

HANDBOOK
FOR
ELECTRONIC FILERS
OF
INDIVIDUAL INCOME TAX RETURNS
(TAX YEAR 1997)

Publication 1345

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INTERNAL REVENUE SERVICE
WASHINGTON, DC

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SECTION 1 - INTRODUCTION

1.1 - Welcome to the Tax Year 1997 Electronic Filing Program

Thank you for participating in the tax year 1997 electronic filing program. If this is your first year, we are happy to have you on board. For all our continuing participants, welcome back. It's time to prepare for another busy and successful filing season.

While the electronic filing program does not have any big changes this year, we have made two administrative changes that will affect everyone. Effective September 2, 1997, all new and revised applications, Forms 8633, Application to Participate in the Electronic Filing Program, will be sent to and processed by the Andover Service Center. See section 4.4 for address information. This change applies only to applications. You will continue to test with and transmit returns to the same centers you have in the past. The second change consolidates to Andover Service Center the process of conducting suitability checks. See section 4.13 for more information on suitability checks.

The electronic filing program is governed by an annually updated revenue procedure entitled, ***Obligations of Participants in the Electronic Filing Program for Form 1040, U.S. Individual Income Tax Return***. Please be sure to obtain a copy when it is published. This handbook supplements the revenue procedure. It arranges the material into a natural progression to make it easier to understand and comply with the revenue procedure. You'll find information on filing and revising applications, your responsibilities as a participant, rules and procedures for the various aspects of the program, and a number of useful exhibits.

In addition to this handbook, IRS publishes other material supporting electronic filers:

- Publication 1346, ***Electronic Return File Specifications and Record Layouts for Individual Income Tax Returns (Tax Year 1997)***
- Publication 1436, ***Test Package of Electronic Filing of Individual Income Tax Returns (Tax Year 1997)***
- Publication 1345A, ***Handbook for Electronic Filers of Individual Income Tax Returns (Supplement)***

If you need to talk to someone about electronic filing, you'll find a complete list of electronic filing contact points by state in exhibit 13. For a wide variety of tax and form information see exhibit 15 for electronically accessible resources.

We are always glad to hear your comments about our publications. Send any comments or suggestions about this handbook to

Internal Revenue Service
Attention: T:ETA:O:C
5000 Ellin Road
Lanham, MD 20706

Phone: 202-283-0531 (not toll-free)
FAX: 202-283-4786 (not toll-free)

1.2 - Electronic Filing Calendar - Tax Year 1997

Tax Return Period January 1, 1997 to December 31, 1997

Deadline for Receipt of **New Application Form 8633** by IRS December 1, 1997

Note: Revised Forms 8633 may be submitted year-round.

IRS Begins to Accept Test Transmissions (**PATS**) November 5, 1997

Recommended Last Date for Initial Test Transmission December 5, 1997
by Software Developers

Begin Transmitting Live Electronic Returns January 16, 1998

Last Date for **Timely Filed Returns** April 15, 1998

Last Date for **Timely Filed Forms 4868** April 15, 1998

Last Date for Retransmission of
Rejected Timely Filed Forms 4868 April 17, 1998

Last Date for Retransmission of **Rejected Timely Filed Returns** April 20, 1998

Last Date IRS Will Accept Test Transmissions April 30, 1998

Last Date for **Late Filed or Extended Returns** October 15, 1998

Last Date for Retransmission of **Rejected Late Filed Returns** October 19, 1998

Retention of ACK File Materials December 31, 1998

Retention of Electronic Return Related Materials
(Except for paid preparers who must retain all materials
as required under Treasury Regulations 1.6107-1(b),
which requires holding materials for 3 years) December 31, 1998

Note: An Electronic Filer **must** submit Form 8453 (U.S. Individual Income Tax Declaration For Electronic Filing) the next workday after they receive acknowledgment that the return has been accepted.

SECTION 2 - CHANGES

2.1 - Changes for Tax Year 1997 Electronic Filing Program

- Beginning September 2, 1997 all new and revised applications, Forms 8633 will be submitted to the Andover Service Center ☛ section 4 and throughout the handbook
- The rules for submitting new applications by actively participating firms who want to operate at additional locations are clarified ☛ section 4.2:2d
- Evidence in lieu of fingerprint cards is explained more fully ☛ section 4.2:3
- Rules for submitting revised applications are clarified ☛ section 4.2:5
- Beginning September 2, 1997 Andover Service Center will perform suitability checks, where appropriate, on all principals and responsible officials listed on new and revised applications ☛ sections 4.9:1 and 14
- Instructions are added for handling addresses in the electronic portion of the return when income documents and the tax return differ ☛ section 5.1:4
- A Form 8453 Checklist has been added ☛ section 7.13
- The paid preparer need not disclose his/her social security number on the paper copy of the tax return or Forms 8453 provided to the taxpayer ☛ section 8.1
- An exception for providing the taxpayer with a printout of the electronic portion of the return is included in one case where the taxpayer submits for electronic filing a completed paper return ☛ section 8.1
- Andover Service Center will make denial of participation determinations and be responsible for the administrative review process ☛ section 14
- The table of accepted forms and schedules is updated ☛ section 18.2

SECTION 3 - ELECTRONIC FILING PARTICIPANTS--DEFINITIONS

A firm, organization or individual that participates in the electronic filing program is known as an electronic filer.

3.1 - Electronic Return Originator (ERO)

An ERO is a firm, organization, or individual that deals directly with the taxpayer. An ERO is defined as:

- a. an "electronic return preparer," who prepares tax returns, including Forms 8453, for taxpayers who intend to have their returns electronically filed; or

- b. an "electronic return collector," who accepts completed tax returns, including Forms 8453 from taxpayers who intend to have their returns electronically filed.

An ERO may be a for-profit or a not-for-profit organization in the private or public sector that chooses to provide electronic filing services. Examples include employers providing the service to their employees or a university providing electronic return collection services to the student body.

Note: If an employer provides electronic filing to its employees at no cost, the value of the electronic filing is excluded from the employees gross income as a de minimis fringe benefit. It is not reported on Form W-2, and is exempt from withholding and payment of employment taxes (see Treasury Regulation 1.132-6).

3.2 - Service Bureau

A "service bureau" is a firm, organization, or individual that:

- a. receives tax return information on any media from an ERO, formats the return information and either forwards the return information to a transmitter or sends back the return information to the ERO; and
- b. may or may not process Forms 8453 and send them to the appropriate service center.

3.3 - Software Developer

A "software developer" is a firm, organization or individual that develops software for the purposes of:

- a. formatting returns according to the Service's electronic return specifications; and/or
- b. transmitting electronic returns directly to the Service. A software developer may also sell its software.

3.4 - Transmitter

A "transmitter" is categorized as a firm, organization or individual that transmits electronic returns directly to the Service. This includes, but is not limited to:

- a. entities that receive information to be reformatted and sent to IRS, i.e., third party transmitters; and
- b. entities that receive reformatted information then speed it up for forwarding to IRS (commonly known as providing "Bump-Up" services).

A "bump-up" service provider increases the transmission rate or line speed of formatted or reformatted information that is being sent to the IRS via a public switched telephone network. For example, a bump-up service provider may increase the transmission rate or line speed of information from 4800 bits per second (bps) to 9600 bps. IRS specifications for electronic filing require a minimum speed of 4800 bps for bi-synchronous communications or a minimum of 1200 bps for asynchronous communications;

Note: For further information on Asynchronous and Bisynchronous communications, see Section 19 of this publication.

3.5 - Ways to Participate in Electronic Filing

Electronic filers can choose to perform one or a combination of all the functions associated with electronic filing.

Example: An electronic return originator can be a preparer who prepares the tax return, or an individual or firm that receives prepared returns for the purpose of having electronic returns produced.

Example: An electronic return originator can develop software to format return records to conform with the IRS specifications (software developer), or purchase a software package that performs this function.

Example: An electronic return originator can write the software to transmit the formatted returns directly to the IRS (software developer), or purchase a software package to do the transmission directly to the IRS (transmitter), or use a third party transmission service that can transmit directly to the IRS.

Example: An electronic return originator prepares tax returns and receives returns prepared by another accepted electronic return originator and forwards the returns through a third party transmitter to the Internal Revenue Service.

Note: An electronic return originator that transmits through a third party is not categorized as a transmitter and should answer "no" to question 3a on Form 8633, Application to Participate in the Electronic Filing Program.

The ways of doing business govern how an individual or firm completes the application to participate in electronic filing. Entries on the application indicate to the IRS the types of information and publications the applicant will need. The functions the applicant will perform determine if testing with the IRS is required, what types of tests are needed, and what responsibilities are assumed by the electronic filer, including the monitoring of drop-off collection point(s) shown on the application, if any.

3.6 - Drop-off Collection Point

Electronic filers may have drop-off collection points. These are places where taxpayers can submit their completed tax returns or tax return information, including Form 8453, for the purpose of having their returns electronically filed. Drop-off collection points must be listed on your initial application. If you add an additional drop-off collection point(s), you must submit a revised application, Form 8633, before accepting returns or return information at that location(s). See section 4.2:5 of this publication.

The activity at a drop-off collection point is limited solely to receiving a tax return or tax return information that a taxpayer wants to have electronically filed and collecting a fee for electronically filing that return. Return preparation activity may not be conducted at a drop-off collection point. Return preparation activity includes but is not limited to

- a. comparing money amounts listed on Form 8453 with those on the submitted return or return information; and
- b. verifying routing numbers and account numbers used for direct deposit of refunds.

Return preparation activity does not include collecting a fee for electronic filing or ensuring that taxpayers have signed Form 8453.

If employees at the drop-off collection point engage in return preparation activity, the operation changes into return origination. You must submit Form 8633 and apply to become an electronic return originator. See sections 3.1 and 4.2:2d of this publication

An electronic filer need not have an ownership interest in the drop-off collection point. There must be an agreement (either verbal or written) between the electronic filer and the office, store or other location where the drop-off collection point resides relating to electronic filing. If applicable, the drop-off collection point will use the same hardware, software and transmission system as the electronic filer.

SECTION 4 - ACCEPTANCE IN THE ELECTRONIC FILING PROGRAM

4.1 - General Information

1. To participate in the electronic filing program, you must submit Form 8633, Application to Participate in the Electronic Filing Program (revised July 1997). A copy of Form 8633 can be found at the end of this section. Submit your application to the Andover Service Center as shown on Form 8633.

2. You can obtain Form 8633 and fingerprint cards by calling the Andover Service Center or by contacting the IRS. See exhibits 13 and 14.

Note: You cannot obtain Form 8633 or fingerprint cards from the IRS Tax Forms Distribution Centers.

3. The application period for new applications, is from September 2, 1997 to December 1, 1997.

4. An ERO that has a foreign location must complete the foreign filer information on line 11 of the Form 8633. In addition, the ERO must have a stateside contact representative through whom all official correspondence from IRS for the foreign location will be received.

5. Incomplete or inaccurate applications will be returned to the applicant and the applicant may not be able to participate in the electronic filing program.

6. Only use the official Form 8633 or an approved substitute form which duplicates the official Form 8633 in format, language, content, color, and size. Use of unapproved forms could result in a delay in acceptance for participation in the electronic filing program. A substitute fingerprint card cannot be used. Substitute Forms 8633 must be submitted for approval by writing to:

Internal Revenue Service
Substitute Forms Coordinator T:FP:S
1111 Constitution Avenue NW, Room 2712
Washington, DC 20224

For additional information refer to IRS Publication 1167, ***Substitute Printed, Computer-Prepared and Computer-Generated Tax Forms and Schedules.***

4.2 - Who Must Submit Form 8633

1. All organizations or individuals that wish to be considered for participation in the tax year 1997 electronic filing program as **NEW** applicants, must file a completed Form 8633.
2. Applicants must file a **NEW** Form 8633 with fingerprint cards for the appropriate individuals if:
 - a. the applicant has never actively participated in the electronic filing program;
 - b. the applicant has previously been denied participation in the electronic filing program (see section 14.1:9 for terms of ineligibility);
 - c. the applicant has been suspended from the electronic filing program (see section 15.1:8 for terms of ineligibility); or
 - d. the applicant is an electronic filer that is actively participating in the electronic filing program and wants to operate an electronic filing business at an additional location. Principals and responsible officials who previously submitted fingerprint cards and are currently accepted in the electronic filing program need not submit another set of fingerprint cards.
 - e. the applicant purchased an existing business that was previously owned by an accepted electronic filer on the date of sale (see section 4.5:2a for special rules).
3. Applicants who are in one of the following categories may submit evidence of current professional status (defined below) in lieu of fingerprint cards;
 - a. an attorney in good standing of the bar of the highest court of any State, Commonwealth, possession, territory or the District of Columbia, and is not currently under suspension or disbarment from practice

before the Service or the bar of the highest court of any State, Commonwealth, possession, territory or the District of Columbia;

- b. a certified public accountant (CPA) who is duly qualified to practice as a certified public accountant in any State, Commonwealth, possession, territory or the District of Columbia and is not currently under suspension or disbarment from practice before the Service or any State, Commonwealth, possession, territory or the District of Columbia.
- c. an enrolled agent pursuant to part 10 of 31 C.F.R. Subtitle A;
- d. an officer of a publicly owned corporation; and
- e. a banking official who is bonded and has been fingerprinted within the last two years.

4. Evidence of current professional status may be a copy of a certificate that the attorney, CPA or enrolled agent is a member in good standing of the bar, regulatory agency or Service. If a certificate is not normally issued, a letter indicating good standing from the bar or regulatory agency will be sufficient. An enrolled agent may submit a copy of his/her current enrollment card issued by the Service. An officer of a publicly owned corporation must submit on corporate letterhead which carries his/her name as an officer, the stock symbol, the exchange where listed and the name under which the stock is traded. A banking official must submit a copy of the bonding certificate and proof of fingerprinting within the last two years.

5. If you are already participating in the electronic filing program **REVISED** applications are required 30 days from the date any information on your application changes or you add, change, or delete contacts, principals, or responsible officials.

- a. In the following instances, complete Form 8633, check the box(es) applicable to the revision and be sure the revised application is signed by all principals and the responsible official and fingerprint cards are submitted for the appropriate individuals:
 - i. the participant functioned solely as a software developer during the tax year 1996 electronic filing program and intends to function as an ERO, service bureau, or transmitter during the tax year 1997 electronic filing program. Fingerprint card(s) must be completed and attached to the application for **all individuals** listed in section 8 **who have not previously submitted fingerprint cards** with Form 8633. See section 4.2:3 for exceptions;

- ii. there is an additional principal, such as a partner or corporate officer, that must be listed on Form 8633, section 8, "Principals of Your Firm or Organization." Fingerprint card(s) must be completed and attached to the application for **all individuals** listed in section 8 **who have not previously submitted fingerprint cards** with Form 8633. See section 4.2:3 for exceptions;
 - iii. there is a principal listed on Form 8633, line 8, that should be deleted;
 - iv. the responsible official on Form 8633, line 9, "Responsible Official," changes. A fingerprint card must be completed and attached to the application for the **individual** listed in section 9, **who has not previously submitted a fingerprint card** with Form 8633. See section 4.2:3 for exceptions. If the responsible official is already listed as a responsible official on other applications, see section 4.7 for limitations; and/or
 - v. the participant was dropped from the program because no returns were filed using the participant's EFIN in the current tax year (through April 15). Submit a revised application complete with fingerprint cards. Current suitability requirements will apply.
- b. For revisions to other than lines 8 or 9 of Form 8633:
- i. complete Form 8633, check the box(es) applicable to the revision, and complete the signature lines, 12, 13, and 14; or
 - ii. submit a letter with the revised information, signed by a responsible officer who has the authority to act and sign for the firm in legal and/or tax matters; be sure to include identifying information--Firm Name, EIN/SSN, EFIN, etc. that would be included on lines 1a through 1i of Form 8633.

4.3 - Who Does Not Need to Apply

1. Equipment manufacturers or software firms that provide products which are not utilized exclusively for electronic filing (e.g., a modem manufacturer, a PC manufacturer, etc) do not need to apply.
2. Telecommunication networks that do not provide a product exclusively used for electronic filing do not need to apply.

4.4 - Where to Mail Your Application

All Forms 8633, both new and revised, should be sent to the Andover Service Center. The addresses are listed below (**overnight mail cannot be sent**

to a post office box). **Note:** The following addresses are for Forms 8633 **ONLY**. See section 7.11 for addresses for mailing Forms 8453.

Forms 8633---ANDOVER SERVICE CENTER	
REGULAR MAIL	OVERNIGHT MAIL
Internal Revenue Service Andover Service Center Attn: EFU Acceptance Testing Stop 983 PO Box 4099 Woburn, MA 01888-4099	Internal Revenue Service Andover Service Center Attn: EFU Acceptance Testing Stop 983 310 Lowell Street Andover, MA 05501

4.5 - When to File Form 8633

1. **NEW** application Forms 8633 must be filed between September 2, 1997 and December 1, 1997 except as specified in section 4.5:2 below. **NEW** applications will again be accepted beginning August 1, 1998 for participation in the tax year 1998 filing season. **REVISED** Forms 8633 are accepted year-round.

2. Exceptions

- a. Form 8633 will be accepted after December 1 if the applicant purchased an existing business on or after November 1. The business must have been an accepted electronic filer on the date of sale. The applicant (purchaser) must file a **NEW** Form 8633 with fingerprint cards, if necessary, and undergo suitability requirements. Form 8633 must be received at the service center within 30 days after the date of sale. The following supporting documentation (proof of sale) must be attached to form:
 - i. seller's name and address;
 - ii. business name and address;
 - iii. seller's signature;
 - iv. purchaser's name and address;
 - v. business name and address;
 - vi. purchaser's signature; and
 - vii. date of sale

2. A firm may file a new application and add an additional location after December 1 only if the principals and responsible official listed on the application have already passed suitability.

4.6 - Additional Information about Forms 8633

1. Applications that are incomplete (including fingerprint cards if applicable), improperly signed, or, in the case of new Forms 8633, postmarked after the December 1, 1997 deadline, will be returned to the applicants. All applications must be signed by a firm official or person authorized to act for the firm in legal and/or tax matters.
2. Please indicate whether the application is new or revised and provide the reason for filing a revised application by checking the appropriate box. If the reason is not listed, please explain.
3. Only one Form 8633 will be accepted for each business location.
4. Line-by-line instructions can be found on the back page of the application.
5. A responsible official must be listed on all applications. See section 4.7.

