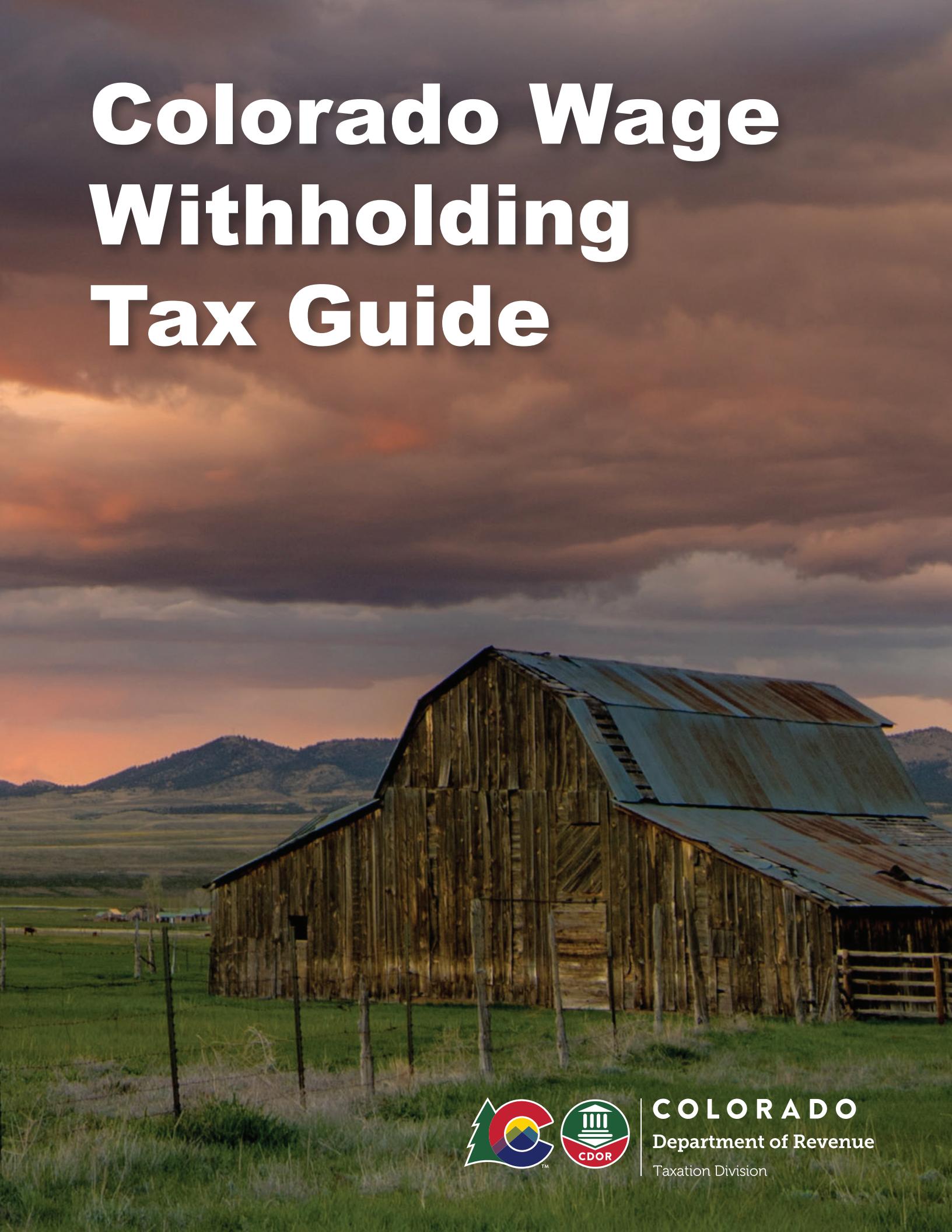


Colorado Wage Withholding Tax Guide



COLORADO
Department of Revenue
Taxation Division

Colorado Wage Withholding Tax Guide



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Every employer making payment of Colorado wages is subject to Colorado wage withholding requirements. In general, Colorado wages are any wages that are either paid to an employee who is a Colorado resident or paid to any nonresident employee for services performed in Colorado. Any employer that is subject to Colorado wage withholding requirements must register with the Colorado Department of Revenue.

