

2021

Minnesota Income Tax Withholding

Instruction Booklet and Tax Tables

Start using this booklet Jan. 1, 2021 (Revised 5/4/21)

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Need help with your taxes?

We're ready to answer your questions!

- Email: withholding.tax@state.mn.us
- Phone: 651-282-9999 or 1-800-657-3594
- Hours: 8:00 a.m. — 4:30 p.m. Monday through Friday

This information is available in alternate formats.

File your return and pay your taxes electronically at:

www.revenue.state.mn.us

Forms and Fact Sheets

Withholding tax forms and fact sheets are available on our website at www.revenue.state.mn.us, or by calling 651-282-9999 or 1-800-657-3594 (toll-free).

Forms

IC134	Withholding Affidavit for Contractors
MWR	Reciprocity Exemption/Affidavit of Residency
W-4MN	Minnesota Employee Withholding Allowance/Exemption Certificate

Withholding Fact Sheets

2	Submitting Form W-2 and W-2c Information
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The information you provide on your tax return is private by state law. The Minnesota Department of Revenue cannot provide it to others without your consent except to the Internal Revenue Service, other states that guarantee the same privacy, and certain government units as provided by law.

Tax Law Changes

For detailed information on tax law changes, go to our website and choose **Tax Law Changes** on the home page.

Sign up for Email Updates

Look for the envelope on the bottom of any page of our website.

Directory

Withholding Tax Information

(Monday-Friday, 8:00 a.m to 4:30 p.m.)

e-Services

Business Registration

Federal offices

Internal Revenue Service (IRS)

Business taxes
Forms order line
U.S. Citizenship and Immigration Services (I-9 forms)

Social Security Administration

Minnesota state offices

Employment and Economic Development (unemployment insurance)

Human Services
New-Hire Law

Labor and Industry
Labor Standards

Workers' Compensation

651-282-9999 or

1-800-657-3594

www.revenue.state.mn.us

email: withholding.tax@state.mn.us

www.revenue.state.mn.us

www.revenue.state.mn.us

email: business.registration@state.mn.us

651-282-5225 or 1-800-657-3605

www.irs.gov

1-800-829-1040

1-800-829-4933

1-800-829-3676

www.uscis.gov

1-800-375-5283

www.ssa.gov/employer

1-800-772-1213

www.uimn.org

651-296-6141 (press "4")

email: ui.mn@state.mn.us

www.mn.gov/dhs

651-227-4661 or 1-800-672-4473

fax: 1-800-692-4473

www.dli.mn.gov

651-284-5005 or 1-800-342-5354

www.dli.mn.gov/workcomp.asp

651-284-5005 or 1-800-342-5354

email: dli.communications@state.mn.us

Business Tax Workshops

Learn about business taxes from the experts.

Sign up now for **FREE** classes!

For a schedule of upcoming workshops, go to our website and select

Business Center under **Businesses**.

Workshops are developed for business owners, bookkeepers, purchasing agents, and accounting personnel in the private and public sectors who want or need a working knowledge of Minnesota tax laws. Continuing Professional Education (CPE) credits are offered for completing some classes.

Note: Updates may occur after this booklet is published that could affect your Minnesota withholding taxes for 2021. Check our website periodically for updates.

What's New

Interest Rate

The 2021 interest rate is 3% (.03).

Form W-4MN, Minnesota Withholding Allowance Certificate

Beginning in 2020, federal Form W-4 will not compute allowances previously used to determine Minnesota withholding tax. Every employee that completes Form W-4 must complete Form W-4MN. If the employee does not complete a Form W-4MN, you must withhold tax at the single filing status with zero allowances.

IRS Letter 2800C

IRS Letter 2800C tells you when the IRS believes your employee may have filed an incorrect federal Form W-4. If you receive this letter, you must provide the Minnesota Department of Revenue with a copy of the employee's Form W-4MN.

We will verify the number of allowances your employee may claim for Minnesota purposes. Continue using the Form W-4MN you were using at the time you received Letter 2800C from the IRS. We will send you a letter when you need to change an employee's allowances on Form W-4MN. If the employee has not completed Form W-4MN, have them complete the form and use the allowances calculated on that form until we notify you.

Register for a Minnesota Tax ID Number

You must register to file withholding tax if any of these apply:

- You have employees and anticipate withholding tax from their wages in the next 30 days
- You agree to withhold Minnesota taxes when you are not required to withhold
- You pay nonresident employees to do work for you in Minnesota (see "Exceptions" on page 4)
- You make mining and exploration royalty payments on which you are required to withhold Minnesota taxes
- You are a corporation with corporate officers performing services in Minnesota who will have withholding from their wages

If you do not register before you start withholding tax, we may assess a \$100 penalty.

To register for a Minnesota Tax ID Number, go to our website. If you do not have internet access, contact Business Registration (see page 2).

Note: If your business currently has a Minnesota ID number for other Minnesota taxes, you can add a withholding tax account to your ID number. To update your business information, log in to our e-Services system or contact Business Registration (see page 2).

Employers Using Payroll Services

If you contract with a payroll service company, you are responsible for ensuring they file your returns and make your payments on time.

We must notify you of any underpayment on your withholding account. If you receive a notice, work with your payroll service company to decide which of you will contact us to correct your account.

Payroll service companies (also known as third-party bulk filers) must register with us and give us a list of clients for whom they provide tax services. They are required to send us any tax they collect from clients electronically.

For details, see Withholding Fact Sheet 5, *Third-Party Bulk Filers*.

Third-Party Bulk Filers - Payroll Service Providers

A third-party bulk filer—also known as a payroll service provider—is a person or company who has custody or control over another employer's funds for the purpose of filing returns and depositing tax withheld.

Register for a Minnesota Tax ID Number

As a third-party bulk filer, you and each of your clients must have a valid Minnesota tax ID number. To get a Minnesota ID number, go to our website and select **Business Center** under **Businesses**, or call 651-282-5225 or 1-800-657-3605 during business hours.

File Returns and Deposit Tax Electronically

As a third-party bulk filer, you must file returns, make deposits, and submit W-2 and 1099 information electronically using our e-Services system.

When filing returns, you can manually enter each client's filing information or send an electronic file (in a spreadsheet format) containing your client's information. Both options are available in e-Services. To find file layout information, go to www.revenue.state.mn.us and enter **withholding file formats** into the Search box.

Update Client Information

If you have clients to add or remove, you must provide us with updated client information at least once per month. To update client information, go to our website and log in to e-Services.

For additional information, including registering and responsibilities, see Withholding Fact Sheet 5, *Third-Party Bulk Filers*.

Withholding Requirements

If you employ anyone who works in Minnesota, or is a Minnesota resident, and you are required to withhold federal income tax from that employee's wages, you must also withhold Minnesota income tax in most cases. If you are not required to withhold federal income tax from your employee's wages, you are not required to withhold Minnesota income tax in most cases. You can find the rules for determining if you are required to withhold federal taxes in federal Circular E, IRS Publication 15 (www.irs.gov).

If you pay any employee—including your spouse, children, relatives, friends, students, or agricultural help—to perform services for your business, withholding is required. A worker is considered an employee if you control what they do and how they do it.

Any officer performing services for a corporation is an employee, and their wages are subject to withholding. For details, see Withholding Fact Sheet 6, *Corporate Officers*.

You must withhold Minnesota income tax from wages you pay employees and send the amount withheld to the Minnesota Department of Revenue. You must withhold tax even if you pay employees in cash or give them other goods or services in exchange for working for you. Goods and services are subject to Minnesota withholding tax to the same extent they are subject to federal withholding tax.

For details, see:

- Withholding Fact Sheet 9, *Definition of Wages*
- Withholding Fact Sheet 10, *New Employer Guide*

Employee or Independent Contractor

Worker classification is a matter of law, not choice. When evaluating worker classification, we consider many factors falling into three categories: the relationship of the parties, behavioral control, and financial control.

An employer who misclassifies an employee as an independent contractor is subject to a tax equal to 3% (.03) of the employee's wages. The employer may *not* claim the tax as a credit (withholding) on their Minnesota Individual Income Tax return. For details, see Withholding Fact Sheet 8, *Independent Contractor or Employee*.

Withhold From Income Assignable to Minnesota

Minnesota Residents

You may be required to withhold Minnesota income tax from wages paid to a Minnesota resident regardless of where they performed the work (even if outside the United States). See information on page 5 to determine Minnesota tax to withhold.

Residents of Another State

If you are required to withhold federal income tax from a nonresident employee's wages for work performed in Minnesota, you must also withhold Minnesota income tax in most cases.

Exceptions: You are not required to withhold Minnesota tax if either:

- The employee is a resident of Michigan or North Dakota and meets the reciprocity agreement provisions (see "Reciprocity for Residents of Michigan or North Dakota" on this page)
- The amount you expect to pay the employee is less than \$12,550

Note: Wages earned while an employee was a Minnesota resident, but received when they were a nonresident, are assignable to Minnesota and are subject to Minnesota withholding tax. Wages include all income for services performed in Minnesota (such as severance pay, equity-based awards, and other non-statutory deferred compensation). For details, see "Form W-2 Wage Allocation" on page 12 and Withholding Fact Sheet 19, *Nonresident Wage Income Assigned to Minnesota*.

