

STATE of INDIANA



INDIANAPOLIS, IN 46204-2253

DEPARTMENT OF REVENUE

INDIANA GOVERNMENT CENTER NORTH
100 N. SENATE AVE

Oct. 7, 2008

TAXPAYER NAME
ADDRESS
CITY, STATE, ZIP

Dear Taxpayer:

Beginning Jan. 1, 2009, a new state law will go into effect for all businesses that withhold and pay income tax to the State of Indiana on behalf of their employees. This new law will require you to report total withholding taxes **by county**. This law is intended to ensure more timely and accurate payment of county income-tax revenue to local governments.

A new batch of WH-1 forms will be mailed to you in January 2009. Please use these forms to report your total withholding taxes monthly by county, along with making your monthly tax payments.

Change for EFT Filers

In addition, those businesses that have filed via electronic-funds transfer (EFT) in the past, will now need to file a WH-1 *monthly and by county detail*, along with making monthly tax payments. Your first return is due Feb. 20, 2009.

File WH-1 Forms Electronically

Business taxpayers may also use INtax, the state's free and convenient online business-tax payment system to report and pay state and county withholding taxes – in addition to other business-tax payments, such as sales tax. To register and use INtax, please visit www.intax.in.gov today, as your INtax registration can take several days to process.

Payroll providers, tax preparers and businesses that have knowledge of XML format may also choose to use our new file-upload method, which enables you to file multiple (or bulk) returns. We strongly encourage those with XML knowledge to use this method. For instructions on how to use the Department's file-upload system, please visit www.in.gov/dor/4002.htm

NOTE: Those businesses, providers and preparers who chose to file their WH-1 returns electronically should not file paper WH-1 returns for the same reporting period. Doing so will result in duplicate returns, and could prompt double billings and penalties. In addition, those filing WH-1 returns electronically should also file their WH-3 Withholding Reconciliation Reports and Supporting Wage Statements electronically as well. These reporting processes have similar requirements and certifications.

For more information about the change in filing your WH-1 return, please call 317.233.4015. We are happy to answer any questions you might have regarding this matter.

Sincerely,

John Eckart
Commissioner
Indiana Department of Revenue