In general, whenever federal wage withholding is required for any Colorado wages, Colorado wage withholding is required as well. Wages that are exempt from federal wage withholding are generally also exempt from Colorado wage withholding. However, several criteria, including the state of residency for the employee, may determine whether Colorado wage withholding is required.

An employer who is required to withhold Colorado income tax from employees' wages is liable for the required withholding, whether or not the employer actually withholds the tax. The [Colorado Withholding Worksheet for Employers](#) (DR 1098) prescribes the method for calculating the required amount of withholding. Employers are required to file returns and remit tax on a quarterly, monthly, or weekly basis, depending on the employer's total annual Colorado wage withholding liability.

Every employer must prepare an [IRS Form W-2](#) for each employee to report the Colorado income taxes withheld from each employee's pay. The employer must provide copies of the W-2 both to the employee and to the Department no later than January 31st of the following year.

This publication is designed to provide employers with general guidance regarding Colorado wage withholding requirements. Additional information can be found in the statutes, regulations, forms, and guidance listed to the right. Nothing in this publication modifies or is intended to modify the requirements of Colorado's statutes and regulations. Employers are encouraged to consult their tax advisors for guidance regarding specific situations.

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- § 39-22-604, C.R.S. Withholding tax.
- § 39-22-621, C.R.S. Interest and penalties.
- Rule 39-22-604-1. Colorado Income Tax Withholding for Wages.
- Rule 39-21-119.5. Requirements for Electronic Filing and Electronic Payment.
- 26 U.S.C. § 3401. Definitions.
- 26 U.S.C. § 6051. Receipts for employees.
- 26 U.S.C. § 6071. Time for filing returns and other documents.
- 26 CFR § 31.3401(a)-1. Wages.

Forms and guidance

- [Tax.Colorado.gov](#)
- [Withholding Tax](#)
- [Withholding Forms and Instructions](#)
- [IRS Publication 15 \(Circular E\), Employer's Tax Guide](#)
- [IRS Publication 15-A, Employer's Supp. Tax Guide](#)

Part 1: Employers Who Must Withhold

Every employer making payment of Colorado wages is subject to the requirement to withhold Colorado income tax from such wages. This Part 1 discusses employers and employees subject to withholding requirements and provides guidance regarding employer registration and withholding certificates.

Employers and employees

In general, any employer-employee relationship for federal income tax purposes, for which withholding of federal income tax is required, is similarly considered an employer-employee relationship for the purposes of Colorado wage withholding requirements. Please see [IRS Publication 15 \(Circular E\), Employer's Tax Guide](#) for guidance relating to employer-employee relationships for federal wage withholding purposes.

Employers

An employer is anyone for whom any employee performs or performed any services, of whatever nature, in exchange for payment of wages. An employer may be an individual, firm, corporation, partnership, limited liability company, or any other legal entity.

Any employer who either transacts business in Colorado or derives any income from Colorado sources is subject to Colorado wage withholding requirements, regardless of whether the employer maintains a permanent place of business in Colorado. Colorado wage withholding requirements apply to anyone who has control of the payment of wages or is the officer, agent, or employee of the person having control of the payment of wages.

Employees

An employee is any individual performing services for an employer, the performance of which services constitutes, establishes, and determines the relationship between the parties as that of employer and employee. Employees for which Colorado wage withholding is required include, but are not limited to:

- officers of corporations; and
- individuals, including elected officials, performing services for any local government in Colorado, the State of Colorado, the U.S. government or any agency or instrumentality thereof.