Reciprocity for Residents of Michigan or North Dakota

Minnesota has income tax reciprocity agreements with Michigan and North Dakota. Under these agreements, you are not required to withhold Minnesota income tax from wages if all of these apply:

- Your employees are Michigan or North Dakota residents
- They work in Minnesota
- They give you a properly completed Form MWR, *Reciprocity Exemption/Affidavit of Residency*, each year (You must send us copies of these forms)

Although you are not required to withhold income tax for the reciprocity state, we encourage you to do so as a courtesy to your employee. If you agree to withhold, contact the Michigan or North Dakota revenue department for information.

For details, see Withholding Fact Sheet 20, *Reciprocity - Employee Withholding*.

Interstate Carrier Companies

If you operate an interstate carrier company and have employees who regularly perform assigned duties in more than one state (such as truck drivers, bus drivers, or railroad workers), withhold income tax for their state of residence only.

Interstate Air Carrier Companies

If you operate an interstate air carrier company and have employees who perform regularly assigned duties on aircraft in more than one state, you must withhold income tax for their state of residence and any state in which they earn more than 50% of their pay. Your employees are considered to have earned more than 50% of their pay in any state where scheduled flight time is more than 50% of total scheduled flight time for the calendar year.

Nonresident Entertainer Tax

Minnesota income tax rates do not apply to entertainers who are residents of other states and perform in Minnesota. Instead, their earnings are subject to Minnesota's Nonresident Entertainer Tax. This tax is equal to 2% of the gross compensation received by a nonresident entertainer or entertainment entity. This tax does not apply to Michigan or North Dakota residents (see "Reciprocity for Residents of Michigan or North Dakota" on page 4).

The term entertainment entity includes:

- An independent contractor paid for providing entertainment
- A partnership paid for providing entertainment provided by entertainers who are partners
- A corporation paid for entertainment provided by entertainers who are shareholders of the corporation

The promoter (person responsible for paying the entertainment entity) must deduct the tax and send it to us.

Report and pay the nonresident entertainer tax on Form ETD, *Nonresident Entertainer Tax, Promoter's Deposit Form*, by the end of the month following the performance. File Form ETA, *Nonresident Entertainer Tax, Promoter's Annual Reconciliation*, by January 31 of the following year. Do not report the nonresident entertainer tax with the income tax you withhold from your employees.

The nonresident entertainer must file Form ETR, *Nonresident Entertainer Tax Return*, by April 15 of the following year. For details, see Withholding Fact Sheet 11, *Nonresident Entertainer Tax*.

Other Types of Withholding

Royalty Payments

If you pay mining and exploration royalties for use of Minnesota land, you must withhold income tax on the royalties. The withholding rate is 6.25% (.0625) of the royalties paid during the year.

Pension and Annuities

You may withhold Minnesota income tax from pension and annuity payments if the recipient requests it. If you agree to withhold, follow the same rules as withholding on wages (see page 6).

Surety Deposits

If you contract with a non-Minnesota construction contractor to perform construction work in Minnesota, you must withhold 8% (.08) of the payments when the contract's value exceeds \$50,000.

Before the project begins, non-Minnesota contractors can apply for an exemption from the surety deposit requirements by filing Form SDE, *Exemption from Surety Deposits for Non-Minnesota Contractors*. They must file a Form SDE for each project. If the exemption is approved, we will certify and return the form to the non-Minnesota contractor, who then gives it to you.

If the non-Minnesota contractor does not present an approved Form SDE, use Form SDD, *Surety Deposits for Non-Minnesota Contractors*, to make the surety deposits. The non-Minnesota contractor may then apply for a refund using Form SDR, *Refund of Surety Deposits for Non-Minnesota Contractors*, once they have registered for and paid all state and local taxes for the project. For details, see Withholding Fact Sheet 12, *Surety Deposits for Non-Minnesota Construction Contractors*.

Withholding Affidavits for Construction Contractors

If you are a construction contractor, you must comply with Minnesota's withholding tax requirements when working on a project for the state of Minnesota or its political subdivisions (such as counties, cities, or school districts).

You can submit your IC134 electronically using e-Services (printable confirmation page available immediately upon approval) or by mail using Form IC134 (approval in 4 to 6 weeks). For details, see Withholding Fact Sheet 13, *Construction Contracts with State or Local Government Agencies*.

Residents Working Outside Minnesota

Minnesota Residents Working in Other States

If you employ a Minnesota resident who works in another state (other than Michigan or North Dakota where reciprocity agreements apply; see page 4), you may be required to withhold tax for Minnesota, for the state where the employee is working, or for both.

To determine if you should withhold tax for the state in which the employee is working, contact the other state. To determine if you are required to withhold Minnesota tax, complete the worksheet below.

Minnesota Residents Working Outside the United States

If you employ a Minnesota resident who works outside the United States, you are required to withhold Minnesota tax on wages subject to U.S. federal income tax withholding. See "Form W-2 Wage Allocation" on page 12.

Worksheet for Residents Working Outside Minnesota

1. Enter the tax that would have been withheld if the employee had performed the work in Minnesota (use Minnesota tax tables) 1 _____
 2. Enter the tax you are withholding for the state in which the employee works 2 _____
 3. If line 1 is more than line 2, subtract line 2 from line 1. Send this amount to the Minnesota Department of Revenue 3 _____
- If line 1 is less than line 2, do not withhold Minnesota income tax. Send the amount on line 2 to the state in which the employee is working.

Forms for Minnesota Withholding Tax

Employee's Withholding Allowance Certificates

Minnesota Withholding Allowances

All new employees must complete Form W-4MN to determine their Minnesota withholding allowances. If an employee completes a new federal Form W-4 they must also complete a Form W-4MN.

When to send us Form W-4MN copies

Send us copies of Form W-4MN at the address provided on the form if any of these apply:

- Your employees claim more than 10 Minnesota withholding allowances
- Your employees claim to be exempt from Minnesota withholding and you reasonably expect wages to exceed \$200 per week, unless they are Michigan or North Dakota residents (see page 4) and have completed Form MWR
- You believe your employees are not entitled to their number of allowances claimed
- You receive Letter 2800C from the IRS regarding the employee's Form W-4

If an employee claims to be exempt from Minnesota withholding, you need to have them complete a new Form W-4MN each year.

If you are paying an employee for wages that are exempt from withholding, do not submit Form W-4MN to us.

Penalties

We may assess an employee a \$500 penalty if they knowingly files an incorrect Form W-4MN.

We may assess an employer a \$50 penalty for each Form W-4MN not filed with us when required.

Federal Form W-4P

Withholding Certificate for Pension or Annuity Payments

Withhold Minnesota income tax from pension and annuity payments only if the recipient requests it.

If you agree to withhold, ask the recipient to fill out Form W-4MN.

Use the withholding tables on pages 16-33 to determine how much to withhold. The withholding amount is determined as though the annuity was a wage payment.

If you use a computer to determine how much to withhold, use the formula on page 34.

The wage total entered on your withholding tax return **should not** include pension and annuity payments. However, the total amount withheld should include the tax withheld from pension and annuity payments **as well as** tax withheld from your employees' wages.

Provide a Form 1099-R to the pension and annuity recipient at year-end showing payment and withholding amounts.

Keep all Forms W-4MN with your records.

Report Federal Changes

If the IRS changes or audits your federal withholding tax return or you amend your federal return, and those changes affect wages reported on your Minnesota return, you must amend your Minnesota return.

File an amended Minnesota withholding tax return (see page 14) within 180 days after the IRS notifies you or after you file a federal amended return.

If the changes do not affect your Minnesota return, you have 180 days to send us a letter of explanation. Send your letter and a copy of your amended federal return or the IRS correction notice to Minnesota Department of Revenue, Mail Station 5410, 600 N. Robert St., St. Paul MN 55146-5410.

If you fail to report federal changes as required, we may assess a penalty equal to 10% of any additional tax due.

Determine Amount to Withhold

Wages

Determine the Minnesota income tax withholding amount each time you pay wages to an employee. For details, see Withholding Fact Sheet 9, *Definition of Wages*.

1. Use each employee's total wages for the pay period before deducting any taxes. For nonresidents, use only the wages paid for work performed in Minnesota.
2. Use each employee's Minnesota withholding allowances and marital status as shown on the employee's Form W-4MN.
3. Using the information from steps 1 and 2, determine the Minnesota income tax withholding from the tables on pages 16-33 of these instructions. Use the appropriate table based on your employee's marital status and how often you pay them. If you use a computer to determine how much to withhold, use the formula on page 34.

Note: If your employees' wages or withholding allowances change, or you change how often you pay them, the amount you withhold may also change.

Overtime, Commissions, Bonuses, and Other Supplemental Payments

Supplemental payments made to an employee separately from regular wages are subject to the 6.25% Minnesota withholding rate regardless of how many allowances employees claim. Multiply the supplemental payment by 6.25% (.0625) to calculate the Minnesota withholding amount.

If you make supplemental payments to an employee at the same time you pay regular wages, and you list the two payments separately on your payroll records, choose Method 1 or Method 2 to determine how much to withhold:

- **Method 1:** Add the regular wages to the supplemental payment and use the tax tables to find how much to withhold from the total.
- **Method 2:** Use the tax tables to determine how much to withhold from the regular wages alone. Multiply the supplemental payment by 6.25% (.0625) to determine how much to withhold from that payment.

