

Employer Withholding Information Guide for Payroll Services



pennsylvania
DEPARTMENT OF REVENUE

**Bureau of Business Trust Fund Taxes
Employer Withholding Division**

FILING RETURNS AND PAYMENTS

Please complete all lines of the record of withholding unless the taxpayer is a quarterly filer. If the Department of Revenue does not have a breakdown of withholding, the total withholding will be divided evenly between each period, which could result in penalties and interest.

W-2 Transmittal and Wage Statement Filing Information

If you are filing 250 or more W-2s, you must file electronically through e-TIDES or by sending a password protected CD. Amended W-2s cannot be filed through e-TIDES therefore, paper W-2Cs must be filed with an amended REV-1667 form.

If you are filing fewer than 250 paper W-2s, please observe the following size requirements:

Acceptable Paper W-2 sizes (cut to size)

1. 8½ X 5½ inches (preferred size)
2. 8½ X 2½ inches
3. 4¼ X 5½ inches
4. 7½ X 2¾ inches
5. 8½ X 2¾ inches
6. 6½ X 2½ inches
7. 3¾ X 5 inches
8. 3¾ X 5¼ inches

Unacceptable Paper W-2s

- All onion skin W-2s
- W-2s that are very small
- W-2s without field labels (e.g. "Employee SSN", "EIN", "15", "16" etc.)
- W-2s where data is printed on labels or data is unreadable for some other reason
- W-2s with a dark background
- Blank W-2s
- "Grand-Total" pages
- Columnar listings

PA-W3 Quarterly Returns

Currently the Pennsylvania Department of Revenue requires all third-party preparers that prepare 50 or more state tax returns to file electronically on e-TIDES at www.etides.state.pa.us. Effective Jan. 1, 2014, preparers that submit 11 or more returns, reports or other documents will be required to file electronically using e-TIDES.

The "third-party preparer" is defined as any person, fiduciary, corporation or other entity who prepares or who employs one or more persons to prepare original and amended returns to the department. If a third-party preparer has multiple business locations, all locations should be included.

The Department of Revenue computer system cannot accept any returns with a negative amount of withholding. If a reduction in withholding is requested, please indicate the correct amount of withholding on Line 2 of an amended PA W-3 and the amount actually paid on Line 3.

Please verify the correct payment frequency when filing PA W-3s. If payments do not match the record of PA withholding on the W-3, interest may be charged to the taxpayer.

Semi-weekly PA W-3 returns are required to be filed electronically, and e-TIDES is the preferred method of filing all returns.

When a PA W-3 is amended for years prior to the current year, W-2Cs are required to be filed with the amended PA W-3. The exception is when W-2Cs are for employees who are not residents of Pennsylvania and the tax withheld is being decreased. These W-2Cs will be disallowed and the individual employee must file a PA-40NR return to obtain a refund.

W-2s and the four quarterly PA W-3s must be in balance and any amendments that would create a discrepancy are not allowed.

Due to Pennsylvania's three-year statute of limitation, amended PA W-3s will not be accepted for periods older than three years.

Amended PA W-3 and W-2Cs

The Department will not accept an amended PA W-3 that decreases the total withholding without a copy of the amended W-2 transmittal (REV-1667) and copies of the W-2C(s). This only applies to Pennsylvania residents. The department will not accept any decreases of total withholding that involves a Pennsylvania non-resident employee.

File Upload Process

When uploading W-2s, W-3s or deposits, there is no limit on the number of files you may upload, however, there is a limit of 5 MB of data.

If an import and upload error occurs, this indicates that something failed within the uploaded file. The problem could be a spacing issue or it could be something as simple as having a dash in the account number. You can view the specific file errors in the upload portion of the program.

