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Non-Resident Entertainer Overview

All payments made to a non-resident entertainer for performing in Wisconsin, except those excluded from the total contract price, are presumed subject to withholding if the [total contract price](#) for the performance is more than \$7,000. The employer must file Form WT-11 with the Wisconsin Department of Revenue **within five days** of the conclusion of the nonresident entertainer's performance. The employer withholds 6% of the total contract price, unless a lower rate is approved.

To summarize,

1. Non-resident individuals and non-resident corporations are all subject to the State of Wisconsin Entertainer tax.
2. Earnings over the cumulative limit of \$7,000 per calendar year are subject to the 6% state withholding tax unless the nonresident entertainer provides proof of bond or deposit, or a copy of a waiver issued by the Department of Revenue.
3. A WT-11 in the legal name of the entertainer is required, even when payment is made directly to an Agency (instead of the entertainer). This includes Social Security or Employer Identification Number.
4. The 6% withholding tax is made according to the WT-11.
5. 1099 reporting is necessary when the 1099 rules apply to the payment.

Examples of nonresident entertainers include:

- The owner (sole proprietor) of a group of individuals who travel from one engagement to the next.
- The individual members of an entertainment group, none of which legally own the group.
- An individual entertainer or public speaker who performs at or competes in one or more entertainment, public speaking, or sporting events in Wisconsin.
- A partnership comprised of corporate and/or individual partners which contracts for one or more appearances of the partners in Wisconsin.
- An agent, manager, promoter, or other sponsor who negotiates or otherwise arranges for the appearance of one or more performers, competitors, or speakers for an entertainment event in Wisconsin and, either themselves or through one or more employees, provides managerial, promotional, or other services at that event.

- A foreign corporation which contracts for one or more entertainment, public speaking or sporting events in Wisconsin.
- A foreign corporation whose employees appear in one or more entertainment, public speaking or sporting events in Wisconsin.

Interpretation and Definition of Entertainer Tax Applicability

Determination of Non-Resident Entertainer Tax is separate and distinct from 1099 reporting. For example, payments to athletic officials are reported as 1099 non-employee compensation, but Entertainer Tax does not apply. Another example: A corporation performing at an entertainment event is not 1099 reportable, but Entertainer Tax does apply. An individual providing entertainment would be both 1099 reportable and subject to Entertainer Tax.

Entertainer Tax Does Apply in the Following Circumstances

1. A dance or theatre troupe performs at a campus location.
2. A professional football team plays at Camp Randall. Includes the team and coaches.
3. A person is hired to be an announcer for a radio or television broadcast.
4. A concert is performed by a musician or a group of musicians. Includes the musician(s) and conductor.
5. An opera or a play is performed by a group of performers.
6. An individual speaks or reads poetry at an event, such as commencement ceremonies or a public lecture, which is open to the general public. This does not apply to seminars or colloquia.
7. An individual performs a combination of services, including a public performance and teaching master classes. If the total payment for these services exceeds \$7,000.00, it is all subject to the Entertainer tax.

Entertainer Tax Does Not Apply in the Following Circumstances (These payments would still be reported as 1099 if there is a payment for services.)

1. An individual writes music or poetry or a play.
2. A visiting professor or scientist speaks to a group mainly comprised of faculty and graduate students about his/her area of research.
3. An individual is hired as a consultant for a research project and speaks to a group of persons working on the project.
4. A musician speaks to a group of music students and may perform some music as part of the lecture.
5. An individual speaks in a classroom or workshop setting, and the audience is strictly members of the class or workshop.
6. A department presents a seminar or colloquium series, during which faculty, graduate students, and/or visitors speak to colleagues.
7. A professional engineer speaks on his/her area of expertise at a seminar sponsored by Engineering and Professional Development, for the benefit of other engineers.
8. An individual is hired as an athletic official for a sporting event.

Payments Made Directly to an Entertainer

1099

Payments made directly to non-resident entertainers are subject to the [1099 reporting guidelines of all vendors](#). If applicable, the 1099 will be issued to the entertainer *without* State withholding entered. The Entertainer is associated to the Entertainer tax deduction via the WT-11 and payment submitted for entertainer tax, not the 1099.

