

Minnesota Specifications for Submitting Forms W-2 Electronically (EFW2) for 2009

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Withholding Fact Sheet 2

Fact Sheet

This fact sheet explains how to file electronic copies of your 2009 W-2s with the Minnesota Department of Revenue using the Social Security Administration's standard W-2 format, EFW2 (formerly MMREF-1).

What's new

Due to a recent law change, the electronic filing thresholds will decrease over the next few years. You must file:

- tax year 2009 W-2s electronically if you have more than 50 forms,
- tax year 2010 W-2s electronically if you have more than 25 forms, and
- tax year 2011, and beyond, W-2s electronically if you have more than 10 forms.

Due date

Your 2009 W-2s are due February 28, 2010.

Who should use electronic W-2 filing

Refer to the new electronic filing threshold limits above to determine if you are required to submit your W-2s electronically. Minnesota no longer accepts W-2s on CD-ROM, diskette, or in PDF format. Please read below for Internet filing options.

All employers with access to the Internet should submit their W-2s electronically. Employers with the ability to create a file in the Social Security Administration's EFW2 format (formerly MMREF-1) have the option to upload their file using one of the following systems:

1. e-File Minnesota, using one of the following methods:
 - Key and send (see Fact Sheet 2a),
 - Fixed or delimited file (see Fact Sheet 2a),
 - EFW2 (see Submitting an EFW2 file on this page)
2. Electronic Data Exchange (EDE) system (see page 2)

This fact sheet addresses these two options.

Employers who cannot create a file in the Social Security Administration's EFW2 format can still submit their W-2s electronically to us through e-File Minnesota using the Key and send method or by uploading a Fixed or delimited file containing critical information defined by us. More information about these filing methods can be found in Fact Sheet 2a.

Creating an EFW2 file in the SSA format

Prepare your W-2 file using the Social Security Administration's EFW2 format. For complete instructions, record specifications and edits, go to: www.socialsecurity.gov/employer. Check your software to determine whether it can create this file for you.

Record types RA, RE, RW, RS, RT, and RF are required on the Minnesota W-2 file. Record types RV, RO and RU are optional. Although the RV record is optional, if it is included in your file, it must follow the Minnesota specifications provided in the Code RV record layout table on page 2 of this fact sheet.

Your Minnesota W-2 file must contain an RS record for each employee who works or lives in Minnesota. RS records for other employees are optional.

Submitting an EFW2 file using e-File Minnesota

You can use this option if you are:

- an employer whose file contains only one RE record and one Minnesota tax ID number, or
- a third party bulk filer who submits your clients' W-2s either one client at a time or combined into one file on behalf of multiple clients.

Benefits of using e-File Minnesota:

- Your W-2s can be submitted at the same time you file your year-end withholding tax return or you can submit your W-2s separately.
- You can login using the same URL, login ID and password you use for filing returns and making payments.
- You will get a W-2 verification screen. This screen allows you to verify your file has been interpreted correctly before you submit it.
- You can view the history or print a new confirmation of your W-2 submission in the same application where you view the history and confirmations of your returns and payments.
- Third party bulk filer clients can login to e-File Minnesota with their own ID and password to view a history of the W-2s as well as the returns and payments made on their behalf.

For more information, see our step-by-step guide, "How to submit W-2s in e-File Minnesota" at www.taxes.state.mn.us. Click on the Withholding tax link under the Tax Information menu to view the step-by-step guides under Online services.

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.

Submitting an EFW2 file using the Electronic Data Exchange (EDE) system

The other option for submitting an EFW2 file is using our Electronic Data Exchange (EDE) system.

You should use this option if you have multiple RE records or multiple Minnesota Tax IDs.

You can access the EDE application through our website at www.taxes.state.mn.us. Click on the Withholding tax link under the Tax Information menu. You will find the link for submitting W-2s under Online services. On the welcome screen, read the instructions carefully to learn how to log in to the system.

This system is used by several tax types to receive many different files. It is not specific to W-2s. Here is some terminology you should know: “transmission” refers to the entire file and “document” refers to a set of W-2s within the file (a set of W-2s is all the records for one employer starting with an RE record and ending with an RT or RV record).

After you login to the system, choose the option to “Transmit a file.” Using the drop down menu, choose the type of file you are transmitting (W-2 or W-2 Zipped) and locate the file using the browse button. Next, click the upload button to receive a tracking ID. Print or make note of this number, it confirms we received your file and will process it in the next 24 hours. **This does not mean we have accepted your W-2s. You must login later to pick up your acknowledgment.** Most files process within a matter of minutes, but please allow 24 hours.

When returning for your acknowledgment, login, then click on the “View transmission history” link. In the File Status column, it should display a status of “Rejected” or “Completed.” If any other status is displayed after 24 hours, please contact us. If the status is “Rejected,” click on the word “Rejected” to see why your file was rejected. You will need to correct the file and resubmit it. If the status is “Completed,” we have finished processing your file. In this case, click on the word “View” in the Documents column to see if the W-2s were accepted. Each set of W-2s will either be accepted or rejected. If one or more sets were rejected, correct the rejected sets, remove the accepted sets, and resubmit the new file.

Testing an EFW2 file

We do not require you to test your EFW2 file. If you would like to test your file, use the demonstration link at the bottom of the main menu in e-File Minnesota or the certification link in the EDE system. Test files are not submitted to the Minnesota Department of Revenue.

Questions?

If you have questions regarding electronic W-2 filing or need more information about withholding Minnesota income tax, email or call us using the contact information at the bottom of the first page of this fact sheet.

Code RS record layout

Location	Field
1-2	Record identifier
3-4	State code (27 is the code for Minnesota)
5-9	Not used by the Department of Revenue
10-18	Social Security number
19-33	Employee first name
34-48	Employee middle name or initial
49-68	Employee last name
69-72	Suffix
73-94	Location address
95-116	Delivery address
117-138	City
139-140	State abbreviation
141-145	Zip code
146-149	Zip code extension
150-154	Blank
155-177	Foreign state/province
178-192	Foreign postal code
193-194	Country code
195-247	Not used by the Department of Revenue
248-267	Minnesota tax ID number*
268-273	Blank
274-275	State code (27 is the code for Minnesota)
276-286	Minnesota taxable wages
287-297	Minnesota income tax withheld
298-512	Not used by the Department of Revenue

* For positions 248-267 — SSA specifications say to use the state Unemployment number but for W-2 purposes, this field must contain your 7-digit Minnesota tax ID number.

Code RV record layout

Location	Field
1-2	Record identifier
3-29	Not used by the Department of Revenue
30-36	Number of RS records. The total of all RS records since the last RE record regardless of the state code. Right justify and fill.
37-72	Not used by the Department of Revenue
73-87	State taxable wages. The total of all RS records since the last RE record regardless of the state code. Right justify and fill.
88-102	State income tax withheld. The total of all RS records since the last RE record regardless of the state code. Right justify and fill.
103-133	Not used by the Department of Revenue
134-512	Fill with blanks