

# IDAHO ANNUAL WITHHOLDING REPORT INSTRUCTIONS

## GENERAL INFORMATION FOR FORM 967

Use Form 967 – Idaho Annual Withholding Report – to report the total taxable wages and reconcile the total amount of Idaho taxes you withheld during the calendar year to the amount you paid to the Idaho State Tax Commission for the same calendar year. Also use Form 967 to submit the state copy of the Forms W-2 – Wage and Tax Statements – and any Forms 1099 with Idaho income tax withheld to the Tax Commission.

**Who Must File.** If you had an active Idaho withholding account for any part of the year or withheld Idaho income taxes during the year, you must file Form 967. You must file Form 967 even if you withheld no income tax from employees' wages or if you cancelled your account during the year.

**When to File Form 967.** Form 967 and W-2s are due on or before the **last day of January**, whether you're filing electronically or by paper. The due date for filing 1099s is on or before the **last day of February**.

You have two options to file your 1099s with Idaho withholding:

1. Complete and submit them with Form 967 and W-2s by the **last day of January**. For reconciliation purposes, this is the easiest option.
2. Wait until the last day of February to file them. However, you must still complete and submit Form 967 and any W-2s by the **last day of January**. You must also include in the Form 967 totals the amounts from any 1099s with Idaho withholding.

**Ways to File.** You can file electronically at [tax.idaho.gov/efile](http://tax.idaho.gov/efile), or send the signed and completed Form 967 with W-2s and/or 1099s to:

Idaho State Tax Commission  
PO Box 76  
Boise, ID 83707-0076

### Online

You can file the following online through our website at [tax.idaho.gov/efile](http://tax.idaho.gov/efile):

**W-2s with Form 967.** You can file your W-2s electronically by either entering the 967 and W-2 detail online or uploading a file. If you choose a file upload, the specifications are available at [tax.idaho.gov](http://tax.idaho.gov) (click on Tax Preparers under Tax Pros). Idaho requires electronic filing of W-2 forms for employers who meet the Internal Revenue Service (IRS) requirements to file electronically, and have 50 or more employees working in Idaho. If you meet these requirements but don't file electronically, we may return your W-2 statements to you and charge a penalty.

**1099s and information returns.** You can file your 1099 and information returns electronically by uploading a file or by participating in the Combined Federal/State Filing Program. Specifications for filing 1099s electronically are available at [tax.idaho.gov](http://tax.idaho.gov) (click on Tax Preparers under Tax Pros). If you withheld Idaho income tax or have an active withholding account, you must include Form 967 with the file you upload. Report only the withholding amounts from the 1099s included in the file on the Form 967 (RV Record).

If you choose to file your 1099s by the last day of February, you must still file a Form 967 by the last day of January.

**If you e-file, don't send paper returns, W-2s, or 1099s.**

### Paper

When you file your Form 967 by paper, you must attach paper W-2s and any 1099s with Idaho income tax withheld to the form. Please make sure all copies of W-2s and 1099s are legible, especially any carbon copies.

If you choose to wait until **February** to file your 1099s with Idaho withholding, include a copy of the Form 967 filed in January and write "Amended" across the top. Send it along with your paper 1099s to the Tax Commission.

### Combined Federal/State Filing Program for 1099s and Information Returns

Idaho participates in and encourages the 1099 Combined Federal/State Filing Program. If your information returns have Idaho income tax withheld or you have an active withholding account, you must complete Form 967. Include all Idaho wages and withholding information from 1099s, and any W-2s. Check the combined federal/state filing box on line 9. Send the Form 967, and any W-2s, to the Tax Commission by the **last day of January**.

If you file your 1099s and other information returns through the Federal/State Combined Filing Program, don't file them electronically through our website and don't submit paper copies with your Form 967.

**Rounding Amounts.** Reduce amounts less than 50 cents to the whole dollar. Increase amounts of 50 cents or more to the next whole dollar.

### Records and Forms Needed to Complete the Reconciliation Process:

- Payroll records
- Completed W-2 forms and any 1099s with Idaho income tax withheld
- Record of Idaho Withholding Payments
- Form 967, Idaho Annual Withholding Report

### Required Information for State W-2s and 1099s:

- Employer's name and address
- Employer's EIN (federal Employer Identification Number assigned to you by the IRS)
- Employer's 9-digit Idaho withholding account number from the top of Form 967 (don't include the "-W" or "-09" at the end of the number and don't enter "applied for")
- Employee's name and address
- Employee's Social Security number
- State abbreviation (ID)
- Federal and state taxable wages
- Idaho income tax withheld
- Tax year

All copies of W-2s and 1099s must be legible and unaltered.