How to handle non-resident entertainer paid directly:

Invoicing vendor = Entertainer is set-up as a separate vendor. The WT-11 must be completed with the entertainer information when the contract (or accumulated payments for a calendar year) exceeds \$7,000.

Split the payment:

1st Remit to vendor = Entertainer set up as a separate vendor
2nd Remit to vendor = WI Dept of Revenue for 6% state tax, if applicable

Payments Made to an Agent or Agency

There are special reporting and voucher Entry for a Non-resident Entertainer when payment is sent to an Agent or Agency.

1099

Payments made to an Agent or Agency are subject to the [1099 reporting guidelines of all vendors](#). The State of Wisconsin has specified that when a payment to a non-resident entertainer is made to an agent or agency, the applicable 1099 will get issued to the agency for 100% of the event *without* the State withholding entered. If the paid entity (agent or agency) is a corporation, no 1099 reporting is required. The agency, acting as a "nominee/middleman," will issue a 1099 to the entertainer in an amount that is net of the agency fee *without* State withholding entered. The Entertainer is associated to the Entertainer tax deduction via the WT-11 and payment submitted for entertainer tax.

How to handle non-resident entertainer paid through an agency:

Invoicing vendor = Agent. Entertainer is not required to be set-up as a separate vendor but the WT-11 must be completed with the entertainer information when the contract (or accumulated payments for a calendar year) exceeds \$7,000.

Split the payment:

1st Remit to vendor = Agency/Agent of Entertainer set up as a separate vendor
2nd Remit to vendor = WI Dept of Revenue for 6% state tax, if applicable

Using the Split Payment Process – Creating a Voucher with Split Payments

Shared Financial System
 Favorites | Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Related Content

Summary | Related Documents | Invoice Information | Payments | Voucher Attributes | Error Summary

Business Unit: UWADM Invoice No: JESTWHSPLIT Action:
 Voucher ID: 00016994 Invoice Date: 09/30/2013
 Voucher Style: Regular Voucher Accounting Date: 10/01/2013
 Run

Vendor ID: 000007615 JOHNS PRINTING Session Defaults
 ShortName: JOHNSPRINT-001 1099 N 2ND STREET Attachments (0)
 Location: 00001 EAST MADISON, WI 53710 Comments(0)
 *Address: 1 Advanced Vendor Search
 Control Group: *Pay Terms: DUR DUR View Audit Logs

This vendor is the Invoicing vendor. 1099 withholding status of the payment and reporting is determined by this vendor set-up. 1099 payments are reported for the invoicing vendor not the remit to vendor. If the payment is issued to an Agency/Agent – the invoicing vendor is the Agent/Agency. Entertainers not paid directly are not required to be in the vendor file, however, a WT-11 in the entertainer legal name is required.

Line: 1 Item: UOM:
 *Distribute by: Amount Unit Price: Quantity:
 Ship To: ADMINSTRA Line Amount: 500.00
 SpeedChart: Description: Entertainer - 6% withd
 One Asset

Calculate

Distribution Lines

GL Chart	Exchange Rate	Statistics	Assets	Personalize Find View All First 1 of 1 Last											
Copy Down	Line	Merchandise Amt	Quantity	GL Unit	Account	OpenItem	Fund	Dept	Program	Class	PC Bus Unit	Project	Activity	Affiliate	Budget Date
	1	500.00		UWADM	2100		301	423000	1						10/18/2013

Create Voucher. Click on Payments tab, before or after save. Amount of voucher is for demonstration purposes only.

Shared Financial System
 Favorites | Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Summary | Related Documents | Invoice Information | **Payments** | Voucher Attributes | Error Summary

Business Unit: UWADM Invoice No: TESTWHSPLIT Action:
 Voucher ID: 00016994 Invoice Date: 09/30/2013
 Voucher Style: Regular Voucher
 Total Amount: 500.00
 Vendor Name: JOHNS PRINTING *Pay Terms: DUR DUR
 Run
 Schedule Payments

