

State of Wisconsin  
Department of Revenue

## General Withholding Tax Questions

**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.**

1. Who is required to withhold Wisconsin income taxes?
2. Do I need to register to withhold Wisconsin income tax?
3. How do I apply for a Wisconsin withholding tax number?
4. Am I required to file a Form WT-6, *Wisconsin Withholding Tax Deposit Report*?
5. What is the filing deadline?
6. Are extensions to file available?
7. How do I file Form WT-7, *Employer's Annual Reconciliation of Wisconsin Income Tax Withheld from Wages*?
8. Where do I send my Forms W-2 after filing my annual reconciliation?
9. My employee's Wisconsin income tax refund is being held. Why?
10. Where do I send other types of information returns such as Forms 1099 and 9b?
11. How do I notify the department if I change my business location or mailing address?
12. Should I notify the department if I close my business?
13. What records should I keep for Wisconsin tax purposes, and how long should I keep them?
14. Can I claim the exemption from withholding?

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### 1. **Who is required to withhold Wisconsin income taxes?**

Every employer who meets **both** requirements "a" and "b" below is required to withhold Wisconsin income taxes:

- a. Pays wages to:
  - A Wisconsin resident (regardless of where the services were performed), **or**
  - A nonresident (persons domiciled outside of Wisconsin) for services performed in Wisconsin, unless:

- Employer is an interstate rail or motor carrier, subject to the jurisdiction of the Federal Interstate Commerce Commission and the employee regularly performs duties in two or more states.
- Payment is for retirement, pension, or profit sharing benefits received after retirement.
- Employee is a resident of a state with which Wisconsin has a reciprocity agreement.
  - Wisconsin currently has reciprocity agreements with Illinois, Indiana, Kentucky, and Michigan.
  - If you employ residents of those states, you are not required to withhold Wisconsin income taxes from wages paid to such employees.
  - Written verification is required to relieve the employer from withholding Wisconsin income taxes from such employee's wages (Form W-220).
- Employee is a resident of a state that does not have a reciprocity agreement with Wisconsin, and either:
  - The employer is an interstate air carrier and the employee, having regularly assigned duties on the carrier's aircraft, earns 50% or less of his or her compensation in Wisconsin, or
  - The employer can reasonably expect the annual Wisconsin earnings to be less than \$1,500.

b. The employer meets any of the following:

- Is engaged in business in Wisconsin
- Is licensed to do business in Wisconsin
- Transacts business in Wisconsin
- Is organized under Wisconsin law
- Is primarily engaged in business outside of Wisconsin and is licensed to do business in Wisconsin or transacts business in Wisconsin

## 2. **Do I need to register to withhold Wisconsin income tax?**

Every employer who is required to withhold Wisconsin income tax must register with the Wisconsin Department of Revenue for a Wisconsin withholding account number.

However, you do not need a Wisconsin withholding account number if you:

- Pay wages that are exempt from Wisconsin withholding (i.e., agricultural, domestic) **and**
- Have no Wisconsin withholding to report (required or voluntary) from wages or other payments made.

## 3. **How do I apply for a Wisconsin withholding tax number?**

You can register online at [My Tax Account](#) or complete an [Application for Business Registration](#).

The initial application fee is \$20. The registration is valid for two years. At the end of that period you will need to pay a \$10 renewal fee. We will send a renewal bill and registration certificate at the time of renewal.

## 4. **Am I required to file a Form WT-6, Wisconsin Withholding Tax Deposit Report?**

Quarterly, monthly, and semi-monthly filers with an active Wisconsin withholding account must file an electronic deposit report even if no tax is withheld during the period covered. Electronic filing options include:

- [My Tax Account](#)
- [Telefile](#)

- o [ACH Credit](#)
- o [WT-6 file transmission](#)
- o [Credit Card](#)

For more information, see Wisconsin [Publication W-166](#), *Wisconsin Employer's Withholding Tax Guide*.

**5. What is the filing deadline?**

**Annual Reconciliation (WT-7), Wage Statements and Information Returns with Wisconsin Withholding** (e.g., Forms W-2, W-2G, 1099-R)

Filing Status	Filing Deadline*
<b>All filers</b>	<ul style="list-style-type: none"> <li>o January 31 (<i>last day of the month following the calendar year</i>)</li> <li>o If the withholding account is closed before December 31, you must file within 30 days of the account cease date.</li> </ul>

\* If the due date falls on a weekend or legal holiday, the due date is extended to the business day immediately following the weekend or legal holiday.

**Wisconsin Withholding Deposit Report (WT-6)**

Filing Status	Filing Deadline*
<b>Note:</b> You must initiate ACH debit payments made in My Tax Account by 4:00 p.m. central standard time of the due date for the payments to be considered on time.	
<b>Annual filers</b>	<ul style="list-style-type: none"> <li>o Do not complete a WT-6. Report your withholding on a WT-7.</li> </ul>
<b>Monthly or quarterly filers</b>	<ul style="list-style-type: none"> <li>o Due on or before the last day of the month following the monthly or quarterly withholding period.</li> </ul>
<b>Semi-monthly filers</b>	<ul style="list-style-type: none"> <li>o When the employee pay date is on, or between, the first and the 15th of the month, the amount of Wisconsin income tax you withheld from the wages paid is due on or before the last day of the month.</li> <li>o When the employee pay date is on, or between, the 16th of the month and the last day of the month, the amount of Wisconsin income tax you withheld from the wages paid is due on or before the 15th of the following month.</li> </ul> <p><b>Example:</b> Your employee is paid December 16. You report withholding on the deposit report for period ending December 31. This deposit report is due January 15.</p>