4.7 - Definition of Responsible Official

1. The "Responsible Official" is the person who oversees the daily operations of the office. A principal may also be a responsible official. A responsible official may be responsible for more than one office as specified below.
2. **Tier I Responsible Official** - Tier I responsible officials include first time applicants, reapplicants and those individuals who have not otherwise participated in the electronic filing program as responsible officials during the last two consecutive filing seasons. Tier I responsible officials should be able to visit on a daily basis each office for which they are listed as a responsible official. Tier I responsible officials may be listed on a maximum of ten applications (Forms 8633).
3. **Tier II Responsible Official** - Tier II responsible officials are individuals who have participated in the electronic filing program as responsible officials during at least the two most recent filing seasons and who have never been suspended from participation in the electronic filing program. Tier II responsible officials should be able to visit on a daily basis any office for which they are

listed as responsible officials. Tier II responsible officials may be listed on a maximum of twenty applications (Forms 8633).

4.8 - Requirements for Individuals Listed as Principals or Responsible Officials

Each individual listed as a principal or a responsible official:

- a. must be a United States citizen or an alien admitted for lawful permanent residence;
- b. must have attained the age of 21 as of the date of application;
- c. must submit with Form 8633 one standard fingerprint card with a full set of fingerprints taken by a law enforcement agency. An individual who is an attorney, certified public accountant, enrolled agent, an officer of a publicly owned corporation or banking official may choose to submit evidence of his or her status as an attorney, certified public accountant, enrolled agent, an officer of a publicly owned corporation or banking official in lieu of one standard fingerprint card (see section 4.2:4 for acceptable evidence);
- d. must pass a suitability check that includes a credit check and a fingerprint check; and
- e. must, if applying to be an ERO, meet state and local licensing and/or bonding requirements in connection with the preparation of tax returns. However, if the state and local licensing and/or bonding requirements apply to a business entity, the individual(s) must demonstrate that the business entity meets the requirements.

Failure to meet the above requirements will result in a denial for participation in the electronic filing program.

4.9 - Acceptance Process

1. After the completed Form 8633 is received and processed, the Andover Service Center will perform a suitability check on each principal and responsible official. At the same time, the Andover Service Center will:
 - a. assign an Electronic Filer Identification Number (EFIN), and if appropriate an Electronic Transmitter Identification Number (ETIN). A service bureau will receive a Service Bureau Identification Number (SBIN), and a drop-off collection point will be assigned a Collection Point Identification Number (CPIN). See section 4.12 for further information on EFIN, ETIN, CPIN and SBIN assignment. For information

on requesting acceptance of an EFIN at multiple centers, see Section 24.7 in this publication; and

- b. send a letter to the applicant acknowledging receipt of the application, and provide general information on the acceptance process. **This is an acknowledgment letter only, NOT an acceptance letter.** You cannot accept returns until receipt of the acceptance letter.

2. Based on the information contained on Form 8633, software developers and transmitters will be mailed the following publications as they become available:

- a. Publication 1345 (Handbook for Electronic Filers);
- b. Publication 1346 (File Specifications and Record Layouts);
- c. Publication 1436 (Test Package); and
- d. Publication 1345A (Handbook for Electronic Filers, Supplement).

3. Applicants who will function as electronic return originators or service bureaus will receive Publications 1345 and 1345A only.

Note: Additional copies can be ordered from the IRS Tax Forms Distribution Centers. Refer to exhibit 9 of this publication for a complete list of publications, their availability, addresses and telephone numbers.

4. To be accepted as a participant in the tax year 1997 electronic filing program, ERO's and service bureaus are only required to pass a suitability check. Firms which are only developing software are required to pass Participants Acceptance Testing (PATS) and transmitters are required to pass suitability and PATS testing.

5. The purpose of the suitability check is to ensure that participants are conscientious, reputable filers who will protect the integrity of the program. Suitability is discussed in section 4.13.

6. Participants Acceptance Testing (PATS) is discussed in sections 4.14-4.20.

7. The service center will send applicants a letter of acceptance to participate in the tax year 1997 program after passing suitability and PATS testing, if applicable. The transmitter's password for live processing will be mailed separately.

4.10 - Once You Have Been Accepted as an Electronic Filer

1. Accepted electronic filers can begin transmitting "live" returns on January 16, 1998. If there is a change in this, all electronic filers will be notified via the EFS bulletin board: 606-292-0137.
2. Schedules of electronic filing system drain times and availability for each electronic filing service center will be posted on the EFS bulletin board. The service center systems are available almost 24 hours a day.
3. If the electronic filing system is unavailable for a potentially lengthy period, a message will be posted on the EFS bulletin board, and the Service will provide contingency instructions to electronic filers.

Note: The Service reserves the right to drop the EFIN of any accepted electronic filer who does not actively participate in the program by April 15, 1998. For example, an ERO who has no returns transmitted and accepted by April 15, 1998 may be dropped from the electronic filing program.

4.11 - Things to Remember Before Starting

Depending on **HOW** you plan to participate in the electronic filing program, there are additional things you need to keep in mind before filing any electronic returns or distributing software.

Electronic return originator applicants must verify that their software and/or transmission service has been accepted by the IRS before accepting or transmitting live returns.

Software developers must inform their clients that they can only use the accepted version of their software. **Software developers should not distribute their software until they have been officially notified of acceptance by the IRS.**

Transmitters who transmit electronic returns for other electronic filers, must provide the service centers where they will transmit returns, a copy of the instructions given to their clients and any updates of these instructions.

Transmitters must not accept electronic returns until they have been assigned a password for live processing.

Transmitters must ensure their ERO clients have successfully passed a suitability check before accepting returns from them.

4.12 - "EFIN", "ETIN", "CPIN" AND "SBIN" Assignments

1. When an application is received, the Service assigns:
 - a. each electronic return originator, transmitter and software developer a unique Electronic Filing Identification Number (EFIN);
 - b. each software developer or transmitter, an Electronic Transmitter Identification Number (ETIN) and a password for testing;
 - c. each service bureau, a Service Bureau Identification Number (SBIN); and
 - d. each drop-off collection point, a Collection Point Identification Number (CPIN).

Note: These EFINs, ETINs, CPINs, SBINs and passwords must be safeguarded at all times. **They cannot be transferred to anyone else.**

2. EFINs are assigned based on the district office that serves the area where the applicants business is located. The EFIN is used in the construction of the Declaration Control Number (DCN) and identifies the electronic return originator. For information regarding assignment of an EFIN for use at multiple centers, see section 24.7 in this publication.

3. ETINs are assigned based on the IRS service center where the transmissions will be sent. The ETIN allows access to the electronic filing system and identifies the transmitter. If an applicant has more than one dedicated leased line, one ETIN will be assigned for each line. In addition, each ETIN will have its own password. The test password only allows access to the test programs and processes. A different password will be assigned for live return filing when the transmitter has been accepted into the electronic filing program. For information regarding assignment of an EFIN for use at multiple centers, see Section 24.7 in this publication.

4. Software developers will use their ETIN and password only during testing. This ETIN and password will be blocked during live filing.

5. EFINs, ETINs, SBINs and CPINs are permanently assigned to the applicant and, if applicable, its associated drop-off collection points upon receipt of the application. Therefore, applicants who were accepted for the 1997 filing season (Tax Year 1996) and all subsequent tax years will retain their EFIN, ETIN, SBIN and CPIN(s) unless otherwise advised by the Service. In those

instances where more than one EFIN had been assigned in the past, the IRS will let you know which EFIN is to be used.

6. The following information clarifies EFIN, ETIN, CPIN and SBIN assignment and its use:

IRS CATEGORY	EFIN/ETIN USE DURING TESTING	EFIN/ETIN USE LIVE PROCESSING
Transmitter		
Dial-up line	EFIN, ETIN/Test Password	EFIN/ETIN/Live Password
Dedicated line	EFIN, ETIN/Test Password	EFIN/ETIN/Live Password
Software Developer	EFIN, ETIN/Test Password	Not Needed
ERO Only	None	EFIN
Service Bureau	None	SBIN/Summary Record
Drop-off Collection Point	None	CPIN/Summary Record

4.13 - Suitability Checks

1. Electronic filing participants should maintain a high degree of integrity and adhere to the highest professional and ethical standards. Suitability checks are performed by Andover Service Center on:

- a. all principals and responsible officials listed on new and revised applications; and
- b. all principals and responsible officials on an annual basis.

Note: Suitability checks are **NOT** performed on electronic filers who are participating only as a software developer.

2. Andover Service Center will attempt to complete the suitability check within 45 days of receiving the application. If the check cannot be completed within that time frame, Andover Service Center will notify the applicant of the status of the application. Andover Service Center will notify the applicant of the application's status every 30 days thereafter until the suitability check is

complete. **Until an applicant passes suitability, they cannot transmit or accept returns.**

3. If a principal or responsible official fails the suitability check, the Andover Service Center director will send a letter explaining the reasons for rejection. This letter will also provide information on the applicant's appeal rights (see the revenue procedure for the administrative review process). If an applicant who was rejected attempts to transmit returns, those returns will be rejected.

4. Listed below are some reasons that a principal or responsible official may be denied participation in or suspended from the program. The following list is not all-inclusive:

- a. conviction of any criminal offense under the revenue laws of the United States, or of any offense involving dishonesty, or breach of trust;
- b. failure to file timely and accurate business and personal tax returns;
- c. failure to pay personal or business tax liabilities;
- d. suspension/disbarment from practice before the IRS;
- e. other facts or conduct of a disreputable nature that would reflect adversely on the program;
- f. misrepresentation on an application;
- g. suspension or rejection from the program in a prior year;
- h. unethical practices in return preparation;
- i. stockpiling returns prior to official acceptance into the electronic filing program;
- j. knowingly and directly or indirectly employing or accepting assistance from any person who has been denied acceptance into the electronic filing program or is suspended from the electronic filing program. This includes any individual whose actions resulted in the rejection or suspension of a corporation or partnership from the program;
- k. knowingly or directly or indirectly accepting employment as an associate, correspondent, or as a sub-agent from, or sharing fees with any person who has been denied acceptance into the electronic filing program or is suspended from the electronic filing program. This includes any individual whose actions resulted in the rejection or suspension of a sole proprietorship, corporation or a partnership from the electronic filing program;

- l. failure to pass the credit check conducted at time of application; and
- m. assessment of penalties under the following Internal Revenue Code Sections (IRC Sec.):

IRC SEC.	SECTION TITLE
6659	Valuation Overstatements of Income Tax
6660	Valuation Understatements of Estate and Gift Tax
6661	Substantial Understatement of Tax Liability
6662	Imposition of Penalty
6663	Imposition of Fraud Penalty
6672	Failure to Collect and Pay over Tax, or Attempt to Evade or Defeat Tax
6682	False Information with Respect to Withholding
6694	Understatement of Taxpayer's Liability
6695	Other Assessable Penalties With Respect to the Preparation of Income Tax Returns for Other Persons
6700	Promoting Abusive Tax Shelters, Etc.
6701	Penalties for Aiding and Abetting Understatement of Tax Liability
6702	Frivolous Income Tax Return
6707	Failure to Furnish Information Regarding Tax Shelters
6708	Failure to Maintain Lists of Investors in Potentially Abusive Tax Shelters
6712	Failure to Disclose Treaty-based Return Positions
6713	Disclosure or Use of Taxpayer Information
7213	Unauthorized Disclosure of Information
7216	Disclosure or Use of Information by Preparers of Returns

4.14 - Participants Acceptance Testing (PATS)

Sections 4.15 - 4.20 include standards for software developers and answer questions regarding testing.

4.15 - Standards for Software Developers

1. The only allowable limitation to software is that it does not have to provide for all forms or schedules, nor for all occurrences of a particular form or schedule. You may modify tests to include only the forms your software will support. However, all 26 scenarios must be transmitted.
2. You must do the complete form with no field limitations except for the number of occurrences.
3. You must advise the service center of all limitations to your software package at the time of first contact, before testing begins.
4. If your software cannot provide for all occurrences of a particular form or schedule, or series of fields as specified in Publication 1346, no statement record is allowed.
5. All information on Form W-2 must be entered in the Form W-2 record. There are no exceptions.
6. No "compares" will be run until there are no reject conditions on the Acknowledgment file for the test returns (with the exception of the forced rejection of test #11).
7. You must advise the service center of all names you will be using to market your product.
8. All test returns must be transmitted with the correct Source Return Indicator based on the type of Form 1040 return submitted (1040, 1040A, or 1040EZ).
9. If you plan to participate in the Federal/State electronic filing program, you must send the state generic portion of the return so designated in the test.
10. You must provide for the transmission of third-party paid and non-paid preparer information as specified in the scenarios.
11. Your software must be able to accept different addresses for multiple Forms W-2; the 1040 entity address must not automatically transfer to the W-2 address if they are not the same.
12. Do not generate a form if there are no entries. There must be significant data on the page record of a form or schedule; all zeros is not considered

significant data. No blank forms are allowed; however, there are exceptions for some multiple-page schedules or forms listed in Publication 1346.

4.16 - When to Test

Test transmissions of the PATS Test Package, Publication 1436, will begin November 5, 1997. When you are ready to test, call the Electronic Filing Unit in the appropriate service center:

Andover Service Center	508-474-9486
Austin Service Center	512-460-8900
Cincinnati Service Center	606-292-5621
Memphis Service Center	901-546-2690
Ogden Service Center	801-620-7444

*** Note: These are not Toll-Free numbers ***

It is recommended that software developers submit an initial test transmission by December 5, 1997. The service centers will discontinue testing for the Tax Year 1997 on April 30, 1998.

4.17 - How to Test

PATS testing is a five-step process for software developers and transmitters:

Step 1: Filers must transmit the test returns from the Test Package, Publication 1436, using their electronic filing software and following the instructions in the publication.

Step 2: Filers' returns will be compared against the PATS Answer file after they have received an Acknowledgment file with no rejected returns. The comparison program checks each byte and prints out the fields that are different.

Step 3: After the test transmissions are reviewed, feedback will be provided to the appropriate contact person.

a. If any formatting or transmission errors are caused by accepted software, the software developer must correct the software and have the transmitter retransmit the affected returns.

b. Transmitters who have multiple applicants testing through them should expedite the distribution of updates to software packages to avoid the same problem or error from recurring with another filer.

Step 4: Filers will be notified that they have passed the test when there are no major discrepancies.

Step 5: Filers, who have passed the test at the primary service center, must also pass a communications test at all the other service centers where they will transmit returns. All five returns must be acknowledged as accepted.

4.18 - Why Test

1. The purpose of testing is to ensure, prior to live processing, that:
 - a. Filers transmit in the correct format and meet the IRS electronic filing specifications;
 - b. There are no validation errors in the test scenarios;
 - c. Required fields will post to the IRS master file; and
 - d. Filers understand and are familiar with the mechanics of electronic filing.

4.19 - What Is Tested

1. The test package for the TY 1997 Participants Acceptance Testing System (PATS I) consists of twenty-six (26) return scenarios. Each scenario includes the applicable W-2s, W-2Gs, 1099Rs, 1040s, 1040As, and 1040EZs.
2. The test returns include all forms and schedules accepted for Electronic filing. The scenarios provide the information needed to prepare the appropriate forms and schedules; however, computations and data for all lines have not been provided. Therefore, knowledge of tax law and tax preparation is necessary. You must correctly prepare and compute these returns before transmitting the tests. The test transmission (**PATS I**) will be compared against the **PATS ELF Answer File**
3. A separate transmission file (**PATS II**) will be created for the ETD System using prescribed data from selected scenarios. Once a transmitter has passed the ELF PATS I test, they may begin testing with the ETD PATS II data. The

ETD file will be composed of sixteen (16) intermixed Forms 9465 and Forms 4868.

This transmission will be compared against the new **PATS ETD Answer File**.

4.20 - Who Must Test

1. The Internal Revenue Service requires that all software developers and transmitters perform the tests in the Test Package, Publication 1436, before they can be accepted as an electronic filer for each filing season.

a. For PATS I, they must transmit all twenty-six (26) returns in two separate same day transmissions to their primary service center. The primary service center is the center that serves the area where their main office is located.

b. For PATS II, they will be required to transmit the returns in two separate, same-day transmissions. Tests 1-8 should be in one transmission and 9-16 in the second transmission in one day.

2. If a firm is only participating as a service bureau, electronic return originator, or preparer, they are not required to pass acceptance testing.

3. A filer who uses accepted software and transmits through a third party, does not need to test.

4.21 - Communications Test

1. A software developer/transmitter who plans to transmit returns to more than one center, must first be accepted by the primary service center. They must then complete a **PATS** communications test by transmitting five returns in two same-day transmissions (three returns in one and two in another) with each additional service center where they will transmit electronic returns (Andover, Austin, Cincinnati, Memphis, or Ogden). A software developer/transmitter whose software will use both asynchronous (ASC) and bi-synchronous (BSC) protocol must pass the communications test using both protocols.

2. A preparer/transmitter using accepted software, must complete an error-free communications test by transmitting five returns in two same-day transmissions (three returns in one and two in another) to each applicable service center where their client's returns will be filed. If a preparer/transmitter plans to use

both asynchronous (ASC) and bi-synchronous (BSC) protocol for transmitting return data, they must pass the communications test using both protocols.

3. A software developer/transmitter or preparer/transmitter who plans to transmit ETD returns must follow this same procedure. However, if you are a preparer/transmitter using accepted ETD software **AND** you have passed PATS communications testing for 1040 electronic returns, it will not be necessary for you to do an ETD communications test.

4. A software developer who will not transmit does not need to perform a communications test with each service center.

Form 8633 (Rev. July 1997) Department of the Treasury Internal Revenue Service	<h3>Application to Participate in the Electronic Filing Program</h3>	For Official Use Only EFIN: _____ ETIN: _____ OMB Number 1545-0991
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This application is (check one): <input type="checkbox"/> New <input type="checkbox"/> Revised (include EFIN) EFIN: _____	If revised, please check the change you are making: <input type="checkbox"/> Firm name or doing business as (DBA) <input type="checkbox"/> Contact representative's name or telephone number <input type="checkbox"/> Electronic filing functions performed	<input type="checkbox"/> Additional drop off collection points <input type="checkbox"/> Change in corporate officer or partner (see instructions) <input type="checkbox"/> Change in address <input type="checkbox"/> Other (specify) ▶ _____
--	--	--

1a Firm's legal name as shown on firm's tax return	b Firm's employer identification number and/or social security number (EIN/SSN)								
c Doing Business As (DBA) (if other than the name in item 1a)	d Is the firm controlled or owned by another electronic filer? (see page 3) <input type="checkbox"/> Yes <input type="checkbox"/> No, skip to question 1k								
e Controlling office name	f ETIN of controlling office g EFIN of controlling office								
h Controlling office business address	i Signature of responsible officer of the controlling office j Date								
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">City</td> <td style="width:15%;">State</td> <td style="width:15%;">ZIP Code</td> <td style="width:45%;">County</td> </tr> </table>	City	State	ZIP Code	County					
City	State	ZIP Code	County						
k Check the box at the right that indicates your form of organization (see page 3 of this form) <input type="checkbox"/> Sole proprietorship <input type="checkbox"/> Partnership (number of partners) ▶ _____ <input type="checkbox"/> Corporation <input type="checkbox"/> Other (specify) ▶ _____	l Check this box if you will be providing electronic filing and/or tax preparation as a benefit and are not using the services to attract customers who will pay for tax preparation or transmission services. Eligible entities include employers offering electronic filing as a benefit to their employees, government agencies, VITA sites, etc. Attach to this form an explanation of how you will process returns for electronic filing. <input type="checkbox"/>								
m Name of contact representative (first, middle, last)	n Daytime telephone number (include area code) FAX number								
o Name of alternate contact representative (first, middle, last)	p Daytime telephone number (include area code) FAX number								
q Mailing address (street or P.O. box)	r Business address (location of business) FAX number								
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">City</td> <td style="width:15%;">State</td> <td style="width:15%;">ZIP Code</td> <td style="width:45%;">County</td> </tr> </table>	City	State	ZIP Code	County	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">City</td> <td style="width:15%;">State</td> <td style="width:15%;">ZIP Code</td> <td style="width:45%;">County</td> </tr> </table>	City	State	ZIP Code	County
City	State	ZIP Code	County						
City	State	ZIP Code	County						

2 List all previous Electronic Filer Identification Number(s) (EFIN) and Electronic Transmitter Identification Number(s) (ETIN) assigned to you or your firm.

