

**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
100263	Audit and Collection Relief Related to COVID-19 - Information Article

State of Wisconsin
Department of Revenue

Audit and Collection Relief Related to COVID-19

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.

To help citizens and businesses facing the challenges of COVID-19, the Department of Revenue announced today a series of steps to ease payment guidelines and postpone audit actions.

"The Department is taking steps to help the people of our state," said Secretary Peter Barca. "In addition to extending tax deadlines and providing [new guidance](#) related to extension of April 15 filing and payment dates to July 15, the Department is taking actions to ease the burden on citizens and businesses during this difficult time. We want people focused on their families and well-being. We are temporarily adjusting our payment and compliance processes to help."

"Department of Revenue employees care about our state, and they have a strong desire to help," Barca said. "These adjustments reflect just one of many ways our employees are working hard every day to provide the best possible customer service. We want to be part of the solution to improve the lives of citizens of this state."

These steps range from postponing certain payments related to installment agreements to limiting certain audit actions. The Department will be temporarily adjusting the following activities from April 1 through July 15, 2020.

New Installment Agreements – The Department reminds taxpayers unable to fully pay their state taxes that they can resolve outstanding liabilities by entering into a monthly payment agreement with the Department. Many installment agreements are automatically approved. See further information [here](#).

Existing Installment Agreements – Taxpayers who are unable to comply with the terms of an existing installment agreement may request to suspend payments between April 1 and July 15, 2020. Furthermore, the Department will not default any installment agreements during this period. By law, interest will continue to accrue on any unpaid balances. Please call (608) 266-7879 for assistance.

Petition for Compromises – The Department is taking several steps to assist taxpayers in various stages of the Petition for Compromise process:

- **New Petition for Compromise** – The Department reminds taxpayers that may never be able to pay their total tax obligation that the Petition for Compromise process is designed to help. [Further information](#) is available.
- **Pending Petitions** – The Department will allow taxpayers until July 15 to provide requested additional information to support a pending petition. In addition, the Department will not close any pending petitions before July 15, 2020, without the taxpayer's consent.
- **Petition for Compromise Payments** – Taxpayers have the option of suspending all payments on accepted compromises until July 15, 2020, although by law, interest will continue to accrue on any unpaid balances.
- **Delinquent Return Filings** – The Department will not default a Petition for Compromise for those taxpayers who are delinquent in filing their tax returns. However, taxpayers should file any delinquent tax returns on or before July 15, 2020.

Automated Collection Actions – New levies of wages and assets will not be issued during this period unless a collection agent determines that the state is at risk and immediate collection action is warranted. If current wage or asset levies are causing a hardship, contact Department staff at (608) 266-7879 to request a reduction or suspension of payments until July 15, 2020.

Non-Filers – The Department reminds taxpayers who have not filed their Wisconsin income tax returns for tax years before 2019 that they should file their delinquent returns. Taxpayers that haven't filed tax returns during the last four years may actually be eligible for refunds; they still have time to claim these refunds.

Office and Field Audits – During this period, the Department will generally not start new field audits of small businesses. However, the Department may start new field audits where the Department deems it necessary to protect the state's interest in preserving the applicable statute of limitations.

- **In-Person Meetings** – In-person meetings regarding current office and field audits will be suspended.
- **Continuation of Audits Remotely** – Even though auditors will not hold in-person meetings, they will continue their audits remotely, where possible. To facilitate the progress of open audits, taxpayers are encouraged to respond to any requests for information they already have received - or may receive - on all audit activity during this period if they are able to do so.
- **Postponement of Audits and Extensions** – Particularly for some corporate and business taxpayers, the Department understands that there may be instances where the taxpayers desire to begin or continue an audit while their own employees and records are available and respective staffs have capacity. In these instances, taxpayers may postpone audits or request extensions to respond to requests for information. Please email your auditor for assistance.
- **To Stop Accumulation of Interest** – Taxpayers may file amended returns and pay the amount they estimate they owe.

Earned Income Tax and Homestead Credit Claims – Extra staff have been placed on reviews of pending 2019 earned income tax and homestead credits to expedite refunds.

Earned Income Tax and Homestead Credit Reviews – Taxpayers have until July 15, 2020, to respond to the Department to verify that they qualify for the 2019 Earned Income Tax Credit or to verify their 2019 household income for Homestead Credit. These taxpayers are encouraged to exercise

their best efforts to obtain and submit all requested information, and if unable to do so, contact the Department indicating the reason such information is not available. Until July 15, 2020, the Department will not deny these credits for a failure to provide requested information.

Appeals – The Office of General Counsel and resolution officers will continue to work to resolve pending appeals. Although in-person meetings will be suspended, taxpayers should know that Department staff may be available to discuss their cases by telephone or videoconference. To the extent they can, taxpayers are encouraged to promptly respond to any outstanding requests for information.

Statute of Limitations – The Department will continue to take steps where necessary to protect all applicable statutes of limitations. In instances where statute expirations might be jeopardized during this period, taxpayers are encouraged to cooperate in extending such statutes. Otherwise, the Department will issue Notices of Amount Due, Appeals Actions, or Denials of Claim for Refund to protect the interests of the state. Where a statutory period is not set to expire during 2020, the Department is unlikely to pursue the foregoing actions until at least July 15, 2020.

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations enacted as of March 27, 2020: Chapters 71, 73, 77, 78, and 139, Wis. Stats., and chs. Tax 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, and 14, Wis. Adm. Code.

Laws enacted and in effect after March 27, 2020, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to March 27, 2020, 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:

Audit Assistance: (608) 266-2486 or DORIncome@wisconsin.gov

Appeals Assistance: (608) 266-0185 or DORAppeals@wisconsin.gov

Overdue Tax or Debts Assistance: (608) 266-7879 or DORCompliance@wisconsin.gov

Guidance Document Certification: <https://www.revenue.wi.gov/Pages/Certification-Statement.aspx>

Guidance Document Number: 100263

March 27, 2020

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