Payment Information Find | View All | First 1 of 1 Last

Payment: 1 + -

*Remit to: 0000007615 Gross Amount: 500.00 USD Payment Inquiry
 Location: 00001 Discount: 0.00 USD Discount Denied
 *Address: 1 [Late Charge](#)
 JOHNS PRINTING Scheduled Due: 10/18/2013 [Express Payment](#)
 1099 N 2ND STREET Net Due: 09/30/2013 [Payment Comments\(0\)](#)
 EAST MADISON, WI 53710 Discount Due: [Holiday/Currency](#)
 Accounting Date:

Payment Options [Vendor Bank](#)

*Bank: FRSTR Pay Group: [Messages](#)
 *Account: ZBA *Handling: RG Hold Payment
 *Method: CHK Check *Netting: Not Applicable Separate Payment
 L/C ID: Hold Reason:
 Message:
 Message will appear on remittance advice.

For this example – the vendor must have 6% withheld for State of WI Entertainer Tax. Dollar amount is for testing purposes only.

Summary | Related Documents | Invoice Information | **Payments** | Voucher Attributes | Error Summary

Business Unit:	UWADM	Invoice No:	TESTWHSPLIT	Action:	
Voucher ID:	00016994	Invoice Date:	09/30/2013		
Voucher Style:	Regular Voucher			<input type="button" value="Run"/>	
Total Amount:	500.00			<input type="button" value="Schedule Payments"/>	
Vendor Name:	JOHNS PRINTING	*Pay Terms:	DUR		

Payment Information Find | View All | First | 1 of 1 | Last

Payment:	1				
*Remit to:	0000007615	Gross Amount:	470.00	USD	Payment Inquiry
Location:	00001	Discount:	0.00	USD	<input type="checkbox"/> Discount Denied
*Address:	1				Late Charge
JOHNS PRINTING		Scheduled Due:	10/18/2013		Express Payment
1099 N 2ND STREET		Net Due:	09/30/2013		Payment Comments(0)
EAST MADISON, WI 53710		Discount Due:			Holiday/Currency
		Accounting Date:			

Payment Options

*Bank:	FRSTR	Pay Group:		Vendor Bank
*Account:	ZBA	*Handling:	RG	Messages
*Method:	CHK <input type="checkbox"/> Check	*Netting:	Not Applicable	<input type="checkbox"/> Hold Payment
L/C ID:		Hold Reason:		<input type="checkbox"/> Separate Payment
Message:				

Message will appear on remittance advice.

Since this entertainer will have to pay \$30.00 in taxes to the State of Wisconsin, the net payment to the vendor is \$470.00. To add another panel to pay to the state, click on the plus sign. The remaining balance is automatically calculated.

Payment Information Find | View All | First | 2 of 2 | Last

Payment:	1				
*Remit to:	0000007615	Gross Amount:	30.00	USD	Payment Inquiry
Location:	00001	Discount:	0.00	USD	<input type="checkbox"/> Discount Denied
*Address:	1				Late Charge
JOHNS PRINTING		Scheduled Due:	10/18/2013		Express Payment
1099 N 2ND STREET		Net Due:	09/30/2013		Payment Comments(0)
EAST MADISON, WI 53710		Discount Due:			Holiday/Currency
		Accounting Date:			

Payment Options

*Bank:	FRSTR	Pay Group:		Vendor Bank
*Account:	ZBA	*Handling:	RG	Messages
*Method:	CHK <input type="checkbox"/> Check	*Netting:	Not Applicable	<input type="checkbox"/> Hold Payment
L/C ID:		Hold Reason:		<input type="checkbox"/> Separate Payment
Message:				

Message will appear on remittance advice.

Schedule Payment

*Action:	Schedule Payment	Payment Date:	
Pay:		Reference:	

Shared Financial System
 Favorites | Main Menu > Accounts Payable > Vouchers > Add/Update > Regular Entry

Summary | Related Documents | Invoice Information | **Payments** | Voucher Attributes | Error Summary

Business Unit: UWADM Invoice No: TESTVHSPPLIT
 Voucher ID: 00016994 Invoice Date: 09/30/2013
 Voucher Style: Regular Voucher
 Total Amount: 500.00
 Vendor Name: JOHNS PRINTING *Pay Terms: DUR DUR

Action:

Payment Information Find | View All First 2 of 2 Last

Payment: 3
 *Remit to: 0000002514 Gross Amount: 30.00 USD
 Location: 00001 Discount: 0.00 USD
 *Address: 1
 WI DEPT OF REVENUE
 PO BOX 8906
 MADISON, WI 53708-8906
 Scheduled Due: 10/18/2013
 Net Due: 09/30/2013
 Discount Due:
 Accounting Date:

Payment Options
 *Bank: FRSTR Pay Group:
 *Account: ZBA *Handling: RG
 *Method: CHK Check *Netting: Not Applicable
 L/C ID:
 Message: Vendor 0000007615 6% withholding WI Entertainer Tax
 Message will appear on remittance advice.