<p>3 Please answer the following questions by checking the appropriate box(es). See Publication 1345.</p> <p>Will you transmit tax return data directly to IRS? If "Yes," will you: <input type="checkbox"/> Transmit using IBM 3780 bi-synchronous communication protocol, OR <input type="checkbox"/> Transmit using asynchronous communication protocol</p> <p>If you will be using asynchronous, indicate the file transfer protocol you will be using (mark only one): <input type="checkbox"/> XMODEM—Checksum <input type="checkbox"/> YMODEM—G <input type="checkbox"/> XMODEM—CRC <input type="checkbox"/> YMODEM—Batch <input type="checkbox"/> XMODEM—1K <input type="checkbox"/> ZMODEM</p> <p>b Will you write electronic filing software?</p> <p>c Will you prepare tax returns, including Forms 8453, or collect completed returns, including 8453, for the purpose of filing forms electronically?</p> <p>d Will you receive tax return information from other electronic filers, format return information and send returns to a transmitter?</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><th style="width:50%;">Yes</th><th style="width:50%;">No</th></tr> <tr><td style="background-color: #cccccc;"></td><td style="background-color: #cccccc;"></td></tr> </table>	Yes	No																			<p>e I expect to transmit to or accept returns for transmission to the following service centers. (Software Developers: Also indicate service centers in whose areas you expect to market your software): <input type="checkbox"/> Andover <input type="checkbox"/> Austin <input type="checkbox"/> Cincinnati <input type="checkbox"/> Memphis <input type="checkbox"/> Ogden</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:80%;"></th> <th style="width:10%;">Yes</th> <th style="width:10%;">No</th> </tr> <tr> <td>4 Has the firm or any corporate officer, partner, owner or responsible official: (Explain "Yes" responses)</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>a been assessed any preparer penalties?</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>b been convicted of a monetary crime?</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>c failed to file personal or business tax returns, or unpaid tax liabilities?</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>d been convicted of any criminal offense under the U.S. Internal Revenue laws?</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>5 Do you intend to file state returns electronically? (If "Yes" see page 3 of this form)</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>6 Do you intend to file Forms 2555/2555EZ? (If "Yes" see page 3 of this form)</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> <tr> <td>7 Is the Firm open 12 months a year?</td> <td style="background-color: #cccccc;"></td> <td style="background-color: #cccccc;"></td> </tr> </table> <p>If you answer "No" to question 7, give address and telephone number that are available 12 months of the year. (include area code) ▶ _____</p>		Yes	No	4 Has the firm or any corporate officer, partner, owner or responsible official: (Explain "Yes" responses)			a been assessed any preparer penalties?			b been convicted of a monetary crime?			c failed to file personal or business tax returns, or unpaid tax liabilities?			d been convicted of any criminal offense under the U.S. Internal Revenue laws?			5 Do you intend to file state returns electronically? (If "Yes" see page 3 of this form)			6 Do you intend to file Forms 2555/2555EZ? (If "Yes" see page 3 of this form)			7 Is the Firm open 12 months a year?		
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8 Principals of Your Firm or Organization (continued on page 2)

Do not complete this section if you checked the box in item 1d "Yes" or checked box 1l of this form. If you are a sole proprietor, list your name, home address, and social security number, and respond to each question. If your firm is a partnership, list the name, home address, social security number, and respond to each question for each partner who has a five percent (5%) or more interest in the partnership. If your firm is a corporation, list the name, title, home address, social security number, and respond to each question for the President, Vice-President, Secretary, and Treasurer of the corporation. If you are a for-profit entity and checked "Other," on line 1k or you are a partnership and no partners have at least 5% interest in the partnership, list the name, title, home address, social security number, and respond to each question for at least one individual authorized to act for the firm in legal and/or tax matters. (You may use continuation sheets.) The signature of each person listed authorizes the Internal Revenue Service to conduct a credit check on that individual.

8 Principals of Your Firm or Organization. You may use continuation sheets. (Continued)

Unless you marked the box in 11, or your only "Yes" response in Section 3 is to question b, you must provide a completed fingerprint card for each corporate officer, owner, or partner listed below. If a corporate officer, owner, or partner changes, a completed fingerprint card must be provided for each new corporate officer, owner, or partner. If the corporate officer, owner, or partner is an attorney, banking official who is bonded and has been fingerprinted in the last two years, CPA, enrolled agent, or an officer of a publicly owned corporation, evidence of current professional status may be submitted in lieu of the fingerprint card (see Publication 1345). Your application will not be processed if you do not provide a completed fingerprint card or evidence of professional status and the signature of each corporate officer, partner, or owner.

Type or print name (first, middle, last) Title: Home address	U.S. citizenship? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> alien Legal resident	Is the individual: <input type="checkbox"/> an attorney <input type="checkbox"/> a banking official <input type="checkbox"/> a C.P.A.	<input type="checkbox"/> an enrolled agent <input type="checkbox"/> an officer of a publicly owned corporation	Is the individual licensed or bonded in accordance with state or local requirements? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable
	Social Security Number	Signature		
	Date of birth (month, day, year)			
Type or print name (first, middle, last) Title: Home address	U.S. citizenship? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> alien Legal resident	Is the individual: <input type="checkbox"/> an attorney <input type="checkbox"/> a banking official <input type="checkbox"/> a C.P.A.	<input type="checkbox"/> an enrolled agent <input type="checkbox"/> an officer of a publicly owned corporation	Is the individual licensed or bonded in accordance with state or local requirements? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable
	Social Security Number	Signature		
	Date of birth (month, day, year)			
Type or print name (first, middle, last) Title: Home address	U.S. citizenship? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> alien Legal resident	Is the individual: <input type="checkbox"/> an attorney <input type="checkbox"/> a banking official <input type="checkbox"/> a C.P.A.	<input type="checkbox"/> an enrolled agent <input type="checkbox"/> an officer of a publicly owned corporation	Is the individual licensed or bonded in accordance with state or local requirements? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable
	Social Security Number	Signature		
	Date of birth (month, day, year)			

9 Responsible Official

The responsible official is the person who oversees the daily operations of the office listed on line 1r and 11c. A responsible official may be responsible for more than one office (see instructions on page 3).

Name of responsible official (first, middle, last) Title: Home address	U.S. citizenship? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> alien Legal resident	Is the individual: <input type="checkbox"/> an attorney <input type="checkbox"/> a banking official <input type="checkbox"/> a C.P.A.	<input type="checkbox"/> an enrolled agent <input type="checkbox"/> an officer of a publicly owned corporation	Is the individual licensed or bonded in accordance with state or local requirements? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable
	Social Security Number	Signature		
	Date of birth (month, day, year)			

10 Drop-Off Collection Points—Complete this section as specified on page 3. (You may use continuation sheets.)

Name and address of Drop-Off Collection Point	Name of principal contact	Telephone number (include area code)
	Electronic Filer Identification Number (EFIN)	Does this office operate 12 months? <input type="checkbox"/> Yes <input type="checkbox"/> No
Name and address of Drop-Off Collection Point	Name of principal contact	Telephone number (include area code)
	Electronic Filer Identification Number (EFIN)	Does this office operate 12 months? <input type="checkbox"/> Yes <input type="checkbox"/> No

11 Foreign Filer (please provide all information)

a Name of contact representative (first, middle, last)	c Telephone number of foreign location (please include international access codes, country codes, or city codes)
b Mailing address (including city, country and postal codes, if applicable)	d Business address (of foreign location including city, country and postal codes if applicable)

Applicant Agreement

Under the penalties of perjury, I declare that I have examined this application and any accompanying information, and to the best of my knowledge and belief it is true, correct, and complete. This firm and its employees will comply with all the provisions of the Revenue Procedure for Electronic Filing of Form 1040, U.S. Individual Income Tax Return, and related publications, for all years of participation.

Acceptance for participation is not transferable. I understand that if this firm is sold or its organizational structure is changed, a new application must be filed. I further understand that noncompliance will result in the firm and/or the individuals listed on this application no longer being allowed to participate in the program. I am authorized to make and sign this statement on behalf of the firm.

12 Name and title of firm official and/or principal owner (type or print)	13 Signature of firm official and/or principal owner	14 Date
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SECTION 5 - RESPONSIBILITIES OF AN ELECTRONIC FILER

5.1 - Responsibilities of All Electronic Filers

1. All electronic filers should become familiar with the revenue procedure, "Obligations of Participants in the Electronic Filing Program for Form 1040, U.S. Individual Income Tax Returns." The revenue procedure is published in the Internal Revenue Bulletin and in Publication 1345A. The current citation for the revenue procedure is 96-61. A new version covering the 1998 filing season will be published in the fall of 1997. The revenue procedure informs those who participate in the electronic filing program of their obligations to the Internal Revenue Service, taxpayers and other participants.

In addition to this publication, participants should become familiar with:

- ***Handbook for Electronic Filers of Individual Income Tax Returns (Supplement)***, Publication 1345A;
- ***Electronic Return File Specifications and Record Layouts for Individual Income Tax Returns***, Publication 1346 (Transmitters and Software Developers);
- ***Test Package for Electronic Filing of Individual Income Tax Returns***, Publication 1436 (Transmitters and Software Developers); and
- **Electronic Filing System Bulletin Board** (EFS Bulletin Board).

2. An electronic filer must maintain a high degree of integrity, compliance and accuracy.

3. An electronic filer may accept returns for electronic filing only from taxpayers, from drop-off collection point(s) as listed on the electronic filer's Form 8633, or from another accepted electronic filer.

4. If the taxpayer's address on a Form W-2, Wage and Tax Statement, Form W-2G, Statement for Recipients of Certain Gambling Winnings, Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., Form 1040, Schedule C, Profit or Loss From Business (Sole Proprietorship), or Form 1040, Schedule C-EZ, Profit or Loss From Business - Short Version, or any other tax Form is different than the taxpayer's address in the entity section of the electronic portion of the taxpayer's Form 1040, the ERO or the Service Bureau

must input for transmission to the Service those addresses that differ from the taxpayer's address on the electronic portion of the taxpayer's Form 1040.

5. If an electronic filer charges a fee for the electronic transmission of a tax return, the fee may not be based on a percentage of the refund amount or computed using any figure from the tax return. An electronic filer may not charge a separate fee for Direct Deposit.

6. An ERO is responsible for ensuring that stockpiling does not occur. Stockpiling means collecting completed returns from taxpayers or from another electronic filer prior to official acceptance into the program or after official acceptance into the program, and waiting more than three calendar days to transmit the completed returns to the Service after receiving all the information necessary for an electronic transmission of a tax return.

7. An electronic filer who has been accepted in the electronic filing program must submit a revised Form 8633 to the Andover Service Center when any of the conditions or changes described in section 4.2:5 of this publication occur.

8. An electronic filer must ensure that an electronic return is filed on or before the due date of the return. A tax return is not considered filed until the electronic portion of the tax return has been acknowledged as accepted for processing and a completed and signed Form 8453 has been received by the Service.

9. For returns accepted on April 15, 1998, to be considered filed timely, the related Form 8453 must be signed by April 15, 1998 and received by the applicable service center by April 22, 1998.

10. The Service will accept late filed returns through October 15, 1998. Interest and penalties will be assessed, if applicable.

11. After electronic returns are submitted, they cannot be recalled or intercepted in process. If the electronic filer or the taxpayer wishes to change any entries after a return has been accepted, an amended paper return must be filed with the service center that handles paper returns for that taxpayer (not necessarily an electronic filing site).

12. If an acknowledgment of acceptance has not been received for any timely transmitted return, the electronic filer must immediately contact the Electronic Filing Unit at the applicable service center. See exhibit 14.

13. If there is any doubt whether an individual or firm using your services has applied and been accepted by the IRS to participate in electronic filing, contact the Andover Service Center (see exhibit 14) or other Service contacts (see exhibit 13) for verification of acceptance.

14. Electronic filers **MUST NOT DISCLOSE** copies of acknowledgment files or reject reports to clients when those files or reports contain tax return information for other taxpayers. Such disclosures can lead to a warning or suspension from the electronic filing program.

15. All electronic filers must notify the Service when they no longer wish to be participants now or in future filing seasons. This notification must be written and mailed to the Andover Service Center within 30 days of the termination of this business activity. (This does not preclude reapplication in the future.) This notification is not necessary if, for example, your firm closes in May but will reopen in January for the next filing season.

5.2 - Responsibilities of Electronic Filers Who Function as EROs

1. Electronic filers who function as EROs must:

- a. comply with the procedures for securing Form 8453, as outlined in section 7 of this publication;
- b. furnish copies of the signed Forms 8453 and, in the case of prepared or corrected returns, the non-electronic portion of electronic returns, to the taxpayers;
- c. furnish every taxpayer that has a balance due return with Form 1040-V, Form 1040 Electronic Payment Voucher;
- d. fully explain to taxpayers that they may apply their refunds to their estimated tax, receive their refund by check, have it direct deposited into an individual or joint bank account, or some combination of options (see also section 9 of this publication);

Note: Refund Anticipation Loans are **NOT** refund options.

- e. inform every taxpayer that has a balance due return that it is the responsibility of the taxpayer to make a full and timely payment of any tax that is due, and failure to make full payment of any tax that is due on or before April 15, 1998, will result in the imposition of interest and penalties;

- f. retain the following material until December 31 of every processing year, unless otherwise notified by the Service:
 - i. copies of all material furnished to the taxpayers. This includes a copy of the signed Form 8453 with the taxpayers original signature and Forms W-2, W-2G and Form 1099-R. EROs may wish to retain Forms 8453 in numerical order, by social security number, since letters to EROs requesting missing Form 8453 provide social security numbers;
 - ii. complete copies of electronically transmitted returns (may be retained on magnetic media) that can be readily and accurately converted into an electronic transmission that the IRS can process;
 - iii. the acknowledgment files received from the IRS or from third party transmitters; and
 - iv. electronic return originators who are also paid preparers of electronic tax returns must also retain materials as required by Treasury Regulation 1.6107-1(b).
 - g. identify the paid preparer in the appropriate field of the electronic return, in addition to ensuring the paid preparer is indicated on Form 8453;
 - h. be alert to suspicious electronic filing transactions, and report them to the local IRS criminal investigation area listed in exhibit 8 of this publication;
 - i. ensure that no other entity uses the EFIN and the CPIN(s) of their drop-off collection point(s). An ERO must not transfer its EFIN or the CPIN(s) of its drop-off collection point(s) by sale, loan, merger, gift, or otherwise to another entity;
 - j. properly indicate on each return whether a refund anticipation loan (RAL) is involved; and
 - k. properly indicate on each return, for each Form W-2, whether it is a standard or non-standard Form W-2. (See section 23.1:5 of this publication for an explanation of standard and non-standard Forms W-2.)
2. EROs should obtain two forms of identification from taxpayers in an effort to deter the abuse of the electronic filing system. Prior to preparing returns or accepting returns for electronic transmission, two pieces of identification

should be reviewed. One piece should be a picture identification which reflects the individual's name and the current address, if available. The second piece should reflect the same name and the social security number the individual is using to file the tax return. If the individual is returning to pick up a refund anticipation loan check, similar identification should be reviewed and compared to the information the ERO has on file.

a. Acceptable picture identification might include the following:

- valid drivers license;
- employment identification; or
- military identification.

b. The second piece of identification might include:

- social security card;
- IRS label;
- work pay stub;
- voter registration card; or
- credit card.

c. It is also suggested that a copy of this information be retained in your files through December 31 of every processing year.

3. An ERO who is the paid preparer of an electronic tax return must also retain for the prescribed amount of time materials described in section 1.6107-1(b) of the Internal Revenue regulations.

4. If the electronic portion of a taxpayer's return is acknowledged as rejected by the service center, the ERO must advise the taxpayer that the taxpayer's return has not been filed, within 24 hours of the acknowledged rejection. If the taxpayer chooses not to have the previously rejected return retransmitted or if the return cannot be accepted for processing, the taxpayer must file a paper return by the later of:

- a. the due date of the return; or
- b. ten calendar days of the rejection; or
- c. if the service center notifies the ERO that the return cannot be retransmitted, an explanation must be included stating why the return is being filed after the due date.

5.3 - Responsibilities of Electronic Filers Who Function as Service Bureaus

Electronic filers who function as service bureaus must:

- a. deliver all electronic returns to a transmitter or to the ERO who gave the electronic returns to the service bureau within three calendar days of receipt;
- b. retrieve the acknowledgment file from the transmitter within one calendar day of receipt by the transmitter;
- c. send the acknowledgment file to the ERO (whether related or not), within one work day of retrieving the acknowledgment file;
- d. if the service bureau processes the Forms 8453 for the ERO and a return is rejected, the ERO must make corrections as stated in the revenue procedure;
- e. accepts tax return information only from an ERO who is in good standing in the electronic filing program;
- f. include its SBIN and the ERO's EFIN in the transmission of all tax return information;
- g. retain each acknowledgment file received from a transmitter until the end of the calendar year in which the electronic return was filed;
- h. serve as a contact point between its client EROs and the Service, if requested;
- i. provide the Service with a list of each client ERO, if requested; and
- j. ensure that no other entity uses its SBIN. A service bureau must not transfer its SBIN by sale, loan, merger, gift, or otherwise to another entity.