If you do not list the regular wages and the supplemental payment separately on the employee's payroll records, you must use Method 1.

Backup Withholding

Minnesota follows the federal provisions for backup withholding on payments for personal services. Personal services include work performed for your business by a person who is not your employee. If the person performing services for you does not provide a Social Security or tax ID number, or if the number is incorrect, you must withhold tax equal to 9.85% (.0985) of the payments. If you do not, we may assess you the amount you should have withheld plus any penalties and interest.



Withholding Tax Calculator

This tool can help you calculate Minnesota withholding tax on:

- Regular wages (employee payroll)
- Supplemental payments (overtime, commissions, and bonuses)
- Payments made for personal services
- Payments dated January 1, 2009, through the end of the current year

To use the calculator, go to www.revenue.state.mn.us and enter **withholding tax calculator** in the Search box.

Deposit Information

There are two deposit schedules — **semiweekly or monthly** — for determining when you deposit income tax withheld. Tax is considered withheld at the time you pay your employees, not when they perform the work. For example, if you paid an employee in January for work performed in December, the tax is considered withheld in January, not December. Your Minnesota deposit schedule is determined by your federal deposit schedule and the amount of tax you withheld.

When depositing tax, include all Minnesota income tax withheld from:

- Employees
- Corporate officers for services performed
- Pensions and annuities

Deposit Schedules

Most employers are required to file withholding tax returns quarterly. Quarterly filers must deposit Minnesota tax according to their federal deposit schedule.

Semiweekly Deposit Schedule

You must deposit Minnesota withholding tax following a semiweekly schedule if both of these apply:

- The IRS requires you to deposit semiweekly
- You withheld more than \$1,500 in Minnesota tax in the previous quarter

If your payday is:

- Wednesday, Thursday, or Friday, your deposit is due the Wednesday after payday.
- Saturday, Sunday, Monday, or Tuesday, your deposit is due the Friday after payday.

One-day Rule. Minnesota did not adopt the federal “one-day rule” for federal liabilities over \$100,000. If you meet the federal one-day rule requirements, you can still deposit your Minnesota withholding tax according to your deposit schedule.

Monthly Deposit Schedule

You must deposit Minnesota withholding tax following a monthly schedule if both of these apply:

- The IRS requires you to deposit monthly
- You withheld more than \$1,500 in Minnesota tax in the previous quarter

Monthly deposits are due by the 15th day of these month.

Deposit Schedule Exception

You may deposit the entire Minnesota tax withheld for the current quarter if both of these apply:

- You withheld \$1,500 or less in Minnesota tax in the previous quarter
- You filed that quarter’s return on time

Quarterly deposits are due April 30, July 31, and October 31 of the current year and January 31 of these year.

Deposits must be made electronically, if required, or postmarked by the U.S. Post Office (not by a postage meter) on or before the due date. If the deposit due date falls on a weekend or holiday, the due date is extended to the next business day. For details, visit our website and enter **withholding tax due dates** into the Search box.

Annual Deposit Schedule

If you meet the requirements to be an annual filer (see page 9) and you withheld \$500 or less in the prior calendar year, may pay the entire amount of withholding on January 31 when the annual return is due. You must make deposits each time the total tax withheld exceeds \$500 during the year. Deposits are due the last day of the month following the month in which amounts withheld exceed \$500 (except December).

Electronic Deposit Requirements

You must make your deposits electronically if at least one of these applies:

- You withheld a total of \$10,000 or more in Minnesota income tax during the last 12-month period ending June 30
- You are required to electronically pay any other Minnesota business tax to the Minnesota Department of Revenue
- You 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.

If you are required to deposit electronically and do not, we will apply a 5% (.05) penalty to payments not made electronically, even if you make them on time.

How to Make Deposits

Deposit Electronically

You can make deposits online using e-Services, our electronic filing and paying system. Go to our website at www.revenue.state.mn.us to log in to e-Services.

When paying electronically, you must use an account not associated with any foreign banks.

For more information, see the withholding tax help link in e-Services.

Deposit by Check

If you are not required to deposit electronically, you may pay by check. You must mail your deposit with a personalized payment voucher.

Go to our website and select **Make a Payment** under **Businesses**. Enter the required information and print the voucher. A personalized scan line will be printed at the bottom of the voucher using the information you provided.

If you do not have internet access, call 651-282-9999 or 1-800-657-3594 and to ask us to mail payment vouchers to you.

Your check authorizes us to make a one-time electronic fund transfer from your account. You will not receive your canceled check.

For additional payment methods, including ACH electronic payment, credit or debit card, and bank wire, see page 11.

File a Return

Are you a quarterly filer or an annual filer?

Return filing due dates differ depending on whether you are a quarterly filer or an annual filer. Most employers are quarterly filers.

To qualify for annual filing, you must have a filing history of withholding \$500 or less in the prior calendar year or meet other special criteria. To verify your filing status, contact us (see page 2 for contact information).

All Filers

When entering wages paid during the reporting period, enter the total gross wages and any other compensation subject to Minnesota income tax withholding (such as commissions, bonuses, the value of goods and services given in place of wages, and tips employees received and reported to you during the quarter). See “Form W-2 Wage Allocation” on page 12.

Also include:

- Compensation paid to corporate officers for services performed
- Wages for employees who completed Form MWR
- Nontaxable contributions to retirement plans

Do not include 1099 income, pension payments, or annuity payments.

Quarterly Filers

You must file a return for all four quarters, even if you deposited all tax withheld or did not withhold tax during the quarter. Your quarterly returns are due April 30, July 31, and October 31 of the current year and January 31 of the next year.

Use Worksheet A on page 10 to help file your quarterly returns. Make copies of the worksheet to use each quarter.

Worksheet A

Line 1. Enter wages paid to employees during the quarter.

Line 2. Enter the total number of employees during the quarter.

Line 3. Enter the total Minnesota income tax withheld during the quarter. Include income tax withheld from pension or annuity payments.

Seasonal Businesses

If you consistently withhold tax in the same quarters each calendar year (up to three, but not all four), you may choose to deposit and file for only the quarters during which you pay wages. For more information, go to our website and enter **Withholding for Seasonal Businesses** into the Search box. You can also call 651-282-9999 or 1-800-657-3594.

Annual Filers

Your annual return is due by January 31 each year. You will need to complete your W-2s and 1099s before filing your return (see “Forms W-2 and 1099” on page 12). After they are complete, calculate the total state wages (see “All Filers” on this page).

Use Worksheet B on page 10 to help you prepare to file electronically.

Worksheet B

Line 1. Enter wages paid to employees during the year.

Line 2. Enter the total number of employees during the year.

Line 3. Enter the total Minnesota income tax withheld during the year. Include income tax withheld from pension or annuity payments.

Worksheets

TABLE A — Payroll Information	
Payroll Date	Tax Withheld
TOTAL WITHHELD (enter on line 3)	

TABLE B — Deposit Information	
Date	Tax Deposited
TOTAL DEPOSITS (include on line 4)	

Worksheet A (for quarterly filers only)

Quarterly return for period ending _____ Minnesota Tax ID Number _____

- 1 Wages paid to employees during the quarter (see "All Filers" on page 9) 1 _____
- 2 Total number of employees during the quarter 2 _____
- 3 Total Minnesota income tax withheld for the quarter (from Table A) 3 _____
- 4 Total deposits and credit (sum of Table B and any credit carried forward from prior quarter) 4 _____
- 5 Total amount due. Subtract line 4 from line 3. (If result is less than zero, go to line 6) 5 _____
- 6 If line 5 is less than zero, the system will carry the amount forward to the next quarter unless you choose to have some or all of the amount refunded. Indicate your choice below:
 - 6a Credit to carry forward: _____ (include on line 4 of next quarter's Worksheet A)
 - 6b Credit to be refunded: _____

Worksheet B (for annual filers only)

Annual return for _____ (year) Minnesota Tax ID Number _____

- 1 Wages paid to employees during the year (from Forms W-2) 1 _____
- 2 Total number of employees during the year 2 _____
- 3 Total Minnesota income tax withheld for the year reported on Forms W-2 and 1099 (from Table A) 3 _____
- 4 Total deposits and credit (sum of Table B and any credits carried forward from prior year) 4 _____
- 5 Total amount due. Subtract line 4 from line 3. (If result is less than zero, go to line 6) 5 _____
- 6 If line 5 is less than zero, the system will carry the amount forward to the next year unless you choose to have some or all of the amount to be refunded. Indicate your choice below:
 - 6a Credit to carry forward: _____ (include on line 4 of next year's Worksheet B)
 - 6b Credit to be refunded: _____

Worksheets only
 Do not submit

File Electronically

You must file Minnesota withholding tax returns electronically. You can file current, past-due, and amended returns. For more information, see **Withholding Tax Help** in e-Services.

What You Need

To file, you need these:

- Your username and password
- Your completed Worksheet A or B (page 10) for the period you are filing
- Your bank's nine-digit routing number and your bank account number (if you are making a payment with your return)

You must be registered for withholding tax for the period you wish to file. To register or update your business information, go to our website or contact Business Registration (see page 2 for contact information).

