

EFTPS STATE PILOT

One Stop Tax Payments

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EFTPS STATE PILOT

- WHAT IS EFTPS?
 - Electronic System to pay Federal Taxes
 - All Federal Taxes
 - Businesses and Individuals
 - Three Primary Payment Methods
 - On Line
 - Batch
 - Bulk

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EFTPS State Pilot

- History of EFTPS
 - Began Operation in 1996
 - To Date has
 - 6.3 Million Business enrollees
 - 700,000 Individual enrollees
 - 575 Million Total payments
 - \$13.7 Trillion dollars collected to date
 - Bank of America Treasury's fiscal agent

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EFTPS STATE PILOT

- State Pilot Participants
 - Treasury (Financial Management Service and IRS)
 - Pilot States
 - Illinois
 - South Carolina
 - Working Group States
 - Virginia
 - New York
 - Arizona
 - Kansas

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EFTPS STATE PILOT

- Three Stages to Pilot
 - On Line—Illinois
 - Batch—Illinois and South Carolina
 - Bulk---Illinois and South Carolina

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EFTPS STATE PILOT

- ON LINE
 - Goal is to permit business taxpayer, using one set of credentials, to sign on and make both Federal and State withholding tax payments during one on line session
 - Not a replacement for existing state system
 - Existing EFTPS users will be able to modify their enrollment to include Illinois withholding taxes
 - New Users

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- On Line (continued)
 - Business taxpayer will use one bank account to make both State and Federal payments
 - If taxpayer wants to use two bank accounts will have to have another enrollment
 - Payment history for all Federal and State payments can be seen on either enrollment

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- ON LINE (Continued)
 - Segregation of taxpayer information
 - Illinois will pick up payment file and process payments-State payments will not be processed by EFTPS
 - Customer Service
 - Both Federal and Illinois will have same cut off times for making and canceling payments
 - Debit ACH payments only

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EFTPS STATE PILOT

- Taxpayer outreach
 - Enrolled taxpayer fulfillment packages will contain state payment instructions
 - EFTPS will contact all current enrollees with Illinois address of record
 - Illinois will contact existing electronic users
 - EFTPS Marketing

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EFTPS STATE PILOT

- Schedule
 - Summary of work to date
 - Current rollout no later than 1/15/07
 - Length of pilot

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EFTPS STATE PILOT

- Next phases of State Pilot
 - Batch
 - Requirements meeting scheduled in South Carolina for June
 - In FY 2005 EFTPS processed 4 million Batch payments totaling \$26.5 billion
 - Bulk
 - In FY 2005 EFTPS processed 28.3 million bulk payments totaling \$316.4 billion

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EFTPS STATE PILOT

- Issues
 - States that do not use EIN as Taxpayer ID
 - Measuring Success of Pilot
 - Metrics on increased use of electronic payers at State and Federal level
 - Costs
- Questions

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