

Do you have employees  
working in Iowa?

# Withholding Information For Employers

Information for businesses  
from the

IOWA  Department of **REVENUE**

# Who must register as an Iowa Withholding Agent?

- Employers **required to** withhold federal income tax **on compensation** paid to employees **for work performed in Iowa.**

**AND**

- Have an office in Iowa, **OR**
- Do business in Iowa.

# How do I register as an Iowa Withholding Agent?

- You must register with the Internal Revenue Service and the State of Iowa.
- How Do I Register?
  - Begin with the [IRS](#).
  - Then [Register in Iowa](#).
- Registration is free.

# Each New Hire or Rehire:

- What: completes and signs an Iowa W-4. It must show the number of allowances the employee is claiming.
- When: within 15 days of employment.
- Where: The Iowa W-4 is available [online](#).
- What else: If an IA W-4 is not signed, the employer must withhold using zero (0) allowances.

# Iowa W-4

- Here is more information on how to complete the Iowa W-4.
- The federal W-4 is available on the IRS Web site.
- Employers must keep copies of W-4 forms for at least four years.

# How Much Do I Withhold?

- The amount withheld is calculated using the Iowa withholding tables, formulas, or percentages.
- Reference the [Iowa Withholding Tax Guide](#). This guide includes computer variables and examples.

All withholding payments  
to the Department  
**must be**  
the actual amount withheld.

**No estimations**  
or approximations  
**are permitted.**

# How Often & When Do I File?

Filing Frequency is based on how much tax you expect to withhold.

This amount is indicated on your application when you register for your permit.

For more details:

[Filing Frequencies and Return Due Dates.](#)

# How Do I File?

Iowa withholding tax returns are  
**filed electronically**  
through the Department's  
online service  
[eFile & Pay.](#)

# End-of-year Reporting

All Iowa Withholding Agents  
must submit a  
Verified Summary of Payments Report (VSP)  
by the last day of February each year.

This covers Iowa income tax withholding payments  
made in the prior calendar year.

The VSP is submitted electronically through [eFile & Pay](#).

# Do I Need to Send Copies of W-2s and 1099s to Iowa?

**No.**

Employers are not required to send copies of W-2s or 1099s to the state of Iowa with the VSP.

# Do I Need to Keep Iowa W-2s and 1099s?

**Yes.**

Employers are required to keep copies of the W-2s and 1099s **for at least four years** from the end of the year for which the forms apply.

# When Do Employees Receive Iowa W-2s and 1099s?

W-2s and 1099s  
must be given to employees  
**on or before the last day of January**  
following the tax year or within 30 days of  
the time the last wage payment is received  
if requested by the employee.

# Do you have employees who work in Iowa but reside in Illinois?

See

[Illinois Residents Working in Iowa](#)

for information about the  
Iowa/Illinois Reciprocal Agreement.

# What about employees who reside in Iowa but work in Illinois?

See

[Iowa Residents Working in Illinois](#)

for information about the  
Iowa/Illinois Reciprocal Agreement.

# Questions?

- More information can be found in the [Iowa Withholding Tax Information Booklet](#)
- Call us: 8 a.m. - 4:15 p.m. CT  
515-281-3114 or  
1-800-367-3388 (Iowa, Omaha, Rock Island, Moline)
- E-mail us at [idr@iowa.gov](mailto:idr@iowa.gov)