



EMPLOYEES – TAX CREDIT MAY PERMIT YOU TO CLAIM EXEMPTION FROM WISCONSIN WITHHOLDING TAX

INCOME TAX CREDIT AVAILABLE

Wisconsin law provides an income tax credit called the Working Families Tax Credit for certain lower-income individuals. The credit may be claimed on an individual's 2002 Wisconsin income tax return.

EXEMPTION FROM WITHHOLDING

As a result of the Working Families Tax Credit, some employees will be permitted to claim exemption from having Wisconsin income tax withheld from the wages they receive during 2002.

DO YOU QUALIFY?

To determine if you can claim exemption from having Wisconsin income tax withheld from wages you receive during 2002 because of the Working Families Tax Credit, answer the following questions:

1. Will you be a legal resident of Wisconsin for the entire year 2002?
 Yes. Go to question 2.
 No. **Stop.** You will not qualify for the Working Families Tax Credit for 2002.
2. Can you be claimed as a dependent on someone else's 2002 Wisconsin income tax return (for example, by your parents)?
 Yes. **Stop.** You will not qualify for the Working Families Tax Credit for 2002.
 No. Continue. Complete the worksheet below.
3. Worksheet. Must be completed to determine if you can claim exemption from Wisconsin withholding tax (*keep this worksheet for your records*).

- | | |
|---|-------------|
| 1. Fill in the total wages you expect to receive in 2002 (from all employers). | 1. \$ _____ |
| 2. If married, fill in the total wages you expect your spouse to receive in 2002 (from all employers). | 2. _____ |
| 3. Fill in the total nonwage taxable income* you expect to receive during 2002. | 3. _____ |
| 4. If married, fill in the total nonwage taxable income* you expect your spouse to receive during 2002. | 4. _____ |
| 5. Total 2002 income. Add lines 1 through 4. | 5. \$ _____ |

* Examples of nonwage taxable income include interest and dividend income, self-employment income, alimony, and unemployment compensation.

4. (a). If you are unmarried, is line 5 of the Worksheet more than \$10,000?
 Yes. **Stop.** You cannot claim exemption from withholding of Wisconsin income tax from your wages.
 No. Continue. You may claim exemption from withholding of Wisconsin income tax from your wages. To do so, complete the certificate which appears on the back of this page. Detach the completed certificate and give it to your employer.
- (b). If you are married, is line 5 of the Worksheet more than \$19,000?
 Yes. **Stop.** You cannot claim exemption from withholding of Wisconsin income tax from your wages.
 No. Continue. You may claim exemption from withholding of Wisconsin income tax from your wages. To do so, complete the certificate which appears on the back of this page. Detach the completed certificate and give it to each of your employers.

NEED ASSISTANCE?

If you have questions about the Working Families Tax Credit, or need assistance in completing the worksheet appearing on page 1, contact any Department of Revenue office. You may also call Madison at (608) 266-2776. If you prefer, you may write to:

Wisconsin Department of Revenue
P.O. Box 8902
Madison, WI 53708-8902
FAX 608-267-1030
Email: sales10@dor.state.wi.us

CAUTION

If you claim exemption from the withholding of Wisconsin income tax from your wages and subsequent changes in your income or marital status will result in your not being eligible for the Working Families Tax Credit you must revoke the exemption. To revoke the exemption, you must notify your employer to resume withholding Wisconsin income tax from your wages. Use Wisconsin Form WT-4A to determine the amount your employer should withhold.

Detach here and give completed certificate to your employer, if you qualify.

WISCONSIN
DEPARTMENT
OF REVENUE

**Certificate of Exemption From Wisconsin Withholding for 2002
Because of the Working Families Tax Credit (Expires on December 31, 2002)**

FORM WT-4B

Employee's Full Name _____

Social Security Number _____

I CERTIFY that I will qualify for the Working Families Tax Credit for 2002 and claim exemption from withholding of Wisconsin income tax from the wages I receive during 2002.

Signature of employee

Date

Employee: Give the completed certificate to your employer to claim exemption from having Wisconsin income tax withheld from wages you receive during 2002.

Employer: After receiving this certificate, discontinue withholding Wisconsin income tax from wages you pay to this employee during 2002. This certificate applies only to wages paid during 2002.

Note: It is not necessary to provide a copy of this certificate to the Department of Revenue.