An employer is required to withhold Colorado income tax from wages paid for services performed:

- either wholly or partially in Colorado by an employee who is not a Colorado resident; or
- either inside or outside of Colorado, or both, by an employee who is a Colorado resident.

In the case of employees who perform services both inside and outside of Colorado, the portion of the wages that are subject to Colorado wage withholding is determined by multiple factors. Please see Part 2 of this publication for additional information.

Employer registration

Every employer who is required to withhold Colorado income tax must apply for and maintain an active Colorado wage withholding account. Employers may apply for an account online at mybiz.colorado.gov or by preparing and submitting a Colorado Sales Tax and Withholding Account Application (CR 0100). Please visit Withholding Accounts on the Department's website for additional information.

An employer that goes out of business, dissolves or is merged into another corporation, no longer has employees, or otherwise ceases paying wages must promptly notify the Department and close their account either through Revenue Online or by preparing and submitting a Business Tax Account Closure Form (DR 1108).

Withholding certificates

On or before an employee's first day of employment, the employer must have the employee complete an Employee's Withholding Certificate, IRS Form W-4. In addition to IRS Form W-4, an employee may elect to complete a Colorado Employee Withholding Certificate (DR 0004). Information provided on the IRS Form W-4 or Colorado form DR 0004 is required to calculate the required amount of withholding in accordance with the instructions provided in the Colorado Withholding Worksheet for Employers (DR 1098).

An employer must file promptly with the Department a copy of an employee's IRS Form W-4 if all of the following conditions are met:

- The employee is expected to earn more than \$200 per week.
- The employee claims exemption from withholding on their IRS Form W-4.
- The employee does not submit a completed Colorado form DR 0004 to the employer.

Along with the copy of IRS Form W-4, the employer must submit a cover letter listing the employer's name, address, federal employer identification number (FEIN), and the number of forms submitted, if the employer is submitting forms for multiple employees with the letter. Employers must submit the required certificates and cover letter to:

Colorado Department of Revenue
Discovery Section
PO Box 17087
Denver, CO 80217-0087

Following a review of the forms and information submitted to the Department, the Department will advise the employer of any necessary adjustment to the employee's withholding certificate.

Part 2: Wages Subject to Withholding

In general, wages are subject to Colorado wage withholding if they are subject to federal wage withholding requirements and are paid to either an employee who is a Colorado resident or an employee who is not a Colorado resident, but who performed work in Colorado. However, a variety of rules, based in part on the employee's state of residence, affect the taxability of certain types of wages. This Part 2 provides guidance for determining whether an employee's wages are subject to Colorado wage withholding.

Wages

Wages subject to Colorado wage withholding requirements generally include any wages subject to federal wage withholding requirements. Wages subject to federal wage withholding requirements generally include all compensation paid by an employer to an employee for services performed. The compensation may be paid in cash or made in other forms. Salaries, vacation allowances, bonuses, commissions, and fringe benefits are all forms of compensation subject to Colorado and federal wage withholding requirements. See [IRS Publication 15 \(Circular E\), Employer's Tax Guide](#) for additional information about wages and compensation that are subject to wage withholding requirements.

Overtime compensation

Wages subject to Colorado wage withholding generally include any overtime compensation that may be exempted from federal withholding requirements under the One Big Beautiful Bill Act. See Worksheet 1: Withholding Allowance in the instructions for the [Colorado Employee Withholding Certificate \(DR 0004\)](#) for additional information.

Exempt wages

Under certain circumstances, wages may be exempt from Colorado wage withholding requirements, even if such wages are paid to a Colorado resident or for services performed in Colorado.

Wages that are exempt from federal wage withholding are generally exempt from Colorado wage withholding. See [IRS Publication 15 \(Circular E\), Employer's Tax Guide](#) for additional information about wages and compensation that are exempt from wage withholding requirements.

Additionally, state and federal law provide exemptions from Colorado wage withholding for nonresidents in a variety of other circumstances, discussed later in this Part 2.