In e-TIDES production, select:

Admin functions from the left navigation bar

- **File upload**
- enter **User ID**, then **Next**
- **Select the file name**, then **Next**
- select **File errors** at the bottom of the screen, then select **Display** to view the file errors

To upload through e-TIDES:

- **Step 1** - Prepare the File:
 - Prepare the file on your computer using the **e-TIDES File Specifications**.
- **Step 2** - Select your file to be uploaded:
 - Click on the "Choose File to Upload" link below to select the file type and the file from your computer to be uploaded. The file name will appear in the list below. If the file name does not appear, click **Refresh** located at the bottom of the page.
- **Step 3** - File Upload Menu Screen:
 - Select the file from the list below and click **Next**.
- **Step 4** - Identify the data in your file: (Comma Delimited, *csv, file formats only)
 - **Specify** required columns for the file to identify the data in the file to the e-TIDES required data. When complete, click **Next**.
- **Step 5** - Data validation:
 - Validate the content of the file. On the Multi-Import Data Validation screen, you will see the total number of records in the file and the number of valid and invalid records.
- **Step 6** - Import the records and complete the process:
 - To import the valid records, click **Insert Records**. This completes the process. To view a list of errors, click **View Errors**.

REQUESTS FROM THE PAYROLL SERVICE

Multiple Accounts

Please send requests for information on multiple accounts in writing if possible. To ensure the request arrives at the proper location, the common addresses and contacts for the Employer Tax Division are listed on the following page.

Statement of Account

If you require a statement of account, please fax the request to 717-783-4124. When requesting a statement of account, please include the name, account number, the period(s) in question and a return fax number or email address. If you are registered to file electronically in e-TIDES, a statement of account may not be necessary, as this information is readily available in e-TIDES. Go to **View Filing History** at www.etides.state.pa.us.

Refunds

If a refund is requested, a signed written request is required that includes the name, EIN and account number, the amount requested and the period(s) in question. Please note that an amended PA W-3 indicating an overpayment does not constitute a refund request and no refund will be issued based solely on an amended PA W-3. Refund requests may be mailed to the Credit & Refund Section at PA Department of Revenue, Bureau of Business Trust Fund Taxes, Employer Tax Division, PO Box 280904, Harrisburg, PA 17128-0904 or faxed to 717-783-4124.

Act 32

All inquiries regarding Act 32 or local earned income tax should be directed to the Pennsylvania Department of Community and Economic Development at www.NewPA.com, not the Pennsylvania Department of Revenue.

Data Exchange

Payroll providers are encouraged to setup a data exchange for verifying account ID's and deposit frequencies with the Department of Revenue. The payroll provider supplies EINs to the Department of Revenue in exchange for account IDs and deposit frequencies, in an effort to streamline the process of mass data exchange. To request a data exchange, please contact the Pennsylvania Department of Revenue, Employer Tax Division at ra-empftp@pa.gov.

**PENNSYLVANIA DEPARTMENT OF REVENUE
EMPLOYER WITHHOLDING MAILING ADDRESSES**

All Paper Returns

PA DEPARTMENT OF REVENUE
PO BOX 280412
HARRISBURG PA 17128-0412

**REV-1667 W-2 Transmittal Annual
Reconciliation and Accompanying W-2s**

PA DEPARTMENT OF REVENUE
PO BOX 280412
HARRISBURG PA 17128-0412

PA-501 Deposit Payments

PA DEPARTMENT OF REVENUE
PO BOX 280401
HARRISBURG PA 17128-0401

Overnight Mailing Address

PA DEPARTMENT OF REVENUE
BUREAU OF BUSINESS TRUST FUND TAXES
EMPLOYER TAX DIVISION
4TH & WALNUT STREETS
9TH FLOOR STRAWBERRY SQUARE
HARRISBURG PA 17128

CDs

PA DEPARTMENT OF REVENUE
BUREAU OF BUSINESS TRUST FUND TAXES
EMPLOYER TAX DIVISION
PO BOX 280904
HARRISBURG PA 17128-0904

**PA W-3 Quarterly Reconciliation
Return of Income Tax Withheld**

PA DEPARTMENT OF REVENUE
PO BOX 280903
HARRISBURG PA 17128-0903

General Mailing Address

PA DEPARTMENT OF REVENUE
BUREAU OF BUSINESS TRUST FUND TAXES
EMPLOYER TAX DIVISION
PO BOX 280904
HARRISBURG PA 17128-0904

www.revenue.state.pa.us

www.etides.state.pa.us