

# Nebraska Reconciliation of Income Tax Withheld

• This form should be filed after completion of Form 941N.  
• See [revenue.nebraska.gov](http://revenue.nebraska.gov) for information on e-filing this return.

Y N

PLEASE DO NOT WRITE IN THIS SPACE

Nebraska ID Number

Taxable Year

Due Date

Name and Location Address

Name and Mailing Address

If you are not licensed to report income tax withholding or are changing name and/or address, see instructions.

**Wage/Payment Information**

1 Federal Forms W-2, W-2G, 1099-R, and 1099-MISC. If there are 50 or less and you are not e-filing these forms, attach the Nebraska copy of these forms. Taxpayers filing more than 50 forms with Nebraska income tax withholding must e-file these forms. Enter the number of forms	1		
<input type="checkbox"/> Check this box if you are e-filing these forms using NebFile for Business.			
<input type="checkbox"/> Check this box if you are participating in the combined Federal/State 1099 filing program.			
2 Nebraska wages, tips, and other compensation shown on Forms W-2	2	\$	
3 Nebraska gambling winnings shown on Forms W-2G	3		
4 Nebraska pensions, annuities, etc., shown on Forms 1099-R	4		
5 Nebraska nonresident personal service payments and any payments to construction contractors subject to mandatory 5% income tax withholding (see instructions) shown on Forms 1099-MISC	5		
6 Total payments subject to Nebraska income tax withholding (TOTAL of lines 2 through 5)	6		

**Income Tax Withholding Information**

7 Total Nebraska income tax withheld as shown on Forms W-2, W-2G, 1099-R, and 1099-MISC	7		
• If you file annually, skip to line 12.			
8 Nebraska incentive compensation credits applied to income tax withholding	8		
9 Income tax withholding reported for the period ended March 31	9		
10 Income tax withholding reported for the period ended June 30	10		
11 Income tax withholding reported for the period ended Sept. 30	11		
12 Income tax withholding reported for the period ended Dec. 31 (or if you file annually, enter the tax reported for the entire year)	12		
13 Total Nebraska income tax withholding reported (total of lines 8 through 12)	13		
14 If line 13 is less than line 7, enter balance due	14		
15 Penalty (see instructions)	15		
16 Interest ( % per year of line 14 if paid after January 31, see instructions)	16		
17 Total Balance Due (total of lines 14 through 16). If the amount due is \$2 or more, pay in full with this form.	17		
18 If line 7 is less than line 13, enter the amount of overpayment. The overpayment amount will be transferred to the next year. Do not take any credit on Form 941N unless it is shown on the previous balance line of Form 941N (must complete the Reason for Overpayment section below)	18	\$	

**Reason for Overpayment** (must complete if line 18 overpayment is claimed)

Under penalties of perjury, I declare that as taxpayer or preparer I have examined this reconciliation, and to the best of my knowledge and belief, it is true, correct, and complete.

sign  
here

Authorized Signature

Date

Signature of Preparer Other than Taxpayer

Date

Title

Daytime Phone

Address

Daytime Phone Number

Email Address

The Nebraska copies of Forms W-2, W-2G, 1099-R, and 1099-MISC must be e-filed or attached to this reconciliation.

E-file or mail this Form W-3N and remit payment. If you are filing more than 50 Forms W-2 or 1099 with Nebraska income tax withholding, you must e-file them.

Nebraska Department of Revenue, PO Box 98915, Lincoln, NE 68509-8915

Please retain a copy for your records.

## Instructions

**Who Must File.** Every employer or payor withholding Nebraska income taxes from employees or payees must file a Nebraska Reconciliation of Income Tax Withheld, Form W-3N. You must apply for an income tax withholding number on a [Nebraska Tax Application, Form 20](#). You will be issued an income tax withholding certificate by the Nebraska Department of Revenue (Department).

If you are licensed for income tax withholding, you must file a Form W-3N, even if no payments were made that were subject to income tax withholding, or if the license was cancelled during the year.

**When and Where to File.** E-file or **attach** the Nebraska copies of the following federal withholding forms for each employee or payee who had Nebraska income tax withheld:

1. Wage and Tax Statement, Federal Form W-2;
2. Statement for Recipients of Certain Gambling Winnings, Federal Form W-2G;
3. Distribution from Pensions, Annuities, Retirement, or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., Federal Form 1099-R; and
4. Statement for Recipients of Miscellaneous Income, Federal Form 1099-MISC.

Employers reporting Nebraska income tax withholding on more than 50 state copies of Forms W-2 and 1099 must e-file these forms. Please refer to [revenue.nebraska.gov](http://revenue.nebraska.gov) for more information on e-filing. Form W-3N can be filed using the Department's NebFile for Business filing program.

Form W-3N is due on February 1, following the close of the tax year, along with payment of any amount shown on line 17. If required, payment must be made by electronic funds transfer (EFT). Do not send any other remittance with the Form W-3N. Checks written to the Nebraska Department of Revenue may be presented for payment electronically.