Resident employees

In general, an employer must withhold Colorado income tax from all wages paid to any employee who is a Colorado resident, regardless of whether the employee performed services inside or outside of Colorado, or both. However, Colorado withholding is not required for wages paid to a Colorado resident for services performed in another state that imposes income tax withholding requirements on such wages.

Colorado wage withholding is not required for compensation paid to a Colorado resident for active duty service in the armed forces of the United States if all of the following conditions are met:

- The servicemember's home of record is Colorado;
- The servicemember became a resident of another state.
- Thereafter the servicemember reacquired Colorado residency.

For additional information, please see Department publication [Income Tax Topics: Military Servicemembers](#).

Nonresident employees

In general, an employer must withhold Colorado income tax from wages paid to any employee who is not a Colorado resident for any services performed by that nonresident employee in Colorado. Services are performed in Colorado if the employee is physically present in Colorado at the time the employee performed the services.

If a nonresident employee performs services both inside and outside of Colorado during a pay period, the employee's wages are apportioned to Colorado based on the number of days during the pay period the employee performs services in Colorado in relation to the total number of days the employee performed services during the pay period. An employee is deemed to have performed services in Colorado on any day in which the employee is physically present in Colorado for the majority of the time during which the employee performs services on such day.

An employee is deemed to be physically present in Colorado during any time the employee spends travelling to Colorado to perform services. An employee is not deemed to be physically present in Colorado during any time the employee spends travelling while departing from Colorado.

The following example illustrates the calculation of Colorado wages for a nonresident employee who works both inside and outside of Colorado.

Exempt wages for nonresident employees

Please see the table titled Exempt Wages for Nonresident Employees, later in this publication, for a list of certain types of wages paid to nonresident employees that are exempt from Colorado wage withholding requirements.

Calculating Colorado wages for nonresidents

The following example illustrates the calculation of Colorado wages, subject to Colorado wage withholding, for a nonresident employee who works both inside and outside of Colorado during the pay period.

A nonresident employee performs services for his employer over a weekly pay period.

- **Monday:** The employee performs services exclusively in California.
- **Tuesday:** The employee spends four hours performing services in California, after which the employee takes a two-hour flight to Colorado. The employee performs no additional services on Tuesday after arriving in Colorado.
- **Wednesday:** The employee performs services exclusively in Colorado.
- **Thursday:** The employee spends two hours performing services in Colorado, before taking a two-hour flight back to California. The employee performs services for two additional hours after arriving in California on Thursday.
- **Friday:** The employee performs services exclusively in California.

The employee is deemed to be physically present in Colorado for the two hours he spends travelling to Colorado on Tuesday but is not deemed to have performed services in Colorado on Tuesday because he was not physically present in Colorado for the majority of the time during which he performed services that day.

The employee is not deemed to be physically present in Colorado for the two hours he spends travelling in departing Colorado on Thursday. He is not deemed to have performed services in Colorado on Thursday because he was not physically present in Colorado for the majority of the time during which he performed services that day.

The employee spent one day (Wednesday) out of the five days during the weekly pay period performing services in Colorado. Therefore, one-fifth or 20% of the employee's wages for the pay period are Colorado wages subject to Colorado wage withholding.

Exempt Wages for Nonresident Employees

<i>Type of employee</i>	<i>Exempt wages</i>	<i>Legal authority</i>
Rail carrier employee	Compensation paid for the performance of regularly assigned duties on a railroad in more than one state	49 U.S.C. § 11502
Air carrier employee	Compensation paid for employee's work for air carrier, provided no more than 50% of the employee's pay is earned in Colorado	49 U.S.C. § 40116(f)
Motor carrier employee	Compensation paid for the performance of regularly assigned duties in two or more states with respect to a motor vehicle	49 U.S.C. § 14503(a)
Military servicemember	Compensation paid for military service	50 U.S.C. § 4001(b) § 39-22-109(2)(b), C.R.S.
Spouse of military servicemember	Compensation paid to the spouse of a military servicemember if such spouse is in Colorado solely to be with the servicemember serving in compliance with military orders	50 U.S.C. § 4001(c)
Telecommuters	Compensation paid for work performed at locations outside of Colorado, regardless of the business location of the employer	Rule 39-22-604(6), § 39-22-109, C.R.S. Rule 39-22-109(3)(b)(i)(A)

