

**Nebraska Income Tax Withholding on Wages,
Pensions and Annuities, and Gambling Winnings
Paid on or after January 1, 2024**

**2024
Nebraska
Circular EN**

This Circular EN replaces the
2023 Circular EN

NEBRASKA

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DEPARTMENT OF REVENUE

Notice to Employers

Important Information for Nebraska Income Tax Withholding

Electronic Filing and Payment Mandates. Payments for income tax withholding must be made electronically if the total payments made in any prior year exceeded \$5,000. Employers with more than 50 wage and tax statements (W-2, W-2G, 1099-R, 1099-MISC and 1099-NEC) must file those statements electronically. All other employers are encouraged to electronically pay the income tax withholding; and e-file the Forms W-3N and the wage and tax statements. All other employers are encouraged to electronically pay the income tax withholding; and e-file the Forms W-3N and the wage and tax statements.

Example. An employer makes income tax withholding payments exceeding \$5,000 in 2022. Beginning July 1, 2023 and subsequent years, the employer must make all income tax withholding tax payments electronically.

All employers, even those who have not made payments that exceed the threshold of \$5,000, are strongly encouraged to e-file and make income tax withholding payments electronically.

Special Income Tax Withholding Procedures. Every employer with more than 24 employees must withhold at least 1.5% of each employee's taxable wages. A lesser amount may be withheld if the employee provides documentation justifying a lesser amount. Documentation may include:

- Verification of children/dependents;
- Marital status; and/or
- The amount of itemized deductions.

See additional information on page 8.

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