

**WISCONSIN DEPARTMENT OF REVENUE
DIVISION OF INCOME, SALES, AND EXCISE TAX**

NOTICE OF PROPOSED GUIDANCE DOCUMENTS

Pursuant to sec. 227.112, Wis. Stats., the Wisconsin Department of Revenue, Division of Income, Sales, and Excise Taxes hereby seeks comment on the proposed guidance document listed in the table below.

SUBMITTING PUBLIC COMMENTS

Public comments on proposed or adopted guidance documents may be submitted online at: <https://www.revenue.wi.gov/Pages/contactUs/proposed-Guidance.aspx>.

DEADLINE FOR SUBMISSION

The period for public comment for proposed guidance documents ends 21 days after publication in the Administrative Register, unless the Governor approves a shorter commenting period.

Document Number	Document Title
100155	Individual Income Tax Estimated Tax Payments - Common Questions

State of Wisconsin
Department of Revenue

Individual Income Tax Estimated Tax Payments

This is a proposed guidance document. The document has been submitted to the Legislative Reference Bureau for publication in the Administrative Register for public comment as provided by sec. 227.112(1), Wis. Stats.

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9. My return was rejected because the amount I claimed for estimated tax payments does not match Department of Revenue records. What should I do?
10. What should I do if the estimated tax payment amount reported in the estimated tax payments inquiry application is different than my records?

1. **What are estimated tax payments?**

Wisconsin law requires that you pay tax on your income as it becomes available to you. Your employer will generally withhold income tax from your wages. However, if you have taxable non-wage income or other income not subject to withholding, you may need to make quarterly estimated tax payments.

2. **Am I required to make estimated tax payments?**


Generally, you are required to make quarterly estimated income tax payments if you expect your Wisconsin income tax return to show a balance due of \$500 or more.

3. **Do part-year and nonresidents need to make estimated tax payments?**

Yes, if tax has not been withheld from a Wisconsin source of income. This requirement holds true even if you had no Wisconsin filing requirement last year.

4. **How much do I have to pay?**

Generally, you project the amount of income you expect to receive in 2020. Compute your expected tax applying appropriate credits and expected withholding.

See the  [Form 1-ES instructions](#) and the "2020 Estimated Income Tax Worksheet" for a detailed computation of the required payment(s).


5. **When should I make estimated tax payments?**

Generally, you must make your first estimated tax payment by April 15, 2020. You may pay all your estimated tax at that time or in four equal installments on or before April 15, 2020, June 17, 2020, September 16, 2020, and January 15, 2021.

See  [Form 1-ES instructions](#) for exceptions to this general rule.

6. **How do I make estimated tax payments?**

There are several options available for making estimated payments.

- You may use a blank Form 1-ES voucher.
- You may go to the department's [tax forms](#) and complete the  [Form 1-ES](#) fill-in version.
- You may make a payment using the Online Payment option on the department's website. By using this option you are directing the department to withdraw the amount directly from your bank account. Go to the Individuals tab, select Pay Online.



7. **What happens if I don't make estimated tax payments?**

You may have to pay underpayment interest if you haven't had enough state withholding or you haven't made the required quarterly estimated tax payments. Estimated tax payments are generally required if you expect your Wisconsin income tax return to show a net tax due of \$500 or more.

You will not owe underpayment interest if your prior year tax return was for a tax year of 12 full months (or would have been if you had been required to file) and either of the following applies:

- You had no tax liability for the prior year **and** you were a Wisconsin resident for all of the prior year, or
- You have paid in the smaller of 90% of your current year tax liability or 100% of your prior year Wisconsin tax liability*

Underpayment interest is computed separately for each installment due date. Therefore you may owe underpayment interest for an earlier installment due date even if you pay enough tax later to make up the underpayment.

For more information about underpayment interest, see Wisconsin  [Schedule U, Underpayment of Estimated Tax by Individuals and Fiduciaries](#), and its  [instructions](#).

*Note: The comparison to your prior year Wisconsin tax liability does not apply if you did not file a Wisconsin return for the prior year.

8. **Can I verify estimated tax payments for individuals and corporations?**

Yes, an online service is available at revenue.wi.gov/Pages/apps/taxpaymentinquiry.aspx. This service allows individuals, corporations, partnerships, and practitioners to verify estimated tax payments when completing a tax return. It will only display available payment amounts, so that the correct payment total can be entered on the return.

In addition, credit carry forwards, extension payments, and W-200 payments (pre-payments of tax), may be verified to determine if they are available to be claimed on a return that has yet to be processed by the department.

9. My return was rejected because the amount I claimed for estimated tax payments does not match Department of Revenue records. What should I do?

Check the department's estimated tax payments inquiry application at:

revenue.wi.gov/Pages/apps/taxpaymentinquiry.aspx and use this information to correct the amount of estimated tax payments claimed on your Wisconsin return.

10. What should I do if the estimated tax payment amount reported in the estimated tax payments inquiry application is different than my records?

Re-check your estimated tax payment records for errors. You may be reporting an estimated payment that was applied to your prior year return or was submitted for the following year's estimated tax. Also, an adjustment to your prior year return may have changed the amount available for carryforward to the current year.

Verify that you are claiming only estimated tax payments and/or an estimated tax credit carryforward on the estimated tax line of your return. If you are including payments made on your behalf by a partnership, tax-option (S) corporation, trust or estate that are reported on a 3K-1, 5K-1 or 2K-1, those payments are considered withholding. Please verify the amounts reported on the K-1s issued to you and record this on the withholding line of your Wisconsin return.

For missing payments, please submit legible front and back copies of any canceled checks, ACH payment amount and confirmation number, credit card payment and confirmation number, or other documentation to support your claim for estimated tax paid. Please include contact information with your correspondence.

Contact Us At:

MS 3-138

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For more information about estimated tax payments and how to make them, see the Wisconsin Form 1-ES [instructions](#) or [Form 1-ES](#).

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of October 28, 2019: Sections 71.09, 71.64, 71.84 and 990.001, Wis. Stats., and secs. Tax 1.12 and 2.08, Wis. Adm. Code.

Laws enacted and in effect after October 28, 2019, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to October 28, 2019, that is contrary to the information in this document is superseded by this document, pursuant to sec. 73.16(2)(a), Wis. Stats.

FOR QUESTIONS OR COMMENTS CONTACT:

MS 5-77

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Email additional questions to DORIncome@wisconsin.gov

Guidance Document Certification: <https://www.revenue.wi.gov/Pages/Certification-Statement.aspx>

Guidance Document Number: 100155

October 28, 2019

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