## INSTRUCTIONS FOR COMPLETING FORM 967

### Wages and Withholding

Complete the Record of Idaho Withholding Payments Worksheet before completing Form 967. You don't need to mail it to the Tax Commission. You can find the worksheet at [tax.idaho.gov](http://tax.idaho.gov) (click on Withholding under Forms/Pubs).

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**Line 1.** Enter the total Idaho taxable wages shown on the W-2s.

**Line 2.** Enter the total Idaho tax withheld included on your W-2s (Box 17) and 1099s (Box 16).

**Line 3.** Enter the total of Idaho income tax withholding payments you made during the calendar year.

**Line 4.** Subtract line 3 from line 2. This is your remaining tax due (or overpayment).

If line 2 is larger than line 3, you have underpaid your Idaho withholding and will owe additional tax. If Line 3 is larger than line 2, you have overpaid your withholding and may be entitled to a refund.

**Line 5.** Enter the penalty on the balance due. If line 4 is zero or a credit, enter 0.

If you file your Form 967 late, penalty will be calculated on any unpaid withholding tax due at five percent (5%) per month after the due date of the return.

If you file your Form 967 on time, but don't pay all or part of any unpaid withholding tax due, a penalty of one-half percent (0.5% or .005) per month will be charged until paid in full.

The minimum penalty is \$10. The maximum penalty is 25% of the tax due.

**Line 6.** Enter the interest on the balance due. If line 4 is zero or a credit, enter 0.

Interest accrues on the unpaid tax balance from the due date of the Form 967 to the date paid. Interest rates are:

1/1/19 - 12/31/19, 5% per year; .00013698 daily  
1/1/18 - 12/31/18, 4% per year; .00010959 daily  
1/1/17 - 12/31/17, 3% per year; .00008219 daily  
1/1/16 - 12/31/16, 4% per year; .00010959 daily

If payment of the tax is received after the due date of the Form 967, interest will be computed on the balance due at the appropriate rate. To complete the computation, multiply the *tax due* x the *daily rate* x the *number of days late*.

**Example:** Additional tax due of \$250 is paid 100 days late.  
 $\$250 \times .00013698$  (2019 rate)  $\times 100$  days  
 $\$250 \times .00013698 = .034245/\text{day}$   
 $\times 100$  days = \$3.42 interest

**Line 7.** Enter the total of lines 4, 5, and 6.

### Statements Submitted

**Line 8.** Enter the number of W-2s attached to the Form 967.

**Line 9.** Enter the number of 1099s with Idaho income tax withheld attached to the Form 967 or submitted with the Combined Federal/State Filing Program.

### Check the box if you filed 1099s using the Federal/State Combined Filing Program.

**Line 10.** Add lines 8 and 9. Enter the total number of statements submitted.

**Line 11.** The penalty for late filing of W-2s and 1099s is \$2 per month (or part of a month) for each W-2 and 1099 (minimum \$10 - maximum \$2,000). Penalty is due if W-2s aren't received by the **last day of January** and if the 1099s aren't received by the last day of February.

**Line 12.** Add lines 7 and 11. Enter the tax due on line 12a or the refund amount on line 12b. Don't enter information on both lines.

You must sign your return to make it valid. Unsigned returns may result in the delay or denial of credits or refunds.

**If you had an active withholding account for any part of the year, you must file Form 967 even if you had no employees, paid zero wages, or withheld zero tax.**

### AMENDING THE FORM 967 AND CORRECTING W-2S

Amended 967s and corrected W-2s can't be filed electronically.

#### Amending the Form 967:

- Complete a new Form 967 using the correct amounts. If you don't have a copy of your Form 967, please call the Tax Commission to request one.
- Check the "Amended" box.

#### Correcting Form W-2s:

If you issued an incorrect W-2, you must issue the employee a corrected W-2 using federal Form W-2c, and send all copies to all required government agencies.

Send the amended Form 967 and corrected W-2s to:  
Idaho State Tax Commission  
PO Box 76  
Boise ID 83707-0076

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### Contact us:

In the Boise area: (208) 334-7660 | Toll-free: (800) 972-7660  
Hearing impaired (TDD) (800) 377-3529  
[tax.idaho.gov/contact](https://tax.idaho.gov/contact)

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