File by Internet

Go to www.revenue.state.mn.us and log in to e-Services for Businesses.

Pay the Balance Due

If you owe additional tax, you must pay it in one of these ways:

Electronically with e-Services

You can pay when you file your return. Follow the prompts on our e-Services system. You will need your bank's routing number and your account number. When paying electronically, you must use an account not associated with any foreign banks.

Note: If you pay electronically using e-Services, you can view a record of your payments. Access your withholding tax account and choose **Manage payments** under the I Want To menu.

If you currently have a debit filter on your bank account, you must let your bank know to add our ACH Company ID as an exception. The ACH Company ID is **X416007162**. If you do not add the number when required, your payment transaction will fail.

Electronically by ACH Credit Method ACH credit payments are initiated by you through your financial institution. You authorize your bank to transfer funds to the state's bank account. The bank must use ACH file formats, which are available on our website or by calling our office. Your financial institution may charge you for each transaction.

By Credit or Debit Card

For a fee, you can pay your tax by credit or debit card through Value Payment Systems, LLC. To use this service, go to www.paytax.at/mn or call 1-855-947-2966.

Bank Wire

You can authorize a direct transfer from your bank account to the Minnesota Department of Revenue. For information on how to make a bank wire transfer, call us at 651-556-3003 or 1-800-657-3909.

By Paper Check

If you are not required to pay electronically (see "Electronic Deposit Requirements" on page 8), you may pay by check. You must mail your payment with a personalized payment voucher.

Go to our website and choose **Make a Payment** under Businesses. Enter the required information and print the voucher. A personalized scan line will be printed at the bottom of the voucher using the information you provided.

If you do not have internet access, call us at 651-282-9999 or 1-800-657-3594 and ask us to mail personalized vouchers to you.

Your check authorizes us to make a one-time electronic fund transfer from your account. You will not receive your canceled check.

Forgot Your Password?

You can reset your password online from the e-Services login screen by selecting the **Forgot Your Password?** link.

You will need:

- Your username
- Answer to your security question
- A new password that is 8 - 16 characters long that contains both numbers and letters

We will send an email with a link to reset your password.

Manage Online Profile Information

Our e-Services system lets you:

- Update your web profile information
- Store your email address, phone number, and banking information
- Create access to your and other people's accounts
- Add additional users with varying security, as well as request and approve third-party access

Set Up and Manage Users

There are two types of users in e-Services: e-Services Master and Account Manager. An e-Services Master can manage other users as well as file and pay for specific account types. An Account Manager can view, file, or pay for specific account types depending on the access level that an e-Services Master has set up for the user.

e-Services access level options include:

- **File** — allows user to view all information and file returns
- **Pay** — allows user to view all information and make payments
- **View** — allows a user to view information but does not allow them to file or make payments
- **All Account Access** — allows user total access to update the account, file, and make payments

Create Additional Logons for Users

For instructions on how to create additional logons for users, see Help in e-Services.

Two-Step Verification

Two-step verification adds a second layer of security to prevent unauthorized access to your account. You must enter a username, password, and a verification code we send you to log in to your account. For more information, go to our website and enter **Two-step Verification** into the Search box.

Third-Party Access

Third-party access provides a secure and convenient way for users to manage accounts for other businesses. Both parties must be active in e-Services and work together to establish this access. First, a user must request third-party access from a customer. Second, the customer must approve or deny this access request.

For more information, go to our website and enter **third-party access** into the Search box.

Forms W-2, 1099, and W-2c

Form W-2

At the end of the calendar year, complete federal Form W-2 for each employee to whom you paid wages during the year. You must give W-2s to your employees by January 31 each year. If an employee stops working for you before the end of the calendar year and asks you in writing to provide the W-2 before January 31, you must provide it within 30 days after you receive the request.

You must submit W-2 information to us by January 31 each year.

Form W-2 Wage Allocation

All wages earned by Minnesota residents (no matter where the work was physically performed) must be reported as wages allocable to Minnesota in box 16 of Form W-2. Wages earned by non-Minnesota residents for work physically performed in Minnesota are also allocable to Minnesota unless they are Michigan or North Dakota residents who provide you a properly completed Form MWR (see page 4).

When completing Form W-2 for employees, allocate to Minnesota all wages earned while working in Minnesota and wages earned as a Minnesota resident while working in another state.

Note: If you have an active withholding tax account, you must send W-2 information even if there is no Minnesota withholding tax.

Form W-2 Filing Options

If you have a **total of more than 10 forms** (W-2s plus 1099s), you must electronically submit the information to us using e-Services.

e-Services system

- Key and Send (manually enter information)
- Simple File (spreadsheet saved as .txt or .csv file)
- EFW2 File (see www.ssa.gov for instructions)

For detailed information, see Withholding Fact Sheet 2, *Submitting Form W-2 and W-2c Information*.

Report Business Changes or End A Withholding Tax Account

You must notify us if you change the name, address, or ownership of your business, close your business, or no longer have employees.

To update business information, log in to e-Services or contact Business Registration (see page 2).

If the ownership or legal organization of your business changes and you are required to apply for a new Federal Employer Identification Number (FEIN), you must register for a new Minnesota Tax ID Number.

If you close or sell your business, you must file all withholding tax returns, including W-2s and 1099s, and pay any required withholding tax.

Form 1099 and Other Federal Information Returns

Follow the federal requirements to issue Forms 1099 and other information returns (1098, W-2G, etc.) for payments other than wages you made to payees during the year. You must give 1099s to payees by January 31 each year. Enter MN in the “State” space and fill in the amount of Minnesota income tax withheld for that payee during the year, if any.

You must submit 1099 information that reported Minnesota withholding—and other federal information returns that report Minnesota withholding—to us by January 31 each year.

Note: You must submit this information to us even if you participate in the Federal/State Combined program.

Form 1099 Filing Options

If you have a **total of more than 10 forms** (W-2s plus 1099s), you must electronically submit the information to us using e-Services.

e-Services system

- Key and Send (manually enter information)
- Simple File (spreadsheet saved as.txt or .csv file)
- IRS Publication 1220 Format (see www.irs.gov for instructions)

For detailed information, see Withholding Fact Sheet 2a, *Submitting Form 1099 Information*.

Paper Copies

If you are not required to submit your W-2 and 1099 information electronically, you may send paper copies. Mail to:

Minnesota Department of Revenue
Mail Station 1173
600 N. Robert St.
St. Paul, MN 55146-1173

To ensure accurate processing of your paper copies, you must use a separate envelope for each business with a different Minnesota tax ID number. Do not combine forms for multiple businesses in one envelope.

If you submit W-2 and 1099 information using one of the electronic methods, you do not need to send us paper copies.

Form W-2c

If you made an error on a W-2 you have already given an employee, give the employee a corrected federal Form W-2c. Then, submit the W-2c information to us using e-Services.

e-Services system

- Key and Send (manually enter information)
- EFW2c File (see www.ssa.gov for instructions)

For more information, see Withholding Fact Sheet 2, *Submitting Form W-2 and W-2c Information*.

Note: You may need to amend your withholding tax return for the period in which the error took place. For information on amending returns, see page 14.

Recordkeeping

Keep all records of employment taxes for at least 4 years. These should be available for us to review. Your records should include copies of these information:

- Forms W-2
- Forms 1099
- Forms W-2c
- Payroll records

Third-Party Payers of Sick Leave

Certain third-party payers of sick pay (such as insurance companies) must file an annual report with us.

The report must include:

- The employer name and identification number
- The names and identifications numbers of employees who received sick pay
- The amount of sick pay paid
- The tax withheld The report is due by March 1 of the year following the year that the sick pay is paid.

The requirement only applies to third-party payers who withhold income tax and send it to us under the third party’s withholding tax account, but then permit the employer to include the taxes withheld at the end of the year on the W-2 the employer issued to the employee.

Penalties and Interest

Late-payment penalty

If you pay all or part of the tax after the due date, you must pay a penalty. The late-payment penalty applies to late deposits and late return payments, and it is based on the percentage of unpaid tax. If your payment is:

- 1 to 30 days late, the penalty is 5% (.05).
- 31 to 60 days late, the penalty is 10% (.1)
- More than 60 days late, the penalty is 15% (.15)

Late-filing penalty

There is an additional 5% (.05) penalty on the unpaid tax if you file your return late.

Payment method

There is a 5% (.05) penalty if you are required to make your withholding tax payments electronically and you pay by paper check.

Repeat penalty

We may assess an additional 25% (0.25) penalty if you repeatedly file and pay late.

Extended delinquency penalty

There is a 5% (.05) or \$100 penalty, whichever is greater, for failure to file a withholding tax return within 30 days after we give a written demand.

W-2 and information return penalties

There is a \$50 penalty each time you:

- Do not provide a W-2 or information return to your payees
- Do not provide a W-2 or information return to us
- Do not submit a W-2 or information return electronically when required (see page 12 for electronic filing requirements)
- Provide a false or fraudulent W-2 or information return
- Refuse to provide all information required on the forms

The total W-2 and information return penalties assessed cannot exceed \$25,000 per year.