**Extension of Time.** An extension of time to file Form W-3N may be requested in writing and must be received by the Department by February 1. The request should include the employer's or payor's Nebraska ID number and the period of time for which an extension is requested. An extension may be granted for a period not to exceed 45 days from the original due date. Mail this request to: Nebraska Department of Revenue, PO Box 98915, Lincoln, NE 68509-8915.

Any extension granted does not extend the time allowed to submit copies of federal income tax withholding forms to employees or payees. The employee's copy must be received by February 1 following the close of the calendar year. If employment is terminated before the close of the year, then the employer must provide the employee's copy of the applicable form within 30 days after the last payment.

**Electronic Filing.** The Nebraska Department of Revenue (Department) encourages all taxpayers to file and pay electronically. Taxpayers required to pay electronically or by credit card are also required to e-file the Form 941N. Beginning in 2017, the Department will not mail Form 941N to anyone required to pay electronically or to anyone who has e-filed Form 941N in the past. If you have questions about electronic filing or payment options, visit [revenue.nebraska.gov](http://revenue.nebraska.gov).

**Preidentified Return.** This return should be used only by the taxpayer whose name is printed on it. Do not file returns that are photocopies, are for another tax year, or have not been preidentified. If you have not received a return for the tax year, and will be filing a paper return, visit the Department's website to print a Form W-3N. Complete the ID number, tax year, name, and address information.

**Penalty and Interest.** Penalty and interest are imposed for failure to timely remit income tax withheld. A 5% penalty plus interest are due with this form if a balance due is shown on line 14 and is being paid after the January 31 payment due date. Refer to [Revenue Ruling 99-16-1](#) and [Regulation 21-016](#) for additional information. If line 14 is zero or

a credit, do not compute lines 15 and 16. Interest is at the rate shown on line 16.

A penalty of \$2 per statement, not to exceed \$2,000, may be imposed by the Department for failure to file the state copy of all federal withholding forms on or before the due date of Form W-3N, or for failure to e-file when filing more than 50 forms.

### Specific Instructions

**Lines 2 Through 5.** Enter the total Nebraska income subject to income tax withholding as shown on all federal income tax withholding forms. When making entries on lines 2 through 5, only include amounts once. These lines must be completed regardless of the method used to file these forms (for example, actual forms, e-filing, or combined federal/state filing).

**Line 4.** Enter any Nebraska income tax withholding shown on Federal Forms 1099-R.

**Line 5.** Enter the amount of nonemployee compensation that was subject to income tax withholding as nonresident personal service payments shown on Federal Form 1099-MISC. The amount entered should be the gross amount of payment before deduction of expenses. Also include on this line any mandatory 5% income tax withholding made by construction contractors for payments made to subcontractors. Please refer to "[Important Information for Contractors Performing Construction Services in Nebraska Effective January 1, 2010](#)," for more information.

**Line 8.** Enter the total amount of tax incentive compensation credits used during this reporting year. If the Department has preidentified an amount on this line, you must correct it to reflect any amount of incentive compensation credit taken on your fourth quarter, Form 941N. If the annual reconciliation of your income tax withholding shows additional tax due, and you wish to offset it with available tax incentive compensation credits, also add this amount to line 8. Attach the [Incentive Withholding Worksheet](#) which is available at [revenue.nebraska.gov](http://revenue.nebraska.gov).

**Lines 9 Through 11.** These amounts are the amounts of tax reported on the quarterly returns received and processed by this Department. Do not change any of these amounts without first contacting the Department. These amounts represent tax only and do not include any penalty or interest paid. No payments of penalty and interest may be applied to the tax due.

**Line 12.** Enter only the amount of tax reported on the Form 941N for the tax period ending December 31. **Annual filers should enter the tax reported for the entire year.** Do not include any penalty and interest paid with your Form 941N.

**Line 17.** Any balance due of \$2 or more must be paid.

**Line 18. Any amount entered as an overpayment must be explained in the space provided.** As part of the explanation, include the total Nebraska income tax withheld for each quarter, and the total Nebraska income tax withholding paid to the Department for each quarter.

An overpayment of \$2 or more will be transferred to the next tax year. The Department will verify the overpayment and the credit will show on your Form 941N. **Do not use the resulting credit until it appears on the previous balance line of Form 941N.**

An overpayment of \$2 or more will be refunded if this is your final return, or if you indicate in your explanation that the overpayment exceeds the amount of tax you expect to owe next year.

**Signatures.** Form W-3N must be signed by the taxpayer, partner, member, or corporate officer. If the taxpayer authorizes another person to sign the form, there must be a power of attorney on file with the Department.

Any person paid for preparing a taxpayer's Form W-3N must also sign the form as preparer.

**Visit [revenue.nebraska.gov](http://revenue.nebraska.gov), or call 800-742-7474 (NE and IA) or 402-471-5729.**