-1

DECEMBER 2000

Fax (608) 267-1030 • E-Mail: Sales10@dor.state.wi.us • www.dor.state.wi.us

CURRENT WITHHOLDING TAX RATES TO APPLY FOR 2001

The current withholding tax rates will continue for 2001. The current rates are found in the "Wisconsin Employer's Withholding Tax Guide", Publication W-166 for payroll periods beginning on or after July 1, 2000. A copy of the Employer's Withholding Tax Guide is available on the web site at www.dor.state.wi.us, or by contacting the department at (608) 266-2776.

ADMINISTRATIVE RULE REQUIRES ELECTRONIC FUNDS TRANSFER FOR LARGER TAX PAYMENTS

Administrative Rule 1.12 requires the use of Electronic Funds Transfer (EFT) for larger payments.

This includes withholding taxes when required deposits in the prior calendar year were \$10,000 or more. Taxpayers required to pay by EFT were notified by the department in April 2000 and are now using EFT to pay withholding taxes. The EFT payment method is also available on a voluntary basis to all withholding taxpayers. Several other tax types may be paid by EFT including Unemployment Insurance due the Wisconsin Department of Workforce Development. To receive EFT information, send your request to: Forms Request Office, PO Box 8903, Madison, WI 53708-8903 or call (608) 264-9918 for information.

MAILING DATES FOR COUPON BOOKLETS

The Withholding Tax Deposit Coupon Booklets for the year 2001 will be mailed early in 2001. Semi-monthly filers should receive their booklet by January 26th. Monthly and quarterly filers should receive their booklet by February 8th. If these dates have passed and you have not received your coupon booklet, please call the department at (608) 266-2776 to order a replacement. Please refrain from contacting our office prior to those dates.

Please retain your 2000 coupon booklet until you receive your new one. There are two blank coupons that can be used if you do not receive your year 2001 booklet in time to make the first deposit. (NOTE: Employers using EFT or a payroll service as of November 2000 will not receive a coupon booklet for the year 2001.)

WORKING FAMILIES TAX CREDIT CERTIFICATES MUST BE RENEWED

Employers that have employees who have given them a Certificate of Exemption from Wisconsin Withholding for 2000 because of the Working Families Tax Credit (Form WT-4B), should note that the certificates will expire on December 31, 2000. To be exempt from withholding tax in the year 2001, employees must file a new certificate with their employer. To obtain a supply of this exemption certificate, call (608) 266-1961.

ARE YOU REPORTING EMPLOYEE'S WITHHOLDING IN THE PROPER PERIOD?

Withholding tax liability is based on when wages are **paid** to employees and not when wages are **earned**. Use the date the employee is paid to determine the correct reporting period. For example, if wages are earned between Jan 1 and January 15 but not paid until February 15, the withholding liability should be reported on the February WT-6 coupon.

MAGNETIC MEDIA REPORTING REQUIREMENTS

Wage statements and information returns are required to be filed on magnetic media with the Department of Revenue if the number of any one type of wage statement or information return to be filed with Wisconsin is 250 or more.

For more information on magnetic media specifications write; Wisconsin Department of Revenue, PO Box 8903, Madison, WI 53708-8903 or call (608) 267-3327, or download publication CO-001, Magnetic Media Reporting Specifications from our web site at www.dor.state.wi.us.

DID YOU KNOW?

- You must file a WT-6 Withholding Tax Deposit Report even if you have no liability for that particular period. The WT-6 must be filed by the due date showing a zero amount due. If you are an EFT filer, a zero transaction must be reported. Follow the instructions provided for your method of EFT filing.
- Wisconsin now has a \$30.00 late filing fee for form WT-6 and WT-7. The \$30.00 late filing fee is assessed on all returns received late whether there is a tax due or not.
- To speed processing of your WT-7, all W-2 forms and other information returns should be trimmed to their original size.
- Including correspondence with or making extra notations on your WT-6 coupon significantly slows processing time of your deposit report and increases the cost to process your WT-6 deposit report. Use the pink Information Correction Form in your WT-6 coupon booklet to notify the department of changes or send correspondence to: Wisconsin Department of Revenue, PO Box 8902, Madison WI 53708.

WHERE TO DIRECT QUESTIONS

General Withholding Questions	(608) 266-2776 Wisconsin Department of Revenue PO Box 8902 Madison WI 53708-8902 sales10@dor.state.wi.us
Magnetic Media Only	(608) 267-3327 Wisconsin Department of Revenue PO Box 8903 Madison WI 53708-8903
TDD	(608) 267-1049
Electronic Funds Transfer	(608) 264-9918 Wisconsin Department of Revenue PO Box 8977 Madison WI 53708-8977

MAILING ADDRESS FOR REPORTING FORMS (WT-6, WT-7, Magnetic Media):

Deposit Reports (Form WT-6)	Wisconsin Department of Revenue Box 93931 Milwaukee WI 53293-0931
Annual Reconciliation & W-2s in balance (Form WT-7 and W-2's)	Wisconsin Department of Revenue PO Box 8920 Madison WI 53708-8920
Annual Reconciliation & W-2s amount due or overpayment (Form WT-7 and W-2's)	Wisconsin Department of Revenue PO Box 8981 Madison, WI 53708-8981
Magnetic Media and Annual Reconciliation (Form WT-7 and W-2's)	Wisconsin Department of Revenue PO Box 8903 Madison WI 53708-8903