

FORM W-1 INSTRUCTIONS TAX YEAR 2023

General Information	Employers are required to withhold Occupational License Fees/Taxes from the gross salaries, wages, commissions, and other forms of compensation earned by employees for work performed within Louisville Metro Kentucky. Louisville Metro includes the area within the boundaries of Jefferson County, Kentucky. A full list of types of compensation subject to occupational tax can be found in Louisville Metro Regulations §1.05 (D) .			
Tax Rates	<ul style="list-style-type: none"> • Resident employees – Employees who work and live in Louisville Metro, Kentucky, are subject to a tax rate of 2.2% (.0220). The rate for resident employees is composed of: <ul style="list-style-type: none"> ○ Louisville Metro 1.25% (.0125) ○ Transit Authority of River City .2% (.0020) ○ School Boards Tax .75% (.0075) • Non-resident employees – Employees who work in Louisville Metro, Kentucky, but live outside Louisville Metro, Kentucky, are subject to a tax rate of 1.45% (.0145). The rate for non-resident employees is composed of: <ul style="list-style-type: none"> ○ Louisville Metro 1.25% (.0125) ○ Transit Authority of River City .2% (.0020) • Resident ordained ministers – Ordained ministers who work and live in Louisville Metro, Kentucky are subject to .75% (.0075) School Boards Tax for services connected with their regular duties as a minister of religion. 			
When To File	Form W-1 must be hand-delivered or postmarked the last day of the month following the close of the calendar quarter.			
	License Fee Return for:	Filed by:		
	1 st Quarter (Jan 1 – Mar 31)	April 30		
	2 nd Quarter (Apr 1 – Jun 30)	July 31		
	3 rd Quarter (Jul 1 – Sep 30)	October 31		
	4 th Quarter (Oct 1 – Dec 31)	January 31		
e-File Mandate	Any business entity required to report more than 25 reports (payee records) on behalf of themselves or a tax return preparer that files 10 or more reports for their clients must submit the records electronically. (LMCO §110.18(A)(2)) There are two methods that meet the e-filing requirement via our online portal (https://emints.metrorevenue.org): <ul style="list-style-type: none"> • eMINTS bulk upload method <ul style="list-style-type: none"> ○ Preferred Method ○ Must have a logon with our online portal to upload. ○ Submissions must follow the W-1 specifications on the forms and publications page. • eMINTS Single W-1 Submission Method <ul style="list-style-type: none"> ○ Must have a logon with our online portal to key information directly. ○ Navigate to the quarter end filing period within the W-1 account and file Form W-1. CD submission does not meet the electronic filing requirement.			
Where To File	If a return is filed manually, it should be mailed to the Louisville Metro Revenue Commission, P.O. Box 32300, Louisville, Kentucky 40232-2300 , or hand-delivered to 617 West Jefferson Street, Louisville, Kentucky 40202 . All checks should be made payable to the Louisville Metro Revenue Commission and include Account ID. Please do not send general correspondence with this form/payment to this address.			
Requirement For Payment of Monthly Deposits	Every employer who is responsible for withholding occupational license fees/taxes greater than \$3,000.00 during any one of the preceding four (4) quarters must submit monthly deposits of the occupational license fees/taxes withheld to the Louisville Metro Revenue Commission. All monthly withholding tax deposits are due 15 days after the month end.			
	Month Wages Were Withheld	Deposit Due Date	Month Wages Were Withheld	Deposit Due Date
	January	February 15	July	August 15
	February	March 15	August	September 15
	March	April 15	September	October 15
	April	May 15	October	November 15
	May	June 15	November	December 15
	June	July 15	December	January 15
Penalties For Failure To File and/or Pay	There is a five percent (5%) penalty per month, or a fraction of a month, to a maximum of twenty-five percent (25%) of the total tax liability, for failure to file and/or pay a tax return by the regular due date. Pursuant to KRS 67.790, there is a minimum \$25.00 penalty for failure to file any return or report by the due date.			
Interest	Interest is computed at twelve percent (12%) per annum from the original due date until the date of full payment of tax due.			

