Minnesota Specifications for Submitting Forms W-2 and 1099 Electronically (e-Services)

2a

Withholding Fact Sheet 2a

Fact Sheet

This fact sheet explains how to electronically submit copies of your Form(s) W-2 and 1099 to the Minnesota Department of Revenue using the Key and Send and the Simple (delimited) File methods in e-Services. If you are submitting only W-2s in the Social Security Administration's EFW2 format, see Fact Sheet 2.

Due Date

Your W-2s and any 1099s with Minnesota withholding are due February 28 each year.

Electronic Filing Requirements

You must electronically submit Forms W-2 and/or Forms 1099 to the department if you have more than 10 forms to file. The Department of Revenue no longer accepts W-2s on CD, diskette, or in PDF format. Forms 1099 will still be accepted on CD and diskette (see "Submitting 1099s Using Magnetic Media" on page 2.) Do not submit 1099 information if there is no Minnesota withholding.

Internet Filing Options

There are two systems that employers can use to submit their Form(s) W-2 and 1099 electronically:

1. e-Services, using one of the following methods:
   - Key and Send (see "Using the Key and Send Method" on this page)
   - Simple (delimited) File (see "Using the Simple or Delimited File Method" on page 2)
   - EFW2 (see Fact Sheet 2)
2. Electronic Data Exchange (EDE) system (see Fact Sheet 2)

Note: Third Party Bulk Filers should submit Form(s) W-2 and 1099 using EFW2 or the EDE system.

Submitting W-2s and/or 1099s Using e-Services

Go to www.revenue.state.mn.us and click "Login to e-Services." After entering your user name and password, click on the withholding account ID number hyperlink. From the Account Actions menu, select the method you would like to use. The two options are:

- Key and Send W-2s — Manually enter W-2 and/or 1099 information online.
- Upload W-2 File — Upload a Simple (delimited) File or EFW2 file.

Note: When using either the Key and Send method or the Simple (delimited) File method, you must provide federal wage information in addition to other required information.

You will receive a verification screen that shows a summary of the information you submitted. If the summary is not correct, you can go back and correct it.

Required Information. If you are using either the Key and Send method or uploading a Simple (delimited) File, you will be asked to provide required information. For the Simple (delimited) File method, the columns must be in the following order:

A. Filler
B. Year
C. Social Security number (if none, enter 000000000; no dashes)
D. First Name
E. Middle Name
F. Last Name
G. Federal Wages
H. Federal Withholding
I. Minnesota Wages
J. Minnesota Withholding
K. 1099 Income
L. 1099 Withholding

Using the Key and Send Method

When using this method, you will data-enter directly into the system the required information from your payee's W-2s and/or 1099s. To do so:

- Click the ID link for your withholding tax account.
- On the "Account Actions" menu, select "Key & Send W-2s."
- Enter the year for which you are filing W-2s. Enter the total number of W-2s you have to submit and click "Add W-2s."
- Enter the information from the W-2 form. When all Forms W-2 have been entered, click "OK."

  – If you do not have 1099 information to enter, review the W-2 summary and click "Submit."

  – If you have 1099 information to submit, enter the total number of 1099s and click "Add 1099s." Choose an ID type from the drop-down menu (FEIN, ITIN or SSN). Enter the information from the 1099 form. When all Forms 1099 have

Withholding Tax Division, Mail Station 6501, St. Paul, MN 55146-6501
Phone: 651-282-9999 or 1-800-657-3594
Minnesota Relay 711 (TTY)
Fax: 651-556-5152
Email: withholding.tax@state.mn.us

(Rev. 12/12)

This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters or otherwise changes any provisions of the tax law, administrative rules, court decisions or revenue notices. Alternative formats available upon request.

been entered, click "OK." Review the 1099 summary and click "Submit."

- Print the confirmation page for your records.

Using the Simple or Delimited File Method

When using this method you will upload a file you created using a spreadsheet program such as Microsoft Excel. Your file must contain the required information (see "Required Information" above for the correct column order).

Note: There are two file types accepted by e-Services — tab delimited (.txt) and comma delimited (.csv).

Creating a Simple (delimited) File. If you are using computer software for payroll that does not create the EFW2 formatted file, the computer software may be able to create a text file that includes the required information needed to use this method. If not, you must create a file on your own.

One way to create your own file is by using any spreadsheet software, such as Microsoft Excel. On your spreadsheet, each row should represent one payee and each column should represent one piece of required information (see "Required Information" on page 1). **You cannot load a spreadsheet file directly into e-Services; it must first be saved as a delimited file.** To do so in Microsoft Excel, click "File" on the toolbar and then select "Save As." In the dropdown "Save as type," choose either 'Text (tab delimited) (*.txt)' or 'CSV (comma delimited) (*.csv)'.

Tips to keep in mind when creating a Simple (delimited) File:

- A separate column should be used for each piece of required information.
- The first row is designated for column headings. The system will disregard any information entered in this row.
- Do not use dashes when entering the Social Security number.
- If there is no dollar amount to enter, the dollar field must be filled with a zero. All dollar amounts must be positive.
- All dollar fields must contain a decimal if there are cents. (e.g. 100.55)
- Do not include the '$' or commas in the fields.

Submitting 1099s Using Magnetic Media

Minnesota participates in the combined federal/state magnetic media program for reporting 1099 information. This program allows the payer or its agent to magnetically file information returns with the IRS and authorizes the release of the information to the appropriate state. See IRS Publication 1220 for more information on the combined program.

If you do not participate in the combined program but are required to submit your 1099 information to the IRS on magnetic media, you must also use magnetic media to submit the information to the department. Send your 1099 magnetic media, on CD or diskette to:

Minnesota Revenue Mail Station 1173 St. Paul, MN 55146-1173

If you're not required by the IRS to use magnetic media, you can use either magnetic media or paper (if fewer than 10 forms) to submit the information to the department. Mail paper W-2s, W-2cs and 1099s to the address listed above.

Prepare the 1099 magnetic media (PC 3½-inch diskettes or PC CDs) using the federal IRS Publication 1220 record format. Report any Minnesota income tax withheld in the fields indicated below. Publication 1220 contains technical specifications for layout of state income tax withholding records as well as federal information.

Information Returns	Location
1098, 1099-A, 5498	Enter Minnesota state income tax withheld in fields 663-722 (Special Data Entries)
1099-B, 1099-DIV, 1099-G, 1099-INT, 1099-MISC, 1099-OID, 1099-PATR, 1099-R, 1099-S, W-2G	Enter Minnesota state income tax withheld in fields 723-734 (State Income Tax Withheld)

Information and Assistance

Additional forms and information, including fact sheets and frequently asked questions, are available on our website.

Website: www.revenue.state.mn.us

Email: withholding.tax@state.mn.us

Phone: 651-282-9999 or 1-800-657-3594

(TTY: Call 711 for Minnesota Relay)

We will provide information in other formats upon request to persons with disabilities.