

WITHHOLDING TAX UPDATE

95-1

DECEMBER 1995

I. CURRENT WITHHOLDING TAX RATES TO APPLY FOR 1996

The current withholding tax rates will continue for 1996. Those rates are found in the department's current issue of the "Wisconsin Employer's Withholding Tax Guide" (W-166) for payroll periods beginning on or after May 1, 1988. If changes in the tax laws result in new withholding tax rates, the department will mail notification to all registered employers.

II. EMPLOYER REGISTRATION CHANGES

Effective January 1, 1996, the way employers register with the Department of Revenue changes. Recent law changes provide for an initial business registration fee of \$20 and a subsequent renewal fee every two years of \$10. If your business entity currently holds an active Wisconsin Employer Identification Number (WEIN) issued by this department, there is no need for you to do anything at this time.

At this time, you do not have to do anything to renew other tax type registrations you may have with the department. However, if you do have other tax type registrations with the department, you may receive additional information about those types of registrations, if they are subject to renewal. Beginning in 1998, the department will establish a single renewal date for all registrations that you have.

III. MAILING DATE FOR COUPON BOOKLETS

Employers depositing Wisconsin withheld taxes on a semimonthly, monthly, or quarterly basis will be mailed a 1996 coupon booklet during January 1996. Booklets for semimonthly filers should be delivered by January 26. Booklets for monthly and quarterly filers should be delivered by February 9. If these dates have passed and you have not received your coupon booklet, please

call us at (608) 267-1025 or (608) 266-2776. Please retain your 1995 coupon booklet until you receive your 1996 booklet.

IV. NEW ADDRESS FOR MAILING WT-6s

Please mail your WT-6 coupons to: Wisconsin Department of Revenue, **Box 93931**, Milwaukee WI 53293-0931.

This address is on all the 1996 coupons. Please notify all persons responsible for filing your WT-6 reports.

V. ELECTRONIC FUNDS TRANSFER

The Wisconsin Department of Revenue is offering electronic funds transfer (EFT) as a payment option for state withholding tax.

Electronic funds transfer is a process to report and pay your withholding tax payments electronically instead of producing a check and mailing it with a deposit report. For more information, "Electronic Funds Transfer for Employer Withholding Tax Program Guide" and "Application for Electronic Funds Transfer Authorization" (Form A-103) are available by writing to: Revenue Accounting - EFT Unit, Wisconsin Department of Revenue, PO BOX 8903, Madison, WI 53708-8903; or call the Wisconsin EFT help line at (608) 264-9918.

VI. MAGNETIC MEDIA REPORTING REQUIREMENTS

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

VII. DID YOU KNOW?

- If you do not have a WT-6 to submit along with your payment, be sure to include your Real Name, Wisconsin Employer ID#, your Federal Employer ID# and the period covered by the payment.
- Withholding liability is based on when wages are paid to employees, not when wages are earned. Use the date the employee is paid to identify the correct reporting period.
- Employers are required to file Forms WT-6 or WT-7 even when their liability for a particular period is zero.
- Filing a Form WT-7 does not relieve you of the responsibility of filing a deposit report (Form WT-6) unless you have been assigned an annual filing frequency.
- The due date for the Employer's Annual Reconciliation of Wisconsin Income Tax Withheld From Wages (Form WT-7) is January 31. The federal due date is different.
- Line 7 on the WT-7 should be completed only if requesting a refund.
- Make sure to include copies of any 1099s along with your WT-7 and W2s.
- WT-7 payments or refund requests should be mailed to:

Wisconsin Department of Revenue
PO Box 8981
Madison WI 53708-8981

VIII. NEED MORE INFORMATION?

The "Wisconsin Employer's Withholding Tax Guide" (W-166) contains the tax rates and information about deducting, reporting, depositing, and reconciling Wisconsin withholding taxes. Publication 509 contains information about requirements for filing wage statements and information returns on magnetic media.

Copies of these publications may be obtained by contacting any DOR office or calling (608) 266-1961.

Wisconsin withholding tax law generally conforms with the federal Internal Revenue Code. A copy of the federal "Employer's Tax Guide"-Circular E (Publication 15), as well as other federal forms and publications, may be obtained at your local IRS office or call 1-800-829-3676.

WHERE TO DIRECT QUESTIONS

General Withholding Questions	(608) 266-2776 Wisconsin Department of Revenue PO Box 8902 Madison WI 53708-8902
Magnetic Media Only	(608) 267-3327 Wisconsin Department of Revenue PO Box 8903 Madison WI 53708-8903
TDD	(608) 266-1612

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 in balance (Form WT-7 and W-2's)	Wisconsin Department of Revenue PO Box 8920 Madison WI 53708-8920
Annual Reconciliation 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 4638 University Avenue PO Box 8903 Madison WI 53708-8903