

# 2019 Minnesota Employee Withholding Allowance/Exemption Certificate

## Employees

Complete Form W-4MN so that your employer can withhold the correct Minnesota income tax from your pay. Consider completing a new Form W-4MN each year and when your personal or financial situation changes.

Employee's First Name and Initial	Last Name	Employee's Social Security Number
Permanent Address		<b>Marital Status (Check one):</b> <input type="checkbox"/> Single; Married, but legally separated; or Spouse is a nonresident alien <input type="checkbox"/> Married <input type="checkbox"/> Married, but withhold at higher Single rate
City	State      ZIP Code	

**Employees: Read instructions on back. Complete Section 1 OR Section 2, then sign and give the completed form to your employer. Do not complete both Section 1 and Section 2. Completing both sections will make the form invalid.**

**Section 1 — Determining Minnesota Allowances**

- A** Enter "1" for yourself if no one else can claim you as a dependent . . . . . **A** \_\_\_\_\_
- B** Enter "1" if: . . . . . **B** \_\_\_\_\_
  - You are single and have only one job; or
  - You are married, have only one job, and your spouse does not work; or
  - Your wages from a second job or your spouse's wages are \$1500 or less.
- C** Enter "1" for your spouse. You may choose to enter "0" if you are married and have either a working spouse or more than one job. (Entering "0" may help you avoid having too little tax withheld.) . . . . **C** \_\_\_\_\_
- D** Enter the number of dependents (other than your spouse or yourself) you will claim on your tax return. . . . **D** \_\_\_\_\_
- E** Enter "1" if you will file as Head of Household (see instructions for qualifying as Head of Household) . . . . . **E** \_\_\_\_\_
- F Total number of allowances you are claiming.** Add steps A through E.  
 If you plan to itemize deductions on your 2019 Minnesota return, you may also complete the Itemized Deductions and Additional Income Worksheet. . . . . **F** \_\_\_\_\_

**Section 2 — Exemption From Minnesota Withholding**

Complete Section 2 if you claim to be exempt from Minnesota income tax withholding (see Section 2 instructions for qualifications). If applicable, check one box below to indicate the reason why you believe you are exempt:

- I meet the requirements and claim exempt from both federal and Minnesota income tax withholding.
- Even though I did not claim exempt from federal withholding, I claim exempt from Minnesota withholding because I had no Minnesota income tax liability last year, I received a refund of all Minnesota income tax withheld, AND I expect to have no Minnesota income tax liability this year.
- My spouse is a military service member assigned to a military location in Minnesota, my domicile (legal residence) is in another state, AND I am in Minnesota solely to be with my spouse. My state of domicile is \_\_\_\_\_.
- I am an American Indian living and working on a reservation.
- I am a member of the Minnesota National Guard or an active duty U.S. military member and claim exempt from Minnesota withholding on my military pay.
- I receive a military pension or other military retirement pay as calculated under U.S. Code, title 10, sections 1401 through 1414, 1447 through 1455, and 12733 and claim exempt from Minnesota withholding on this retirement pay.

**Minnesota Allowances and Additional Withholding**

- 1 Minnesota Allowances** (Step F from above or Step 10 of the Itemized Deductions Worksheet.) . . . . . **1** \_\_\_\_\_
- 2 Additional Minnesota withholding you want deducted each pay period** (see instructions) . . . . . **2** \_\_\_\_\_

*I certify that all information provided in Section 1 OR Section 2 is correct. I understand there is a \$500 penalty for filing a false withholding allowance/exemption certificate.*

Employee's Signature	Date	Daytime Phone
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**Employees:** Give the completed form to your employer.

## Employers

If you are required to send a copy of this form to the Department of Revenue (see instructions), you must enter the employer information below and mail this form to: Minnesota Revenue, Mail Station 6501, St. Paul, MN 55146-6501. (Incomplete forms are considered invalid.) **A \$50 penalty may be assessed for each required Form W-4MN not filed with the department.** Keep a copy for your records.

Name of Employer	Federal Employer ID Number (FEIN)	Minnesota Tax ID Number
Address	City	State      ZIP Code

## Form W-4MN Instructions

Complete this form for your employer to calculate the amount of Minnesota income tax to be withheld from your pay.

### Employee Instructions

#### When should I complete Form W-4MN?

Complete Form W-4MN if any of the following apply:

- You begin employment.
- You change your filing status.
- You reasonably expect to change your filing status in the next calendar year.
- Your personal or financial situation changes.
- You claim exempt from Minnesota withholding.
- You request fewer allowances than you are entitled on Form W-4.
- You request an additional amount of tax deducted each pay period.
- You have more than 10 allowances on your Form W-4.

