

WITHHOLDING TAX UPDATE

97-1

DECEMBER 1997

JOINT EFFORT BETWEEN DEPARTMENT OF REVENUE AND DEPARTMENT OF WORKFORCE DEVELOPMENT

You will notice that this mailing contains information regarding the Department of Workforce Development's New Hire Reporting program as well as your annual withholding tax reconciliation material. The Department of Revenue has assisted the Department of Workforce Development in developing this program by modifying Form WT-4 to meet the needs of both departments. This cooperative effort between the two departments has resulted in being able to deliver necessary information to employers at a lower cost than two separate mailings.

Enclosed is one copy of the newly revised Form WT-4, Employee's Wisconsin Withholding Exemption Certificate/New Hire Reporting. This form may be photocopied for your use. If you need additional copies of this form, you may obtain them from the following Department of Revenue sources:

Fax-a-Form	(608) 261-6229
Web Page	http://www.dor.state.wi.us
Forms Order Line	(608) 266-1961

CURRENT WITHHOLDING TAX RATES TO APPLY FOR 1998

The current withholding tax rates will continue for 1998. 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. However, see

the enclosed "Working Families Tax Credit" information that may effect your employee's need to have Wisconsin Income Tax withheld.

MAILING DATE FOR COUPON BOOKLETS

Employers depositing Wisconsin withheld taxes on a semi-monthly, monthly or quarterly basis will be mailed a 1998 coupon booklet during January 1998. Booklets for semi-monthly filers should be delivered by January 26. Booklets for monthly and quarterly filers should be delivered by February 6. If these dates have passed and you have not received your coupon booklet, please call the department at (608) 267-1025 or (608) 266-2776. Please retain your 1997 coupon booklet until you receive your 1998 booklet.

BUSINESS TAX REGISTRATION CHANGES BEING MADE

The Department of Revenue is in the process of combining business name, address, and registration information into a centralized file.

The first step in the process is the issuance of a renewal Business Tax Registration (BTR) Certificate. Wisconsin law requires renewal of the BTR Certificate every two years, beginning in 1998. The renewal fee will be \$10.00.

A renewal BTR Certificate will list all permits, licenses, and certificates currently in effect, and the expiration date for the renewal certificate will apply to all of the items listed. You will be asked to review the BTR Certificate closely to ensure the accuracy of the information provided, and to identify any additional permits, licenses, or certificates

you hold with the department. The BTR Certificate needs to be retained as proof of registration with the department and should be easily accessible.

During the development period, you may identify discrepancies in the name and address information provided on the BTR Certificate and the information printed on various reporting forms or adjustment notices. The new system will be developed to allow for longer name and address fields but they may be shortened when used by existing tax systems. These discrepancies will need correction only if the name or address information is incorrect or causes difficulty in delivery.

DON'T HESITATE – AUTOMATE YOUR PAYMENTS & REPORTS

Rules are being developed to make the Electronic Funds Transfer (EFT) automated payment method mandatory in 1998 for semi-monthly and monthly withholding tax registrants. Join us now in moving toward the future of doing business electronically.

Using EFT is as simple as making a toll free phone call. Voice instructions lead you through both the registration and payment calls. You don't produce a check or mail your report.

You're in control when you use EFT. You no longer need to use the post office to deliver your report and payment on time. You decide the amount of your payment and which day to transfer the funds. You initiate the payment and you cancel it if you make a mistake. You immediately receive a confirmation number as proof of the date you filed.

EFT is secure, safe, and efficient. All transactions are governed by strict, nationally established security procedures. Financial institutions and businesses have used EFT for years. The funds transfer occurs between your financial institution and the department's bank and only at your request. The confirmation number ensures that your electronic report and payment can always be traced, so unlike paper, EFT transactions cannot be lost. The department is not able to access your account.

We know EFT works. The department has successfully administered both voluntary and mandatory EFT programs since 1993. Nearly \$4.2 billion has been paid by more than 8,000 registrants using the EFT payment method.

For general information about electronic payments you may contact the Wisconsin Automated Clearing House Association at (414) 354-8963. Your financial institution can also answer general EFT questions.

To receive EFT registration information, complete and mail this coupon to the Forms Request Office, PO Box 8903, Madison, WI 53708-8903.

Name _____

Address _____

Wisconsin Employer ID# _____

FEIN (if available) _____

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) 267-1049

Electronic Funds Transfer (608) 264-9918
Revenue EFT Network
PO Box 8903
Madison WI 53708-8903

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