Part 3: Collection and Remittance

Employers who are required to withhold Colorado income tax from employees' wages are liable for the required withholding, regardless of whether they actually withheld the required amounts. Employers are required to file returns and remit tax on a quarterly, monthly, or weekly basis, depending upon the employer's total annual withholding liability. The Department offers multiple filing and payment options, although employers may be required to remit payment electronically. This Part 3 provides information regarding employer liability, filing requirements, and payment options.

Employer liability for tax

Every employer is liable for any amounts of wage withholding required pursuant to Colorado law, this guidance, and the instructions provided in the [Colorado Withholding Worksheet for Employers](#) (DR 1098), irrespective of whether the employer actually deducts and withholds such amounts. In addition to any required amount an employer fails to withhold, the employer will be liable for any penalty and interest applicable thereto. In the event that the employee files a Colorado individual income tax return and pays any applicable tax due, the employer will be relieved of liability for the amount the employer failed to withhold, but will not be relieved of liability for any penalties or interest applicable thereto.

Every employer who deducts and withholds any amounts of Colorado wage withholding must hold such amounts in trust for the State of Colorado. In order to secure the payment of any amounts withheld and not remitted, the State of Colorado and the Department have a lien upon all of the assets of the employer and all property owned or used by the employer in the conduct of the employer's business. Property that is subject to the lien includes, but is not limited to, stock in trade, business fixtures, and equipment. The lien is prior to any lien of any kind whatsoever, including existing liens for taxes. See section 39-22-604(7), C.R.S., for additional information about property in which a party other than the employer has an interest.

Employer protections

All Colorado income tax deducted and withheld by an employer from the wages of an employee is considered to be payment of Colorado income tax by the employee. An employee has no right of action against an employer with respect to any amounts deducted and withheld from the employee's wages and paid over to the Department in compliance or in intended compliance with the withholding requirements prescribed by Colorado law.

Filing frequency and due dates

An employer is required to file returns and remit wage withholding tax quarterly, monthly, or weekly based upon the employer's annual wage withholding liability. The required filing and remittance frequency is based initially on the employer's estimated annual Colorado income tax withholding, reported on the employer's application for a wage withholding account. If an employer's actual Colorado income tax withholding for any calendar year exceeds the initial estimate, the Department will adjust the employer's required filing and remittance frequency accordingly. Changes to the remittance frequency take effect on January 1.

Each return and remittance must include all Colorado wage withholding for wages paid during the filing period, even if the employees' work to earn the wages was not performed during the filing period.

The due dates for an employer's filing and remittance are based upon the required frequency for the employer's filing and remittance. If the due date for filing a return and remitting tax falls upon a Saturday, Sunday, or legal holiday, the return and tax are due on the next business day. An employer that goes out of business, dissolves or is merged into another corporation, no longer has employees, or otherwise ceases paying wages must file a final wage withholding return and remit all applicable taxes by the applicable due date.

Monthly and quarterly filers, but not weekly filers, are required to file a return for each period, even if no tax is due. An employer who properly withheld no tax for a monthly or quarterly filing period must file a return to report that no tax is due. If an employer fails to file a required return, the Department may estimate the amount of tax due, based on available information, and issue the employer a notice of deficiency for the tax due.

An employer whose business does not operate continuously throughout the year may request permission from the Department to file returns for only those periods that the business is in operation. If the Department grants such approval, the employer is not required to file returns for those months for which the business does not operate.

