KPMG

State IRP Alert

Taking the complexity out of compliance

Information reporting and withholding tax services

State information reporting and withholding (IRW) requirements and forms are constantly changing, and it can be costly and time consuming to track these details.

KPMG Information Reporting and Withholding Tax Services professionals closely monitor these developments and deliver weekly bulletins and up-to-date state-by-state tracking.

The KPMG State IRP (Information Reporting practice) Alert service can help you reduce costs and resources devoted to identifying, researching, and summarizing state regulatory efforts in the IRW space. This service provides information across a wide spectrum of clients including banks, mutual funds, manufacturers, consumer product companies, insurance companies, and trust companies.

About the State IRP Alert service

Subscribers receive weekly bulletins providing updates on interest rate/penalty changes, federal/state conformity updates, e-filing requirements, and the issuance of new state-specific documents.

State-by-state tables deliver the details your organization needs to know for filing, from whether withholding is required and how to deposit withholding to when reporting is required. You will also find e-filing requirements, state-by-state contacts, and more.

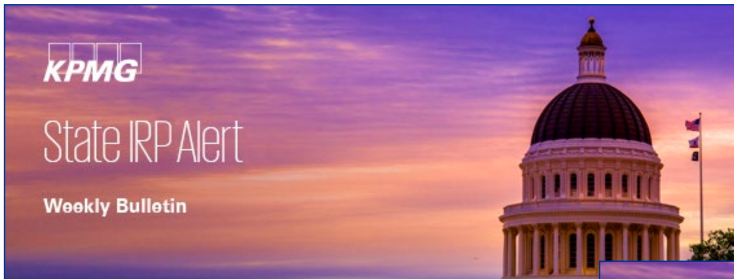
Subscribers also receive access to tables providing detailed state-by-state requirements.

The tables cover:

- Withholding requirements for qualified retirement plan distributions
- Withholding requirements for IRA distributions
- Annual reconciliation report of withholding and state Form 1099-R filing requirements
- Requirements for filing Form 5498
- Withholding and reporting requirements for Forms 1099-B, 1099-DIV, 1099-INT, and1099-OID
- Requirements to withhold and report on interest/dividends that are federally tax exempt
- Penalty and interest provisions for failures in withholding or reporting and state amnesty programs
- Withholding and reporting requirements for Forms 1099-MISC and 1099-NEC
- Withholding and reporting requirements for Form 1099-K and reporting requirements for Forms 1099-A and 1099-C
- Summary of due dates for Forms 1099 and annual reconciliations of withheld tax, plus notable filing changes for the year.

State IRP Alert samples

These are snapshots of State IRP Alerts. Each issue will contain detailed information on the week's news items.*



State Filing Requirements: Back to Basics

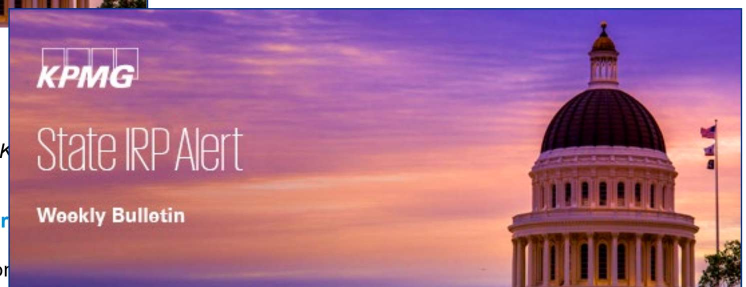
Access the State IRP Alerts in an interactive format through K
Gateway Platform, [here](#).

Back to Basics: The Combined Federal State Filing Progr

As taxpayers work to become compliant with state informatio
requirements, many businesses increasingly rely on the Com
State Filing Program (CFSFP). However, many taxpayers are
becoming aware that their filings do not satisfy state reporting
due to a number of reasons, including updated state filing req
disallow use of the CFSFP or even state reporting nuances th
may be unaware of. Despite their best efforts to comply via th
taxpayers are receiving state notices. This issue will only esca
agencies shift focus to issues such as unreported gig econom
addition, some states have begun implementing updated proc
with more efficient matching programs, allowing states agenc
identify information reporting deficiencies. Thus, taxpayers sh
review their processes in order to determine whether they are
the program and update processes to include direct reporting
The guide below provides a high-level review of the CFSFP, a
that may derail efforts to utilize the program.

