

**Nebraska Income Tax Withholding
Certificate for Nonresident Individuals**
• Use Federal Forms 1099-NEC or 1042-S.

Payor's Name and Location Address			Payee's Name and Location Address		
Name of Nebraska Payor			Payee's First Name and Initial		Last Name
Address (Number and Street, or Rural Route and Box Number)			Address (Number and Street, or Rural Route and Box Number)		
City, Town, or Post Office	State	Zip Code	City, Town, or Post Office	State	Zip Code
Nebraska ID Number			Social Security Number		
21 —					

•Lines 1 and 2, and 6 through 10 must be completed by the PAYOR.

1 Dates the services were performed.....	1	
2 Total payments for the personal services performed substantially in Nebraska	2	

•Lines 3 through 5 and line 11 may be completed by the PAYEE (attach additional schedule if necessary).

3 List the types and amounts of ordinary and necessary business expenses reasonably related to Nebraska income (see instructions):			
Type of Expense	Amount		
Enter total line 3 amount here	3		
4 List the names, addresses, Social Security numbers, and amounts paid to others for performances or appearances and other fees reasonably related to Nebraska income (see instructions):			
Name	Address	Social Security No.	Amount Paid
Enter total line 4 amount here	4		
5 Total business expenses and payments for which you are claiming an expense deduction (total of lines 3 and 4).....	5		

6 50% limitation on expense deduction (line 2 amount multiplied by .50)	6	
7 Enter the amount from line 5 or line 6, whichever is less	7	
8 Payments subject to Nebraska income tax withholding (line 2 minus line 7)	8	
9 If the amount on line 8 is less than \$28,000 , multiply the amount by .04 and enter the result on line 9— the amount to be withheld	9	
10 If the amount on line 8 is \$28,000 or greater , multiply the amount by .06 and enter the result on line 10— the amount of income tax withholding	10	

•Allocation to partners, shareholders, or members (attach additional schedule if necessary).

11 Enter in the space provided the partner's, shareholder's, or member's name, Social Security number or federal ID number, percent of allocation, and the amount of Nebraska income tax withholding allocated to each partner, shareholder, or member.			
Names of Partners, Shareholders, or Members	Social Security Number or Federal ID Number	Percent of Allocation	Allocated Amount
TOTALS		100%	

Under penalties of perjury, I declare that I have been authorized to make this statement and that the information disclosed in determining the amount of individual income tax to be withheld and allocated from the payments received for personal services performed substantially in Nebraska is, to the best of my knowledge and belief, correct and complete.

sign here

Signature of Payee or Authorized Agent

Signature of Preparer Other than Payee

Date

Date

Phone Number

City

State

Zip Code

Email Address

Instructions

Nonresidents Performing Personal Services Substantially in Nebraska

Nonresidents performing personal services substantially in Nebraska must complete either the Form W-4NA or W-4NB. The payor should retain the applicable form in their records. For additional information see the Form W-4NB and [General Information Letter 21-18-1, Nonresident Income Tax Withholding for Personal Services](#).

Purpose. Form W-4NA is used by payors of nonresident individuals to compute Nebraska income tax withheld from payments for personal services performed substantially in Nebraska. Personal services include, but are not limited to: payments to nonresident entertainers; individual athletes; performers; consultants; public speakers; corporate board directors; or other professional services.

Who Must Withhold Income Tax. Any person paying a nonresident for services performed substantially in Nebraska may be required to withhold Nebraska income tax. A person must withhold Nebraska income tax if the payee is not an employee; the payment is not subject to federal income tax withholding; and the payor is either (1) maintaining an office or transacting business within Nebraska and making a payment or payments of more than \$600, or (2) making a payment or payments in excess of \$5,000.

Form W-4NA. Cooperation between the payor and payee is necessary to complete the [Nebraska Income Tax Withholding Certificate for Nonresident Individuals, Form W-4NA](#). Compute the amount of income tax to be withheld from payments using Form W-4NA. The income tax withholding is reported to the person performing the personal services and the Nebraska Department of Revenue (DOR) in the same manner as wages or other payments subject to income tax withholding. Use Federal Forms 1099-NEC or 1042-S and Forms [941N](#) and [W-3N](#).

Nonresident Individuals. Nonresident individuals can use Form W-4NA to report their business expenses and payments for performing personal services in Nebraska. If there are other payees receiving payments for services performed in Nebraska as nonresident individuals, each must complete a separate Form W-4NA.