Interest

You must pay interest on both the amount you send in late and the penalty. The interest rate is 5% (.05).

To calculate how much interest you owe, use the formula below:

$$\text{Interest} = (\text{tax} + \text{penalty}) \times \# \text{ of days late} \times \text{interest rate} \div 365$$

Amend a Return

If you made an error on a withholding tax return you filed, you must amend (change) your return to correct the error using e-Services.

You must file an amended return for each return requiring an adjustment. You must file an amended return if you:

- Reported incorrect figures for wages paid
- Reported an incorrect number of employees
- Reported an incorrect amount of tax withheld for the period

You must also enter contact information and a detailed explanation of why you are amending the return.

For additional information, see the Withholding Tax Help link available in e-Services.

Note: You must send us Forms W-2c and any corrected Forms 1099 with Minnesota withholding. For more information, see page 13.

2021 Minnesota Withholding Tax Tables

Use the tables on these pages to determine how much to withhold from your employees' paychecks.

There are separate tables for employees paid:

- every day
- once a week
- every two weeks
- twice a month
- once a month

For each type of payroll period, there is one table for single employees and one table for married employees. Use the table that matches each employee's marital status and payroll-period type.

If you use a computer to determine how much to withhold, see page 34 for the formula to set up your program.

Single employees paid twice a month

If the employee's wages are		Number of withholding allowances										
		0	1	2	3	4	5	6	7	8	9	10 or more
at least	but less than	The amount to withhold (in whole dollars)										
0	160	0	0	0	0	0	0	0	0	0	0	0
160	180	1	0	0	0	0	0	0	0	0	0	0
180	200	2	0	0	0	0	0	0	0	0	0	0
200	220	3	0	0	0	0	0	0	0	0	0	0
220	240	4	0	0	0	0	0	0	0	0	0	0
240	260	5	0	0	0	0	0	0	0	0	0	0
260	280	6	0	0	0	0	0	0	0	0	0	0
280	300	7	0	0	0	0	0	0	0	0	0	0
300	320	8	0	0	0	0	0	0	0	0	0	0
320	340	9	0	0	0	0	0	0	0	0	0	0
340	360	10	1	0	0	0	0	0	0	0	0	0
360	380	11	2	0	0	0	0	0	0	0	0	0
380	400	12	3	0	0	0	0	0	0	0	0	0
400	420	13	4	0	0	0	0	0	0	0	0	0
420	440	14	5	0	0	0	0	0	0	0	0	0
440	460	16	6	0	0	0	0	0	0	0	0	0
460	480	17	7	0	0	0	0	0	0	0	0	0
480	500	18	8	0	0	0	0	0	0	0	0	0
500	520	19	9	0	0	0	0	0	0	0	0	0
520	540	20	10	0	0	0	0	0	0	0	0	0
540	560	21	11	2	0	0	0	0	0	0	0	0
560	580	22	12	3	0	0	0	0	0	0	0	0
580	600	23	13	4	0	0	0	0	0	0	0	0
600	620	24	14	5	0	0	0	0	0	0	0	0
620	640	25	15	6	0	0	0	0	0	0	0	0
640	660	26	17	7	0	0	0	0	0	0	0	0
660	680	27	18	8	0	0	0	0	0	0	0	0
680	700	28	19	9	0	0	0	0	0	0	0	0
700	720	29	20	10	0	0	0	0	0	0	0	0
720	740	31	21	11	1	0	0	0	0	0	0	0
740	760	32	22	12	3	0	0	0	0	0	0	0
760	780	33	23	13	4	0	0	0	0	0	0	0
780	800	34	24	14	5	0	0	0	0	0	0	0
800	820	35	25	15	6	0	0	0	0	0	0	0
820	840	36	26	16	7	0	0	0	0	0	0	0
840	860	37	27	18	8	0	0	0	0	0	0	0
860	880	38	28	19	9	0	0	0	0	0	0	0
880	900	39	29	20	10	0	0	0	0	0	0	0
900	920	40	30	21	11	1	0	0	0	0	0	0
920	940	41	32	22	12	2	0	0	0	0	0	0
940	960	42	33	23	13	4	0	0	0	0	0	0
960	980	43	34	24	14	5	0	0	0	0	0	0
980	1,000	44	35	25	15	6	0	0	0	0	0	0
1,000	1,020	46	36	26	16	7	0	0	0	0	0	0
1,020	1,040	47	37	27	17	8	0	0	0	0	0	0
1,040	1,060	48	38	28	19	9	0	0	0	0	0	0
1,060	1,080	49	39	29	20	10	0	0	0	0	0	0
1,080	1,100	50	40	30	21	11	1	0	0	0	0	0
1,100	1,120	51	41	31	22	12	2	0	0	0	0	0
1,120	1,140	52	42	33	23	13	3	0	0	0	0	0
1,140	1,160	53	43	34	24	14	5	0	0	0	0	0
1,160	1,180	54	44	35	25	15	6	0	0	0	0	0
1,180	1,200	55	45	36	26	16	7	0	0	0	0	0
1,200	1,220	56	47	37	27	17	8	0	0	0	0	0
1,220	1,240	57	48	38	28	18	9	0	0	0	0	0
1,240	1,260	58	49	39	29	20	10	0	0	0	0	0
1,260	1,280	59	50	40	30	21	11	1	0	0	0	0
1,280	1,300	60	51	41	31	22	12	2	0	0	0	0
1,300	1,320	62	52	42	32	23	13	3	0	0	0	0

Single employees paid twice a month

If the employee's wages are		Number of withholding allowances										
		0	1	2	3	4	5	6	7	8	9	10 or more
at least	but less than	The amount to withhold (in whole dollars)										
1,320	1,340	63	53	43	34	24	14	4	0	0	0	0
1,340	1,360	65	54	44	35	25	15	6	0	0	0	0
1,360	1,380	66	55	45	36	26	16	7	0	0	0	0
1,380	1,400	67	56	46	37	27	17	8	0	0	0	0
1,400	1,420	69	57	48	38	28	18	9	0	0	0	0
1,420	1,440	70	58	49	39	29	19	10	0	0	0	0
1,440	1,460	71	59	50	40	30	21	11	1	0	0	0
1,460	1,480	73	60	51	41	31	22	12	2	0	0	0
1,480	1,500	74	62	52	42	32	23	13	3	0	0	0
1,500	1,520	75	63	53	43	33	24	14	4	0	0	0
1,520	1,540	77	64	54	44	35	25	15	5	0	0	0
1,540	1,560	78	66	55	45	36	26	16	7	0	0	0
1,560	1,580	79	67	56	46	37	27	17	8	0	0	0
1,580	1,600	81	69	57	47	38	28	18	9	0	0	0
1,600	1,620	82	70	58	49	39	29	19	10	0	0	0
1,620	1,640	84	71	59	50	40	30	20	11	1	0	0
1,640	1,660	85	73	60	51	41	31	22	12	2	0	0
1,660	1,680	86	74	62	52	42	32	23	13	3	0	0
1,680	1,700	88	75	63	53	43	33	24	14	4	0	0
1,700	1,720	89	77	64	54	44	34	25	15	5	0	0
1,720	1,740	90	78	66	55	45	36	26	16	6	0	0
1,740	1,760	92	79	67	56	46	37	27	17	8	0	0
1,760	1,780	93	81	68	57	47	38	28	18	9	0	0
1,780	1,800	94	82	70	58	48	39	29	19	10	0	0
1,800	1,820	96	83	71	59	50	40	30	20	11	1	0
1,820	1,840	97	85	73	60	51	41	31	22	12	2	0
1,840	1,860	99	86	74	62	52	42	32	23	13	3	0
1,860	1,880	100	88	75	63	53	43	33	24	14	4	0
1,880	1,900	101	89	77	64	54	44	34	25	15	5	0
1,900	1,920	103	90	78	66	55	45	35	26	16	6	0
1,920	1,940	104	92	79	67	56	46	37	27	17	7	0
1,940	1,960	105	93	81	68	57	47	38	28	18	9	0
1,960	1,980	107	94	82	70	58	48	39	29	19	10	0
1,980	2,000	108	96	83	71	59	49	40	30	20	11	1
2,000	2,020	109	97	85	72	60	51	41	31	21	12	2
2,020	2,040	111	98	86	74	61	52	42	32	23	13	3
2,040	2,060	112	100	87	75	63	53	43	33	24	14	4
2,060	2,080	113	101	89	76	64	54	44	34	25	15	5
2,080	2,100	115	103	90	78	66	55	45	35	26	16	6
2,100	2,120	116	104	92	79	67	56	46	36	27	17	7
2,120	2,140	118	105	93	81	68	57	47	38	28	18	8
2,140	2,160	119	107	94	82	70	58	48	39	29	19	10
2,160	2,180	120	108	96	83	71	59	49	40	30	20	11
2,180	2,200	122	109	97	85	72	60	50	41	31	21	12
2,200	2,220	123	111	98	86	74	61	52	42	32	22	13
2,220	2,240	124	112	100	87	75	63	53	43	33	24	14
2,240	2,260	126	113	101	89	76	64	54	44	34	25	15
2,260	2,280	127	115	102	90	78	65	55	45	35	26	16
2,280	2,300	128	116	104	91	79	67	56	46	36	27	17
2,300	2,320	130	117	105	93	80	68	57	47	37	28	18
2,320	2,340	131	119	107	94	82	70	58	48	39	29	19
2,340	2,360	133	120	108	96	83	71	59	49	40	30	20
2,360	2,380	134	122	109	97	85	72	60	50	41	31	21
6.80 PERCENT OF THE EXCESS OVER \$2380 PLUS (round total to the nearest whole dollar)												
2,380	3,886	135	122	110	98	85	73	61	51	41	32	22
7.85 PERCENT OF THE EXCESS OVER \$3886 PLUS (round total to the nearest whole dollar)												
3,886	7,078	237	225	212	200	188	175	163	151	138	126	114
9.85 PERCENT OF THE EXCESS OVER \$7078 PLUS (round total to the nearest whole dollar)												
7,078	and over	488	473	459	445	431	416	402	388	374	359	345