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READ THE INSTRUCTIONS BELOW TO COMPLETE FORM W-1

Demographics	<ul style="list-style-type: none"> • Enter full legal name under applicable section. (i.e., Individual/Sole Proprietor or Corporation/Partnership) <ul style="list-style-type: none"> ○ If you are filing as an Individual/Sole Proprietor, you must provide your Social Security number. ○ If you are filing as a Corporation/Partnership, you must provide your Federal ID number. • Enter your current address. If your address has changed, check the box, and provide new the address. • All returns must include Account ID and Tax Year Ending (MM/DD/YYYY). • Include email address of the individual to contact for questions regarding the extension request. 																																					
Return Status	<ul style="list-style-type: none"> • No Employees – Check this box if the employer did not have employees during the quarter. W-1 must be filed even if employer did not have employees during the quarter. • Amended Return – Check this box if you are amending the return. • Final Return – Check this box if you permanently ceased having employees in Louisville Metro; you must provide a cease date. 																																					
Withholding Calculation	Line 1	Enter the gross wages paid to all employees for work that was performed within Louisville Metro, Kentucky. (Excludes amounts earned by ordained ministers)																																				
	Line 1(a)	Multiply Line 1 by .0145 (Louisville Metro Tax 1.25% (.0125) and Transit Authority Tax .2% (.0020))																																				
	Line 2	Determine what portion of the total Louisville Metro, Kentucky wages (entry on Line 1) were paid to employees who did not live in Louisville Metro, Kentucky, during the quarter. Enter the total on Line 2. (Excludes amounts earned by ordained ministers)																																				
	Line 3	Subtract Line 2 from Line 1. This figure represents the total wages paid to employees who lived in Louisville Metro, Kentucky, for work that they performed in Louisville Metro, Kentucky.																																				
	Line 4	Enter the gross wages paid to ministers who live and work in Louisville Metro, Kentucky.																																				
	Line 5	Add Line 3 and Line 4. This is the total payroll subject to the School Boards Tax.																																				
	Line 5(a)	Multiply wages subject to the school boards tax (Line 5) by .0075																																				
	Line 6	Add Line 1(a) and Line 5(a). This represents the total tax due .																																				
Payments & Credits	Line 7	If return is filed past the due date, refer to Penalty and Interest sections above.																																				
	Line 8	<p>Complete this line only for employees with tip income.</p> <p>Enter total of employees with tip income taxes not withheld by employer. Do not adjust any of the wage totals on the W-1 fields to account for tip income taxes not withheld.</p> <p>To calculate the total wages for employees with tips not included in the W-1 wage calculations field, use the following steps:</p> <ol style="list-style-type: none"> 1. Determine if the employee with tips should be taxed at the resident or non-resident rate. <ol style="list-style-type: none"> a. Resident Tax Rate = 2.2%, Non-resident Tax Rate = 1.45% 2. Calculate Tax Due per employee with tips. <ol style="list-style-type: none"> a. Employee Wages * Tax Rate = Employee Tax Due 3. Calculate tax owed by employee with tips. <ol style="list-style-type: none"> a. Employee Total Tax Due – Tax withheld by employer = Tax Owed by Employee with Tips 4. Calculate Total Employee with Tips Taxes Not Withheld by Employer. <ol style="list-style-type: none"> a. Total tax owed by all employees with tips not withheld by employer 5. Report the tip income tax shortage (Line 8). <ol style="list-style-type: none"> a. This total will reduce the tax liability for the employer. This tax should be paid by the employee with tip income. They are required to file and pay a Form OL-3 Occupational License Tax Return for the tax shortage owed. <p>Example:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Employee Name</th> <th>Employee Wages</th> <th>Tax Rate</th> <th>Employee Tax Due</th> <th>Taxes Withheld by Employer</th> <th>Tax Owed by Employee with tips</th> </tr> </thead> <tbody> <tr> <td>A</td> <td>15,000.00</td> <td>0.0220</td> <td>330.00</td> <td>200.00</td> <td>130.00</td> </tr> <tr> <td>B</td> <td>10,000.00</td> <td>0.0145</td> <td>145.00</td> <td>145.00</td> <td>0.00</td> </tr> <tr> <td>C</td> <td>25,000.00</td> <td>0.0220</td> <td>550.00</td> <td>20.00</td> <td>530.00</td> </tr> <tr> <td>D</td> <td>30,000.00</td> <td>0.0145</td> <td>435.00</td> <td>300.00</td> <td>135.00</td> </tr> <tr> <td colspan="5">Tip Income Tax Shortage</td> <td>795.00</td> </tr> </tbody> </table> <p>Maintain detailed records of employees with tip income. You may be asked to submit them for further review or auditing purposes.</p>	Employee Name	Employee Wages	Tax Rate	Employee Tax Due	Taxes Withheld by Employer	Tax Owed by Employee with tips	A	15,000.00	0.0220	330.00	200.00	130.00	B	10,000.00	0.0145	145.00	145.00	0.00	C	25,000.00	0.0220	550.00	20.00	530.00	D	30,000.00	0.0145	435.00	300.00	135.00	Tip Income Tax Shortage					795.00
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Line 9	Add Line 6 (total tax due) and Line 7 (penalty and interest) and subtract Line 8 (tip income tax shortage). This represents the total amount due .																																					
Line 10	Enter the amount of tax that should have been withheld during each month of the quarter on the																																					

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	appropriate lines. (i.e. 10a, 10b, 10c)
Line 11	Add Lines 10a, 10b, and 10c. This figure is the total deposits paid for the quarter. This figure must be equal to Line 6 (Total Tax Due).
Line 12	If Line 9 (total amount due) is greater than Line 11 (total deposits), the additional amount is to be paid.
Line 13	If total deposits (Line 11) is greater than total amount due (Line 9), enter the amount on Line 13 to have overpayment credited to the next quarter. If prior unpaid balances exist, the overpayment will offset any withholding debt before being credited to next quarter.
Line 14	If total deposits (Line 11) is greater than total amount due (Line 9), enter the amount on Line 14 to have overpayment refunded. If prior unpaid balances exist, the overpayment will offset any withholding debt before being refunded.
Signature	<ul style="list-style-type: none"> • If the form is being filed by a sole proprietor, it must be signed and dated by that individual. • If the form is being filed by a corporation, it must be signed and dated by a corporate officer. • If the form is being filed by a partnership, it must be signed and dated by a general partner.
Preparer	If the form is filed by a third party (CPA/Payroll Company), "Preparer Use Only" section on the bottom of the form must be completed. If the Preparer does not have a PTIN, it may be left blank.