Filing Frequency and Due Dates

<i>Filing frequency</i>	<i>Annual withholding</i>	<i>Filing periods</i>	<i>Due date</i>
Quarterly	Less than \$7,000	Each calendar quarter ending March 31 st , June 30 th , September 30 th , and December 31 st	Last day of the month following the close of the calendar quarter
Monthly	At least \$7,000, but not more than \$50,000	Each calendar month	15 th day of the following month
Weekly	\$50,000 or more	Each week beginning on Saturday and ending on Friday	3 rd business day following the Friday that concludes the week

Weekly filing

Except for year-end filing periods, Friday is the end of each weekly filing period, even if the employer's pay periods end on a different day. For each weekly filing period during which wages are paid, an employer must report and remit any required withholding for any wages paid during the period. When remitting payments via electronic funds transfer (EFT), the employer must indicate the Friday that ends the weekly filing period as the end date for the filing period.

Year-end weekly filing period

Each year, employers who remit Colorado wage withholding on a weekly basis will have a final filing period ending on December 31st, regardless of whether December 31st falls on a Friday. Employers must remit for this filing period any Colorado withholding for wages paid after the Friday that ended the last preceding filing period and either on or before December 31st. Payment for this final filing period is due on the third business day after December 31st.

Example of Weekly Filing Period and Due Date

<i>Saturday</i>	<i>Sunday</i>	<i>Monday</i>	<i>Tuesday</i>	<i>Wednesday</i>	<i>Thursday</i>	<i>Friday</i>
24	25	26	27 <u>Payroll</u>	28	29	30 <u>End date for filing period</u>
31	1	2	3	4 <u>Filing due date</u>	5	6

In this example, the employer's payment of wages on Tuesday, the 27th, falls within the filing period ending Friday, the 30th. The wage withholding for this weekly filing period must be remitted to the Department by Wednesday, the 4th.

Filing and payment options

Employers may elect or may be required to file and pay wage withholding tax electronically. The different filing and payment options are described below.

Electronic funds transfer (EFT)

Any employer who is required to remit wage withholding tax on a weekly basis is required to remit payment via electronic funds transfer (EFT). Employers are encouraged to remit payment via EFT, even if they are not required to do so, because electronic payment reduces the potential for processing errors and delays. Withholding payments made via EFT satisfy both payment and filing requirements. Employers who remit payment via EFT are not required to submit any separate quarterly, monthly, or weekly wage withholding return.

Information about electronic payment options is available online at [How to Pay/Remit Withholding Tax](#).

In general, payments made by EFT must be made by the end of the day on the due date. Please see Department Rule 39-21-119.5 in [1 CCR 201-1](#) for additional information regarding the timeliness of payments made via EFT.

Other electronic filing and payment options

Employers who are not required to make payment via EFT can file returns and make payments electronically through [Revenue Online](#). An employer must first sign up and create a login ID for Revenue Online in order to file and pay through Revenue Online. A third-party processing fee is added to any e-check or credit card payment made through Revenue Online.

Paper returns

An employer who is not required to remit payments via EFT can instead make payments with a [Colorado W-2 Wage Withholding Tax Return](#) (DR 1094). Paper returns and payments made by check or money order must be postmarked on or before the applicable due date to be considered timely.

Correcting errors in filed returns

If a previously filed return did not report the correct amount of wage withholding for the filing period, the method for correcting the error depends on whether the tax was underpaid or overpaid with the filed return.

Underpayments of tax

If the wage withholding tax due for a filing period is greater than the amount previously reported and paid, the additional tax can be reported and paid via EFT through [Revenue Online](#) or by filing a second [Colorado W-2 Wage Withholding Tax Return](#) (DR 1094). Any return filed to report additional tax should not include any wage withholding tax previously reported and paid.

Overpayments of tax

If an employer overpays the wage withholding tax due for any filing period, the employer can deduct the amount of the overpayment from the tax reported and remitted for any subsequent filing period during the same calendar year.