Schedule Payment
 *Action: Schedule Payment Payment Date:
 Pay: Reference:

Payment Inquiry
 Discount Denied
 Late Charge
 Express Payment

Hold Payment
 Separate Payment

Recommended to use separate payment for all withheld portions.

Change remit to vendor for the tax withheld to the appropriate vendor. NOTE: The search function at "Remit to" is limited, so the vendor for the withholding portion needs to be looked up in another manner. Since there should only be two vendors receiving withholding portions, this is not a problem.

The second payment panel can be changed for handling code, scheduled due date, payment message and even selected for separate or hold payment. Depending on the preference of the campus – a separate or combined payment can be accommodated by vendor set-up. It is recommended to handle withholding portions as separate payments so that withholding is not combined but you will need to check the total reported so the amount paid to the entertainer is fully declared on the 1099.

Summary | Related Documents | Invoice Information | **Payments** | Voucher Attributes | Error Summary

Business Unit:	UWADM	Invoice No:	TESTWHSPPLIT	Action:	
Voucher ID:	00016994	Invoice Date:	09/30/2013		
Voucher Style:	Regular Voucher			<input type="button" value="Run"/>	
Total Amount:	500.00			<input type="button" value="Schedule Payments"/>	
Vendor Name:	JOHNS PRINTING	*Pay Terms:	DUR DUR		

Payment Information Find | View 1 First 1-2 of 2 Last

Payment:	1				
*Remit to:	0000007615	Gross Amount:	470.00	USD	Payment Inquiry
Location:	00001	Discount:	0.00	USD	<input type="checkbox"/> Discount Denied
*Address:	1				Late Charge
JOHNS PRINTING		Scheduled Due:	10/01/2013		Express Payment
1099 N 2ND STREET		Net Due:	09/30/2013		Audit Logs
EAST MADISON, WI 53710		Discount Due:			Payment Comments(0)
		Accounting Date:	10/02/2013		Holiday/Currency

Payment Options					
*Bank:	FRSTR	Pay Group:			Vendor Bank
*Account:	ZBA	*Handling:	RG		Messages
*Method:	CHK Check	*Netting:	Not Applicable		<input type="checkbox"/> Hold Payment
L/C ID:		Hold Reason:			<input type="checkbox"/> Separate Payment
Message:					
Message will appear on remittance advice.					

Schedule Payment					
*Action:	Schedule Payment	Payment Date:	10/02/2013		
Pay:		Reference:	013757		

Payment:	2				
*Remit to:	0000002514	Gross Amount:	30.00	USD	Payment Inquiry
Location:	00001	Discount:	0.00	USD	<input type="checkbox"/> Discount Denied
*Address:	1				Late Charge
WI DEPT OF REVENUE		Scheduled Due:	10/01/2013		Express Payment
PO BOX 8906		Net Due:	09/30/2013		Audit Logs
MADISON, WI 53708-8906		Discount Due:			Payment Comments(0)
		Accounting Date:	10/02/2013		Holiday/Currency

Payment Options					
*Bank:	FRSTR	Pay Group:			Vendor Bank
*Account:	ZBA	*Handling:	RG		Messages
*Method:	CHK Check	*Netting:	Not Applicable		<input type="checkbox"/> Hold Payment
L/C ID:		Hold Reason:			<input checked="" type="checkbox"/> Separate Payment
Message:	Vendor 0000007615 6% withholding WI Entertainer Tax				
Message will appear on remittance advice.					

Schedule Payment					
*Action:	Schedule Payment	Payment Date:	10/02/2013		
Pay:		Reference:	013756		

After Paycycle - two separate checks have been created.
 After Withholding Post the 1099 record for the vendor has the gross amount of the payment.

