



## Kansas Law Change

### W-2/1099 Electronic Filing Requirement

In September, a notice was mailed to Kansas businesses regarding a mandated electronic filing requirement effective January 1, 2007. Employers, payers and organizations filing statements which report withholding information for 51 or more employees or payees are affected by this mandate. Entities exceeding the 51 report threshold must file their 2006 withholding reports electronically.

In an effort to remain consistent with Federal reporting record formats while remaining flexible, the Kansas Department of Revenue (KDOR) has developed several approaches for entities to submit withholding information:

- *On-line Input Form* – Filers will be able to complete online forms for W-2s and KW-3s.
- *Comma Separated Value (CSV) File Format* - An option for filers to upload W-2 and 1099 reports from a CSV file is being developed.
- *Fixed Width Field File Format* – Filers can upload information into the KDOR system in formats prescribed in the Social Security Administration’s Magnetic Media Reporting and Electronic Filing (MMREF-1) document for W-2s, and the Internal Revenue Service’s Publication 1220 for 1099s.

CSV fields to be included as well as state-specific fixed width field file format specifications are available on the KDOR website, [www.ksrevenue.org/forms-btwh.htm](http://www.ksrevenue.org/forms-btwh.htm).

The web-based system will be available for use on January 1, 2007. In the interim, filers will be able to **test file formats against the KDOR system** at [www.kdor.org/testing/w2/default.aspx](http://www.kdor.org/testing/w2/default.aspx). Filers are currently able to test W-2 records in MMREF-1 and CSV formats.

KDOR will **NOT** accept withholding information on magnetic media. A notice will be sent stating the withholding filing requirement has not been met to all entities that submit magnetic media. In rare instances when a filer is unable to comply with the electronic filing mandate, exceptions may be granted allowing withholding information to be submitted on CD-ROM. **ALL EXCEPTIONS MUST BE PRIOR APPROVED BY KDOR.** Specific requirements to exception filings will be given upon approval.

For more information about electronic filing, visit the KDOR website at [www.ksrevenue.org](http://www.ksrevenue.org). Additional questions about electronic filing should be directed to Electronic Services at 1-800-525-3901 or [eservices@kdor.state.ks.us](mailto:eservices@kdor.state.ks.us).

*For business owners, filing W-2s and 1099s electronically means less stress and paperwork. For government, it means greater efficiency. Everyone comes out a winner.*

