

This fact sheet explains Minnesota income tax withholding responsibilities as they relate to agricultural workers. If you need more information, see “Information and Assistance” on page 2.

If you employ agricultural workers who work in Minnesota or who are Minnesota residents and you’re required to withhold federal income tax from the employees’ wages [Internal Revenue Code section 3401(a)], you are also required to withhold Minnesota income tax.

## Register for Withholding Tax

Before you start withholding Minnesota income tax from your employees’ wages, you must have a Minnesota tax ID number and be registered for withholding tax. You may be assessed a \$100 penalty if you fail to do so.

If you are a new employer, see Withholding Fact Sheet 10, *New Employer Guide*, for important information. If you do not have a Minnesota tax ID number, apply online at [www.revenue.state.mn.us](http://www.revenue.state.mn.us) or by calling our Business Registration Office at 651-282-5225 or 1-800-657-3605.

If you already have a Minnesota tax ID number for other taxes for the same business, you can use the same number for withholding tax. To add a withholding account, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and log in to e-Services.

## Withholding Tax From Wages

### Federal Withholding Allowances

You must have all new employees complete federal Form W-4, *Employee’s Withholding Allowance Certificate*, (available at [www.irs.gov](http://www.irs.gov)) when they begin employment to determine the number of federal withholding allowances to claim. If a new employee does not give you a completed Form W-4 before the first wage payment, withhold tax as if they are single with zero withholding allowances.

### Minnesota Withholding Allowances

Your employees may complete Form W-4MN, *Minnesota Employee Withholding Allowance/Exemption Certificate*, to calculate their Minnesota withholding allowances separate from their federal withholding allowances. If an employee does not complete Form W-4MN, you may use the allowances from a federal Form W-4 the employee completed.

However, an employee **must** provide you with a completed Form W-4MN if they do any of the following:

- Choose to claim fewer Minnesota withholding allowances than federal withholding allowances
- Choose to claim more than 10 Minnesota allowances
- Request additional Minnesota withholding be deducted each pay period
- Claim to be exempt from Minnesota income tax withholding

For complete information, see Withholding Fact Sheet 9, *Definition of Wages*, Fact Sheet 10, *New Employer Guide*, and Form W-4MN.

## How to Pay

For payment options, go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and click **Make a Payment** under **For Businesses**.

You’re required to pay electronically if any of the following are true:

- You withheld more than \$10,000 during the last 12-month period ending June 30
- You are required to electronically pay any other Minnesota business tax
- Use a payroll service company

If you’re required to pay business taxes electronically for one year, you must continue to do so for all future years.

## How to File

All Minnesota withholding tax returns, including past-due and amended returns, must be filed electronically using one of our filing and paying systems:

- Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and log in to e-Services
- Call 1-800-570-3329

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## **Other Requirements**

At the end of the calendar year, complete a federal Form W-2, *Wage and Tax Statement*, for each employee to whom you paid wages during the year. You must do both of the following:

- Give the W-2 forms to your employees by January 31 following the end of the calendar year
- Electronically submit the W-2 information to the department by January 31 each year

For additional information, see Minnesota Income Tax Withholding Instruction Booklet. For specifications for submitting W-2 forms electronically, see Withholding Fact Sheet 2, *Submitting Form W-2 Information*.

## **Information and Assistance**

### **Minnesota Department of Revenue**

Additional forms and information, including fact sheets and frequently asked questions, are available on our website.

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

Email: [withholding.tax@state.mn.us](mailto:withholding.tax@state.mn.us)

Phone: 651-282-9999 or 1-800-657-3594

This information is available in alternate formats.

### **Internal Revenue Service**

Website: [www.irs.gov](http://www.irs.gov)

Phone: 1-800-829-4933