APPENDIX A –Responsibilities of Employer and WT-11 Filing

Responsibilities of an Employer

Before an employer makes payment to a nonresident entertainer who meets the requirement for Entertainer Tax with the Department of Revenue, the employer should request from the entertainer either (1) a completed Form WT-11, "Nonresident Entertainer's Report," with the receipt portion of the form signed by a department employee (proof that the nonresident entertainer filed a bond or deposit with the department), (2) a copy of the confirmation page for an electronically transmitted payment, or (3) a waiver issued by the department.

- If a Form WT-11 shows that the bond or deposit equals 6% (or a lower percent if notified by the department) of the total contract price, the employer does not have to withhold any amount from the payment to the nonresident entertainer. The employer has no further requirements in this situation.
- If the nonresident entertainer provides a Form WT-11 that indicates the bond or deposit was less than the required percentage of the total contract price, the employer must withhold from the entertainer's payment an amount to cover the additional bond or deposit that should have been filed.
- If the nonresident entertainer does not file a sufficient surety bond or cash deposit with the department, and does not have a waiver issued by the department, the employer must withhold 6% of the total contract price from the entertainer's payment and remit it to the department within five days of the performance. If we do not submit the required amounts within five days of the performance, we may be responsible for additional penalties and interest.

Note: Reciprocity does not apply when it comes to nonresident entertainers. Therefore, if you receive a W-2220 (Nonresident Employee's Withholding Reciprocity Declaration), you cannot apply it as an exception to the 6% withholding. The entertainer can however request a reduced rate of withholding from the Department of Revenue on Form WT-12.

Employer WT-11 Filing

Unless an exception applies, the employer must file with the Department of Revenue **within five days** of the conclusion of the nonresident entertainer's performance. The employer withholds 6% of the total contract price, unless a lower rate is approved, and remits the amount to the Department.

Nonresident entertainer withholding returns and payments can be made electronically through [My Tax Account](#) using our "nonresident entertainer" account. Access can be requested by calling the Wisconsin Department of Revenue at (608) 266-2776 and talking to the My Tax Account team. New users will be required to verify certain information from the account - please contact [Lisa Fransee](#) for details.

If unable to file electronically, use Form WT-11:

Form WT-11 (2020): <https://www.revenue.wi.gov/TaxForms2017through2019/2020w-011f.pdf>

Form WT-11 (2020) Instructions: <https://www.revenue.wi.gov/TaxForms2017through2019/2020w-011f.pdf>

Submit WT-11 and payment to the Department of Revenue. Make a copy of the submission and send to Lisa Fransee at UWSA – 780 Regent Street, Ste 255, Madison WI 53715 or Fax: 608-262-5316.

APPENDIX B - Non-Resident Entertainer Tax Frequently Asked Questions (FAQs)

1. What is Wisconsin's nonresident entertainer tax?

Wisconsin law requires “nonresident entertainers” to file a surety bond or cash deposit if the total contract price for a performance in Wisconsin exceeds \$7,000. This bond or deposit must be filed to guarantee payment of income or franchise taxes, sales and use taxes, and any penalties and interest. It must be filed with the Wisconsin Department of Revenue at least seven days before the performance. If the bond or deposit is not filed and the total contract price for a Wisconsin performance exceeds \$7,000, the “employer” is required to withhold 6% of the total contract price from the entertainer’s payment, the amount for which a bond or deposit should have been filed. Note: If a nonresident entertainer performs a number of times during the same calendar year, for separate total contract prices of less than \$7,000 each, the nonresident entertainer may still be subject to the surety bond/cash deposit requirement or employer withholding. See question 4 for details.

2. What is a nonresident entertainer?

From Wisconsin Department of Revenue (DOR) Publication 508, Wisconsin Tax Requirements Relating to nonresident Entertainers, <http://www.revenue.wi.gov/pubs/pb508.pdf>:

Wisconsin DOR Publication 508, Part II:

(a) A nonresident person (a person who is not a legal resident of Wisconsin) who furnishes amusement, entertainment, or public speaking services, or performs in one or more sporting events in Wisconsin for consideration; or

(b) A foreign corporation, partnership, or other type of entity, not regularly engaged in business in Wisconsin, that derives income from amusement, entertainment, or sporting events in Wisconsin or from the services of a nonresident person as defined in paragraph (a) in the previous column. (A foreign corporation, partnership, or other type of entity is one organized under the laws of either a state other than Wisconsin or a foreign country.)