Married employees paid twice a month

If the employee's wages are		Number of withholding allowances										
		0	1	2	3	4	5	6	7	8	9	10 or more
at least	but less than	The amount to withhold (in whole dollars)										
0	500	0	0	0	0	0	0	0	0	0	0	0
500	520	1	0	0	0	0	0	0	0	0	0	0
520	540	2	0	0	0	0	0	0	0	0	0	0
540	560	3	0	0	0	0	0	0	0	0	0	0
560	580	4	0	0	0	0	0	0	0	0	0	0
580	600	5	0	0	0	0	0	0	0	0	0	0
600	620	6	0	0	0	0	0	0	0	0	0	0
620	640	7	0	0	0	0	0	0	0	0	0	0
640	660	8	0	0	0	0	0	0	0	0	0	0
660	680	9	0	0	0	0	0	0	0	0	0	0
680	700	10	0	0	0	0	0	0	0	0	0	0
700	720	11	2	0	0	0	0	0	0	0	0	0
720	740	12	3	0	0	0	0	0	0	0	0	0
740	760	13	4	0	0	0	0	0	0	0	0	0
760	780	14	5	0	0	0	0	0	0	0	0	0
780	800	16	6	0	0	0	0	0	0	0	0	0
800	820	17	7	0	0	0	0	0	0	0	0	0
820	840	18	8	0	0	0	0	0	0	0	0	0
840	860	19	9	0	0	0	0	0	0	0	0	0
860	880	20	10	0	0	0	0	0	0	0	0	0
880	900	21	11	1	0	0	0	0	0	0	0	0
900	920	22	12	3	0	0	0	0	0	0	0	0
920	940	23	13	4	0	0	0	0	0	0	0	0
940	960	24	14	5	0	0	0	0	0	0	0	0
960	980	25	15	6	0	0	0	0	0	0	0	0
980	1,000	26	17	7	0	0	0	0	0	0	0	0
1,000	1,020	27	18	8	0	0	0	0	0	0	0	0
1,020	1,040	28	19	9	0	0	0	0	0	0	0	0
1,040	1,060	29	20	10	0	0	0	0	0	0	0	0
1,060	1,080	30	21	11	1	0	0	0	0	0	0	0
1,080	1,100	32	22	12	2	0	0	0	0	0	0	0
1,100	1,120	33	23	13	4	0	0	0	0	0	0	0
1,120	1,140	34	24	14	5	0	0	0	0	0	0	0
1,140	1,160	35	25	15	6	0	0	0	0	0	0	0
1,160	1,180	36	26	16	7	0	0	0	0	0	0	0
1,180	1,200	37	27	18	8	0	0	0	0	0	0	0
1,200	1,220	38	28	19	9	0	0	0	0	0	0	0
1,220	1,240	39	29	20	10	0	0	0	0	0	0	0
1,240	1,260	40	30	21	11	1	0	0	0	0	0	0
1,260	1,280	41	31	22	12	2	0	0	0	0	0	0
1,280	1,300	42	33	23	13	3	0	0	0	0	0	0
1,300	1,320	43	34	24	14	5	0	0	0	0	0	0
1,320	1,340	44	35	25	15	6	0	0	0	0	0	0
1,340	1,360	45	36	26	16	7	0	0	0	0	0	0
1,360	1,380	47	37	27	17	8	0	0	0	0	0	0
1,380	1,400	48	38	28	19	9	0	0	0	0	0	0
1,400	1,420	49	39	29	20	10	0	0	0	0	0	0
1,420	1,440	50	40	30	21	11	1	0	0	0	0	0
1,440	1,460	51	41	31	22	12	2	0	0	0	0	0
1,460	1,480	52	42	33	23	13	3	0	0	0	0	0

Married employees paid twice a month

If the employee's wages are		Number of withholding allowances										
		0	1	2	3	4	5	6	7	8	9	10 or more
at least	but less than	The amount to withhold (in whole dollars)										
1,480	1,500	53	43	34	24	14	4	0	0	0	0	0
1,500	1,520	54	44	35	25	15	6	0	0	0	0	0
1,520	1,540	55	45	36	26	16	7	0	0	0	0	0
1,540	1,560	56	46	37	27	17	8	0	0	0	0	0
1,560	1,580	57	48	38	28	18	9	0	0	0	0	0
1,580	1,600	58	49	39	29	20	10	0	0	0	0	0
1,600	1,620	59	50	40	30	21	11	1	0	0	0	0
1,620	1,640	60	51	41	31	22	12	2	0	0	0	0
1,640	1,660	62	52	42	32	23	13	3	0	0	0	0
1,660	1,680	63	53	43	34	24	14	4	0	0	0	0
1,680	1,700	64	54	44	35	25	15	5	0	0	0	0
1,700	1,720	65	55	45	36	26	16	7	0	0	0	0
1,720	1,740	66	56	46	37	27	17	8	0	0	0	0
1,740	1,760	67	57	47	38	28	18	9	0	0	0	0
1,760	1,780	68	58	49	39	29	19	10	0	0	0	0
1,780	1,800	69	59	50	40	30	21	11	1	0	0	0
1,800	1,820	70	60	51	41	31	22	12	2	0	0	0
1,820	1,840	71	61	52	42	32	23	13	3	0	0	0
1,840	1,860	72	63	53	43	33	24	14	4	0	0	0
1,860	1,880	73	64	54	44	35	25	15	5	0	0	0
1,880	1,900	74	65	55	45	36	26	16	6	0	0	0
1,900	1,920	75	66	56	46	37	27	17	8	0	0	0
1,920	1,940	77	67	57	47	38	28	18	9	0	0	0
1,940	1,960	78	68	58	48	39	29	19	10	0	0	0
1,960	1,980	79	69	59	50	40	30	20	11	1	0	0
1,980	2,000	80	70	60	51	41	31	22	12	2	0	0
2,000	2,020	81	71	61	52	42	32	23	13	3	0	0
2,020	2,040	82	72	62	53	43	33	24	14	4	0	0
2,040	2,060	83	73	64	54	44	34	25	15	5	0	0
2,060	2,080	84	74	65	55	45	36	26	16	6	0	0
2,080	2,100	85	75	66	56	46	37	27	17	7	0	0
2,100	2,120	86	76	67	57	47	38	28	18	9	0	0
2,120	2,140	87	78	68	58	48	39	29	19	10	0	0
2,140	2,160	88	79	69	59	49	40	30	20	11	1	0
2,160	2,180	90	80	70	60	51	41	31	21	12	2	0
2,180	2,200	91	81	71	61	52	42	32	23	13	3	0
2,200	2,220	92	82	72	62	53	43	33	24	14	4	0
2,220	2,240	94	83	73	63	54	44	34	25	15	5	0
2,240	2,260	95	84	74	65	55	45	35	26	16	6	0
2,260	2,280	96	85	75	66	56	46	37	27	17	7	0
2,280	2,300	98	86	76	67	57	47	38	28	18	8	0
2,300	2,320	99	87	77	68	58	48	39	29	19	10	0
2,320	2,340	100	88	79	69	59	49	40	30	20	11	1
2,340	2,360	102	89	80	70	60	50	41	31	21	12	2
2,360	2,380	103	91	81	71	61	52	42	32	22	13	3
6.80 PERCENT OF THE EXCESS OVER \$2380 PLUS (round total to the nearest whole dollar)												
2,380	7,089	104	91	81	71	62	52	42	33	23	13	4
7.85 PERCENT OF THE EXCESS OVER \$7089 PLUS (round total to the nearest whole dollar)												
7,089	12,008	424	412	399	387	375	362	350	338	325	313	301
9.85 PERCENT OF THE EXCESS OVER \$12008 PLUS (round total to the nearest whole dollar)												
12,008	and over	810	796	782	767	753	739	725	711	696	682	668

