

Income/Franchise:

Kansas DOR Explains New Withholding Option for Businesses with Pandemic-Related Telecommuters

Notice 21-3, Kan. Dept. of Rev. (7/19/21). The Kansas Department of Revenue issued a notice addressing new law [see S.B. 47 (2021), and *State Tax Matters*, Issue 2021-20, for more details on this recently enacted legislation] that includes an option for employers to withhold income tax from employees based on the state of the employee's primary work location rather than on the location from which the employee is teleworking due to the COVID-19 pandemic. The notice explains that this option is allowed for tax years 2021 and 2022 only and is effective for wages paid from January 1, 2021 through December 31, 2022. Additionally, the notice clarifies that "the employer's decision with regard to withholding will not affect either the calculation of a taxpayer's liability or a jurisdiction's authority to impose and collect tax." Please contact us with any questions.

URL: <https://www.ksrevenue.org/taxnotices/notice21-03.pdf>

URL: http://kslegislature.org/li/b2021_22/measures/SB47/

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210521_6.html

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