


EY Payroll NewsFlash Workforce Tax Services

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Iowa updates income tax withholding reporting requirements, establishes penalty for late and inaccurate Forms W-2/1099

Summary

- *Legislation adopts the administrative policy that the due date for filing Iowa Forms W-2/1099 is February 15.*
- *A penalty of \$500 applies to each occurrence of filing a late or inaccurate Form W-2/1099.*
- *Starting with tax year 2022, the Verified Summary of Payments (VSP) is no longer required.*

The Iowa Department of Revenue (IDR) has issued [proposed rulemaking](#) that implements law changes enacted this year under [HF 2552](#) and makes other changes to better conform the law changes with how the IDR currently administers withholding filings. The IDR [website](#) is updated to reflect these updated rules.

A list of changes effective beginning with tax year 2022 follows:

- The due date for filing Forms W-2/1099 with the IDR is updated from the last day of February to February 15, in line with current IDR policy
- In addition to other penalties that may apply, a penalty of \$500 applies to each time the payer issues or files an inaccurate or late Form W-2/1099

- The VSP report is no longer required. The VSP was due February 15 of the year following the year in which covered payments were made
- All Forms W-2/1099 with Iowa income tax withholding must be filed using [GovConnectIowa](#)

Contact us for more information

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