

***** Draft *****

Industry Electronic Filing Standards April 2002

Communication

Communication with Users

Users are able to access state income tax instructions either through links or through the software.

Software accurately relays state electronic filing requirements including signature requirements and acknowledgment retrievals.

Software reviews State forms prior to transmitting returns to assure accuracy of information being completed and sent.

Software developers provide technical support to assist clients with needs.

- Software company will inform State if it charges customers to speak with a representative.

Customer service representatives accurately relay status of software and electronic filing status.

Software company refers calls to state agency only when appropriate.

- Refers calls through state contact.
- After thoroughly investigating problem first.

Developer fixes software and issues new releases to their clients in a timely manner when problems are identified during the processing season.

Electronic filing is promoted through marketing efforts.

- Promoted to the taxpayer (if applicable)
- Promoted to the practitioner

Electronic Filing is encouraged in program.

- Incentives are provided for electronic filing through a reduction in fees for high volume practitioners, low income taxpayers, or first time e-filed return.

Communications with State Contact

Developer provides a single contact person who coordinates development efforts

Developer responds to state requests in a timely fashion (same day or 24 hours, Monday through Friday)

Developer relays software release dates and electronic filing status to state contacts

- The state will not provide the link on the web until the site is available for use, to avoid confusion by the taxpayer (if applicable). Developer will complete and submit letter of intent/contract if required by the state.

- *Developer relays additional revision release dates and informs state as to what problems were corrected in each release.*

State Services

Software supports all forms that state will allow to be e-filed.

Software supports state's direct deposit (if applicable)

- Software accurately verifies direct deposit information from taxpayer

Software allows taxpayers to authenticate their return using a digital signature, such as a personal identification number (PIN) (if applicable).

Software supports state's payment for a balance due return electronically (if applicable)

- Software accurately relays payment methods available and instructions for balance due returns.

- Taxpayer may pay using bank debit (if applicable)

- Taxpayer may pay using credit card (if applicable)

Generic Record Implementation and Standards

Generic Record General Guidelines

All state forms that are eligible for electronic filing are supported and included in electronic file.

Developer incorporates edits and cross checks as specified by the state.

Software requires Numeric fields used only for numeric data, and does not allow alpha-characters to be transmitted.

Software does not allow data to exceed allowed field length.

Unformatted record

Developer supports all requested state forms, federal forms and number of occurrences.

Developer sends complete copy of federal return (if applicable)

All Unformatted state records are accurate and complete.

Developer uses the variable format versus the fixed length form – if applicable.

Acknowledgments

Acknowledgment Record

Transmitters accept either the 120 or 42-byte acknowledgment.

Transmitter picks up acknowledgments within 1-2 days of posting and reminds taxpayers to pick up separate state acknowledgment.

Transmitter passes acknowledgment to clients within **24 hours** of pick-up.

Transmitter does not frequently ask to re-hang acknowledgment files.

Reject Codes

Software assists clients in interpreting reject codes (e.g., provides explanation of the code and reference to which form has the problem).

Testing

Testing Procedures

Developer contacts state by email or telephone before sending first test transmission, and provides:

- mailbox ID (especially if using a different transmitter),
- test and live ETIN for appropriate service center,
- name of contact/programmer, with phone number and email address,
- software developer identification, and
- any other information required by the specific state.

Developer informs agency of software limitations, forms not supported, etc. prior to testing.

Programmer reviews test results prior to calling agency.

Programmer/test return examiner is knowledgeable in software functions, features, electronic filing process, and with tax preparation.

Developer tests their software, acknowledgement process, direct deposit system, electronic payments (if applicable) through the test system prior to software release.

Software not released until state testing is completed.

Developer accurately releases information regarding State/developer status (testing dates, release dates, etc.)

Personal/Online Electronic filing – if applicable to developer

For Federal/State programs, online program clearly indicates that both returns must be filed together, at the same time, in one transmission.

Online program clearly indicates whether state e-file package is available, or when it will be available.

Online program supports state services. The same refund/payment options are supported through personal products as standard ELF.

Online program supports all eligible forms that can be electronically filed.

- The same return types (refund, balance due, zero balance) are supported through personal products as standard ELF.
- The same forms/schedules supported through personal products as standard ELF.

The same filing season dates are supported through personal products as standard ELF.

- Online program is available when electronic filing season opens.
- Developer relays to states when site is available

Personal e-file program supports signature alternatives.

Site reminds taxpayers to come back to site to pick up acknowledgments or forwards acknowledgments to clients.

Site reminds taxpayers to print a copy of their return for their records and that their tax returns are stored at the site.

Developer promotes electronic filing at web site.

- *Developer provides incentives to taxpayers to electronically file from site.*

Miscellaneous Standards issues

Software errors in computing tax are kept to a minimum.

Software should prevent the same return being transmitted twice, unless subsequent transmissions are to fix items that caused the return to reject.