A payor or withholding agent who pays a nonresident alien individual for providing personal services and who has withheld federal income tax on Federal Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding, must also withhold state income tax using Nebraska Form W-4NA.

A nonresident alien whose country has a tax treaty with the U.S. may not be subject to nonresident income tax withholding. The payor must obtain a written statement from the payee certifying the existence of a treaty exempting U.S. income earned by the alien from federal or state income tax.

Payments to a corporation are subject to the income tax withholding requirements if 80% or more of the voting stock of the corporation is held by the shareholders who are performing the personal services. **Payments to a partnership or LLC** are subject to the income tax withholding requirements if 80% or more of the capital interest or profits interest of the partnership or LLC is held by the partners or members who are performing the personal services. All payments and withholding are deemed to be made to the individuals performing the personal services. The Form 1099-NEC should be issued only to an individual, not an entity. See line 11 instructions.

The completed Form W-4NA is a part of the payor's records and must be kept with other income tax withholding records. Federal Forms 1099-NEC or 1042-S will be issued by the payor based on the information on the completed Form W-4NA. The Forms 1099-NEC, or 1042-S state copies, will be included with the Nebraska Reconciliation of Income Tax Withheld, Form W-3N, filed with DOR.

Penalties. A penalty may be imposed, in addition to other penalties provided by law, on a nonresident individual for giving false information to a payor regarding payments subject to income tax withholding, if the information could result in the amount of income tax withheld totaling less than 75% of the income tax liability on these payments. A penalty may also be imposed on any payor who either knowingly uses false information or who maintains records which show the information is false.

The penalties will equal: (a) the amount of tax evaded, not collected, or not accounted for and paid over; and (b) an additional amount up to \$1,000.

Taxpayer Assistance. Questions may be directed to the Nebraska Department of Revenue, PO Box 98915, Lincoln, Nebraska 68509-8915. Call 800-742-7474 (NE & IA), or 402-471-5729.

Payor Instructions

Name and Location Address. The payor must complete the payee's name, address, and Social Security number or federal employer ID number of the nonresident individual, corporation, partnership, or LLC.

Line 2. Enter the total amount of the payment for personal services performed substantially in Nebraska. Include any amounts paid to the service provider as reimbursement for expenses. See [GIL 21-18-1 Nonresident Income Tax Withholding for Personal Services](#).

Line 9. If line 8 is less than \$28,000, compute the amount of income tax to be withheld. Otherwise, enter zero (-0-) and compute the amount of income tax to be withheld using line 10 instructions.

Payee Instructions

Line 3. Ordinary and necessary business expenses reasonably related to Nebraska income. Expenses listed on this schedule are amounts paid for travel, lodging, meals, and other ordinary and necessary expenses incurred while earning income in Nebraska.

Line 4. Payments made to others for performances, or appearances and other fees reasonably related to Nebraska income. Payments listed are amounts such as a percentage paid to agents or payments made to others assisting in the performance. This does **not** include payments to partners, shareholders, or members.

Note: If persons providing personal services also hire others to assist them, they may have an income tax withholding responsibility on the payments made to such persons. If the persons are hired as employees, then Nebraska's regular income tax withholding rules apply. If the persons are not employees and are nonresidents of Nebraska, then the person paying them must follow the guidelines in Form W-4NA. Contact the Department to receive an Income Tax Withholding Certificate to withhold Nebraska income tax.

Line 11. If the payment was payable to a nonresident partnership, corporation, or LLC, the Nebraska income tax withheld, computed on line 9 or line 10, must be distributed to the appropriate nonresident partners, shareholders, or members.

The payee must use line 11 to distribute the income tax withheld to the appropriate nonresident partners, shareholders, or members. Federal Forms 1099-NEC or 1042-S will be issued by the payor to each partner, shareholder, or member and must be attached to payee's individual income tax return to receive proper credit.

Signatures. The nonresident individual, partner, corporate officer, or member must sign this certificate, and include his or her phone number. If the payee authorizes another person to sign, there must be a power of attorney on file with the Department or attached to this certificate. Any person paid to prepare Form W-4NA must also sign the certificate.

Email. By entering an email address, the taxpayer acknowledges that DOR may contact the taxpayer by email. The taxpayer accepts any risk to confidentiality associated with this method of communication. DOR will send all confidential information by secure email or the State of Nebraska's file share system. If you do not wish to be contacted by email, write "Opt Out" on the line labeled "email address."