If you have not had sufficient income tax withheld from your wages, interest and penalty charges may be assessed when you file your individual income tax return.

**Your employer may be required to submit copies of your Form W-4MN to the department.**

**Note:** You may be subject to a \$500 penalty if you submit a false Form W-4MN.

#### What if I have completed federal Form W-4?

If you completed a federal Form W-4 previously, you can complete Form W-4MN to find what your allowances would be for Minnesota withholding tax purposes. Use Section 1 to find your Minnesota allowances.

#### Use of Information

All information on Form W-4MN is private by state law. It cannot be given to others without your consent, except to the Internal Revenue Service and to other states that guarantee the same privacy. Your name, address, and Social Security number are required for identification. Information about your allowances is required to determine your correct tax. We ask for your phone number so we can call you if we have a question.

If your Minnesota allowances are less than the federal allowances, you may have your employer use Form W-4MN to calculate your Minnesota withholding tax. You may also use Form W-4MN to have additional Minnesota tax withheld from your pay.

Your Minnesota allowances must not be greater than your federal allowances.

#### What if I am exempt from Minnesota withholding?

If you claim exempt from Minnesota withholding, complete only Section 2 of Form W-4MN and sign the form to validate it. You must provide your employer with a new Form W-4MN by February 15 of each year if you claim exempt.

If another person can claim you as a dependent on his or her federal tax return you cannot claim exempt from withholding if your annual income exceeds \$1,050 and includes more than \$350 of unearned income.

#### Section 1 — Minnesota Allowances Worksheet

Complete Section 1 to find your allowances for Minnesota withholding tax. For regular wages, withholding must be based on allowances you claimed and may not be a flat amount or percentage of wages.

If you expect to owe more income tax for the year than will be withheld, you can claim fewer allowances or request additional Minnesota taxes to be withheld from your wages. Enter the amount of additional Minnesota income tax you want withheld on Line 2 of page 1.

#### Nonwage Income

Consider making estimated payments if you have a large amount of “nonwage income.” Nonwage income (other than tax-exempt income) includes interest, dividends, net rental income, unemployment compensation, gambling winnings, prizes and awards, hobby income, capital gains, royalties, and partnership income.

#### Two Earners or Multiple Jobs

If your spouse works or you have more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4MN. Your withholding usually will be more accurate when all allowances are claimed on the Form W-4MN for the highest paying job and zero allowances are claimed on the others.

#### Head of Household

You may claim Head of Household as your filing status if you are unmarried and pay more than 50 percent of the costs of keeping up a home for yourself and your dependents or other qualifying individuals. Enter “1” on Step E if you may claim Head of Household as your filing status on your tax return.

#### What if I itemize deductions or have other nonwage income?

If you itemize deductions on your Minnesota return or have other nonwage income, use the Itemized Deductions and Additional Income Worksheet to find your Minnesota withholding allowances. Complete Section 1 on page 1, then follow the steps in the worksheet to find additional allowances.

#### Section 2 — Minnesota Exemption

Your employer will not withhold Minnesota taxes from your pay if you are exempt from Minnesota withholding. To claim exemption, you must meet one of the following requirements:

- You meet the federal requirements; you claim exempt from federal withholding on Form W-4; you had no Minnesota income tax liability in the prior year; you received a full refund of Minnesota tax withheld; and you expect to have no Minnesota income tax liability for the current year.
- You are the spouse of a military member assigned to duty in Minnesota, you and your spouse are domiciled in another state (the same state as one another), and are present in Minnesota solely to be with your active duty military member spouse.
- You are a member of an American Indian tribe living and working on the reservation of which you are an enrolled member.

- Your wages are for Minnesota National Guard (MNG) pay or for active duty U.S. military pay. MNG and active duty U.S. military members can claim exempt from Minnesota withholding on these wages, even if taxable federally. For more information, see Income Tax Fact Sheet 5, *Military Personnel*.

- You receive a military pension or other military retirement pay calculated under U.S. Code, title 10, sections 1401 through 1414, 1447 through 1455, and 12733. If you receive this income, you may claim exempt from Minnesota withholding on this income even if taxable federally.

**Note:** In order to avoid owing tax at the end of the year, you may not want to claim exempt if you (or your spouse when filing a joint return) expect to have other forms of income subject to Minnesota tax.

**If you claim exempt** from Minnesota withholding, you must provide your employer with a new Form W-4MN by February 15 of each year.

If another person can claim you as a dependent on his or her federal tax return, you cannot claim exempt from Minnesota withholding if your annual income exceeds \$1,050 and includes more than \$350 of unearned income.