5.4 - Responsibilities of Electronic Filers Who Function as Transmitters

Electronic filers who function as transmitters must:

- a. transmit all electronic returns within three calendar days of receipt and retrieve the acknowledgment file within two workdays of transmission;
- b. send the acknowledgment file to the ERO or the service bureau (whether or not the ERO or the service bureau are related to the transmitter) within two workdays of retrieving the acknowledgment file;
- c. match the acknowledgment files to the original transmission files and resubmit those returns that were not acknowledged as accepted for

processing after corrections are made. Only returns that have been acknowledged as accepted will be considered filed returns;

- d. contact the applicable service center Electronic Filing Unit (see exhibit 14) for assistance if returns have been rejected after three attempts, or if acknowledgments are received for returns which were not in the original submissions;
- e. ensure the security of all transmitted data;
- f. promptly correct any transmission error that causes an electronic return to be rejected;
- g. retain copies of all the acknowledgment files received from the IRS. These may be retained on magnetic media. This material should be retained until December 31 of each processing year unless notified otherwise by the IRS;
- h. ensure no other entity uses its Electronic Transmitter Identification Number (ETIN) or Electronic Filer Identification Number (EFIN). A transmitter cannot transfer its ETIN or EFIN by sale, loan, merger, gift, or otherwise to another entity; and
- i. not use software that has a Service assigned production password built into the software.

5.5 - Responsibilities of Transmitters Who Provide Transmission Services to Other Electronic Filers

Transmitters who provide transmission services to other electronic filers must:

- a. accept electronic returns for transmission to the IRS from only accepted electronic filers;
- b. transmit all electronic returns within three calendar days of receipt;
- c. provide each of their clients with the acknowledgment files for their transmitted returns within two workdays after receipt of the acknowledgments from IRS;
- d. not use software that has a Service assigned production password built into the software;
- e. include the ERO's EFIN on each return that the transmitter accepts from an ERO;

- f. use their EFIN on returns for which they performed the duties of an ERO; and
- g. include a service bureau's SBIN if a service bureau formats the return information.

5.6 - Responsibilities of Electronic Filers Who Function as Software Developers

Electronic filers who function as software developers must:

- a. correct software errors which cause electronic returns to be rejected. Correct these errors quickly to ensure the timely submission of electronic returns;
- b. promptly distribute corrections they make to their software packages to all electronic filers using these packages;
- c. ensure that if their software packages will be used for transmitting by multiple electronic filers at the same time, their software has the capability of combining returns from these electronic filers into one IRS transmission file, taking into account the sorting requirements of the Declaration Control Number assignments;
- d. ensure that no other entity uses its Electronic Transmitter Identification Number (ETIN) or Electronic Filer Identification Number (EFIN). A software developer cannot transfer its ETIN or EFIN by sale, loan, merger, gift, or otherwise to another entity; and
- e. not incorporate a Service assigned production password into its software.

5.7 - Responsibilities of Electronic Filers with Drop-off Collection Points

Electronic filers with drop-off collection point(s) serve as the electronic return originator.

Electronic filers with drop-off collection point(s) must:

- a. serve as the contact between the IRS and those offices for correspondence, resolution of problems, evaluation of reports, etc. If IRS needs access to retained copies of electronic returns, it will go directly to the designated contact representative for that office. Any problems encountered by the IRS in securing such access will be reported to the electronic filer who is responsible for corrective action;

- b. monitor electronic filing at their drop-off collection point(s) offices, to the extent permitted by law and regulations, to ensure compliance with all IRS requirements. The IRS will advise electronic filers of problems it has encountered that originate in their drop-off collection point(s). If there are repeated or continuing problems with electronic filing from one of the collection point offices, the electronic filer will be required to drop that office from the program;
- c. take required corrective action to avoid suspension against the electronic filer. If IRS initiates suspension action, it will apply to all returns filed by an electronic filer, including their drop-off collection point(s) locations;
- d. ensure the name of the ERO is clearly displayed at the site of each drop-off collection point included on the ERO's Form 8633; and
- e. must be responsible for any violation of the advertising standards described in the revenue procedure, that occurs at a drop-off collection point listed on Form 8633. (See also section 12 of this publication.)

SECTION 6 - PENALTIES

6.1 - General Information

1. The revenue procedure outlines penalties for disclosure or use of information and preparer penalties.
2. The Service reserves the right to assert all appropriate preparer, non-preparer, and disclosure penalties against electronic filers as warranted.

SECTION 7 - FORM 8453, U.S. INDIVIDUAL INCOME TAX DECLARATION FOR ELECTRONIC FILING

7.1 - General Information

1. The taxpayer(s)'s name, address, social security number(s), tax return information, and Direct Deposit of refund information in the electronic transmission must be identical to the information on the Form 8453 that the taxpayer(s) signed and provided for submission to the Service.

2. **Form 8453 must be submitted the workday after an electronic return originator receives acknowledgment that the return has been accepted.**

3. You can obtain a limited supply of Forms 8453 by calling the IRS Tax Forms Distribution Center (toll-free) 1-800-829-3676.

4. Only use the official Form 8453 or an approved substitute form which duplicates the official Form 8453 in format, language, content, color, and size. Use of unapproved forms could result in suspension from the electronic filing program. Electronic filers who wish to develop a substitute form must request approval prior to using it and send a sample to:

Internal Revenue Service
Substitute Forms Coordinator T:FP:S
1111 Constitution Avenue, NW Room 2712
Washington, DC 20224

5. Refer to IRS Publication 1167, ***Substitute Printed, Computer-Prepared and Computer-Generated Tax Forms and Schedules***, for additional information.

6. Form 8453 is the signature document for an electronic return. It must be completed and signed by all appropriate parties before the return is transmitted electronically. The Form 8453 serves the following purposes:

- a. authenticates the return;
- b. authorizes the electronic return originator to file the return on behalf of the taxpayer;
- c. serves as a transmittal for the associated non-electronic portions (paper documents) that will be stapled to the Form 8453;
- d. authorizes the electronic return originator to transmit the tax return electronically to the IRS via a third-party transmitter, if applicable;
- e. provides the taxpayer's written consent to have the refund directly deposited as designated in Part II of Form 8453;
- f. authorizes the Service to inform the taxpayer's electronic return originator or transmitter of the reason(s) for rejection of the electronic return;
- g. authorizes the Service to inform the taxpayer's electronic return originator or transmitter of the reason(s) for return processing delays or when the refund was sent;

- h. reminds taxpayers filing balance due returns of their liability for paying taxes, and all applicable interest and penalties; and
- i. informs taxpayers filing joint federal and state tax returns that errors in state returns will cause rejection of related federal returns.

Note: Electronic filers must **NOT** use the official Form 8453 to submit forms or schedules which are not listed in this publication. Returns requiring forms that are excluded from electronic filing must be filed on paper.

Example: Form 8379, Injured Spouse Claim, is not eligible for electronic filing. Therefore, any returns containing Form 8379 must be filed on paper; the return cannot be filed electronically, with Form 8379 attached to Form 8453.

7.2 - What to Attach to Form 8453

1. Form 8453 serves as a transmittal for the associated non-electronic portion(s) (paper documents).
2. The "non-electronic portion" of the return consists of the following:
 - a. copy B of Forms W-2, W-2G, and 1099-R, which would normally be attached to the front of a paper return, will be attached to the front of Form 8453, overlaying Part II. Form 4852, Substitute W-2, may be used only if signed by the taxpayer. It is **NOT** acceptable to submit forms W-2, W-2G, or 1099-R generated from tax information on the electronic return originator's computer;
 - b. documents containing required signatures. Staple these forms to the back of Form 8453. Examples are:
 - i. Form 2120, Multiple Support Declaration;
 - ii. A physician's statement, as required, to support an entry on Schedule R or Schedule 3;
 - iii. A proof of blindness certification from a physician or registered optometrist;
 - iv. Form 8283, Noncash Charitable Contributions (Appraisal Summary) etc;
 - v. Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents and;

- vi. Form 2848, Power of Attorney and Declaration of Representative;
 - c. other information documents that are not covered above, or that are voluntarily being included with the return by the taxpayer as supporting material. (Staple these forms to the back of Form 8453); and
 - d. when an electronic return originator receives from a taxpayer, a return prepared by a paid preparer who is **NOT** an electronic filer, and the taxpayer was **NOT** able to get the paid preparer's signature on Form 8453, a copy of the Form 1040 or Form 1040A (pages 1 and 2 "only"), or Form 1040EZ, must be attached to the Form 8453. This copy should be marked "COPY - DO NOT PROCESS" to ensure the form is not processed as a return, which could delay the taxpayer's refund. **Do not attach a copy of the return if it was NOT prepared by a paid preparer.**
3. It is **NOT** acceptable to submit Forms W-2, W-2G, or 1099-R generated from the tax information on the ERO's computer with Form 8453.
4. The paper material must be stapled together with the Form 8453 on top, followed by documents requiring signatures, then by material voluntarily being provided and a copy of the paper tax return, when appropriate.

7.3 - The Declaration Control Number (DCN)

1. The Declaration Control Number (DCN) is a unique 14-digit number assigned to each taxpayer's return. The DCN must be clearly printed or typed in the top left-hand corner of each Form 8453, one position per box, prior to shipment to the IRS. **Note:** Most software packages automatically generate this number.
2. The DCN on Form 8453 must match the DCN of the **ACCEPTED** return and is structured as follows:

Box(ES): ENTRY:

- 1 - 2 These two positions are always "00" and are preprinted on the form.
- 3 - 8 The ERO's Electronic Filing Identification Number (EFIN). The first two digits of the EFIN are the IRS district office number where the ERO's office is located. The EFIN is assigned by the IRS.

- 9 - 11 The batch number is assigned by the ERO. Any three digit number may be used, however, ascending order is suggested to guard against duplication (see note below).
- 12 - 13 The serial number (00 - 99) is assigned by the ERO. For each batch of returns the serial number on Form 8453 must begin with 00, and the serial number on the last Form 8453 cannot exceed 99.
- 14 This position must always be "8" for the 1998 processing year (tax year 1997 returns), and is preprinted on the form.

Note: Filers do not have to start with a new batch number each day. You may continue where you left off the previous day.

- 3. Electronic filing's validation program will reject returns that have been assigned a duplicate DCN.
- 4. The top right-hand corner of Form 8453 must be blank to allow for IRS processing.

7.4 - Name and Address Area

- 1. If the taxpayer received a mailing label from IRS, place the label on the name and address area of Form 8453. Cross out any errors and print the correct information on the label. Add any missing information, such as apartment number. Otherwise, type or print the taxpayer's name, address, and social security number in spaces provided on the form.
- 2. The Form 8453 address must be the taxpayer's address and the same address as on the electronic portion of the Form 1040. EROs must not put their addresses on Form 8453 or in the electronic portion of a return.

Note: If a taxpayer filed a federal tax return in any prior year and **RECENTLY** filed a name change notice with the Social Security Administration (SSA), do not transmit an electronic return to IRS **WITHIN 10 DAYS** of the date the notice was filed. SSA will update its files and notify the IRS of the change. Such returns will be rejected if received before IRS files are updated with the information from SSA.

7.5 - Completing Part I - Tax Return Information

Using whole dollar entries only, complete lines 1 through 5 as specified on Form 8453. These figures must match the entries on the corresponding line of the electronic return.

7.6 - Completing Part II - Direct Deposit of Refund

1. Taxpayers who file electronically and meet certain eligibility requirements can elect to have their refunds directly deposited into their savings/checking accounts with financial institutions. Part II of Form 8453 allows taxpayers to designate where their refunds should be deposited.

2. Taxpayers must submit a separate request each year that a Direct Deposit is desired. Election of a Direct Deposit is voluntary and applies only to the current year. No prior approval from financial institutions is necessary. The taxpayer should, however, contact the institution to resolve uncertainties about its Direct Deposit capability, or "payable through" status.

NAME OF DEPOSITOR STREET ADDRESS CITY, STATE ZIP CODE	_____ 19 ____	No. 1801
Pay to the order of _____	\$	<input type="text"/>
		_____ DOLLARS
PAYABLE THROUGH Anywhere Bank, Anywhere, U.S.A. THE CREDIT UNION, Anywhere, U.S.A.		
For: _____	_____	
■ 091901480 ■ 001 ■ 9800024 1801		

Example of Check Payable
through Another Financial
Institution

3. For taxpayers who elect Direct Deposit, lines 6 through 8 of Form 8453, Part II **MUST** be completed:

Line 6, routing number: The first two digits of the routing number must be 01 through 12 **OR** 21 through 32.

Line 7, account number: The account number may contain up to 17 positions. If it contains fewer than 17, left-justify it in the field and leave the remaining boxes blank. Include hyphens, but omit spaces and other special characters.

Line 8, type of account: self-explanatory.

Note: The telephone number for the National Automated Clearing House Association (NACHA) office is listed in the business pages of the local telephone directory.

4. The following are examples of good sources for verifying routing numbers and account numbers:

① John Doe

Account Identification Card

XYZ Federal
③
Northern Virginia 23220

④ 256072675 ② 210100000000

- ① Account Name
- ② Account Number
- ③ Name of Financial Institution
- ④ Routing Number
- ⑤ Money Amount
- ⑥ Check Serial Number

Canceled Check

NAME OF DEPOSITOR ①
STREET ADDRESS
CITY, STATE ZIP CODE

March 5 19 98 No. 101

Pay to the order of John Doe \$ 391.58

Three Hundred Ninety-one and 58/100 DOLLARS

NAME OF YOUR BANK ③
STREET ADDRESS
CITY, STATE ZIP CODE

Memo Signature of Depositor

④ 091901480 ② 0019800024 ⑥ 101 ⑤ 0000039158

7.7 - Completing Part III - Declaration of Taxpayer

1. This is the taxpayer signature area of Form 8453. **An electronically transmitted income tax return is not considered filed until a Form 8453 is signed, dated by the taxpayer and is received by the IRS.**
2. **AFTER** the return has been prepared and **BEFORE** the return is transmitted electronically, the taxpayer must verify the information on the return and sign

the Form 8453. Both signatures are required on a joint return prior to the electronic transmission of the tax return. **It is especially important to recheck the routing number and account number if a Direct Deposit has been requested.**

3. Form 8453 is the electronically filed tax return for the purposes of taxpayer verification and signature. A blank Form 8453 is the same as a blank tax return. Practitioners are **PROHIBITED** from allowing taxpayers to sign a blank tax return.

4. It is permissible to have the taxpayer review the completed tax return on a display terminal. The taxpayer should also review the completed Form 8453 before signing and dating it.

Note: If a taxpayer is mentally competent, but physically unable to sign Form 8453, use a valid "signature" as defined under state law. It can be anything that clearly indicates the taxpayer's intent to sign, e.g., the taxpayer's "X" with the signatures of **two** witnesses might be considered a valid signature under state law.

7.8 - Completing Part IV - Declaration of Electronic Return Originator (ERO) and Paid Preparer

1. The electronic return originator must sign the Form 8453. Members of the firm or designated employees may sign for the ERO.

2. Tax regulations require an original signature of a paid preparer on Form 8453, if the return was prepared by a paid preparer. However, if the taxpayer is unable to obtain the paid preparer's signature on Form 8453, (the preparer is not an electronic filer), attach a copy of the appropriate page(s) of the paper tax return with the paid preparer's signature, to Form 8453. The attachment should be a copy of Form 1040 or Form 1040A (pages 1 and 2 **ONLY**), or Form 1040EZ, and should be marked "COPY -- DO NOT PROCESS".

3. If the paid preparer is also the ERO, do not complete the paid preparer's section. Instead, check the box labeled, "Check if also paid preparer."

4. Only handwritten signatures are acceptable.

5. Use the following guidelines when completing Form 8453, Part IV:

- a. **Self-Employed ERO:** If the ERO is self-employed, he/she must check the box marked "Check if self-employed" and enter his/her social

security number. **Note:** The ERO need not disclose his/her social security number on the copies of the tax return and the Form 8453 that are given to the taxpayer.

- b. **ERO Only:** If the ERO did not prepare the return, but collected it for electronic filing (transmission) purposes only, he/she must sign the Form 8453 and enter the firm's employer identification number, name and address data. There is NO requirement to provide his/her social security number in this case.

Note: Some **ERO's who are not the paid preparers** are erroneously entering their identifying information in the paid preparer fields on page 2 of Form 1040. The fact that a taxpayer is paying a fee to have the return filed electronically does not mean that the ERO is the paid preparer of the return. **However, if the ERO changes the taxpayer's entries or computation on the return in a substantive manner, then the ERO is considered the paid preparer of the return and must enter his/her identifying information in the paid preparer fields on Form 1040, page 2.** This also applies when the return was originally prepared by a paid preparer and the ERO makes substantive changes to the original return information.

- c. **Self-Employed Paid Preparer:** If the paid preparer is self-employed, check the box marked "Check if self-employed" and enter his/her employer identification number or social security number. **Note:** The preparer need not disclose his/her social security number on the copies of the tax return and the Form 8453 that are given to the taxpayer.
- d. **Employee of Firm:** If the ERO and/or the paid preparer is an employee of a return preparation firm, he/she must enter his/her social security number, as well as the firm's employer identification number, name and address data. **Note:** The ERO or paid preparer need not disclose his/her social security number on the copies of the tax return and the Form 8453 that are given to the taxpayer.
- e. **Non-Paid Preparer Field for IRS-Sponsored Programs:** The non-paid preparer field should only contain an entry when the related paper tax return was prepared or reviewed through an IRS tax assistance program. These include Volunteer Income Tax Assistance (VITA), Tax Counseling for the Elderly (TCE), Self-Help and Outreach Programs, as well as the taxpayer assistance "walk-in" program in a district office or service center. A VITA or TCE sponsor is not required to sign Form 8453's as the ERO. However if the VITA or TCE sponsor chooses not to sign Form 8453 the sponsor must furnish its name, address, VITA or TCE acronym and, if operating from multiple sites, a site

designation number. See the revenue procedure for more detailed information.

- f. **Self-Prepared Returns:** Do not confuse a self-prepared return with a return prepared as part of the Self-Help program. Also, if the taxpayer prepared the return or if the return was prepared by another person who was not paid to prepare the return, such as a friend or relative, the non-paid preparer field should be left blank.

7.9 - Corrections to Form 8453

1. If the ERO makes changes to the electronic return after Form 8453 has been signed by the taxpayer, but before it is transmitted, the ERO must have the taxpayer complete and sign a corrected Form 8453 if either of the following applies:

- a. the total income (Form 8453, line 1) differs from the amount on the electronic return by more than \$25; **or**
- b. the total tax (Form 8453, line 2), the federal income tax withheld (Form 8453, line 3), the refund (Form 8453, line 4), or the amount you owe (Form 8453, line 5), differs from the amount on the electronic return by more than \$7.

2. A new Form 8453 is not required for a non-substantive change. Non-substantive changes are limited to corrections within the above tolerances for arithmetic errors, transposition errors, misplaced entries and spelling errors. The incorrect information should be neatly lined through on the Form 8453 and the correct data entered next to the lined-through entry. Also, enter the initials or name of the person making the correction.