Background:

The CFSFP was introduced by the Internal Revenue Service
help reduce taxpayer compliance efforts by forwarding certai
participating states. Thus, taxpayers are spared the additiona
burden of filing each form separately for federal and state pur
level, the IRS collects information for original and corrected re
through the Filing Information Returns Electronically (FIRE) sy
makes that information available to participating states by upl
information to the CFSFP system (provided in roughly six run
Participating states are then able to go to the system and pull



Week of October 07, 2022

Access the State IRP Alerts in an interactive format through KPMG's Digita
Gateway Platform, [here](#).

State Withholding and Reporting – Table Updates

Included in this week's State IRP Alerts Weekly Bulletin are the following state tax information reporting and withholding developments:

1. Minnesota – Issued Updated Form W-4MNP
2. Oklahoma – Issued Forms OK-W-4-P and OK-W-4-R
3. North Carolina – Issued Disaster-Related Extensions
4. Missouri – Reduced Income Tax Rate
5. Pennsylvania – Issued Information on New Tax Filing System
6. Oregon – Proposal to Increase Annual Interest Rate
7. IRS – Published 2022 Version of Publication 1220
8. IRS – Issued Draft 2023 Form W-4R

Please note that Tables 1, 2, 3, 8, and 10 have been updated where indicat
in the tables (full set attached) based on the recent state tax developments.

1. Minnesota – Issued Updated Form W-4MNP

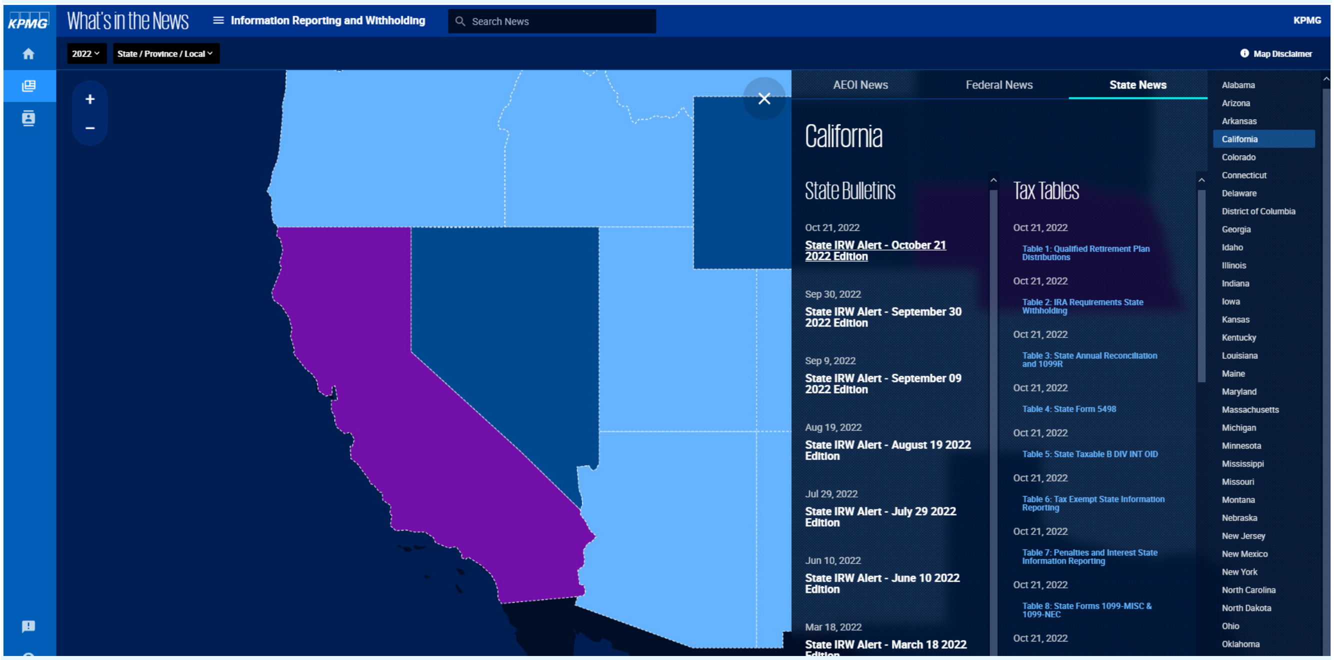
The Minnesota Department of Revenue (DOR) recently issued an updated version of Form W-4MNP, *Minnesota Withholding Certificate for Pension or Annuity Payments.* The updated version includes specific instructions for calculating withholding on periodic and non-periodic distributions which wer
previously provided in the withholding tax instructions guide, including instructions to determine withholding when a payee does not complete Forr
W-4MNP. In such cases, the payor can use the allowances from a prior yea