If the calendar year has ended and the employer is therefore unable to deduct the overpayment from the tax due for a subsequent period, the employer can claim a refund for the overpayment when filing the [Annual Transmittal of State W-2 Forms](#) (DR 1093). Any Form DR 1093 filed to claim a refund for an overpayment must be filed prior to January 31st of the following year.

If an overpayment of wage withholding tax is identified only after January 31st of the following year and the filing of Form DR 1093, the employer can file a [Claim for Refund](#) (DR 0137) to request a refund for the overpayment.

Penalties and interest

If any tax is not paid by the applicable due date, the employer will owe a penalty. The penalty is the greater of either \$5 or 5% of the unpaid tax, plus an additional 0.5% for each month the tax remains unpaid, not to exceed a total of 12%. A collection penalty equal to 15% of the unpaid tax is also imposed if an employer fails to remit payment within the time provided in any notice and demand for payment. Additional penalties may be imposed for:

- fraudulent or willful failure to file;
- filing a fraudulent, frivolous, or willfully false return;
- fraudulently failing to pay tax; or
- willfully seeing to evade tax.

Interest accrues on any late payment of tax from the original due date of the tax to the date the tax is paid. The rate of interest accrual depends on the calendar year(s) over which the deficiency continues.

Additionally, a discounted rate is allowed if the employer pays the tax in full prior to or within 30 days of the issuance of a notice of deficiency. The discounted and non-discounted, regular interest rates for recent years are listed in the following table.

Annual Interest Rates

Calendar year	Discounted rate	Regular rate
2021	3%	6%
2022	3%	6%
2023	5%	8%
2024	8%	11%
2025	9%	12%
2026	8%	11%

Assessments and appeals

If, upon review of any relevant information, the Department determines the correct amount of tax has not been paid, the Department will issue a notice of deficiency to the employer. An employer who receives a notice of deficiency may submit a written protest and request a hearing to dispute the notice. Any protest or request for hearing must be submitted within 30 days of the date of the notice. The protest or request for hearing must contain at least the following information:

- the employer's name, address, and account number;
- the tax period(s) involved;
- the type and amount of tax in dispute; and
- a summary statement of the findings with which the taxpayer does not agree and the grounds upon which the employer relies for the purpose of showing the tax is not due.

The protest or request for hearing must be signed by the employer. A protest or request for hearing may be submitted through [Revenue Online](#) or by mail, fax, or email in accordance with instructions included in the notice.

Part 4: W-2 Wage and Tax Statements



Every employer that is subject to Colorado wage withholding requirements must provide both the Department and each employee with a [Wage and Tax Statement, IRS Form W-2](#) reporting the employee's Colorado wages and Colorado withholding for each calendar year. Each year, employers must also provide all their employees written notice of the availability of certain state and federal income tax credits.

Providing W-2s to employees

Federal law requires employers to provide each employee a [Wage and Tax Statement, IRS Form W-2](#), reporting wage and tax information for each calendar year. In addition to federal tax information, the employer must also report the employee's Colorado wages and withholding on the W-2. The employer must send the W-2 to the employee by January 31st of the following year. An employer that goes out of business, dissolves or is merged into another corporation, no longer has employees, or otherwise ceases paying wages must provide W-2s to all employees by the applicable federal deadline.

Any W-2 reporting Colorado tax information may be furnished to the employee electronically, to the extent permitted by federal law. For additional information about furnishing W-2s to employees electronically, see [IRS Publication 15-A, Employer's Supplemental Tax Guide](#).

Colorado resident employees

The W-2 provided to any employee who is a Colorado resident must report any Colorado income tax withheld from the employee's wages, as well as all wages paid to the employee, except for any wages exempt from Colorado withholding because:

- such wages are exempt from federal wage withholding requirements; or
- the employee is an active duty servicemember who has reestablished Colorado residency (see Department publication [Income Tax Topics: Military Servicemembers](#)).