3. What is included in “Total Contract Price?”

“Total Contract Price” is the amount of consideration indicated in the contract as the price for the nonresident entertainer’s performance, including amounts payable in money or the cash value of any medium other than cash. It also includes any specific amounts to be paid to the nonresident entertainer or subcontracted services such as lighting, sound, or any other special services or properties required by the nonresident entertainer.

Exceptions: Total contract price does not include:

- Amounts paid by the employer to persons other than the entertainer for ordinary and necessary expenses in the production of the event (building rent, staging material costs, utility connections, etc.), unless a specific dollar amount is specified in the contract for such expenses. If there is no

contract covering the nonresident entertainer's performance in Wisconsin, the total contract price is the amount of consideration payable as a condition (or result) of the entertainer's performance in Wisconsin.

- Payments for travel expenses made to, or on behalf of, an entertainer that are 1) made under an accountable plan and 2) for actual transportation, lodging, and meals that are directly related to the performance.

4. What if the same nonresident entertainer performs for multiple employers, multiple campuses, or multiple times for the same campus during the year?

If a nonresident entertainer performs a number of times during the same calendar year, for separate total contract prices of less than \$7,000 each, the nonresident entertainer may still be subject to the surety bond/cash deposit requirement or employer withholding. The nonresident entertainer becomes subject to the requirement or withholding at the time the accumulative total contract prices exceed \$7,000, and thereafter, during the same year.

Note: It is the responsibility of the nonresident entertainer or their representative to notify an employer if their accumulative total contract prices exceed \$7,000.

At the time the \$7,000 threshold is met, the amount of surety bond or cash deposit, or the amount to be withheld by the employer, is based on the accumulative total contract prices for the year, not just the amount in excess of \$7,000.

Example 1:

- UW Campus A January contract \$4,000, no requirement;
- UW Campus A July contract \$4,000, then threshold is met and must bond/cash deposit or "withhold" 6% on the total \$8,000.

Example 2:

- Entertainer and Company B have a January performance contract for \$3,000, no requirement;
- Entertainer and UW Campus C have a July contract of \$5,000. Entertainer must notify UW Campus C that threshold is met based on previous performance with Company B. The amount to be withheld is based on total contract price with Campus C (\$5,000).

5. Can the requirement of the bond or deposit, or withholding be waived?

Yes. Nonresident entertainers who are exempt from Wisconsin income or franchise tax should submit a request to the Department of Revenue, for a waiver of the bond or deposit requirement.

An employer of a nonresident entertainer may not issue a waiver of the surety bond or cash deposit requirement. However, an employer is not required to withhold if the entertainer gives the employer a copy of a waiver issued by the DOR.

6. How does a campus get a refund of WT-11 estimated tax back from Wisc DOR?



**University of Wisconsin System
SFS Business Process
AP- Non-Resident Entertainer**

If a performance is cancelled after the WT-11 is already submitted with the state, Wisconsin DOR will need a letter requesting the refund, the reason for the request (ex. performance cancelled by entertainer), and a copy of the WT-11.

Guidance on timing of WT-11 from Wisc DOR publication 508:

Part V. A.

“The employer should notify the nonresident entertainer as early as possible that the entertainer will be required to show proof that a surety bond or cash deposit was filed. This will allow the entertainer to file a bond or deposit with the Department of Revenue in a timely manner. However, because the entertainer has until seven days before the performance to file a bond or cash deposit, the employer should make a final request for the Form WT-11 before withholding 6% of the total contract price.”

Part V. B.

“When the employer withholds an amount from the payment to a nonresident entertainer, Part 1 of the Form WT-11 and the amount withheld must be mailed or delivered to the Wisconsin Department of Revenue within five days after the nonresident entertainer’s performance, as described in Part X.B of this publication. Amounts not remitted within five days are subject to delinquent interest, and may also be subject to a negligence penalty.”