* The information contained in the State IRP Alerts is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

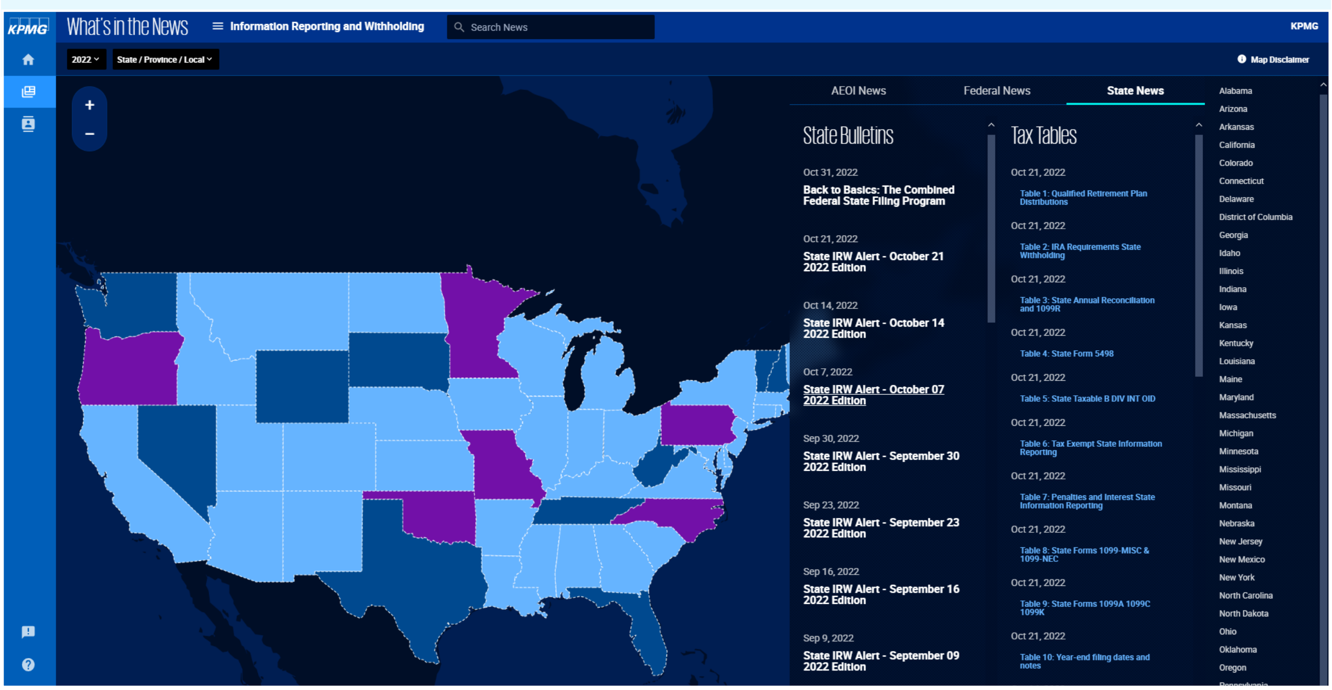
KPMG Digital Gateway

KPMG Digital Gateway has been established as the content sharing site for the KPMG State IRW tables and weekly bulletins. As a subscriber, you will be able to access the KPMG Digital Gateway site to view content via a map control, which will allow you to filter information by state, providing an efficient and user-friendly research format.

IRW State Digital Gateway Portal_State: The KPMG Digital Gateway dashboard can be filtered by state and year to help subscribers streamline their review of state IRW updates.



IRW State Digital Gateway Portal_US Map: Subscribers have access to all state IRW news and tables through links on the KPMG Digital Gateway dashboard, including information on state Form 1099 reporting requirements, qualified retirement plan distributions, and IRA withholding.



Contact us

To learn more about KPMG Information Reporting and Withholding Tax Services, which offers a wide range of information reporting consulting services and technology solutions to help financial services entities and multinational companies comply with U.S. and foreign withholding requirements and reporting regimes, contact one of the following professionals or visit read.kpmg.us/irw:

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