



## **Tax Documentation Guidelines Small Employers (1 to 50 employees)**

### **All Wage and Tax Statements must have the following:**

- Employee Status (full time, part time, termed, seasonal/temporary etc.).
- Hours worked per quarter [Wisconsin Wage and Tax statement does not show hours].
- The name of the company and address on the Wage and Tax statement must match the Employer application. If it doesn't, details must be provided.
- Salaried employees may not have hours indicated on the MDES-1D. There may be '00' on the form, but a salary should be provided.

### **New Businesses (zero to 12 months):**

- Federal SS4 (application for Federal Tax ID number) if Federal ID number has not been assigned.
- Zero to six months – Quarterly payroll or one two-week period of official payroll documents indicating taxes are withheld for W-2 employees.
- If payroll has not been made, provide a statement on letterhead from an authorized representative of the company with a list of the names of the employees, the minimum hours per week hired to work (as determined by the employer) with confirmation they will be paid by W-2, making at least minimum wage.
- Greater than six months – Quarterly Wage and Tax (see below for filing cut-off dates) or quarterly payroll.
- Affidavit for owners (only if owners are not listed on the Wage and Tax statement). \*\*

### **Older Businesses (one year and longer):**

- Quarterly Wage and Tax statement for W-2 employees.
- Affidavit for owners (only if owners are not listed on the Wage and Tax statement). \*\*

**Non-Profit Organizations:** Submit 990 forms or letter from state acknowledging company is non-profit ONLY when company is new. (Churches do not complete 990 Forms and there is no mandatory Federal income tax or Social Security withheld for clergy). Quarterly 941s are filed and employees must be paid by W-2. Submit quarterly payroll if there is no Wage and Tax statement.

### **\*\*TYPES OF BUSINESS FILINGS**

#### **These forms will be requested for all one and two contract groups and others as required:**

- **Farmers:** dependent on the business situation – Federal 1040 Schedule F (Profit or Loss From Farming); Federal 1040 Schedule J (Income Averaging); or 4835 (Farm Rental Income and Expenses); 1120-C (Cooperative Associations)
- **Sole Proprietorship** – Federal 1040 Schedule C (Profit or Loss from Business)
- **Partnership** – Federal 1065 (Return of Partnership Income) and Schedule K1 (for each partner)
- **S Corporation** – Federal 1120s and Schedule K-1 (for each owner) or W-2 as appropriate
- **C Corporation** – Federal 1120 (Corporation) and W-2 (Owners); some Corporations have ownership only through shareholders not employed by the company

#### **Addendum – MDES-1D Wage and Tax filings are as follows:**

- 1<sup>st</sup> quarter by 4/30
- 2<sup>nd</sup> quarter by 7/31
- 3<sup>rd</sup> quarter by 10/31
- 4<sup>th</sup> quarter by 1/31

If you have questions, please contact your HealthPartners account manager at **952-883-5200**.