

IDAHO TAX UPDATE

VOLUME TWENTY-ONE - NUMBER TWO

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This issue of *Tax Update* is designed to highlight resources and ways that will help save you time and money when filing your taxes with the Idaho Tax Commission.

PAPER RETURNS GOING AWAY FOR SOME E-FILERS

If you've e-filed your sales/use or sales-related tax returns for at least six consecutive months (or two consecutive quarters), you won't receive paper returns in the mail as of April 2010. To help you

remember when to file, we've enclosed a schedule of due dates for your 2010 sales tax returns with this edition of *Tax Update*. You can also go to the due dates page on our Web site to get a schedule.

E-FILING BUSINESS RETURNS IS EASIER THAN EVER



Make a New Year's resolution to start e-filing your taxes. You can file most permit-based tax returns and all business income tax returns electronically. Not only will you save money

by not mailing a return, you'll have fewer errors because the software does the math for you, and

you'll receive a confirmation receipt of your filing.

For permit-based taxes, you can e-file through our Web site, and it's free. You even get a history of past filings. For business income tax returns, you can e-file through third-party software approved by the Tax Commission, but you pay a fee to file.

Check out the "E-file" page on our Web site to get started.

FREE ELECTRONIC PAYMENT OPTIONS AVAILABLE

Have you considered using Automated Clearing House (ACH) to send your payments to the Tax Commission? ACH is a nationwide network used by the Federal Reserve and others for electronic financial transactions. The service is free to users.

With ACH Debit, you schedule your payment date and authorize the state to take money from your bank account. You can schedule your payment up to 90 days in advance. To sign up for this service, go to our Web site and click on "E-pay," then "Learn about it and enroll."

With ACH Credit, you tell your bank how much money to send to the state to pay your taxes. Although ACH doesn't charge a fee for this service, your bank may charge you a fee. You must complete a request to receive our bank payment format. With this information, you can set up the transaction at your bank. For more information,

go to our Web site and click on "E-pay," then "Learn about it and enroll."

ACH DEBIT RE-ENROLLMENT COMING

We'll be switching to a new ACH debit vendor in the next six months, which will require you to re-enroll. To ensure a smooth transition, you'll have to enroll with the new vendor at least five days before you need to make your first payment. Stay tuned to our Web site for more information.

FIND THE NEXT TAX UPDATE ONLINE

After the December 2009 issue, we'll no longer print and mail *Tax Update* to account holders. However, the newsletter will be available on our Web site. You can sign up to receive an e-mail or RSS update whenever we post a new edition of *Tax Update* to our site. Just go to the "Keep Me Updated" page on our Web site, and sign up under Publications.

LEARN ABOUT TAXES THROUGH CLASSES, SPEAKER'S BUREAU

Classes: Sign up for our Right Track classes to learn how to properly complete income tax withholding and sales tax returns. You'll also learn how to keep accurate records with minimum effort and find out when sales tax exemptions apply.

The class is offered at all six of our offices. Visit our Web site for dates and times. (Click on the "Classes & events" link under "Popular Searches" on our home page, then select "income tax

withholding" or "sales tax" as a tax category.)

Speaker's Bureau: Our speaker's bureau provides tax experts who come to your business or organization to talk about taxes, including income tax withholding, sales and use tax, business income tax, and unclaimed property. To request a speaker, go to our Web site's "Contact Us" page and click on "Request a speaker." You can also call us to book a speaker.

HELP YOUR EMPLOYEES GET THEIR TAX REFUNDS

Did you know that many of the errors the Tax Commission sees on W-2s are easily avoidable? Following the tips listed below will help you reduce the chance of receiving a letter or phone call from us, and it will speed up the processing of tax refunds for your employees.

- Make sure you complete all required fields.
- Use the correct Employer Identification Number (EIN) issued to you by the IRS). This should be the same number that you used on your federal employment tax returns and the one listed

on Form 967, Idaho Annual Reconciliation Report. If you're a service provider, don't use your own EIN; use the EIN issued to your clients.

- Use the correct state account number – This is a 9-digit



number issued to you by the Idaho Tax Commission, not the one

from the Department of Labor or any other agency.

- Make sure all copies of your W-2s are legible.
- Use the correct W-2 for the reporting year.
- Make sure you file Form 967 along with your W-2s.
- If you file your W-2s electronically, don't send us a paper copy.

For more help to complete a W-2, see the sample W-2 on page 13 of *A Guide to Idaho Income Tax Withholding*.

REDESIGNED WEB SITE PROVIDES MORE OPTIONS

Check out our newly designed Web site at tax.idaho.gov. The new site has been redesigned to focus on different types of users first, and tax types second.

New features include a "Find It!" section that allows you to refine your search for information and publications, a "Keep

Me Updated" section that lets you sign up for Web updates using RSS feeds or e-mail, and a page that lists the due dates for all tax types. We've also added a new "Online Services" category on the home page in a right-hand navigation bar; this category includes e-file and e-pay options.



FOR MORE INFORMATION

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Hearing impaired: (800) 377-3529

TAX COMMISSION OFFICES

Boise:
800 Park Blvd., Plaza IV
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1910 Northwest Blvd., Ste. 100
Idaho Falls:
150 Shoup Ave., Ste. 16
Lewiston:
1118 F St.
Pocatello:
611 Wilson St., Ste. 5
Twin Falls:
440 Falls Ave.

Unless otherwise noted, information in *Tax Update* applies only to Idaho taxes. This newsletter is designed to provide general information only, and is not intended to offer comprehensive explanations of Idaho tax laws and rules. Specific questions should be addressed to the nearest Tax Commission office.

Costs associated with this publication are available from the Idaho State Tax Commission in accordance with Idaho Code section 60-202.