Nonresident employees

The W-2 provided to any employee who is not a resident of Colorado must report any Colorado income tax withheld from the employee's wages, as well as any wages that were paid to the employee for services performed in Colorado and that are not exempt from Colorado income tax under either state or federal law. Please see Part 2 of this publication for additional information regarding Colorado withholding requirements with respect to nonresident employees.

Written notice about certain credits

At least once annually, every employer must provide [Notice of Federal and State Refundable Tax Credits](#) (DR 0995), or the language from it, in written form, to all employees. The notice must be written in English and in any other language that the employer typically uses to communicate with the employee to whom the notice is sent. The employer may provide this notice along with the IRS Form W-2 the employer provides to each employee.

Format of notice

If the employer provides the notice to employees in a paper format, it must be no smaller than 5.5 inches by 8.5 inches, or half of a standard sheet of paper.

If the employer provides the notice to employees electronically, it must contain the entire written contents provided in the [Notice of Federal and State Refundable Tax Credits](#) (DR 0995). An employer cannot merely provide employees with an electronic hyperlink to the notice.

Posting [Notice of Federal and State Refundable Tax Credits](#) (DR 0995) or its entire written contents in an employee space at the employer's location does not satisfy an employer's obligation to provide the notice to all employees.

Filing W-2s with the Department

Every employer that is subject to Colorado wage withholding requirements must file with the Department any W-2 reporting Colorado wages or Colorado withholding. The required W-2s for any calendar year must be filed with the Department on or before January 31st of the following year.

Penalties for failure to file

If an employer fails to file any required W-2s with the Department by the applicable due date, a penalty of \$5 to \$50, at the Department's discretion, is due for each W-2 that is not timely filed. If an employer who is required to file W-2s electronically fails to file electronically by the applicable due date, the penalty is due for each W-2, regardless of whether the employer has submitted paper copies of the W-2s.

Electronic filing

Any employer that is required to file federal W-2s electronically must also file any Colorado W-2s electronically. For federal W-2s required to be filed during calendar years 2024 and later, electronic filing is required if the employer is required to file 10 or more federal W-2s during the year. For additional information, please see the IRS [Instructions for Forms W-2 and W-3](#).

An employer that is not required to file W-2s electronically may nonetheless elect to do so. Alternately, employers who are not required to file electronically may instead file paper copies of W-2s along with an [Annual Transmittal of State W-2 Forms](#) (DR 1093). An employer that files electronically should not submit a paper Form DR 1093, except to remit any additional tax due or claim a refund for an overpayment.

Electronic filing of W-2s is made through [Revenue Online](#). Employers must register through the website at least five days prior to their initial electronic filing. Once an employer has registered through the website, the employer will not need to register again in order to file W-2s electronically for any subsequent year. Registration is requested by completing the following steps:

- 1) Go to [Revenue Online](#).
- 2) Click on the hyperlink to “Submit Year-End Withholding” under the heading “Additional Services.”
- 3) Click on the hyperlink to “Request Withholding Submitter Access.”
- 4) Enter the required information.

Once an employer has registered, the employer can file W-2s electronically through [Revenue Online](#) by clicking the same hyperlink to “Submit Year-End Withholding.” The employer can either manually enter W-2 information by clicking “Submit a Manual Withholding File” or can upload an electronic file in a .txt format by clicking “Submit a Withholding File Attachment.” For specification for the electronic filing of W-2s, please visit [Withholding Forms and Instructions](#).

Correcting errors on W-2s

If a W-2 issued by an employer does not report the correct amount of Colorado wages or Colorado wage withholding, the employer is required to furnish both the employee and the Department with a corrected W-2 (IRS Form W-2c) reporting the correct amounts of wages and withholding. The corrected W-2 must be provided to both the employee and the Department in the time provided under federal law for correcting W-2s, generally by January 31st. Corrected W-2s should be mailed to the Department, along with a cover letter, to:

Colorado Department of Revenue
Discovery Section
PO Box 17087
Denver, CO 80217-0087