

# E-Withhold Frequently Asked Questions

## **What is the E-Withhold levy process?**

E-Withhold is a statutory process under RCW 82.32.235 (3) and WAC 458-20-21701 authorizing the Washington State Department of Revenue (DOR) to serve a levy (or withhold) on any financial institution electronically, in the form of a list. Financial institution (FI) "...means a bank, trust company, mutual savings bank, savings and loan association, or credit union authorized to do business and accept deposits in this state under state or federal law."

## **Why did DOR implement E-Withhold?**

Legislation (SSB 6169) was passed to enhance collection on tax liens where there are no agreed to payment terms.

## **Is participation by my financial institution optional?**

No. Service of an electronic list of levies (E-Withhold) is a tool granted to DOR in addition to the existing manual paper levy process. When a FI is served, it places obligations on the institution to deliver property in the institution's possession or control. The FI can become liable for the tax debt if it does not comply. DOR has discretion to provide temporary mitigation for specific issues upon written request. Please see mitigation information below.

## **When does my institution need to begin E-Withhold processing?**

Financial Institutions new to Washington's garnishment authority must begin implementation immediately.

## **How do I learn about E-Withhold and resolve questions or issues?**

Go to <https://dor.wa.gov/forms-publications/publications-subject/tax-topics/e-withhold-process-and-procedures> to view information on: Data File Formats, MFT Login and Use, Excel Instructions, the E-Withhold Process, and other helpful references.

Please email [dorewithholds@dor.wa.gov](mailto:dorewithholds@dor.wa.gov) with any questions or issues.

## **Can we set up a video conference?**

Yes. DOR can initiate or join a Teams meeting. A meeting on another platform must be initiated by the financial institution.

## **How often will DOR serve an E-Withhold file?**

DOR is authorized to serve an electronic list no more than once a month. DOR can limit the frequency of service based on a mitigation request.

**Will DOR stop using the paper withhold (levy)?**

No, DOR will continue to use individual service of the paper levy in addition to service of the electronic list. Service of an electronic list of levies is not in lieu of the DOR's authority to serve a paper levy.

**What documentation will DOR mail regarding E-Withhold?**

E-Withhold is intended to be a paper-less service. The automated emails corresponding to the MFT service placement of the Inquiry and Withhold files provides service instructions. DOR mails a copy of an NOWD to each taxpayer in the Withhold file. The financial institution will create any correspondence mailed to their member regarding the garnishment.

**What is mitigation?**

When a financial institution faces significant issues in meeting the procedural requirements outlined in this process or WAC 458-20-21701, a written request must be submitted to DOR for special handling. The request should identify the condition(s) creating the challenge(s). DOR will work with the institutions on a case-by-case basis to develop a mitigation plan that will still achieve the desired outcome of locating and recovering assets of debtors with filed tax liens.

Some of the criteria DOR will consider when analyzing ways to mitigate impact include limited staff, technical inability to respond to electronic service, geographic remoteness, or exclusion of business accounts.

Requests for mitigation assistance should be directed to DOR via email to:

[dorewithholds@dor.wa.gov](mailto:dorewithholds@dor.wa.gov)

or via U.S. Mail to:

Department of Revenue  
Attn: Compliance Division/E-Withhold  
PO Box 47473  
Tumwater WA  
98504-7473