

**WISCONSIN DEPARTMENT OF REVENUE
DIVISION OF INCOME, SALES, AND EXCISE TAX**

NOTICE OF PROPOSED GUIDANCE DOCUMENTS

Pursuant to sec. 227.112, Wis. Stats., the Wisconsin Department of Revenue, Division of Income, Sales, and Excise Taxes hereby seeks comment on the proposed guidance document listed in the table below.

SUBMITTING PUBLIC COMMENTS

Public comments on proposed or adopted guidance documents may be submitted online at: <https://www.revenue.wi.gov/Pages/contactUs/proposed-Guidance.aspx>.

DEADLINE FOR SUBMISSION

The period for public comment for proposed guidance documents ends 21 days after publication in the Administrative Register, unless the Governor approves a shorter commenting period.

Document Number	Document Title
100080	Individual Income Tax Part-Year and Nonresidents - Common Questions

State of Wisconsin
Department of Revenue

Individual Income Tax Part-Year and Nonresidents

This is a proposed guidance document. The document has been submitted to the Legislative Reference Bureau for publication in the Administrative Register for public comment as provided by sec. 227.112(1), Wis. Stats.

1. Must I file a Wisconsin income tax return?
2. What income does Wisconsin tax?
3. I am a nonresident of Wisconsin. I sold real estate located in Wisconsin. Do I have to report the sale of this property to Wisconsin?
4. I am a nonresident of Wisconsin. I won \$5,000 from the Wisconsin Lottery. Am I subject to Wisconsin income tax?
5. I am a nonresident of Wisconsin. I won \$500 in the Wisconsin Lottery. I have no other gross income taxable by Wisconsin. Am I subject to Wisconsin income tax?
6. I am a nonresident of Wisconsin. I purchased a Powerball ticket in Wisconsin and won two million dollars. Am I subject to Wisconsin income tax?
7. I am a nonresident of Wisconsin and operate a sole proprietorship business partly within and partly outside of Wisconsin. Am I subject to Wisconsin income tax?

1. **Must I file a Wisconsin income tax return?**

If you are a nonresident or part-year resident of Wisconsin and your Wisconsin gross income (or the combined gross income of you and your spouse) is \$2,000 or more, you must file a Form 1NPR, *Nonresident and Part-Year Resident Income Tax Return*. The Form 1NPR and instructions can be downloaded from our [website](#).

Gross income means all income (before deducting expenses) reportable to Wisconsin which you received in the form of money, property, or services. It does not include items that are exempt from Wisconsin income tax, such as U.S. government interest.

- For additional filing requirements, please see [page 4 of the Form 1NPR instructions](#).

Note: Even if you do not have to file, if you had Wisconsin income tax withheld from your wages or you paid estimated tax, you should file a Wisconsin return since this is the only way to get a refund.

For more detailed information see [Publication 122, Tax Information for Part-Year and Nonresidents of Wisconsin](#). In addition, see the [Form 1NPR instructions](#).

2. What income does Wisconsin tax?

Nonresidents - Wisconsin taxes only your income from Wisconsin sources.

Part-year residents - During the time you are a Wisconsin resident, Wisconsin taxes your income from all sources. During the time you are not a resident of Wisconsin, Wisconsin only taxes your income from Wisconsin sources.

3. I am a nonresident of Wisconsin. I sold real estate located in Wisconsin. Do I have to report the sale of this property to Wisconsin?

Yes, any gain or loss from the sale of real estate located in Wisconsin must be reported to Wisconsin regardless of the owner's state of residence. For more information on how to report this income, see the Wisconsin [Form 1NPR instructions](#).

Unless the gain is reported on the installment basis, payment of estimated tax is due on the gain from the sale at the date of the sale and not when the taxpayer receives the sale proceeds. This applies even if the nonresident taxpayer had no Wisconsin filing requirement the previous year. Payments should be made with [Form 1-ES, Wisconsin Estimated Income Tax Voucher](#) for the taxable year. In addition, see the [Form 1-ES instructions](#).

4. I am a nonresident of Wisconsin. I won \$5,000 from the Wisconsin Lottery. Am I subject to Wisconsin income tax?

Yes. A nonresident of Wisconsin is taxed on lottery winnings from the Wisconsin Lottery. Since you have Wisconsin gross income, including any Wisconsin lottery winnings, of \$2,000 or more, you are required to file a Wisconsin income tax return and pay Wisconsin income tax on the lottery winnings.

5. I am a nonresident of Wisconsin. I won \$500 in the Wisconsin Lottery. I have no other gross income taxable by Wisconsin. Am I subject to Wisconsin income tax?

Although the winnings are taxable for federal and Wisconsin income tax purposes, you are not required to file a Wisconsin income tax return and report the taxable lottery winnings because your Wisconsin gross income is less than \$2,000 for the year.

6. I am a nonresident of Wisconsin. I purchased a Powerball ticket in Wisconsin and won two million dollars. Am I subject to Wisconsin income tax?

Yes. A nonresident of Wisconsin is taxed on winnings from a multi-jurisdictional lottery, such as Powerball, if the multi-jurisdictional lottery ticket was purchased from a retailer in Wisconsin. Since you have Wisconsin gross income, including lottery winnings, of \$2,000 or more, you are required to file a Wisconsin income tax return and pay Wisconsin income tax on the lottery winnings.

For more detailed information, please see [Publication 600, Wisconsin Taxation of Lottery Winnings](#).

7. I am a nonresident of Wisconsin and operate a sole proprietorship business partly within and partly outside of Wisconsin. Am I subject to Wisconsin income tax?

You must assign a portion of your business income to Wisconsin. For information on how to calculate the portion to assign to Wisconsin see [Publication 122](#), *Tax Information for Part-Year Residents and Nonresidents of Wisconsin*.

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations in effect as of October 8, 2019: Subchapter III of Ch. 77, Wis. Stats.

Laws enacted and in effect after October 8, 2019, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to October 8, 2019, that is contrary to the information in this document is superseded by this document, pursuant to sec. 73.16(2)(a), Wis. Stats.

FOR QUESTIONS OR COMMENTS CONTACT:

MS 5-77

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