

# Military Spouses Residency Relief Act FAQ

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Question	Explanation	Do
What does this act mean?	<ul style="list-style-type: none"> <li>• In <b>general</b>, the Military Spouses Residency Relief Act permits spouses of military personnel who move into a state to be with the service member to <b>retain their former state of residence for state income tax purposes</b>.</li> <li>• <b>Each state and local tax agency will make its own interpretation</b> of the act and provide its own guidance to employers.</li> </ul>	Contact your state agency as needed. See a list of State Agency phone numbers below
When does this law take effect?	<ul style="list-style-type: none"> <li>• On <b>November 11, 2009</b>, the Military Spouses Residency Relief Act was signed into law. It is effective <b>retroactively to January 1, 2009</b>.</li> <li>• Employees who are military spouses who have moved into your state on or after January 1, 2009 may be eligible for this relief. Employees should seek information from the state income tax agency.</li> </ul>	Contact your state agency as needed. See a list of State Agency phone numbers below
What must I do?	<ul style="list-style-type: none"> <li>• <b>You must provide information about the law to your employees</b> so they can determine if they are affected and what action to take.</li> <li>• <b>Visit our Web site for updates from ADP:</b> <a href="http://www.adp.com/tools-and-resources/compliance-connection/military-spouses-residency-relief-act.aspx">http://www.adp.com/tools-and-resources/compliance-connection/military-spouses-residency-relief-act.aspx</a></li> <li>• <b>Ask your state income tax agency</b> for revised withholding exemption certificates (W-4 equivalents) and guidance on what documentation is required to support employees' claims of exemption.</li> <li>• Be sure to inform your ADP Service team of withholding changes.</li> </ul>	Contact your state agency as needed. See a list of State Agency phone numbers below
Am I required to withhold income tax for a military spouse whose state of residence is different from the states in which I operate or file?	<ul style="list-style-type: none"> <li>• Employers are <b>generally not required to withhold</b> income taxes owed to other states if they do not have an established office or physical presence in the other state.</li> <li>• <b>States may vary on this and other questions. Be sure to contact your state agency for verification.</b></li> </ul>	Contact your state agency as needed. See a list of State Agency phone numbers below

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What is my state's ruling on this law?	<ul style="list-style-type: none"> <li>ADP is working with state tax authorities to clarify their expectations. We will update our Web site as more information comes in.</li> </ul>	Contact your State agency as needed. See a list of State Agency phone numbers below
How can an eligible employee recover taxes already paid to the state I operate in?	<ul style="list-style-type: none"> <li>Generally taxpayers will need to <b>file a state income tax return in the worked-in state</b> to claim a refund of any taxes withheld in 2009.</li> </ul>	Contact your state agency as needed. See a list of State Agency phone numbers below
I have an employee who is keeping his/her state of domicile for taxing purposes and I do <i>not</i> have that jurisdiction set up. What do I need to do?	<ul style="list-style-type: none"> <li>Will you be obtaining a tax ID and begin withholding the domicile jurisdiction taxes? <i>If "No":</i> ADP can set up the employee to <i>block</i> the state income tax for the "worked-in" state. If ADP does that: <ul style="list-style-type: none"> <li>The employee will not have the "worked-in" state taxes withheld.</li> <li>The employee will receive a form W-2 for the "worked-in" state.</li> <li>The employee will <i>not</i> have the domicile state taxes withheld and will need to reconcile tax liability when filing tax returns.</li> </ul> </li> <li><i>If "Yes":</i> Please register with the appropriate state to acquire the new state tax ID.</li> </ul>	<p>You may contact your ADP service team to request that the applicable employee is set up with the worked-in state jurisdiction and block the tax.</p> <p>As a PC client you can also block the SIT (State Income Tax) for any applicable employee:</p> <ul style="list-style-type: none"> <li>Select the "Employee" tab</li> <li>Select the appropriate employee</li> <li>Select "Tax info"</li> <li>Select "Edit" next to "State Income"</li> <li>Under "Tax override" select "Flat \$ Amount"</li> <li>Enter 0 in the "Tax override amount" field</li> </ul> <p>Contact your ADP service team to inform them that you would like to set up a new tax jurisdiction and which employee(s) it is for.</p> <p>Please be advised that there are fees associated with setting up additional jurisdictions.</p>

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<p>I have an employee who is keeping his/her state of domicile for taxing purposes and I have that jurisdiction set up. What do I need to do?</p>	<p>The employee should complete a form W-4 for the jurisdiction, which can be obtained from the domicile state agency.</p> <p>ADP can set up the employee with the domicile jurisdiction.</p> <p>Know the effective date of this change?</p> <p><b><i>If you are using a back date in the current quarter as the effective date:</i></b> You will be debited for the tax for the <i>new</i> state and may have to wait for an agency refund from the <i>old</i> state.</p> <p><b><i>If you are using a back date in a prior quarter as the effective date:</i></b> There may be amendments, fees, and possible penalty and interest for late deposits to the new state.</p>	<p>You must contact your ADP service team to set up the employee with the domicile jurisdiction.</p> <p><b>Some items to note:</b></p> <ul style="list-style-type: none"> <li>• If you are using the current date as the effective date, the new state tax will need to be added to the applicable employee after the new jurisdiction is set up.</li> <li>✓ The employee will receive two W-2s.</li> <li>• If you are using a back date in the <i>current</i> quarter as the effective date: <ul style="list-style-type: none"> <li>• Payroll adjustments are required</li> <li>• There may be fees associated with these payroll adjustments</li> </ul> </li> <li>• If you are using a date in the prior quarter as the effective date: <ul style="list-style-type: none"> <li>• There may be amendments, fees, and possible penalty and interest for late deposits to the new state.</li> </ul> </li> </ul>

## State Income Tax Agencies

State	Telephone
Alabama	(334) 242-1170
Alaska	N/A
Arizona	(602) 255-2060
Arkansas	(501) 682-7290
California	(888) 745-3886
Colorado	(303) 238-7378
Connecticut	(860) 297-5962
Delaware	(302) 577-3382
District of Columbia	(202) 727-4829
Florida	N/A
Georgia	(404) 417-2311
Hawaii	(808) 587-4242
Idaho	(800) 972-7660
Illinois	(800) 732-8866
Indiana	(317) 233-4016
Iowa	(515) 281-3114
Kansas	(785) 368-8222
Kentucky	(502) 564-4581
Louisiana	(225) 219-0102
Maine	(207) 287-2076
Maryland	(800) 638-2937
Massachusetts	(617) 887-6367
Michigan	(517) 636-4730
Minnesota	(651) 282-9999
Mississippi	(601) 923-7000
Missouri	(573) 751-5752
Montana	(406) 444-6900
Nebraska	(402) 471-5729
Nevada	N/A
New Hampshire	N/A
New Jersey	(609) 292-6400
New Mexico	(505) 827-0700
New York	(518) 485-6800
North Carolina	(877) 252-3052
North Dakota	(701) 328-3125
Ohio	(888) 405-4039
Oklahoma	(405) 521-3155
Oregon	(503) 378-4988
Pennsylvania	(717) 787-1064
Rhode Island	(401) 574-8941
South Carolina	(803) 898-5752
South Dakota	N/A
Tennessee	N/A
Texas	N/A
Utah	(801) 297-2200
Vermont	(802) 828-2551
Virginia	(804) 367-8037
Washington	N/A
West Virginia	(304) 558-3333
Wisconsin	(608) 266-9758
Wyoming	N/A