

**Instructions**

Iowa income tax must be withheld from Iowa nonwage income paid to a nonresident. If the income paid to a nonresident will be included on a composite return and is subject to the provisions of Iowa Code section 422.16B, then no withholding is required. However, a nonresident may choose to make an Iowa estimated payment instead of having Iowa tax withheld from the nonwage income. To make an Iowa estimated payment, the nonresident must file this form along with an IA 1040ES voucher and a payment equal to 3.8% of Line 3 below. This form must be filed prior to receiving Iowa nonwage income. Upon receipt of this form and payment, the Department will issue a release letter to the payer(s) of the Iowa nonwage income. The IA 1040ES voucher and instructions are available on our website at revenue.iowa.gov.

**Mail this form, the IA 1040ES voucher, and payment to:**

Alcohol & Tax Compliance Division  
Iowa Department of Revenue  
PO Box 10456  
Des Moines IA 50306-0456

**Tax-exempt?** If a nonresident qualifies to be tax-exempt then the payer is released from withholding. A nonresident is tax-exempt if Line 3 below is \$1,000 or less and not subject to Iowa lump-sum tax. No release letter will be issued if the qualified nonresident is tax-exempt.

**Questions?** Contact Taxpayer Services at 800-367-3388 or [idr@iowa.gov](mailto:idr@iowa.gov)

**Nonresident (Payee):**

For fiscal/calendar year ending (MM/DD/YYYY): \_\_\_\_\_

Name: \_\_\_\_\_

Social Security Number (SSN): \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP: \_\_\_\_\_ Phone: \_\_\_\_\_

**Income from Iowa Source(s):**

Name of Payer(s): \_\_\_\_\_

Address of Payer(s): \_\_\_\_\_

1. Iowa-source estimated gross income ..... 1. \_\_\_\_\_

2. Related business expenses ..... 2. \_\_\_\_\_

3. Iowa estimated net income (subtract Line 2 from Line 1) ..... 3. \_\_\_\_\_

Check this box to claim tax-exempt status..... ☐

I, the undersigned, declare under penalties of perjury or false certificate, that I have examined this document, and, to the best of my knowledge and belief, it is true, correct, and complete.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_