3. Dropping cents and rounding to whole dollars does not constitute a substantive change or alteration to the return unless the amount differs by more than the tolerances stated above. All rounding should be accomplished in accordance with the instructions in the Form 1040 tax package.

4. If an electronic return is rejected by the IRS, the retransmitted return can contain the same DCN previously assigned or a new DCN may be assigned. Be sure the DCN assigned to the electronic return matches the DCN on Form 8453.

5. If a Form 8453 has been mailed and the ERO realizes an attachment or signature is missing, the ERO should **NOT** send in a duplicate copy. The ERO

should contact the appropriate IRS service center (see exhibit 14) and inform them of the problem.

7.10 - Form 8453 - Processing

1. After the Form 8453 has been completed and signed by the taxpayer, preparer (if any) and the ERO, the transmitter will transmit the electronic portion of the return to the IRS.
2. By transmitting the electronic portion of the return, the electronic filer is agreeing that the Form 8453 has been signed and that the official descriptions of all entries of the electronic return apply (that is, retained copies do not contain any unauthorized changes).
3. An easily readable file copy of the prepared return must be provided to the taxpayer **at the time Form 8453 is signed**. This copy does not need to be signed by the taxpayer. **Note:** The preparer need not disclose his/her social security number on the copies of the tax return and the Form 8453 that are given to the taxpayer.
4. The ERO must mail Forms 8453 to the applicable service center (see section 7.11 below) the next workday after the ERO receives acknowledgment that the electronic portion of the return has been accepted. EROs using a third-party transmitter are required to mail Forms 8453 the next workday after receiving the acknowledgment from the transmitter. **Note: Do not mail Form 8453 until the return has been acknowledged as accepted.**

Note: Forms 8453 **MUST** be received at the service center within one week of shipment with one exception: Forms 8453 signed by the taxpayer on April 15, 1998 must be received by April 22, 1998, regardless of when the return was acknowledged as accepted.

7.11 - Where to Mail

1. Prepare batches for shipping to the service center **where the electronic portion of the return was transmitted**. For returns with **Form 2555/2555-EZ**, Forms 8453 **MUST** be sent to Andover Service Center. Use the following addresses for shipping Forms 8453. In some instances, there are different addresses for regular and overnight mail (overnight mail cannot be sent to a post office box). Method of delivery is optional.

REGULAR MAIL	OVERNIGHT MAIL
ANDOVER SERVICE CENTER Attn: Shipping and Receiving, Receipt and Control Branch 310 Lowell Street Andover, MA 05501	ANDOVER SERVICE CENTER None
AUSTIN SERVICE CENTER Attn: Shipping and Receiving Receipt and Control Branch P. O. Box 1231 Austin, TX 78767-1231	AUSTIN SERVICE CENTER Attn: Shipping and Receiving Receipt and Control Branch 3651 South IH 35 Austin, TX 78741
CINCINNATI SERVICE CENTER Internal Revenue Service Cincinnati, OH 45999	CINCINNATI SERVICE CENTER Shipping and Receiving, Stop 31 201 W. Rivercenter Blvd. Covington, KY 41019
MEMPHIS SERVICE CENTER Internal Revenue Service P. O. Box 1898 Memphis, TN 38101	MEMPHIS SERVICE CENTER None
OGDEN SERVICE CENTER Internal Revenue Service Attn: Stop 6052 1160 West 1200 South Ogden, UT 84201	OGDEN SERVICE CENTER Internal Revenue Service Attn: Stop 6052 1160 West 1200 South Ogden, UT 84201

7.12 - Missing Forms 8453

1. If the Service determines that a Form 8453 is missing, the ERO must provide the Service with a replacement. If the replacement Form 8453 does not have an original signature(s), the ERO must certify in writing under penalties of perjury that the replacement is a true copy of a document which contained the taxpayer's original signature(s). The ERO must also provide a copy of the Form(s) W-2, W-2G, 1099-R, and all other attachments to Form 8453.

Note: Using the IRS label will help eliminate lost Forms 8453.

2. Missing, incomplete, and/or erroneous Forms 8453 could lead to suspension from the electronic filing program. Many Forms 8453 are considered missing

because the primary social security number on the Form 8453 does not match the primary social security number on the electronic return **OR** the primary social security number on Form 8453 is illegible.

3. Many states currently doing electronic filing use a state taxpayer signature document similar to Form 8453. Electronic return originators should be careful to ensure that **state forms are not mailed to the IRS.**

4. The Service may deny a taxpayer the opportunity to electronically file in a subsequent year(s) if the Service determines that a taxpayer's Form 8453 is missing for a prior year(s).

8453 CHECKLIST

- Has the Taxpayer signed and dated Form 8453?
- Does the SSN on Form 8453 match the return SSN?
- Is everything attached (see below) that needs to be?

Staple the following to front middle of Form 8453

- Forms W-2, W-2G, 1099-R

Staple the following behind Form 8453

- Form 2120, Multiple Support Declaration
- A physician's statement for Schedule R or Schedule 3
- Proof of blindness
- Form 8283, Noncash Charitable Contributions (Appraisal Summary)
- Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents
- Form 2848, Power of Attorney and Declaration of Representative
- Other information documents and voluntary supporting material
- Copy of return with paid preparer's signature when paid preparer does not sign Form 8453 **(Be sure to mark copy, "COPY - DO NOT PROCESS")**

DRAFT

Declaration Control Number (DCN) 00- - - - - 8

IRS Use Only—Do not write or staple in this space.

Form 8453

U.S. Individual Income Tax Declaration for Electronic Filing

For the year January 1–December 31, 1997

OMB No. 1545-0036

1997

Department of the Treasury Internal Revenue Service

See instructions on back.

Use the IRS label. Otherwise, please print or type.

Labels for name, address, and social security information.

Fields for social security numbers and telephone number.

Part I Tax Return Information (Whole dollars only)

Table with 5 rows for tax return information: Total income, Total tax, Federal income tax withheld, Refund, Amount you owe.

Part II Direct Deposit of Refund (Optional—See instructions.)

Fields for routing number, account number, and type of account.

Part III Declaration of Taxpayer (Sign only after Part I is completed.)

- 9a I consent that my refund be directly deposited as designated in Part II...
9b I do not want direct deposit of my refund or am not receiving a refund.

If I have filed a balance due return, I understand that if the IRS does not receive full and timely payment of my tax liability, I will remain liable for the tax liability and all applicable interest and penalties.

Under penalties of perjury, I declare that the information I have given my ERO and the amounts in Part I above agree with the amounts on the corresponding lines of the electronic portion of my 1997 Federal income tax return.

Sign Here section for taxpayer and spouse signatures and dates.

Part IV Declaration of Electronic Return Originator (ERO) and Paid Preparer (See instructions.)

I declare that I have reviewed the above taxpayer's return and that the entries on Form 8453 are complete and correct to the best of my knowledge.

ERO's Use Only section with fields for signature, date, and social security number.

Under penalties of perjury, I declare that I have examined the above taxpayer's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Paid Preparer's Use Only section with fields for signature, date, and social security number.

SECTION 8 - INFORMATION AN ELECTRONIC FILER MUST PROVIDE TO THE TAXPAYER

8.1 - General Information

1. EROs must furnish the taxpayer with a complete paper copy of the taxpayer's return. A complete copy of a taxpayer's return includes a copy of the taxpayer's completed Form 8453, the non-electronic portion of a return, and a print out of the electronic portion of the return. This information can be contained on a replica of an official form or on an unofficial form. However, on an unofficial form, data entries must be referenced to the line numbers on an official form. Also, a printout of the electronic portion of the return does not have to be provided to the taxpayer if the taxpayer provided a completed paper return for electronic filing and the information on the electronic portion of the return is identical to the information provided by the taxpayer. **Note:** The ERO and/or paid preparer need not disclose his/her social security number on the copies of the tax return and the Form 8453 that are given to the taxpayer.

2. EROs must also provide taxpayers with a paper copy of any of the following documents filed with the IRS:
 - a. the completed Form 8453, U.S. Individual Income Tax Declaration for Electronic Filing;
 - b. other required signature documents, such as Form 2120, Multiple Support Agreement; a physician's statement supplied to support a Schedule R or Schedule 3 entry; a certification of blindness from a physician or registered optometrist; Form 8332, Exemption for Non-Custodial Parent; Form 8283, Non-cash Charitable Contributions (Appraisal Summary), etc; and
 - c. any other documents which are not IRS forms or schedules.

3. In addition, EROs must advise taxpayers to retain copies of the following materials:
 - a. Forms W-2, W-2G or 1099-R;
 - b. any other documents, not required by IRS, that the taxpayer included with the return as supporting material; and
 - c. the signed Form 8453.

4. The ERO must advise the taxpayer that an amended return, if needed, must be filed as a paper return and mailed to the service center that would handle the taxpayer's paper return.

5. EROs should use Form 9325, Acknowledgment and General Information for Taxpayers Who File Returns Electronically, to let taxpayers know which IRS service center will process their electronic returns, the date on which the IRS accepted their electronically filed return, and the Declaration Control Number (DCN) assigned to their return. If all of this information is provided to the taxpayer at once, check both boxes on the form.

6. Form 9325 may be given to taxpayers before their return has been accepted by the IRS. If so, check the first box on the form and complete the blanks for "tax year" and "service center." When the return has been accepted, send the taxpayer a second Form 9325. Check the second box on the form and complete the blanks for "accepted date" and "DCN."

7. If a taxpayer chooses to use an address other than his or her home address on the return, the ERO must inform the taxpayer that this new address will become the taxpayer's "last known address" under the Internal Revenue Code. All future written communications from the Service to the taxpayer will be sent to the address on the return rather than the taxpayer's home address. **Note:** An ERO must not put its address on Form 8453 or in the electronic portion of a return.

8. If a return is not acknowledged as accepted by the IRS, the ERO must, within 24 hours, inform the taxpayer that the return has not been filed. If the return can be corrected and the taxpayer wishes, the ERO must retransmit the return. If the return cannot be corrected, the taxpayer must file a paper return. **If a paper return is filed, the ERO must not submit Form 8453 to the IRS and it is recommended the ERO destroy the unused Form 8453.**

Form **9325**
(Rev. January 1996)

Department of the Treasury — Internal Revenue Service

**Acknowledgement and General Information for
Taxpayers Who File Returns Electronically**

Thank you for taking part in the IRS Electronic Filing Program.

Your federal income tax return for tax year _____ is being filed electronically with the _____ Service Center of the IRS by the services of _____.

Your return was accepted by IRS on _____ and the Declaration Control Number (DCN) assigned to your return is _____.

Since you are filing your return electronically, PLEASE DO NOT SEND A PAPER COPY OF YOUR RETURN TO THE IRS. IF YOU DO, IT WILL DELAY THE PROCESSING OF THE RETURN.

If You Need to Make a Change to Your Return

If you need to make a change or correct the return you filed electronically, you should send a Form 1040X, Amended U.S. Individual Income Tax Return, to the IRS service center that processes paper returns for your area. The address is in your tax forms package, or you can call the IRS toll-free at 1-800-829-1040.

If You Need to Ask About Your Refund

The IRS will notify your electronic filer when they accept your return, usually within 48 hours. If your return wasn't accepted, IRS will notify your electronic filer of the reasons for rejection. If it has been more than three weeks since the IRS accepted your return and you have not received your refund, you can call the IRS toll-free Tele-Tax return information number, 1-800-829-4477, to check the status of your refund. **You will need to know the first social security number shown on your return, your filing status, and the exact amount of the refund you expect.** Tele-Tax should give you the date for mailing or depositing your refund. You should receive your refund check within 30 days of the date given by Tele-Tax, or within one week of that date if you chose direct deposit. If you don't receive it by then, or if Tele-Tax does not give your refund information, call your local IRS office at 1-800-829-1040.

Refund Anticipation Loans

A refund anticipation loan is a loan made to you based on the refund you expect to receive. This loan is a contract between you and a lender. The IRS is not involved in this contract, can't grant or deny the loan, and can't answer any questions about it. **If you have any questions about a refund anticipation loan, contact your electronic filer or the lender.**

If You Owe Tax

If your electronically filed return showed tax due, you must pay the amount you owe by April 15. Use the scannable payment voucher you will receive in the mail or you may use Form 1040-V, Payment Voucher, which you can get from your electronic filer. Mail Form 1040-V, Payment voucher with your payments to the lockbox associated with the Service Center where the return was filed. If the IRS doesn't receive your payment by April 15, they will send you a notice that asks for full payment of the tax due **plus penalties and interest.** If you can't pay the amount you owe in full, please complete Form 9465, (Installment Agreement Request), which may be filed electronically in 1996. You can get the form by calling 1-800-829-3676. To avoid delays, you must send or electronically file Form 9465 to the address provided on the instructions on Form 1040-V.

SECTION 9 - REFUNDS AND DIRECT DEPOSIT

9.1 - Refunds

1. Taxpayers can elect to have their 1997 overpaid taxes:
 - a. applied to their 1998 estimated tax;
 - b. issued in the form of a refund check or;
 - c. directly deposited into their financial institution account.

2. Taxpayers can elect to have their 1997 tax overpayment split one of the following two ways:
 - a. part applied to their 1998 estimated tax, and the remainder refunded by check; or
 - b. part applied to their 1998 estimated tax, and the remainder deposited directly into their financial institution account.

3. Direct Deposit refunds are electronically transferred to taxpayers' financial institution accounts. These transfers are handled by the Financial Management Service (FMS). Direct Deposit offers taxpayers a more convenient way to receive their refunds. It reduces the risk of loss, and allows immediate use of the funds upon deposit.

4. For the purpose of Direct Deposit of tax refunds, financial institution is defined as a state or national bank, savings and loan association, mutual savings bank, or credit union. "State" includes all states of the United States and their political sub-divisions, and the District of Columbia.

5. IRS first honors any taxpayer request for application of their overpayment to the next year's estimated tax, then generates a Direct Deposit or paper check for any remaining amount.

6. The IRS does not guarantee a specific date that a refund will be deposited into a taxpayer's financial institution account, and will not issue written notices to taxpayers to confirm Direct Deposits. Taxpayers, or persons authorized by taxpayers (in accordance with Treasury Regulation 301.6103(c)-1, including legal representatives with powers of attorney on file) may check the status of refunds by calling the IRS TELE-TAX numbers listed in exhibit 12.

9.2 - Direct Deposits - General Information

Neither the Service nor the Financial Management Service (FMS), is responsible for the misapplication of a Direct Deposit that is caused by error, negligence, or malfeasance on the part of the taxpayer, electronic filer, financial institution, or any of their agents (see the revenue procedure for further information).

Note: Enrollment in Direct Deposit for income tax refunds is voluntary. Taxpayers must renew the enrollment each year a Direct Deposit is desired.

9.3 - Direct Deposit Responsibilities

1. An ERO must:

- a. ensure the taxpayer is aware of all general information regarding a Direct Deposit;
- b. not charge a separate fee for a Direct Deposit;
- c. accept any Direct Deposit election to any eligible financial institution designated by the taxpayer;

Caution: Some smaller financial institutions may not accept Direct Deposit payments. The taxpayer or ERO should contact the financial institution to verify its capability to accept Direct Deposit transfers.

- d. must ensure that taxpayers electing Direct Deposit meet the eligibility requirements;
- e. verify the Direct Deposit information requested on Part II of Form 8453 is correct and is the information transmitted with the electronic portion of the return (see also section 7.6);
- f. caution the taxpayer that once an electronic return has been accepted for processing by the Service:
 - i. the Direct Deposit election cannot be rescinded;
 - ii. the routing number of the financial institution cannot be changed; and
 - iii. the taxpayer's account number cannot be changed.

2. An ERO must advise the taxpayers of the procedures to be followed if there is a need to contact the Service about a Direct Deposit request. If taxpayers

contact their IRS district office--as tax packages and publications instruct them to do--for aid in locating delayed refunds, they may be asked for the Declaration Control Number and the acknowledgment date of the return. EROs must provide taxpayers with this information upon request.

3. An ERO must ensure that the routing number contains nine numeric digits, and that the first two digits fall within the valid ranges of 01 through 12 **OR** 21 through 32. Otherwise IRS will reject the Direct Deposit.

4. EROs must be aware that account information provided by taxpayers can show account numbers in various formats (see also section 7.6):

- a. If the taxpayer provides a check or a share draft, the account number field on the source document follows the routing number. Sometimes, this field contains additional data, such as the check serial number. If a serial number is not clearly discernible, EROs should treat the entire field following the routing number, including hyphens, as the account number. When in doubt, the taxpayer or ERO should contact the financial institution.
- b. If the taxpayer provides a canceled check, EROs should not include the money amount field appearing in the right bottom margin of the check.

9.4 - Direct Deposit Eligibility Requirements

1. The eligibility requirements for Direct Deposit are:

- a. the return must be filed electronically by an IRS accepted ERO;
- b. the return must be for tax year 1997;
- c. the taxpayer must provide the ERO with an account number and routing number for the account the taxpayer designates to receive the Direct Deposit. **Exception:** If the designated depositor account is created for the sole purpose of repaying a Refund Anticipation Loan, and the account's identifying data is supplied by the ERO, then the taxpayer does not have to provide account information.

2. The account must be a checking, share draft, savings or other consumer asset account (e.g., an IRA or money market account) held by a financial institution within the United States and established primarily for personal, family or household purposes. It may not be a credit card account. Only financial institutions, as defined, may be designated to receive Direct Deposits of tax refunds.

3. Some financial institutions may not accept payable through Routing Numbers for Direct Deposit. A check or share draft that is "payable through" another financial institution may cause problems, because it shows the routing number of the "payable through" financial institution rather than that of the institution where the account is located. The taxpayer or the electronic filer must verify the routing number by contacting the financial institution where the taxpayer's account is housed. Failure to verify the routing number may result in the refund being sent to the wrong financial institution. This will result in a returned Direct Deposit item, which may cause a six to ten week delay of the refund. The refund will then be reissued as a paper check, and mailed to the taxpayer's address as shown on the tax return.

4. The account designated to receive the Direct Deposit must be in the taxpayer's name.

Caution: Some financial institutions do not permit the deposit of a joint refund into an individual account. IRS is not responsible for a financial institution's refusal to accept a Direct Deposit for this reason. If necessary, verify the financial institution's policy prior to filing.

9.5 - Direct Deposit Processing by IRS and FMS

1. The IRS verifies the Direct Deposit data on electronic returns during initial validation tests by:

- a. comparing the entries in the five Direct Deposit fields of the return records and their summary records;
- b. identifying depositor account owner/filing status consistencies, and account number duplications; and
- c. comparing routing numbers on the returns to the list of valid routing numbers housed on the Financial Organization Master File.