Single employees paid once a month

If the employee's wages are		Number of withholding allowances										
		0	1	2	3	4	5	6	7	8	9	10 or more
at least	but less than	The amount to withhold (in whole dollars)										
0	320	0	0	0	0	0	0	0	0	0	0	0
320	340	1	0	0	0	0	0	0	0	0	0	0
340	360	2	0	0	0	0	0	0	0	0	0	0
360	380	3	0	0	0	0	0	0	0	0	0	0
380	400	4	0	0	0	0	0	0	0	0	0	0
400	420	5	0	0	0	0	0	0	0	0	0	0
420	440	6	0	0	0	0	0	0	0	0	0	0
440	460	7	0	0	0	0	0	0	0	0	0	0
460	480	8	0	0	0	0	0	0	0	0	0	0
480	500	9	0	0	0	0	0	0	0	0	0	0
500	520	10	0	0	0	0	0	0	0	0	0	0
520	540	11	0	0	0	0	0	0	0	0	0	0
540	560	12	0	0	0	0	0	0	0	0	0	0
560	580	13	0	0	0	0	0	0	0	0	0	0
580	600	15	0	0	0	0	0	0	0	0	0	0
600	640	16	0	0	0	0	0	0	0	0	0	0
640	680	18	0	0	0	0	0	0	0	0	0	0
680	720	20	1	0	0	0	0	0	0	0	0	0
720	760	23	3	0	0	0	0	0	0	0	0	0
760	800	25	5	0	0	0	0	0	0	0	0	0
800	840	27	7	0	0	0	0	0	0	0	0	0
840	880	29	10	0	0	0	0	0	0	0	0	0
880	920	31	12	0	0	0	0	0	0	0	0	0
920	960	33	14	0	0	0	0	0	0	0	0	0
960	1,000	35	16	0	0	0	0	0	0	0	0	0
1,000	1,040	38	18	0	0	0	0	0	0	0	0	0
1,040	1,080	40	20	1	0	0	0	0	0	0	0	0
1,080	1,120	42	22	3	0	0	0	0	0	0	0	0
1,120	1,160	44	25	5	0	0	0	0	0	0	0	0
1,160	1,200	46	27	7	0	0	0	0	0	0	0	0
1,200	1,240	48	29	9	0	0	0	0	0	0	0	0
1,240	1,280	50	31	12	0	0	0	0	0	0	0	0
1,280	1,320	52	33	14	0	0	0	0	0	0	0	0
1,320	1,360	55	35	16	0	0	0	0	0	0	0	0
1,360	1,400	57	37	18	0	0	0	0	0	0	0	0
1,400	1,440	59	40	20	1	0	0	0	0	0	0	0
1,440	1,480	61	42	22	3	0	0	0	0	0	0	0
1,480	1,520	63	44	24	5	0	0	0	0	0	0	0
1,520	1,560	65	46	27	7	0	0	0	0	0	0	0
1,560	1,600	67	48	29	9	0	0	0	0	0	0	0
1,600	1,640	70	50	31	11	0	0	0	0	0	0	0
1,640	1,680	72	52	33	14	0	0	0	0	0	0	0
1,680	1,720	74	55	35	16	0	0	0	0	0	0	0
1,720	1,760	76	57	37	18	0	0	0	0	0	0	0
1,760	1,800	78	59	39	20	1	0	0	0	0	0	0
1,800	1,840	80	61	42	22	3	0	0	0	0	0	0
1,840	1,880	82	63	44	24	5	0	0	0	0	0	0
1,880	1,920	85	65	46	26	7	0	0	0	0	0	0
1,920	1,960	87	67	48	29	9	0	0	0	0	0	0
1,960	2,000	89	69	50	31	11	0	0	0	0	0	0
2,000	2,040	91	72	52	33	13	0	0	0	0	0	0
2,040	2,080	93	74	54	35	16	0	0	0	0	0	0
2,080	2,120	95	76	57	37	18	0	0	0	0	0	0
2,120	2,160	97	78	59	39	20	0	0	0	0	0	0
2,160	2,200	100	80	61	41	22	3	0	0	0	0	0
2,200	2,240	102	82	63	44	24	5	0	0	0	0	0
2,240	2,280	104	84	65	46	26	7	0	0	0	0	0
2,280	2,320	106	87	67	48	28	9	0	0	0	0	0
2,320	2,360	108	89	69	50	31	11	0	0	0	0	0
2,360	2,400	110	91	71	52	33	13	0	0	0	0	0
2,400	2,440	112	93	74	54	35	15	0	0	0	0	0

Single employees paid once a month

If the employee's wages are		Number of withholding allowances										
		0	1	2	3	4	5	6	7	8	9	10 or more
at least	but less than	The amount to withhold (in whole dollars)										
2,440	2,480	115	95	76	56	37	18	0	0	0	0	0
2,480	2,520	117	97	78	59	39	20	0	0	0	0	0
2,520	2,560	119	99	80	61	41	22	2	0	0	0	0
2,560	2,600	121	102	82	63	43	24	5	0	0	0	0
2,600	2,640	124	104	84	65	46	26	7	0	0	0	0
2,640	2,680	126	106	86	67	48	28	9	0	0	0	0
2,680	2,720	129	108	89	69	50	30	11	0	0	0	0
2,720	2,760	132	110	91	71	52	33	13	0	0	0	0
2,760	2,800	134	112	93	73	54	35	15	0	0	0	0
2,800	2,840	137	114	95	76	56	37	17	0	0	0	0
2,840	2,880	140	117	97	78	58	39	20	0	0	0	0
2,880	2,920	143	119	99	80	61	41	22	2	0	0	0
2,920	2,960	145	121	101	82	63	43	24	4	0	0	0
2,960	3,000	148	123	104	84	65	45	26	7	0	0	0
3,000	3,040	151	126	106	86	67	48	28	9	0	0	0
3,040	3,080	154	129	108	88	69	50	30	11	0	0	0
3,080	3,120	156	132	110	91	71	52	32	13	0	0	0
3,120	3,160	159	134	112	93	73	54	35	15	0	0	0
3,160	3,200	162	137	114	95	76	56	37	17	0	0	0
3,200	3,240	164	140	116	97	78	58	39	19	0	0	0
3,240	3,280	167	142	119	99	80	60	41	22	2	0	0
3,280	3,320	170	145	121	101	82	63	43	24	4	0	0
3,320	3,360	173	148	123	103	84	65	45	26	6	0	0
3,360	3,400	175	151	126	106	86	67	47	28	9	0	0
3,400	3,440	178	153	129	108	88	69	50	30	11	0	0
3,440	3,480	181	156	131	110	90	71	52	32	13	0	0
3,480	3,520	183	159	134	112	93	73	54	34	15	0	0
3,520	3,560	186	161	137	114	95	75	56	37	17	0	0
3,560	3,600	189	164	140	116	97	78	58	39	19	0	0
3,600	3,640	192	167	142	118	99	80	60	41	21	2	0
3,640	3,680	194	170	145	121	101	82	62	43	24	4	0
3,680	3,720	197	172	148	123	103	84	65	45	26	6	0
3,720	3,760	200	175	150	126	105	86	67	47	28	8	0
3,760	3,800	202	178	153	129	108	88	69	49	30	11	0
3,800	3,840	205	181	156	131	110	90	71	52	32	13	0
3,840	3,880	208	183	159	134	112	92	73	54	34	15	0
3,880	3,920	211	186	161	137	114	95	75	56	36	17	0
3,920	3,960	213	189	164	139	116	97	77	58	39	19	0
3,960	4,000	216	191	167	142	118	99	80	60	41	21	2
4,000	4,040	219	194	169	145	120	101	82	62	43	23	4
4,040	4,080	222	197	172	148	123	103	84	64	45	26	6
4,080	4,120	224	200	175	150	126	105	86	67	47	28	8
4,120	4,160	227	202	178	153	128	107	88	69	49	30	10
4,160	4,200	230	205	180	156	131	110	90	71	51	32	13
4,200	4,240	232	208	183	158	134	112	92	73	54	34	15
4,240	4,280	235	210	186	161	137	114	94	75	56	36	17
4,280	4,320	238	213	189	164	139	116	97	77	58	38	19
4,320	4,360	241	216	191	167	142	118	99	79	60	41	21
4,360	4,400	243	219	194	169	145	120	101	82	62	43	23
4,400	4,440	246	221	197	172	147	123	103	84	64	45	25
4,440	4,480	249	224	199	175	150	125	105	86	66	47	28
4,480	4,520	251	227	202	177	153	128	107	88	69	49	30
4,520	4,560	254	229	205	180	156	131	109	90	71	51	32
4,560	4,600	257	232	208	183	158	134	112	92	73	53	34
6.80 PERCENT OF THE EXCESS OVER \$4600 PLUS (round total to the nearest whole dollar)												
4,600	7,772	258	234	209	184	160	135	113	93	74	55	35
7.85 PERCENT OF THE EXCESS OVER \$7772 PLUS (round total to the nearest whole dollar)												
7,772	14,155	474	449	425	400	375	351	326	301	277	252	227
9.85 PERCENT OF THE EXCESS OVER \$14155 PLUS (round total to the nearest whole dollar)												
14,155	and over	975	947	918	890	861	833	804	776	747	719	690