**6. Are extensions to file available?**

Yes. We may grant a one-month extension to file the deposit report (WT-6), the annual reconciliation (WT-7), and supporting statements and returns. Extension requests must be received by the original due date of the deposit report or return. To request an extension, do

one of the following:

- Complete the *Request Extension to File* in My Tax Account
- Email DORRegistration@wisconsin.gov
- Write to Wisconsin Department of Revenue, PO Box 8902, Madison, WI 53708-8902

**Note:** We cannot extend the date for giving wage statements to employees.

## 7. **How do I file Form WT-7, Employer's Annual Reconciliation of Wisconsin Income Tax Withheld From Wages?**

Electronic filing options include:

- My Tax Account
- Telefile
- WT-7 File Transmission

## 8. **Where do I send my Forms W-2 after filing my annual reconciliation?**

- Employers or organizations with 10 or more wage statements must file W-2s electronically using one of the methods below.
  - Key W-2s, 1099-MISCs and 1099-Rs My Tax Account when filing the annual reconciliation (WT-7).
  - Key W-2s, 1099-MISCs and 1099-Rs at anytime during the year in My Tax Account. Log in to My Tax Account and select "Enter W-2/1099 Information". See demonstration video.
  - Transfer an EFW2 file (for W-2s) to DOR. See Publication 172 for Wisconsin specifications.
  - Transfer an IRS formatted file (for 1099-MISCs, 1099-Rs and W-2Gs) to DOR. See Publication 172 for Wisconsin specifications.
- Employers or organizations with fewer than 10 wage statements are encouraged to file W-2s using one of the methods above. Otherwise, send your statements to:

Wisconsin Department of Revenue  
PO Box 8920  
Madison WI 53708-8920

- *Do not send federal or state transmittal form.*
- *We cannot confirm receipt of W-2s using this method. Instead, use one of the electronic filing methods above to receive a confirmation number from the Wisconsin Department of Revenue.*

If you use payroll software to prepare your wage statements or information returns, your software may allow you to submit these electronically.

## 9. **My employee's Wisconsin income tax refund is being held. Why?**

We may not have the information required to verify the refund. In an effort to protect taxpayers from tax-related identity theft, a new law prohibits the department from issuing a refund to an employed individual prior to March 1, unless the employee and employer have

filed all required returns and forms.

**10. Where do I send other types of information returns such as Forms 1099 and 9b?**

For the most current information, refer to [Publication 117, Guide to Wisconsin Wage Statements and Information Returns](#).

Beginning with information returns required to be filed in 2018, persons required to file 10 or more of any one type of information return with the department must file such returns electronically.

**11. How do I notify the department if I change my business location or mailing address?  
Update mailing address:**

- o Go to the *Names and Addresses* tab in [My Tax Account](#)
- o Select the address you want to change
- o Click on *Change this address*
- o Update the address and click on *Verify Address*
- o Select verified address
- o Click on *Submit*

**To change your business location** (if you are not registered to use [My Tax Account](#)):

- o Email [DORWithholdingTax@wisconsin.gov](mailto:DORWithholdingTax@wisconsin.gov), or
- o Call (608) 266-2776

**12. Should I notify the department if I close my business?**

Yes. You must notify us when you:

- o Close your business,
- o No longer have a withholding liability, or
- o Need a new Wisconsin withholding number as the result of a change in business entity

You must notify the department of the **last date of withholding** using one of the following methods:

- o Complete *Close Account* (under I want to...) in [My Tax Account](#)
- o Email [DORWithholdingTax@wisconsin.gov](mailto:DORWithholdingTax@wisconsin.gov), or
- o Call (608) 266-2776

**Important:** When the withholding account is closed before December 31, the annual withholding reconciliation (WT-7) and supporting wage and information returns are due within 30 days of the account cease date.

**13. What records should I keep for Wisconsin tax purposes, and how long should I keep them?**

You must keep your tax records until the statute of limitation expires. Usually this is four years from the due date of the return or the date filed, whichever is later.

**14. Can I claim the exemption from withholding?**

You may claim exemption from withholding of Wisconsin income tax if you had no liability for income tax last year, and you expect to incur no liability for income tax this year. To claim complete exemption from withholding use Wisconsin Form WT-4, *Employee's Wisconsin Withholding Exemption Certificate*.

## Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of November 8, 2019: Sections 71.64, 71.65, 71.66, 71.75, 71.77, 71.80, 73.03 and 990.001, Wis. Stats., secs. Tax 1.12, 2.02, 2.04, 2.82 and 2.90, Wis. Adm. Code, and 49 U.S. Code §§ 11502, 14503 and 40116.

Laws enacted and in effect after November 8, 2019, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to November 8, 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:

WISCONSIN DEPARTMENT OF REVENUE

Customer Service Bureau

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Madison, WI 53708-8949

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Email additional questions to [DORWithholdingTax@wisconsin.gov](mailto:DORWithholdingTax@wisconsin.gov)

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