2. Returns identified as defective are rejected.

3. After initial validation tests are performed the IRS sends to the transmitter, for each return, an **ACKNOWLEDGMENT FILE** that indicates whether the return is acceptable for processing.

4. When estimated tax payments are filed, there can be a delay in posting return data to the IRS Master File, because of a resequencing factor built into

the system to allow credits for the last estimated payment to post. This can delay issuance of the refund.

5. The weekly cut-off for entering electronic returns into an IRS processing cycle is noon each Wednesday. (Specific cut-off times can be obtained by calling the service centers or accessing the electronic filing systems bulletin board). On Friday of each week, return and refund data are sent to Master File for posting and refund issuance. On Wednesday of the following week, Direct Deposit refunds are transmitted to FMS. On Friday of that week, FMS generally transmits the refunds, via the Automated Clearing House network, to financial institutions for crediting to taxpayers' accounts.

9.6 - Processing by Financial Institutions

1. Financial institutions must credit refunds to payee accounts, according to procedures developed by IRS and FMS specifically for the Direct Deposit of tax refunds.

2. Direct Deposit tax refunds must be credited to the designated accounts by financial institutions on, or **AS OF**, the Friday payment date. Some financial institutions receive the refund after Friday due to processing delays, however, taxpayers' accounts must still be credited to reflect the Friday payment date.

3. Some financial institutions receive paper listings that must be manually key entered. The manual process may cause a delay, but refunds must still be credited to taxpayers' accounts to reflect the Friday payment date.

4. If the account number on a Direct Deposit transaction does not match one in the financial institution's records, the institution may attempt to credit the refund based on other information that accompanies the payment (i.e., name, address, SSN). If unsuccessful, the financial institution must return the Direct Deposit to FMS. FMS returns the money to IRS, where authorization is issued for FMS to generate a paper check refund to the taxpayer to the address on the electronic return. **The refund may be delayed six to ten weeks.**

5. Taxpayers must ensure that accurate routing number and account number information are provided to the ERO, who must ensure that the same data are transmitted to IRS.

SECTION 10 - REFUND ANTICIPATION LOAN (RAL)

10.1 - General Information

1. A Refund Anticipation Loan (RAL) is money borrowed by a taxpayer that is based on a taxpayer's anticipated income tax refund. **IRS and FMS have no involvement in RALs. RALs are contracts between taxpayers and lenders. IRS and FMS have no responsibility for the payment of any fees associated with the preparation of a return, the electronic transmission of a return or a RAL.** An acknowledgment from the IRS that a taxpayer's return is accepted for processing is not a guarantee to either the taxpayer or the lender that the taxpayer will receive a refund or what the amount of any refund due might be.

Note: The ERO must identify to the IRS all electronic returns that involve a RAL.

2. Any entity that is involved in the electronic filing program, including a financial institution that accepts Direct Deposits of income tax refunds, has an obligation to every taxpayer who applies for a RAL to ensure that the taxpayer understands that a RAL is an interest bearing loan, and not a substitute for an instantaneous way of receiving an income tax refund. An ERO must advise the taxpayer that if a Direct Deposit is not timely, the taxpayer may be liable to the lender for additional interest on the RAL.

3. EROs may charge clients a flat fee for assisting them in applying for RALs, but the fee must be identical for all such clients, and it must not be related to the refund or loan amount. EROs may share only the flat fees that lenders charge clients for providing RALs, and must not share any fees imposed by lenders based on the refund or loan amount.

4. Only with a client's **WRITTEN CONSENT**, as specified in Section 301.7216-3(b) of the Income Tax Regulations, may an ERO disclose tax information to a financial institution in connection with application for a RAL.

5. Direct Deposit refunds will usually be issued within two to three weeks from the date the electronic return is accepted. The Treasury Department does not guarantee that a refund will be issued by a specific date, or for the anticipated amount. Furthermore, on occasion, a refund check will be mailed to a taxpayer's specified address, in lieu of a Direct Deposit. Neither the ERO, nor the RAL provider, will be notified when a Direct Deposit refund will be delayed, reduced, or canceled.

6. The treasury department is not liable for any loss suffered by the taxpayer, the ERO, or the financial institution as a result of IRS' denial of a Direct Deposit request. The ERO must not make any guarantees concerning the date the refund will be issued, or the refund amount.

7. The IRS will not accept inquiries from financial institutions concerning the timing or amount of Direct Deposits. Nor will IRS accept inquiries from EROs concerning RALs (e.g., whether the prospective refund will be subject to offset or delay, or whether the taxpayer identification number is consistent with IRS records).

8. An electronic filer that is also the return preparer and the entity that makes a RAL may not be related taxpayers within the meaning of section 267 or 707 of the Internal Revenue Code.

9. Section 6695(f) of the Code imposes a \$500 penalty on a return preparer who endorses or negotiates a refund check issued to any taxpayer other than the return preparer. However, a bank, as defined in section 581, may accept the full amount of a refund check as a deposit in the taxpayer's account for the benefit of the taxpayer.

10. Section 1.6695-1(f) of the regulations clarifies section 6695 of the Code by explaining that the prohibition on a return preparer negotiating a refund check is limited to a refund check for a return prepared by the return preparer.

11. A preparer that is also a financial institution, but has not made a loan to the taxpayer on the basis of the taxpayer's anticipated refund, may:

- a. cash a refund check and remit all of the cash to the taxpayer or accept a refund check for deposit in full to a taxpayer's account, provided the bank does not initially endorse or negotiate the check;
- b. endorse a refund check for deposit in full to a taxpayer's account pursuant to a written authorization of the taxpayer; and
- c. negotiate a refund check as part of the check-clearing process through the financial system after initial endorsement.

12. Any income tax preparer that violates the provisions of section 6695(f) of the Code may be suspended from the electronic filing program.

SECTION 11 - BALANCE DUE RETURNS

11.1 - General Information

1. The five electronic filing service centers will accept electronically filed balance due returns.
2. Electronic filers must furnish Form 1040-V, Electronic Payment Voucher, to a taxpayer who electronically files a balance due return.
3. If a balance due has not been received three weeks after the due date (April 15, 1998), taxpayers will receive a balance due reminder notice (CP-14).
4. Electronic return originators must tell taxpayers that payment of taxes due should be made no later than April 15, 1998. If taxpayers do not make full payment of income tax due on or before April 15, 1998, they will be sent a notice that is a request for payment. This notice will show tax due, plus interest and penalty for late payment. If a taxpayer receives this notice, but has proof of full payment of tax due on or before April 15, 1998, the notice can be disregarded.

11.2 - Form 1040-V - General Information

1. The Internal Revenue Service is expanding the use of payment vouchers. Taxpayers will receive a 1997 payment voucher, Form 1040-V, with their tax packages. There are two versions of Form 1040-V; one with the taxpayers name, address, and social security number (SSN) preprinted and one with blank entry spaces for the name, address and SSN.
2. The preprinted version will be included in tax packages mailed to certain farmers and sole proprietors who had a balance due last year. It will also be included with the postcard sent to certain taxpayers instead of a tax package because they used a tax return preparer the previous year.
3. An over-the-counter Form 1040-V will be included in all other Form 1040 tax packages and in many tax year 1997 tax preparation software programs, including those that print returns in the Form 1040PC format.
4. An over-the-counter Form 1040-V will also be included in Package X.
Regardless of what addresses are shown in these instructions, the tax preparer

must remember to use the lockbox address associated with the service center where the return was electronically filed.

5. For a limited supply of Forms 1040-V, call the IRS Forms Distribution Center at (toll-free) 1-800-829-3676.

6. Do not attach payment to Form 8453.

11.3 - Form 1040-V - Preparation

1. Make your check or money order payable to the "Internal Revenue Service" (not IRS). Do not send cash.

2. The instructions for completing Form 1040-V are located on the form.

3. Detach the payment voucher at the perforation.

4. Do not staple or clip the payment voucher or your payment to the Form 8453.

5. The payment and payment voucher must be sent to the lockbox address associated with the service center where the return was electronically filed.

11.4 - Installment Agreement Request

1. Taxpayers who cannot pay the amount they owe in full by April 15, 1998, may wish to request an installment agreement. This can be done by completing Form 9465, Installment Agreement Request. Form 9465 can be electronically filed with the taxpayers tax return or separately as an electronic transmitted document.

SECTION 12 - ADVERTISING STANDARDS FOR ELECTRONIC FILERS AND FINANCIAL INSTITUTIONS

12.1 - General Information

1. An electronic filer must comply with the advertising and solicitation provisions of treasury department circular No. 230, *Regulation Governing the Practice of Attorneys, Certified Public Accountants, Enrolled Agents, Enrolled Actuaries, and Appraisers before the Internal Revenue Service* (Part B -

§10.30). This circular prohibits the use of participation in the use of any form of public communication containing a false, fraudulent, misleading, deceptive, unduly influencing, coercive, or unfair statement of claim. Advertising must not imply a special relationship with the Service, FMS, or the Treasury Department. Any claims concerning faster refunds by virtue of electronic filing must be consistent with the language in official Service publications. In addition, the electronic filer must adhere to all state and city consumer protection laws.

2. The use of the Service's name, "Internal Revenue Service" or "IRS," within a firm's name may result in immediate suspension from the electronic filing program.

3. The use of improper or misleading advertising in relation to the electronic filing program (including the time frames for refunds and RALs), may result in immediate suspension from the program.

4. The revenue procedure outlines advertising standards for electronic filers and financial institutions for consistency with the IRS requirements.

5. Advertising materials shall not carry the FMS, IRS, or other Treasury Seals.

6. Advertising for a cooperative electronic return project (public/private sector), must clearly state the names of all cooperating parties.

7. In advertising the availability of a RAL, an electronic filer and financial institution must clearly (and, if applicable, in easily readable print), refer to or describe the funds being advanced as a loan, not a refund; that is, it must be made clear in the advertising that the taxpayer is borrowing against the anticipated refund and not obtaining the refund itself from the financial institution.

8. If an electronic filer uses radio or television broadcasting to advertise, the broadcast must be pre-recorded. The electronic filer must keep a copy of the pre-recorded advertisement for a period of at least 36 months from the date of the last transmission or use.

9. If an electronic filer uses direct mail or fax communications to advertise, the electronic filer must retain a copy of the actual mailing or fax, along with a list or other description of persons to whom the communication was mailed, faxed,

or otherwise distributed for a period of at least 36 months from the date of the last mailing, fax, or distribution.

10. Acceptance to participate in the electronic filing program does not imply endorsement by the Service or FMS of the software or quality of services provided.

11. If there is any question or doubt as to the appropriateness of any advertisement, have the material reviewed by the Service prior to its use (see exhibit 13).

12. There are several IRS publications available to help you in promoting electronic filing to clients:

- ▶ Publication 1336: ***Electronic Tax Filing (Questions and Answers for Tax Professionals)*** (brochure)
- ▶ Publication 1337: ***Electronic Tax Filing (Put Your Taxes Behind You With Lightning Speed)*** (brochure)
- ▶ Publication 1432-A: ***Electronic Tax Filing (Put Your Taxes Behind You With Lightning Speed)*** (poster 14" x 11")
- ▶ Publication 1545: ***Guidelines for Using the Electronic Tax Filing Logo***
- ▶ Publication 1857: ***Alternative Filing Methods for the Professional Tax Preparer***
- ▶ Publication 1860: ***Alternative Ways of Filing*** (poster 14" x 11")

13. These publications can be ordered by calling the IRS Tax Forms Distribution Center at 1-800-829-3676 (toll free).

12.2 - The Electronic Tax Filing Logo

1. The IRS created an electronic tax filing logo to give a consistent image to the electronic filing program. The logo may be used by the IRS and by accepted participants who wish to identify themselves as electronic filers. Publication 1545 is a brochure which contains guidelines and suggestions which help maximize the logo's visual effect.

12.3 - Direct Deposit Advertising



1. The Direct Deposit name and logo:
 - a. must be used with initial capital letters (Direct Deposit) or all capital letters (DIRECT DEPOSIT);
 - b. must be used whenever feasible in advertising copy; and
 - c. may be changed for color or size when used in advertising pieces.

2. A camera copy of this logo can be obtained by calling (202) 874-6540, not a toll-free number, or by writing to:

Financial Management Service
Attn: Joyce Willis, Marketing Branch
401 14th Street S.W. - Third Floor
Washington, DC 20227

12.4 - Sample Electronic Filing Advertisements

Acceptable

<p>IRS Electronic Filing * \$25.00 Filing Fee</p> <h2 style="text-align: center;">Refunds</h2> <p style="text-align: center;"><i>Company Name</i></p>	
<p>Income Tax Staff Qualifications</p> <ul style="list-style-type: none"> - Tax and Accounting Specialist - Licenced by the State Board of Tax Service Examiners <p>Office Hours: 8:30 am-8:00 pm Weekdays 9:00 am-5:00 pm Saturdays</p>	<p>Fees:</p> <ul style="list-style-type: none"> - Fees are what most CPS's charge - Electronic Filing - \$25 - We do simple returns starting at \$29.00 and up - Complex Returns (our specialty)
<p><i>Accepted the past two years by the IRS to participate in the Electronic Filing Program</i></p>	
<h2 style="text-align: center;">Income Tax Returns</h2>	

<p>Pre-Approved for IRS Electronic Filing</p> <h2 style="text-align: center;">Fast Refunds</h2> <p style="text-align: center; font-size: small;">Normal refunds take 6 to 8 weeks. With Electronic Filing, it takes only 2 to 3 days for your refund. Direct Deposit to your bank also available.</p>	
<p><i>Company Name</i></p>	
<p>Income Tax Staff Qualifications</p> <ul style="list-style-type: none"> - Tax and Accounting Specialist - Licenced by the IRS <p>Office Hours: 8:30 am-8:00 pm Weekdays 9:00 am-5:00 pm Saturdays</p>	<p>Fees:</p> <ul style="list-style-type: none"> - Fees are what most CPS's charge - Electronic Filing based on your refund - We do simple returns starting at \$29.00 and up - Complex Returns (our specialty)
<h2 style="text-align: center;">Income Tax Returns</h2>	

Unacceptable

Shaded items are not acceptable for advertising

SECTION 13 - MONITORING AND SUSPENSION OF AN ELECTRONIC FILER

13.1 - General Information

1. The Service will monitor an electronic filer for conformity with the revenue procedure and this publication. The Service can immediately suspend without notice, an electronic filer from the electronic filing program. In most circumstances, a suspension from participation in the program is effective as of the date of the letter informing the electronic filer of the suspension. Before suspending an electronic filer, the Service may issue a warning letter that describes specific corrective action for deviations from the revenue procedure.

2. If a principal or responsible official is suspended from the electronic filing program, every firm that listed the suspended principal or responsible official on its Form 8633 may also be suspended.

3. The Service will monitor the timely receipt of Forms 8453, as well as their overall legibility (especially the recording of the SSN).

4. The Service will monitor the quality of an electronic filer's transmission throughout the filing season. The Service will also monitor electronic returns and tabulate rejections, errors, and other defects. If quality deteriorates, the electronic filer may receive a warning from the Service.

5. The Service will monitor drop-off collection points and advise the applicant of any electronic filing program violations the Service has encountered with the drop-off collection point(s). If the applicant fails to correct a drop-off collection point(s) problem, the applicant will be required to eliminate the drop-off collection point(s). Failure to take corrective action or eliminate the drop-off collection point(s) will cause the Service to suspend the applicant. If the Service initiates suspension action, it will apply to all returns filed by the applicant.

6. The Service will monitor complaints about an electronic filer and issue a warning or suspension letter as appropriate.

7. The Service reserves the right to suspend the electronic filing privilege of any electronic filer who violates any provision of the revenue procedure. Generally, the Service will advise a suspended electronic filer concerning the requirements for reacceptance into the electronic filing program. The following

reasons may lead to a warning letter and/or suspension of an electronic filer from the electronic filing program;

- a. items listed in section 4.13, of this publication;
- b. deterioration in the format of individual transmissions;
- c. unacceptable cumulative error or rejection rate;
- d. untimely received, illegible, incomplete, missing, or unapproved substitute Forms 8453;
- e. failure on the part of a transmitter to retrieve acknowledgment files within two work days of transmission by the Service;
- f. failure on the part of a transmitter to initiate the communication of acknowledgment files to clients within two work days of receipt of the acknowledgment files from the Service;
- g. significant complaints about an electronic filer;
- h. failure on the part of an electronic filer to ensure that no other entity uses the Federal, or Federal/State's electronic filer's EFIN and/or ETIN. And failure to properly use the Federal, or Federal/State EFIN;
- i. unless the Service has issued to a business entity more than one EFIN to accommodate high volumes of returns or other business reasons, having more than one EFIN for the same business entity at the same location (the business entity is generally the entity that reports on its return the income derived from electronic filing);
- j. failure on the part of a transmitter to include a service bureau's SBIN in the transmission of a return submitted by a service bureau;
- k. failure on the part of an electronic filer to cooperate with the Service's efforts to monitor electronic filers and investigate electronic filing abuse;
- l. failure on the part of an electronic filer to properly use the standard/non-standard W-2 indicator;
- m. failure on the part of an electronic filer to properly use the refund anticipation loan (RAL) indicator;
- n. failure on the part of a service bureau or a transmitter to include the ERO's EFIN as part of a return that the ERO submits to the service bureau or the transmitter;
- o. violation of the advertising standards described in the revenue procedure;

- p. failure to maintain and make available records as described in the revenue procedure;
- q. accepting a tax return for electronic filing either directly or indirectly from a person (other than the taxpayer who is submitting his or her return) who is not in the electronic filing program;
- r. submitting the electronic portion of a return with information that is not identical to the information on Form 8453;
- s. failure to timely pay any applicable fees, as implemented by subsequent guidance; and
- t. failure of an ERO to include the Service Bureau Identification Number (SBIN) or drop-off Collection Point Identification Number (CPIN) in the summary record.