**Itemized Deductions and Additional Income Worksheet**

- 1 Enter an estimate of your 2019 Minnesota itemized deductions. For 2019, you may have to reduce your itemized deductions if your income is over \$194,650 (\$97,325 if you are married filing separately). . . . .
- 2 Enter: . . . . .
  - a. \$13,300 if married filing joint
  - b. \$9,750 if head of household
  - c. \$6,650 if single or married filing separately
- 3 Subtract line 2 from line 1. If zero or less enter 0 . . . . .
- 4 Enter an estimate of your 2019 additional standard deduction . . . . .
- 5 Add lines 3 and 4 and enter the total . . . . .
- 6 Enter an estimate of your 2019 taxable nonwage income . . . . .
- 7 Subtract line 6 from line 5. If zero, enter "0".  
If less than zero, enter the amount in parentheses. . . . .
- 8 Divide the amount on line 7 by \$4,250 and enter the result here.  
If a negative amount, enter in parentheses. Do not include fractions . . . . .
- 9 Enter the number on step F of Section 1 on page 1 . . . . .
- 10 Add lines 8 and 9 and enter the total here. If zero or less, enter "0".  
Enter this amount on line 1 of page 1. . . . .

*Employer instructions are on the next page.*

# Form W-4MN Instructions

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## Employer Instructions

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Employees may complete Form W-4MN to calculate their Minnesota withholding tax separate from their federal Form W-4. Employees must complete Form W-4MN if they claim exempt from Minnesota withholding or claim more than 10 allowances on their Form W-4.

**Use the amount on line 1 of page 1 for calculating the withholding tax for your employees.**

### **When should an employee complete Form W-4MN?**

Employees may complete Form W-4MN when they begin employment or when their personal or financial situation changes.

### **What if my employee completed a federal Form W-4?**

If your employee began employment in a previous year and completed Form W-4, they may complete a Form W-4MN to calculate their Minnesota withholding allowances separate from their federal withholding allowances.

### **How should I determine Minnesota withholding for an employee that does not complete Form W-4MN?**

If an employee does not complete Form W-4MN and they have a federal Form W-4 on file, use the allowances on their federal Form W-4. If the employee does not complete a Form W-4MN or Form W-4, withhold Minnesota tax as if the employee is single with zero withholding allowances.

### **What if my employee claims to be exempt from Minnesota withholding?**

If your employee claims exempt from Minnesota withholding, they must complete Section 2 of Form W-4MN. They must provide you with a new Form W-4MN by February 15 of each year.

### **What if an employee has more than 10 allowances on their Form W-4?**

If an employee has more than 10 allowances on their Form W-4, you must have them complete Form W-4MN. If they complete Section 1 and have 10 or fewer allowances, use these allowances to calculate their Minnesota withholding tax.

If the result of Section 1 is more than 10 allowances, use the allowances calculated on this form and send a copy to the Minnesota Department of Revenue.

### **When do I need to submit copies of a Form W-4MN to the department?**

You must send copies of Form W-4MN to us if any of the following apply:

- The employee claims more than 10 Minnesota withholding allowances.
- The employee claims to be exempt from Minnesota withholding and you reasonably expect the employee's wages to exceed \$200 per week.
- You believe the employee is not entitled to the number of allowances claimed.

You do not need to submit Form W-4MN to us if the employee is asking to have additional Minnesota withholding deducted from their pay.

We may assess a \$50 penalty for each required Form W-4MN you do not file with us when required.

### **What if my employee is a resident of a reciprocity state?**

If your employee is a resident of North Dakota or Michigan and they do not want you to withhold Minnesota tax from their wages, they must complete Form MWR, *Reciprocity Exemption/Affidavit of Residency*. They must complete a Form MWR by February 28 of each year or within 30 days after they begin working or change their permanent residence. See Fact Sheet 20, *Reciprocity - Employee Withholding* for more information.

### **What is an invalid Form W-4MN?**

A Form W-4MN is considered invalid if any of the following apply:

- There is any unauthorized change or addition to the form, including any change to the language certifying the form is correct.
- The employee indicates in any way the form is false by the date they provide you with the form.
- The form is incomplete or lacks the necessary signatures.
- Both Section 1 and Section 2 were completed.
- The employer information is incomplete.

### **What to do if you receive an invalid form?**

Do not use the invalid form to calculate Minnesota income tax withholding. Have the employee complete and submit a new Form W-4MN. If the employee does not give you a valid form, and you have an earlier Form W-4MN or Form W-4 from them, use the earlier form to calculate their withholding. Otherwise, withhold taxes as if the employee is single and claiming zero withholding allowances.