7. How are payments split between the vendor and Wisconsin DOR for 6% estimated tax?

The voucher is split depending on whether the payment is made directly to the nonresident entertainer or to an agent of that entertainer.

8. What payments are considered when completing the WT-11 and for the 1099 tax form?

	<u>WT-11 Calculation</u>	<u>1099 Reportable</u>
Fee for Service	Yes	Yes
Travel Expenses under an accountable plan		
Reimbursed	No	No
Direct-Billed from 3 rd Party	No	No

If the vendor submits original receipts for travel reimbursement, or if you pay a hotel directly for their lodging, this would not be included for the WT-11 calculation, and not included on the 1099. UWSA recommends that the contract with the vendor be written as all inclusive, including travel and hotel, rather than having the vendor submit receipts for reimbursement. This would make it more straightforward to match up the amount paid to the vendor with the WT-11 and 1099 reportable amounts.

9. Are WT-11 payments considered estimated tax or state tax withheld?

The Wisconsin DOR considers the 6% payment made with the WT-11 as payment of estimated tax. Because this is technically not considered withholding it must not be placed in the State Tax Withheld

box 16 on the 1099. Their concern is that the nonresident entertainer would claim that amount on the withholding line of their income tax return and also claim or be given credit for the same payment on the estimated tax payment line which is where DOR instructions indicate the payment should be claimed, unless passed through to a partner or shareholder. Also, because of this, we no longer have to issue 1099 to agents that are corporations.

10. How are payments to agents of the nonresident entertainer treated with respect to the WT-11 and the 1099?

If the total contract price is \$7,000 or more, the UW issues the Wisconsin WT-11 in the entertainer's name for the amount of estimated tax (amount withheld from payment), even if payment is made directly to an agent. The 1099 will be issued to the agency (unless the agent is a U.S. Corporation) for the fee for service amount paid to the agent plus the amount paid to Wisconsin DOR with the WT-11, but the WT-11 amount should not be entered in state tax withheld box. The agency, acting as a "nominee/middleman," will issue a 1099 (or 1042-S) to the entertainer in an amount that is net of the agency fee. See [IRS General Instructions for Certain Information Returns](#).

For example: Payment to U.S. Agent for Nonresident (Foreign) Entertainer

1. The 6% WT-11 tax is sent to the Wisconsin Dept of Revenue if the Entertainer is not a resident of Wisconsin and is \$7,000 or more.
2. The payment is made to the agent less the WT-11 amount if applicable.
3. The UW would send the agent (nominee/middleman) a 1099 for the full amount including the amount sent with the WT-11. Note: we no longer need to issue 1099s to agents that are corporations. It is the agent's responsibility to withhold any federal tax and send the entertainer a 1042-S.
4. The payment made to the Wisconsin DOR with the WT-11 is considered payment of estimated tax and should not be reported on the agent's 1099 in the state withholding box 16.

11. What if the nonresident entertainer questions the tax treatment?

Make sure the entertainer has their copy of the WT-11. A copy of this form with check was sent by the UW to the Wisconsin DOR as the entertainer's estimated tax. The purpose of the entertainer's copy is so they have this information to file their taxes correctly with Wisconsin DOR.

If the entertainer or agent has questions, refer them to [Wisconsin DOR Publication 508](#). They may contact DOR several ways (see page 11 of the publication), including by email to income@revenue.wi.gov (subject line: Nonresident Entertainer Program).

The University of Wisconsin System institutions do not provide personal tax advice due to legal ramifications. Taxpayers should consult the Internal Revenue Service (IRS), Wisconsin Department of Revenue (DOR), or their personal tax preparer to obtain tax advice. Any tax information in this document is not intended or written by the University of Wisconsin or its employees to be used, and cannot be used, by the recipients or any other person or entity for the purpose of avoiding penalties that may be imposed on any taxpayer.



**University of Wisconsin System
SFS Business Process
AP– Non-Resident Entertainer**

Revision History

Author	Version	Date	Description of Change
Lisa Fransee	1.0	02/27/2020	Initial Draft copied from 2014 AP.5.01.02 document and updated.
Lisa Fransee	1.1	03/02/2020	Added note that there is no reciprocity exception for entertainer tax