SECTION 14 - ADMINISTRATIVE REVIEW PROCESS FOR DENIAL OF PARTICIPATION IN THE ELECTRONIC FILING PROGRAM

14.1 - General Information

1. An applicant who has been denied participation in the electronic filing program has the right to an administrative review. During the administrative review process, the denial of participation remains in effect.
2. In response to the submission of a Form 8633, the Andover Service Center will either;
 - a. accept an applicant into the program; or
 - b. issue a proposed letter of denial that explains to the applicant why the application to participate in the program is being rejected.
3. An applicant who receives a proposed letter of denial may mail or deliver, within 30 calendar days of the date of the proposed letter of denial, a written response to Andover Service Center. The applicant's response must address the issues in the proposed letter of denial.
4. Upon receipt of an applicant's written response, Andover Service Center will reconsider its proposed letter of denial. They may:

- a. withdraw the proposed letter of denial and admit the applicant into the electronic filing program; or
 - b. finalize the proposed letter of denial and issue it to the applicant.
5. If an applicant receives a final letter from Andover Service Center that denies the applicant participation in the program, the applicant is entitled to appeal in writing to the Director of Practice.
6. The appeal must be mailed or delivered to Andover Service Center within 30 calendar days of the date of the denial letter. An applicant's written appeal must contain a detailed explanation, with supporting documentation, of why the denial should be reversed. In addition, the applicant must include a copy of the applicant's Form 8633 and a copy of the denial letter.
7. Andover Service Center, upon receipt of a written appeal to the Director of Practice, will forward to the Director of Practice its file on the applicant and material described in the revenue procedure that the applicant has submitted. Andover Service Center will forward to the Director of Practice these materials within 15 calendar days of receipt of the applicant's appeal to the Director of Practice.
8. Failure to respond within the 30-day period from the date of the denial irrevocably terminates an electronic filer's right to an administrative review or appeal.
9. If an application for participation in the electronic filing program is denied, the applicant is ineligible to submit a new application for two years from the application date of the denied application.

SECTION 15 - ADMINISTRATIVE REVIEW PROCESS FOR SUSPENSION FROM THE ELECTRONIC FILING PROGRAM

15.1 - General Information

1. An electronic filer who has been suspended from participation in the electronic filing program has the right to an administrative review. During the administrative review process, the suspension remains in effect.

2. If an electronic filer receives a proposed suspension letter from a district office or a service center, the electronic filer may mail or deliver, within 30 calendar days of the date of the proposed suspension letter, a detailed written explanation, with supporting documentation, of why the proposed suspension letter should be withdrawn.

3. Upon receipt of an electronic filer's written response, the district office or service center will reconsider its proposed letter of suspension. The district office or service center may:

- a. withdraw the proposed letter of suspension and admit the electronic filer into the electronic filing program; or
- b. finalize the proposed letter of suspension and issue it to the electronic filer.

4. If an electronic filer receives a final letter from the district office or service center that suspends electronic filer participation in the program, the electronic filer is entitled to an appeal, in writing to the Director of Practice.

5. The appeal must be mailed or delivered to the district office or service center that issued the suspension letter within 30 calendar days of the date of the suspension letter. The electronic filer's written appeal must contain detailed reasons, with supporting documentation, for reversal of the suspension. In addition, the electronic filer must include a copy of its Form 8633 and a copy of the suspension letter.

6. The district office or service center whose suspension is being appealed will, upon receipt of a written appeal to the Director of Practice, forward to the Director of Practice its file on the electronic filer and material described in the revenue procedure that the electronic filer has submitted to the district office or service center. The district office or service center will forward to the Director of Practice these materials within 15 calendar days of receipt of the electronic filer's appeal to the Director of Practice.

7. Failure to respond within the 30-day period from the date of the suspension irrevocably terminates an electronic filer's right to an administrative review or appeal.

8. If a participant is suspended from the electronic filing program, the period of suspension includes the remainder of the calendar year in which the suspension occurs plus the next two calendar years. A suspended participant may be

included on a new application for the application period immediately preceding the end of the suspension.

SECTION 16 - VOLUNTEER INCOME TAX ASSISTANCE (VITA) AND TAX COUNSELING FOR THE ELDERLY (TCE) SPONSORED ELECTRONIC FILING

16.1 - General Information

The revenue procedure provides special provisions for Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). If you are a VITA or a TCE sponsor contact your District Office Taxpayer Education Coordinator (see chart below) or your contact in exhibit 13 for additional information regarding these provisions.

DISTRICT	CONTACT	PHONE NUMBER
Arkansas-Oklahoma	Shirley Raymond	405 297-4125
Brooklyn	Edward Parenti	718 488-3655
Central California	James Kinsey	408 494-8123
Connecticut-Rhode Island	Mike O'Reilly	860 240-4154
Delaware-Maryland	Joan McClean	410 962-2222/2402
Georgia	Mary Lucas	404 331-3408
Gulf Coast	June Pace	504 558-3007
Houston	Ellen Heyn	281-721-7070
Illinois	John Hilbert	312 886-1572
Indiana	Beverly Smith	317 226-6543
International	Karen Winslow	202 874-1332
Kansas-Missouri	Malene Tolbert	314 539-3660
Kentucky-Tennessee	Betty Calo	615 736-2280
Los Angeles	Christopher Orozco	213 894-4574
Manhattan	Thomas Quigley	212 436-1021
Michigan	Mary Tomala	313 226-3674
Midwest	Marcia Corcoran	414 297-3302
New England	Judith J. Howard	617 565-4325
New Jersey	Marianne Pinto	201-645-6690
North Central	John Wise	612 290-3320X222
North Florida	Delores Woods	904 232-2514
North Texas	Carolyn Maye	214 767-1428

DISTRICT	CONTACT	PHONE NUMBER
North-South Carolina	Ellie Hoke	910 378-2193
Northern California	Patrick Brown	510 637-2473
Ohio	Rachel S. Ragan	513 684-2828
Pacific Northwest	Kari Gilje	206 220-5776
Pennsylvania	Pat Healy	215 597-6710
Rocky Mountain	Pam McNair	303 446-1659
South Florida	John Schnellman	954-423-7636
South Texas	Pamela Kurburski	512 499-5439
Southern California	Joan Kenney	714 360-2094
Southwest	Terri Wedepohl	602 207-8333
Upstate New York	J. Chris Keefe	716 686-4777
Virginia-West Virginia	Mary Cofield	804 771-2289

SECTION 17 - EMPLOYER SPONSORED ELECTRONIC FILING

17.1 - General Information

The revenue procedure provides special provisions for employers who are offering electronic filing as an employee benefit. If you are an employer who is offering electronic filing as an employee benefit, see exhibit 13 for contacts with additional information regarding these provisions.

SECTION 18 - FILING AN ELECTRONIC RETURN

18.1 - Composition of an Electronic Return

1. An electronic return consists of:
 - a. the **ELECTRONIC PORTION**, that is, data transmitted to the Service electronically (see section 18.2); and,
 - b. the **NON-ELECTRONIC PORTION** (paper documents filed with the Service at a later date) which contains information that cannot be electronically transmitted, such as taxpayer signatures, documents prepared by third parties, etc (see section 18.4).

Note: See section 18.3 for exclusions from the electronic filing program.

2. In total, an electronic return contains the same information as a comparable return filed entirely on paper documents.

18.2 - Electronic Portion of Return

1. The following chart lists the tax year 1997 forms and schedules which can be transmitted electronically and the maximum number of each type of form or schedule allowed per return. They are considered the "electronic portion" of the return.

Note: Electronic return originators **MUST** identify the paid preparer in the appropriate field of the electronic return. The social security number of the paid preparer need not be disclosed on the copies of the tax return and the Form 8453 that are given to the taxpayer.

Forms/Schedules	Title	Maximum Number Per Return
Form 1040	U.S. Individual Income Tax Return	1
Form 1040A	U.S. Individual Income Tax Return	1
Form 1040EZ	U.S. Tax Return for Single and Joint Filers With No Dependents	1
Schedule A	Itemized Deductions	1
Schedule B	Interest and Dividend Income	1
Schedule 1 (Form 1040A)	Interest and Dividend Income for Form 1040A Filers	1
Schedule C	Profit or Loss From Business (Sole Proprietorship)	5 (total schedules C and C-EZ)
Schedule C-EZ	Net Profit From Business	1 per taxpayer
Schedule D	Capital Gains and Losses	1
Schedule E	Supplemental Income and Loss	15 Rental Properties per Schedule E 5 Schedule E's
Schedule EIC	Earned Income Credit	1
Schedule F	Profit or Loss from Farming	2

Forms/Schedules	Title	Maximum Number Per Return
Schedule H	Household Employment Taxes (Social Security, Medicare, Withheld Income and Federal Unemployment (FUTA) Taxes)	1 per taxpayer
Schedule R	Credit for the Elderly or Disabled	1
Schedule 3 (Form 1040A)	Credit for the Elderly or Disabled for Form 1040A Filers	1
Schedule SE	Self Employment Tax	1 per taxpayer
Form W-2	Wage and Tax Statement	20
Form W-2G	Certain Gambling Winnings	30
Form 1099-R	Distributions from Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, Etc.	10
Form 1116	Foreign Tax Credit	8
Form 2106	Employee Business Expense	1 per taxpayer
Form 2119	Sale of Your Home	2
Form 2210	Underpayment of Estimated Tax by Individuals and Fiduciaries	1
Form 2210F	Underpayment of Estimated Tax by Farmers and Fishermen	1
Form 2441	Child and Dependent Care Expenses	1
Form 2555	Foreign Earned Income*	1 per taxpayer
Form 2555EZ	Foreign Earned Income Exclusion*	1 per taxpayer
Schedule 2 (Form 1040A)	Child and Dependent Care Expenses for Form 1040A Filers	1
Form 3903	Moving Expenses	2
Form 4136	Credit for Federal Tax Paid on Fuels	1
Form 4137	Social Security and Medicare Tax on Unreported Tip Income	1 per taxpayer
Form 4255	Recapture of Investment Credit	1

Forms/Schedules	Title	Maximum Number Per Return
Form 4562	Depreciation and Amortization	8
Form 4684	Casualties and Thefts	1
Form 4797	Sales of Business Property	1
Form 4835	Farm Rental Income and Expenses	2
Form 4952	Investment Interest Expense Deduction	1
Form 4970	Tax on Accumulated Distribution of Trusts	1
Form 4972	Tax on Lump Sum Distributions	1 per taxpayer
Form 5329	Additional Taxes Attributable to Qualified Retirement Plans (Including IRAs), Annuities and Modified Endowment Contracts	1 per taxpayer
Form 6198	At-Risk Limitations	5
Form 6251	Alternative Minimum Tax - Individuals	1
Form 6252	Installment Sale Income	3
Form 8283	Noncash Charitable Contributions	2
Form 8396	Mortgage Interest Credit	1
Form 8582	Passive Activity Loss Limitations	1
Form 8606	Nondeductible IRA Contributions, IRA Basis, Nontaxable IRA Distributions	1 per taxpayer
Form 8615	Tax for Children Under Age 14 Who Have Investment Income of More than \$1,300	1
Form 8814	Parents' Election to Report Child's Interest and Dividends	3
Form 8815	Exclusion of Interest from Series EE U.S. Savings Bonds Issued After 1989	1

Forms/Schedules	Title	Maximum Number Per Return
Form 8828	Recapture of Federal Mortgage Subsidy	1
Form 8829	Expenses for Business Use of Your Home	3
Form 8839	Qualified Adoption Expenses	1
Form 9465	Installment Agreement Request Note: This form may also be electronically filed as an independent form. See section 18.5.	1

*These forms can be filed only with a Form 1040 with a stateside, APO or FPO address and will be accepted at the Andover Service Center only.

18.3 - Exclusions from Electronic Filing

Returns containing forms or schedules not listed in section 18.2 of this publication, and the following returns are excluded from electronic filing:

- a. returns for any tax period other than January 1, 1997 through December 31, 1997;
- b. decedent returns, including joint returns filed by surviving spouses;
- c. returns with a power of attorney currently in effect for the refund to be sent to a third party;
- d. corrected or amended returns; only one valid electronic return can be filed per taxpayer per year;
- e. returns for taxpayers with foreign addresses; Army-Air Force (APO) and Navy-Marine (FPO) post offices are not considered foreign addresses;
- f. returns **DIRECTLY** from preparers, collectors, or firms who have not been accepted in the electronic filing program. (This does not include drop-off collection points, which are included under the parent firm's application);
- g. returns subject to community property rules with filing status "Married Filing Separately";
- h. returns with temporary social security numbers (within the range of 900-00-0000 through 999-99-9998) other than approved ATINs and ITINs;

- i. returns with dollars and cents entries;
- j. returns containing more than 30 statements;
- k. returns which contain Form 8283 where Property Type box checked is equal to "Art More than \$50,000";
- l. returns which require special consideration or procedures for completion, such as returns for taxpayers who have formally requested and received waivers from the IRS or returns for taxpayers who have changed accounting methods;
- m. returns for taxpayers who want the IRS to complete computation of their return, e.g., figuring credits for Schedule EIC or Schedule R; and
- n. returns containing like-kind exchanges on Form 4797 since Form 8824 cannot be transmitted electronically.

18.4 - Non-electronic Portion of Return

1. The "non-electronic portion" of the return consists of the following:
 - a. Form 8453, U.S. Individual Income Tax Declaration for Electronic Filing, is required for all electronic returns. (See section 7 of this publication);
 - b. Copy B of Forms W-2, W-2G, and 1099-R, which would normally be attached to the front of a paper return, will be attached to the front of Form 8453, overlaying Part II. Form 4852, Substitute W-2, may be used only if signed by the taxpayer. It is **NOT** acceptable to submit forms W-2, W-2G, or 1099-R generated from tax information on the electronic return originator's computer;
 - c. Documents containing required signatures. Staple these forms to the back of Form 8453. Examples are:
 - i. Form 2120, Multiple Support Declaration;
 - ii. A physician's statement, as required, to support an entry on Schedule R or Schedule 3;
 - iii. A proof of blindness certification from a physician or registered optometrist;
 - iv. Form 8283, Noncash Charitable Contributions (Appraisal Summary etc);

- v. Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents;
- vi. Form 2848, Power of Attorney and Declaration of Representative;
- d. Other information documents that are not covered above, or that are voluntarily being included with the return by the taxpayer as supporting material. (Staple these forms to the back of Form 8453);
- e. When an ERO receives from a taxpayer, a return prepared by a paid preparer who is **NOT AN ELECTRONIC FILER**, and the taxpayer was **NOT** able to get the paid preparer's signature on Form 8453, a copy of the Form 1040 or Form 1040A (pages 1 and 2 **ONLY**), or Form 1040EZ must be attached to the Form 8453. This copy should be marked "COPY - DO NOT PROCESS" to ensure the form is not processed as a return, which could delay the taxpayer's refund. **Do not attach a copy of the return if it was not prepared by a paid preparer**; and
- f. The paper material must be stapled together with the Form 8453 on top, followed by documents requiring signatures, then by material voluntarily being provided and a copy of the paper tax return, when appropriate.

18.5 - Electronic Transmitted Documents (ETD)

1. Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, and Form 9465, Installment Agreement Request, are processed through the Electronic Transmitted Document (ETD) system. These are stand alone forms and can be processed without a tax return.
2. Payments will be accepted electronically for Form 4868. For more information contact the IRS (see exhibit 13).
3. Only calendar year extensions will be accepted.
4. Payments for Form 9465 will **NOT** be accepted electronically.
5. Participants Acceptance Testing (PATs) will begin November 5, 1997 and end on April 30, 1998.
6. The last day for originally transmitting electronically filed Forms 4868 is April 15, 1998. The last day for re-transmitted filed Forms 4868 is April 17, 1998.

7. Forms 9465 can be filed electronically through October 15, 1998.
8. To transmit these forms electronically, follow the same guidelines as specified in Section 19 - Transmitting the Electronic Portion of a Return.g
9. The Service will acknowledge receipt of Forms 4868 and Forms 9465 (See Section 20).

SECTION 19 - TRANSMITTING THE ELECTRONIC PORTION OF A RETURN

19.1 - Communication Requirements

1. These procedures will only apply to the tax year 1997 program and may not be relevant in subsequent years.
2. Most data communication will be over the Public Switched Telephone Network to the Andover, Austin, Cincinnati, Memphis, or Ogden Service Centers.
3. Transmitters who expect to handle a large volume of electronic returns and wish to lease their own dedicated (9600 to 19,200 bps) line, may do so at anytime during the year. However, you must send a written request to:

Internal Revenue Service
Systems Operations Office T:ETA:O:S
5000 Ellin Road, NCFB C4-177
Lanham, MD 20706

4. All data communications with IRS will be accomplished using the following:
 - a. Line Speed
 - i. Bi-synchronous (BSC)
 - (1) 4800 bps via Public Switched Telephone Network, or
 - (2) 9600 to 19200 bps via dedicated/leased line.
 - ii. Asynchronous (ASC) - 1200 - 19,200 bps
 - b. Character Code
 - i. Extended Binary Coded Decimal Interchange Code (EBCDIC), or
 - ii. American Standard Code for Information Interchange (ASCII).

c. Modems

i. Bi-synchronous (BSC)

- (1) All dial-up modems must be 4800 bps bi-synchronous Bell 208B compatible (**Caution:** Bell 208A modems may not be compatible with the electronic filing system): or
- (2) 9600 to 19,200 bps dedicated/leased lines require that the transmitter provide any type of modems and installation for both ends of the line.

ii. Asynchronous (ASC)

- (1) All dial-up modems must be Hayes compatible
- (2) Standards and line speed
 - a. Data Industry Standard 103 (300 bps)
 - b. Industry Standard 212A (1200 bps)
 - c. ITU-T V.22
 - d. ITU-T V.22 bis
 - e. ITU-T V.32
 - f. ITU-T V.32 bis
 - g. ITU-T V.34
 - h. ITU-T V.34 bis
- (3) Error control/data compression standards
 - a. ITU-T V.42 (error control)
 - b. ITU-T V.42 bis (data compression)
 - c. MNP[tm] 2-4 (error compression)
 - d. MNP[tm] 5 (data compression)

19.2 - Logon Procedures

1. Following the ETIN and password prompts, asynchronous protocol users will be prompted for a file transfer protocol indicator, defaulting to the protocol in the transmitters profile. If an indicator is used during the logon process, it will override what was previously indicated by the transmitter for the current session. Valid indicators are:

"X" - XMODEM-Checksum	"Y" - YMODEM
"C" - XMODEM-CRC	"G" - YMODEM-G
"K" - XMODEM-1K	"Z" - ZMODEM

2. The bi-synchronous logon procedure will also prompt for transmission block size, defaulting to 120 bytes.
3. ETIN in the "TRANA" record must agree with the logon ETIN or the line will disconnect.

