

WITHHOLDING TAX UPDATE

98-1

DECEMBER 1998

Fax (608) 267-1030 • E-Mail: Sales10@mail.state.wi.us • <http://www.dor.state.wi.us>

CURRENT WITHHOLDING TAX RATES APPLY FOR 1999

The current withholding tax rates will continue for 1999. Withholding tax 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. The income tax rates have been reduced beginning in 1998. However, the legislature has directed that withholding tax rates not change for tax years before 2000. When the withholding tax rates are changed, the department will mail notification to all registered employers.

MAILING DATE FOR COUPON BOOKLETS

Employers depositing Wisconsin withholding taxes will be mailed a 1999 Withholding Tax Deposit Report coupon booklet during January 1999. Booklets for semimonthly filers should be delivered by January 27. Monthly and quarterly filers should receive their booklets by February 6. If these dates have passed and you have not received your coupon booklet, please call the department at (608) 266-2776. Please retain your 1998 coupon booklet until your 1999 booklet arrives. Employers using the Electronic Funds Transfer method will not receive a 1999 coupon booklet.

AUTOMATE YOUR PAYMENTS AND REPORTS

Rules are being developed to make the Electronic Funds Transfer (EFT) automated payment method mandatory for 1999 for withholding tax registrants with deposits of \$10,000.00 or more annually.

The department has successfully administered both voluntary and mandatory EFT programs since 1993. Nearly \$6.2 billion have been paid by more than 14,000 registrants using the EFT payment method.

For general information about EFT, you may contact the Wisconsin Automated Clearing House Association at (414) 796-0252 or your financial institution.

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

cut here

Name _____

Address _____

Wisconsin Employer ID# _____

FEIN (if available) _____

WORKING FAMILY TAX CREDIT CERTIFICATES MUST BE RENEWED

Certificates of exemption from Wisconsin withholding tax for 1998 received from employees who qualify for the Working Families Tax Credit expire December 31, 1998. To be exempt from withholding tax in 1999, employees must file a new exemption certificate with employers. To obtain a supply of the Working Families Tax Credit Certificate, call (608) 266-1961.

BUSINESS TAX REGISTRATION CHANGES

The Department of Revenue (DOR) is in the process of combining business name, address, and registration information in a centralized file. This development effort is to be implemented in a phased approach and many phases will be visible to you, as our customer.

The first combined renewal Business Tax Registration (BTR) Certificate has been mailed to our business registrants. Customers that had an expiration date in 1998 were mailed a renewal notice in early November. The mailout included a letter of explanation about the renewal process, a BTR Certificate, and a remittance stub for the \$10 renewal fee. The remittance was due to DOR before the end of the month of November. Wisconsin law requires renewal of the BTR Certificate every two years, beginning in 1998. Customers that have an expiration date during 1999 will be notified at a later date of their renewal requirements.

Eventually, the BTR Certificate will list all existing active permits, licenses, and certificates and the expiration date for the renewal certificate will apply to all of the items listed. This first step, the combined renewal certificate mailout, does not include any of the permits for fuel tax, cigarette and tobacco tax, or alcohol beverage tax. The BTR Certificate should be retained as proof of registration with the department and should be easily accessible. At this time, it does not replace any of your existing permits, licenses, or certificates. It extends your existing active registrations until the expiration date shown on the BTR Certificate.

REMINDERS

- Do not write on WT-6 Withholding Tax Deposit Coupons. This slows down processing of your return. Use the Information Correction Form in your WT-6 coupon booklet or send correspondence to: Wisconsin Department of Revenue, PO Box 8902, Madison, WI 53708-8902
- People filing wage tax statements by magnetic media must file a paper WT-7, Employers Annual Reconciliation of Wisconsin Income Tax Withheld From Wages.

- Use the preprinted forms issued by the department whenever you file. If a preparer files for you, provide the preparer with your preprinted forms.
- EFT filers need not send a paper WT-6 Withholding Tax Deposit coupon.
- Filing an amended WT-7 Annual Reconciliation may require employers to submit a W-2C if seeking a refund on a previously in balance WT-7.
- Catch us on the InterNet at www.dor.state.wi.us

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 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