Married employees paid once a month

If the employee's wages are		Number of withholding allowances											
		0	1	2	3	4	5	6	7	8	9	10 or more	
at least	but less than	The amount to withhold (in whole dollars)											
0	1,000	0	0	0	0	0	0	0	0	0	0	0	0
1,000	1,040	1	0	0	0	0	0	0	0	0	0	0	0
1,040	1,080	3	0	0	0	0	0	0	0	0	0	0	0
1,080	1,120	5	0	0	0	0	0	0	0	0	0	0	0
1,120	1,160	7	0	0	0	0	0	0	0	0	0	0	0
1,160	1,200	10	0	0	0	0	0	0	0	0	0	0	0
1,200	1,240	12	0	0	0	0	0	0	0	0	0	0	0
1,240	1,280	14	0	0	0	0	0	0	0	0	0	0	0
1,280	1,320	16	0	0	0	0	0	0	0	0	0	0	0
1,320	1,360	18	0	0	0	0	0	0	0	0	0	0	0
1,360	1,400	20	1	0	0	0	0	0	0	0	0	0	0
1,400	1,440	22	3	0	0	0	0	0	0	0	0	0	0
1,440	1,480	25	5	0	0	0	0	0	0	0	0	0	0
1,480	1,520	27	7	0	0	0	0	0	0	0	0	0	0
1,520	1,560	29	9	0	0	0	0	0	0	0	0	0	0
1,560	1,600	31	12	0	0	0	0	0	0	0	0	0	0
1,600	1,640	33	14	0	0	0	0	0	0	0	0	0	0
1,640	1,680	35	16	0	0	0	0	0	0	0	0	0	0
1,680	1,720	37	18	0	0	0	0	0	0	0	0	0	0
1,720	1,760	40	20	1	0	0	0	0	0	0	0	0	0
1,760	1,800	42	22	3	0	0	0	0	0	0	0	0	0
1,800	1,840	44	24	5	0	0	0	0	0	0	0	0	0
1,840	1,880	46	27	7	0	0	0	0	0	0	0	0	0
1,880	1,920	48	29	9	0	0	0	0	0	0	0	0	0
1,920	1,960	50	31	12	0	0	0	0	0	0	0	0	0
1,960	2,000	52	33	14	0	0	0	0	0	0	0	0	0
2,000	2,040	55	35	16	0	0	0	0	0	0	0	0	0
2,040	2,080	57	37	18	0	0	0	0	0	0	0	0	0
2,080	2,120	59	39	20	1	0	0	0	0	0	0	0	0
2,120	2,160	61	42	22	3	0	0	0	0	0	0	0	0
2,160	2,200	63	44	24	5	0	0	0	0	0	0	0	0
2,200	2,240	65	46	26	7	0	0	0	0	0	0	0	0
2,240	2,280	67	48	29	9	0	0	0	0	0	0	0	0
2,280	2,320	70	50	31	11	0	0	0	0	0	0	0	0
2,320	2,360	72	52	33	14	0	0	0	0	0	0	0	0
2,360	2,400	74	54	35	16	0	0	0	0	0	0	0	0
2,400	2,440	76	57	37	18	0	0	0	0	0	0	0	0
2,440	2,480	78	59	39	20	1	0	0	0	0	0	0	0
2,480	2,520	80	61	41	22	3	0	0	0	0	0	0	0
2,520	2,560	82	63	44	24	5	0	0	0	0	0	0	0
2,560	2,600	85	65	46	26	7	0	0	0	0	0	0	0
2,600	2,640	87	67	48	28	9	0	0	0	0	0	0	0
2,640	2,680	89	69	50	31	11	0	0	0	0	0	0	0
2,680	2,720	91	72	52	33	13	0	0	0	0	0	0	0
2,720	2,760	93	74	54	35	16	0	0	0	0	0	0	0
2,760	2,800	95	76	56	37	18	0	0	0	0	0	0	0
2,800	2,840	97	78	59	39	20	0	0	0	0	0	0	0
2,840	2,880	100	80	61	41	22	3	0	0	0	0	0	0
2,880	2,920	102	82	63	43	24	5	0	0	0	0	0	0

Married employees paid once a month

If the employee's wages are		Number of withholding allowances										
		0	1	2	3	4	5	6	7	8	9	10 or more
at least	but less than	The amount to withhold (in whole dollars)										
2,920	2,960	104	84	65	46	26	7	0	0	0	0	0
2,960	3,000	106	87	67	48	28	9	0	0	0	0	0
3,000	3,040	108	89	69	50	30	11	0	0	0	0	0
3,040	3,080	110	91	71	52	33	13	0	0	0	0	0
3,080	3,120	112	93	74	54	35	15	0	0	0	0	0
3,120	3,160	114	95	76	56	37	18	0	0	0	0	0
3,160	3,200	117	97	78	58	39	20	0	0	0	0	0
3,200	3,240	119	99	80	61	41	22	2	0	0	0	0
3,240	3,280	121	102	82	63	43	24	5	0	0	0	0
3,280	3,320	123	104	84	65	45	26	7	0	0	0	0
3,320	3,360	125	106	86	67	48	28	9	0	0	0	0
3,360	3,400	127	108	89	69	50	30	11	0	0	0	0
3,400	3,440	129	110	91	71	52	33	13	0	0	0	0
3,440	3,480	132	112	93	73	54	35	15	0	0	0	0
3,480	3,520	134	114	95	76	56	37	17	0	0	0	0
3,520	3,560	136	116	97	78	58	39	20	0	0	0	0
3,560	3,600	138	119	99	80	60	41	22	2	0	0	0
3,600	3,640	140	121	101	82	63	43	24	4	0	0	0
3,640	3,680	142	123	104	84	65	45	26	7	0	0	0
3,680	3,720	144	125	106	86	67	47	28	9	0	0	0
3,720	3,760	147	127	108	88	69	50	30	11	0	0	0
3,760	3,800	149	129	110	91	71	52	32	13	0	0	0
3,800	3,840	151	131	112	93	73	54	35	15	0	0	0
3,840	3,880	153	134	114	95	75	56	37	17	0	0	0
3,880	3,920	155	136	116	97	78	58	39	19	0	0	0
3,920	3,960	157	138	119	99	80	60	41	22	2	0	0
3,960	4,000	159	140	121	101	82	62	43	24	4	0	0
4,000	4,040	162	142	123	103	84	65	45	26	6	0	0
4,040	4,080	164	144	125	106	86	67	47	28	9	0	0
4,080	4,120	166	146	127	108	88	69	49	30	11	0	0
4,120	4,160	168	149	129	110	90	71	52	32	13	0	0
4,160	4,200	170	151	131	112	93	73	54	34	15	0	0
4,200	4,240	172	153	133	114	95	75	56	37	17	0	0
4,240	4,280	174	155	136	116	97	77	58	39	19	0	0
4,280	4,320	177	157	138	118	99	80	60	41	21	2	0
4,320	4,360	179	159	140	121	101	82	62	43	24	4	0
4,360	4,400	182	161	142	123	103	84	64	45	26	6	0
4,400	4,440	184	164	144	125	105	86	67	47	28	8	0
4,440	4,480	187	166	146	127	108	88	69	49	30	11	0
4,480	4,520	190	168	148	129	110	90	71	51	32	13	0
4,520	4,560	193	170	151	131	112	92	73	54	34	15	0
4,560	4,600	195	172	153	133	114	95	75	56	36	17	0
6.80 PERCENT OF THE EXCESS OVER \$4600 PLUS (round total to the nearest whole dollar)												
4,600	14,178	197	173	154	134	115	96	76	57	37	18	0
7.85 PERCENT OF THE EXCESS OVER \$14178 PLUS (round total to the nearest whole dollar)												
14,178	24,017	848	823	799	774	749	725	700	675	651	626	602
9.85 PERCENT OF THE EXCESS OVER \$24017 PLUS (round total to the nearest whole dollar)												
24,017	and over	1620	1592	1563	1535	1507	1478	1450	1421	1393	1364	1336

Computer Formula

If you use a computer to determine how much to withhold, use the formula below to set up your program. This formula supersedes any formulas before Jan. 1, 2021.

Step 1

Determine the employee's total wages for one payroll period.

Step 2

Multiply the total wages from step 1 by the number of payroll periods you have in a year. The result is the employee's annual wage.

Multiply step 1 by:

- 360 if you pay by the day
- 52 if you pay by the week
- 26 if you pay every two weeks
- 24 if you pay twice a month
- 12 if you pay once a month

Step 3

Multiply the number of the employee's withholding allowances by \$4,350.

Step 4

Subtract the result in step 3 from the result in step 2.

Step 5

Use the result from step 4 and the chart below to figure an amount for step 5.

Step 6

Divide the result in step 5 by the number of payroll periods that you used in step 2. You may round the amount to the nearest dollar. The result is the amount of Minnesota income tax to withhold from the employee's wages.

Chart for Step 5

If the employee is single and the result from step 4 is:

<i>More than</i>	<i>But not more than</i>	<i>Subtract this amount from the result in step 4</i>	<i>Multiply result by</i>	<i>Add</i>
3,825	31,055	3,825	5.35%	
31,055	93,265	31,055	6.80%	1,456.81
93,265	169,865	93,265	7.85%	5,687.09
169,865		169,865	9.85%	11,700.19

If the employee is married and the result from step 4 is:

<i>More than</i>	<i>But not more than</i>	<i>Subtract this amount from the result in step 4</i>	<i>Multiply result by</i>	<i>Add</i>
12,000	51,810	12,000	5.35%	
51,810	170,140	51,810	6.80%	2,129.84
170,140	288,200	170,140	7.85%	10,176.28
288,200		288,200	9.85%	19,443.99