



In keeping up with technology, the Internal Revenue Service (IRS) offers alternatives to file and pay business taxes. Take a look at the various programs designed especially for business taxpayers.

## Electronic Data Interchange (EDI)

The 941ELF program accepts and processes Form 941, "Employer's Quarterly Federal Tax Return," and Schedule B, "Record of Federal Tax Liability," in EDI format. EDI is a computer-to-computer exchange of data.

941ELF conducts security checks, sends electronic acknowledgements and builds records to be processed by current IRS computer systems. Any business can participate; however, an application and testing process is required before submitting any live returns.

Payroll processing companies or businesses that file 941 returns for others may find this program ideal. To start, get Revenue Procedure 96-19 (1996-4 I.R.B. 80) and Publication 1855, "Technical Specifications Guide for the Electronic Filing of Form 941, Employer's Quarterly Federal Tax Return" (catalog number 21595A). Smaller businesses or reporting agents can also participate and should check computer software stores for IRS-approved software.

## Magnetic Tape, Disk or BBS

Business taxpayers can file their business tax returns via 1/2" mag tape, 3 1/2" or 5 1/4" floppy disk or bulletin board system (BBS). Several forms can be filed this way, including some state returns.

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To participate in the Forms 940 or 941 programs, a letter of application is required.

### Form 940/941 Programs

Reporting agents can file Forms 940, "Employer's Annual Federal Unemployment (FUTA) Tax Return," and 941, "Employer's Quarterly Federal Tax Return," via mag tape.

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To participate in the Forms 1041, 1065 or 5500 series programs, complete Form 9041, "Application for Electronic/Magnetic Media Filing of Business and Employee Benefit Plan Returns." A testing process is required before being accepted into a program.

### Form 1041 Program:

"U.S. Income Tax Return for Estates and Trusts" can be filed on mag tape, disk or BBS.

### Form 1065 Program:

"U.S. Partnership Return of Income" can be filed in one of four ways via -

- 1) electronic filing.
- 2) mag tape or floppy disk.
- 3) remote BBS using a modem or modem transmission.
- 4) paper-parent option that allows Form 1065 and related forms and schedules to be sent on paper and associated Schedule K-1 and Form 8308 to be sent electronically or on magnetic media.

### Form 5500 Series Program:

Employee Benefit Plan returns can be filed using mag tape or by electronically transmitting the return to a BBS via modem-to-modem connection.

## Electronic Payments

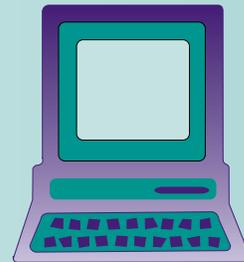
Businesses can now make their federal tax deposits electronically by enrolling in the Electronic Federal Tax Payment System (EFTPS).

EFTPS is a convenient way to make payments with a telephone call or through a personal computer. Businesses initiate

payments, which go directly from their bank accounts to the federal government's account. EFTPS does not change the date taxes are due or the amounts owed.

Call 1-800-555-4477 or 1-800-945-8400 for enrollment forms and more information.

## Electronic Tax Administration



## Electronic Commerce for Businesses

### IRS is Electronic

Businesses can get tax information, forms and publications on-line.

#### Internet

World Wide Web - <http://www.irs.ustreas.gov>  
FTP - <ftp.irs.ustreas.gov>  
Telnet - [iris.irs.ustreas.gov](telnet:iris.irs.ustreas.gov)

#### Modem

(703) 321-8020

Or call 1-800-829-3676 to order IRS forms and publications.