19.3 - Where to Transmit Electronic Returns

1. Electronic returns must be transmitted to the service center listed in section 19.3:2 below. Unlike paper returns, the taxpayer's address on the electronic return is not used to determine the service center where the return should be filed.
2. Use the following information to determine where you should be transmitting returns:

ANDOVER SERVICE CENTER

If the ERO is located in any of the following states, the District of Columbia, or is transmitting Forms 1040 with Forms 2555 or Forms 2555-EZ attached, returns should be transmitted to the Andover Service Center:

Connecticut, Delaware, Maine, Maryland, Massachusetts,
New Hampshire, New Jersey, New York, Pennsylvania,
Rhode Island, Vermont, Virginia

AUSTIN SERVICE CENTER

If the ERO is located in any of the following states, returns should be transmitted to the Austin Service Center:

Illinois, Iowa, Kansas, Minnesota, Missouri, New Mexico, Oklahoma,
Texas, Wisconsin

CINCINNATI SERVICE CENTER

If the ERO is located in any of the following states, returns should be transmitted to the Cincinnati Service Center:

Florida, Indiana, Kentucky, Michigan, Ohio, South Carolina,
West Virginia

MEMPHIS SERVICE CENTER

If the ERO is located in any of the following states, returns should be transmitted to the Memphis Service Center:

Alabama, Arkansas, Georgia, Louisiana, Mississippi, North Carolina, Tennessee

OGDEN SERVICE CENTER

If the ERO is located in any of the following states returns should be transmitted to the Ogden Service Center:

Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming

SECTION 20 - ACKNOWLEDGMENT OF ELECTRONIC RETURNS

20.1 - General Information

1. For each electronic return, the IRS will create an Acknowledgment File (ACK file) which will be available for transmission back to the transmitter within two workdays from the original transmission.
2. Electronic return originators who use a transmission service or another third party to have their returns transmitted to the IRS should receive their ACK file from their transmitter within two (2) days after the transmitter receives the ACK file. The transmitter must transmit the returns received from the ERO within three (3) days.
3. If you do not receive an ACK file within the time frame described above, contact your transmitter first (if appropriate), then contact the IRS.
4. The ACK file identifies which returns have been accepted, rejected or identified as duplicates.
5. The transmitter must match the acknowledgment file back to the original file transmitted. The transmission can be matched by the Service generated file sequence number, which is given in the "successful transmission" message when the filer logs off.

Note: Any transmitted electronic return which is not acknowledged by the Service has **NOT** been accepted for processing. The electronic return must be resubmitted and acknowledged as accepted, and the signed Form 8453 must be received by the service center for the return to be filed.

6. When a return has been rejected after three attempts, contact the appropriate service center (see exhibit 14).

20.2 - What Can Be Found in the Acknowledgment (ACK) File

1. Though the Acknowledgment (ACK) file format may vary between software companies, they must all contain particular information which will permit the user to determine which returns have been accepted or rejected.

2. The ACK file will specifically show you the status of each return in the file under the **Acceptance Code Field**, using one of the following codes:

"A" = Accepted return;

"R" = Rejected return (**This means the return has NOT been filed**);

"D" = Duplication of a previously transmitted return; or

"T" = The complete transmission was rejected.

3. If a return was rejected because it was a duplicate (D), the **Duplicate Code Field** will identify where the duplication occurred, using one or more of the following codes:

"D" = DCN: Declaration Control Number;

"E" = EFT: Electronic Funds Transfer (Direct Deposit)
(duplicate routing number and/or account number);

"P" = Primary SSN: social security number of primary taxpayer (appearing first on page 1 of Form 1040); or

"S" = Spouse SSN: social security number of spousal taxpayer (appearing second on page 1 of Form 1040).

4. The ACK file also has an **EFT Code Field**. This field will always be blank.

5. The ACK file will also show if a state return was received with the federal return. (See Section 24)

20.3 - Top Error Reject Codes - Processing Year 1997 (Tax Year 1996)

1. Each ACK file will also contain specific information which will help you determine exactly where an error has occurred. It will include data defining the form, the page number for multi-page entries, the field sequence number, and the reject error code, for up to 96 errors on each rejected return.
2. Many software packages will also provide explanations for the reject codes.
3. To help you avoid rejected returns, the following is a listing of the top five error reject codes identified by the service centers during the 1997 processing year (tax year 1996).

Code	Description
501	On Schedule EIC, the qualifying SSN, the year of birth and the corresponding name control must match information received from the Social Security Administration.
502	The employer identification number (EIN) from the Form W-2 must match the IRS Master File.
503	Spouse SSN and name control must match the corresponding data on the IRS Master File.
504	Dependent SSN and corresponding dependent name control must match the data on the IRS Master File.
507	Dependent SSN of the tax form, previously used for the same purpose.

SECTION 21 - REFUND DELAYS

21.1 - General Information

1. The following conditions may delay refunds and/or change refund amounts:
 - a. taxpayer owes back taxes, either individual or business (refund offset);
 - b. taxpayer owes delinquent child support (refund offset);
 - c. taxpayer has a delinquent debt, such as student loans, etc. (refund offset); or

- d. the last name and social security number (SSN) of the primary taxpayer must be the same as on last year's return or the return may be delayed at least one week for rematching. It is strongly suggested that taxpayers update their names with Social Security Administration (SSA), or use the names and SSNs as they appear on the mailing labels of their tax packages.
2. The estimated tax payments reported on the return do not match the estimated tax payments recorded on the IRS Master File. This generally occurs when:
 - a. a spouse made separate payments and filed a joint return; or
 - b. the return was filed and the estimated tax payment has not been processed and credited to the taxpayer's account.
3. The taxpayer is considered to be a first-time filer. This is defined as taxpayers who, during the past 10 years, have not filed a tax return as a primary or secondary taxpayer.
4. Direct Deposit requests will be denied in cases where there is at least one return during the past six years that the taxpayer has not filed. The refund will be held, and the taxpayer will receive a notice asking about the unfiled tax return(s).
5. The taxpayer is claiming a blatantly unallowable deduction.
6. The taxpayer has a Schedule E claiming a deduction for a questionable tax shelter.
7. For taxpayers without preprinted mailing labels, the following ranges of SSNs are **INVALID** and will cause the return to be rejected:

000-00-0000 through 001-00-9999
659-00-0000 through 699-99-9999
729-00-0000 through 999-99-9999
(but see section 21.1:8 below for exceptions)
8. SSNs within the range of 900-00-0000 through 999-99-9998, except for approved ATINs and ITINs, are temporary SSNs assigned by IRS when two taxpayers are using the same number. IRS corresponds with both taxpayers informing them of the problem, and instructing them to visit their local Social

Security Administration office to correct the discrepancy. **Within this range only approved ATINs and ITINs will be accepted in the electronic filing program.**

21.2 - Non Receipt of Refunds

1. Generally, a refund can be expected to be issued within three weeks from the date an electronic return is accepted by the IRS.
2. Certain account information, including the status of a refund, will be available while an electronic return is being processed only at the service center that accepts the return. After the return is posted to the IRS Master File, this information becomes available nationwide. Since electronic returns can be filed with only five of the ten IRS service centers, this may mean taxpayers will need to contact an IRS office outside their state to obtain the status of a refund.
3. This publication provides a listing of IRS TELE-TAX numbers (exhibits 11 and 12). Taxpayers can choose the Tele-Tax (automated refund information) system for the service center where the electronic return was filed. A long distance charge may apply.

Example: A taxpayer who lives in Virginia would file a paper return with the Philadelphia Service Center (PSC). However, that taxpayer's electronic return would be filed and processed at the Andover Service Center (ANSC), where status of the refund would be available for the electronic return while it is being processed. This taxpayer would be unable to use the toll-free number (1-800-829-4477) to gain early processing information, as that number accesses the PSC system which is updated only after the return data is added to Master File. Instead, the taxpayer should consult exhibit 11 and call the IRS office in Boston, Massachusetts at (617) 536-0709 to access the ANSC Tele-Tax system.

4. Before dialing Tele-Tax, taxpayers should have available the return's primary social security number (the first SSN listed on joint returns), filing status, and the exact amount of the expected refund, excluding any amount designated to be applied to next year's estimated tax. Allow one week from the refund issuance date given by Tele-Tax, for the financial institution to credit the refund to the taxpayer's account.

Note: Occasionally, the Tele-Tax system will be unavailable due to internal update processing. When this occurs, the taxpayer should call again the following business day.

5. When Tele-Tax indicates that the refund was not issued, taxpayers should contact their ERO to confirm the date the IRS acknowledged acceptance of the return.
 6. When Tele-Tax indicates that the refund was issued, but it is not credited to the taxpayer's account a week after the date of issue, the ERO should advise the taxpayer to contact the local IRS district office to initiate a refund trace. Direct Deposit refund traces are routed through FMS to financial institutions. After four weeks, if the financial institution has neither contacted the taxpayer, nor resolved the problem, the taxpayer should initiate a follow-up trace through the local IRS district office.
 7. If less than four weeks have elapsed since the date IRS acknowledged acceptance of the return, the ERO should advise the taxpayer to wait four weeks from the acceptance date before making inquiry.
 8. If four weeks or more have elapsed since the return was accepted, and the taxpayer has received neither the refund, nor a notice from IRS stating that the refund will be delayed, the ERO should advise the taxpayer to contact the local IRS district office for assistance.
 9. Refund traces on electronically filed returns from APO and FPO addresses are handled by the Philadelphia Service Center.
 10. As FMS has no facility in place to respond to queries from the public, neither the ERO nor the taxpayer should contact any FMS office in an attempt to locate an untimely Direct Deposit refund.
- Note:** Neither IRS nor FMS is responsible for misapplication of Direct Deposits, resulting from error, negligence, or malfeasance on the part of the taxpayer, the ERO, the financial institution, or any of their agents.

21.3 - Inquiries Made by Electronic Return Originators and Transmitters

1. For authority granted to EROs and transmitters by a taxpayer when Form 8453, U.S. Individual Income Tax Declaration for Electronic Filing, is signed, see section 7.1:6 of this publication.
2. Inquiries made by an ERO or transmitter on behalf of a taxpayer should be made **ONLY** after the time frames referenced in section 21.2 have elapsed and the taxpayer has attempted to obtain information from the IRS.

SECTION 22 - ELECTRONIC FILING SYSTEM BULLETIN BOARD

22.1 - General Information

1. The electronic filing system bulletin board (EFS BBS) operates seven days a week. The system is unavailable at 4:00 a.m. eastern time for about 30-60 minutes for maintenance. This system provides general electronic filing program information as well as specific information concerning changes to this and other publications.

2. Filers, using an asynchronous modem (14.4 or less) and communication software, can access the bulletin board by dialing:

(606) 292-0137 (not toll-free)

3. The communication software should have the following protocol: full duplex, no parity, 8 data bits, and 1 stop bit.

SECTION 23 - FRAUD AWARENESS

23.1 - General Information

1. As in many different business industries, there have been instances of fraud identified in the electronic filing program. Electronic filers can assist the Service in identifying potentially fraudulent returns before they are received in the electronic filing system.

2. One way of doing this is to verify the identity of taxpayers who want their returns filed electronically, particularly if they are not regular clients. Section 5.2 of this publication discusses the types of identification EROs should review to perform this verification.

3. Electronic filers may order posters for their offices, by contacting the IRS (see exhibit 13). Two of these posters (both English and Spanish versions) outline some indications of fraudulent activities:

- ▶ Forms W-2 typed, handwritten, duplicated or have noticeable corrections;
- ▶ Forms W-2 for a firm in the area that differs from other Forms W-2 from the same firm;

- ▶ Suspicious person accompanying a taxpayer, and observed on prior occasions;
- ▶ Multiple refunds directed to the same address or post office box;
- ▶ Employment or earnings (that are the basis for refundable credits) which are not well-documented; and
- ▶ Similar returns, e.g., same amount of refund; same number of dependents, same number of Forms W-2.

4. Close examination of Forms W-2 often provides clues regarding an attempted fraud. Since Forms W-2 are so important in the fraud awareness process, EROs are required to advise the Service whether each Form W-2 presented for electronic filing is a "standard" or "non-standard" Form W-2. This is accomplished by entering an "S" for "standard" or "N" in "non-standard", in the W-2 Indicator field for each Form W-2.

5. "Standard" and "non-standard" Forms W-2 are defined as follows:

Standard Form W-2: May be a computer-produced print, an IRS form or an IRS approved facsimile.

Non-standard Form W-2: May be an altered, handwritten, or typed Form W-2; cumulative Earnings Statements and Substitute W-2s are considered non-standard.

6. While the items mentioned on the previous page of this publication are some indicators that a problem may exist, they cannot be looked at singularly in every instance. The following are some scenarios that an ERO may encounter, proposed conclusions, and how the ERO should react.

SCENARIO 1: Two taxpayers walk into your office five minutes prior to closing and want to file a joint tax return. He has a handwritten Form W-2 (copy A) from a nationally recognized computer firm, showing \$60,000 in wages and \$10,000 in withholding. They tell you they have two children (one born in 1997), and they have paid medical insurance for the child born in 1994. When questioned, neither taxpayer is sure of the birth date of the second child.

Conclusion: Without additional documentation, this return should **NOT** be filed; however, the name and social security numbers of the taxpayers should be provided to your local Criminal Investigation Hotline Number (see exhibit 8 of this publication for a listing).

SCENARIO 2: A taxpayer walks into your office with a pay stub from an Armed Forces military installation on February 15. He wants you to prepare a substitute Form W-2, and file his return electronically. You have prepared a return for this taxpayer for each of the last three years.

Conclusion: If the return is prepared, then the "non-standard" Form W-2 indicator ("**N**") should be used. (See the above definition).

SCENARIO 3: A taxpayer walks into your office with a computer-generated Form W-2 on a standard W-2 form. It looks like several other Forms W-2 from which you have prepared returns. The taxpayer is accompanied by someone you have seen in your office with other people presenting the same type of Form W-2. There is some indication that the Form W-2 differs from those normally issued by that specific employer.

Conclusion: The "non-standard" Form W-2 Indicator ("**N**") should be used if the return is filed. If you later determine that the amounts on the similar-looking Forms W-2 are exactly alike and the same address is being used for each return, you should call your local Criminal Investigation hotline number with the information.

SCENARIO 4: A taxpayer, who has been your client for five years, walks into your office with several Forms W-2 that are exactly like the Forms W-2 normally issued by those specific employers. The taxpayer has two children (one of them being born in 1995); she asks you to prepare her return, and requests a refund anticipation loan. (See this publication for information regarding refund anticipation loans).

Conclusion: If the return is filed, the "standard" Form W-2 Indicator ("**S**") should be used.

SECTION 24 - FEDERAL/STATE ELECTRONIC FILING

24.1 - General Information

1. Federal/State electronic filing is a cooperative one-stop income tax filing program which allows the filing of federal and state income tax returns electronically. The benefits of one-stop filing provide a win-win situation for all participants, for example:

- a. The primary benefit to taxpayers using Federal/State electronic filing is the quick and accurate processing of federal and state returns, return

acknowledgments at both federal and state level, direct deposits, and the file-now and pay by April 15 option available for balance due filers.

- b. Electronic filers can offer taxpayers a new service. The ease of one-stop electronic filing encourages increased participation from taxpayers.
- c. States benefit from the increased data accuracy and the processing efficiencies of electronic filing.
- d. The IRS through Federal/State electronic filing promotes wider acceptance and use of electronic filing as the normal way of doing business throughout the country.

2. The program began in 1990, when the South Carolina Tax Commission (SCTC) was selected to participate in a research test to determine the feasibility of Federal/State electronic filing. In Processing Year 1991, SCTC allowed its employees to file both federal and state returns through the IRS electronic filing system. A total of 252 state employee returns were filed along with the federal returns electronically.

3. The following chart depicts the remarkable growth of state electronic filing:

State Electronic Filing Startups			
1989	MN*, NM*	1993	CO, CT, DE, ID, IA, MO, NE, OR
1990	IL*, SC	1995	PA, IL, MD
1991	KS, ME, NC, WV, WI, MD*	1996	DC
1992	IN, KY, LA, MI, MS, NM, NY, OK, UT, MA*	1997	AL, AZ
		* Direct filing only	

24.2 - IRS and State Procedures and Publications

1. IRS electronic filer procedures for Federal/State electronic filing are described in this section. All software developer specifications and record layouts are found in IRS Publication 1346, **Electronic Returns File Specifications and Record Layouts for Individual Income Tax Returns** (Tax Year 1997).

2. IRS Publication 1436, *Test Package of Electronic Filing of Individual Income Tax Returns* (Tax Year 1997) contains one scenario to test the IRS specifications for Federal/State electronic filing.
3. Updates to both IRS and state procedures and specifications are usually placed on the Federal/State library of the electronic filing system bulletin board. This information is accessible by dialing (606) 292-0137 (not toll-free).
4. For additional information about Federal/State electronic filing, contact your state coordinator (see section 24.11 below) or the IRS (see exhibit 13). Send comments, questions or suggestions on the Federal/State electronic filing program to:

Internal Revenue Service
Federal/State Electronic Filing Program
Attention: T:ETA:O:S, C4-266
5000 Ellin Road
Lanham, MD 20706

24.3 - IRS and State Application Process

1. The following states use the IRS applicant database extract to automatically accept all electronic return originators into the state's electronic filing program and do not require any additional information from the ERO: Alabama, Arkansas, Colorado, Georgia, Indiana, Iowa, Kansas, Kentucky, Minnesota, Missouri, Montana, Oregon, Pennsylvania, Rhode Island, South Carolina and Wisconsin.
2. The following states use the IRS applicant database extract to automatically accept all electronic return originators into the state's electronic filing program and require a copy of the IRS Form 8633 and IRS acceptance letter from the ERO: Idaho, Louisiana, Mississippi, New Mexico Oklahoma, Utah, and West Virginia.
3. The following states use the IRS applicant database extract to check IRS acceptance but require all filers, including EROs, to complete a state application: California (FTB8633), Connecticut (CT8633 by 12/15), Delaware (DE8633), Illinois (IL8633), Maryland (MEF600), Massachusetts (M-8633/CORI), Michigan (MI8633), Nebraska (ERO Agreement), New Jersey (NJELF Registration), New York (PR-584 due by December 1), North Carolina (NC-8633 due by December 1) and Virginia (VA-8633 due by December 1).

4. Some states will require additional information than listed above. Electronic return originators should contact each state coordinator (see section 24.11 below) for details on the state's application process.

5. If an ERO is located outside of the state where he/she is filing state returns, the ERO must complete a separate state application or provide the state coordinator a copy of the IRS Form 8633 and the IRS acceptance letter in order to register with that state.

6. If the ERO is located outside of the service center where the state is located, they must revise their IRS application Form 8633 to indicate they will be filing returns at that service center.

7. The following rules apply to most states: software developers are required to apply and test state software directly with each state; software developers can concurrently test with the IRS and with all states through any electronic filing service center; and transmitters must test their ability to retrieve state acknowledgments.

24.4 - Federal/State Electronic Filing State Summary

1. The following chart provides a brief overview of the state plans for tax year 1997, processing year 1998. These charts will continue to be updated through the electronic filing system bulletin board, Federal/State library.

State	Refund Return	Balance Due	Zero Balance	Direct Deposit	Last Date
Alabama	yes	no	yes	no	10/15/98
Arizona	yes	yes	yes	no	4/15/98
Arkansas	yes	yes	yes	no	10/15/98
Colorado	yes	yes	yes	yes	10/15/98
California*	yes	yes	yes	yes	10/15/98
Connecticut	yes	yes	yes	yes	10/15/98
Delaware	yes	yes	yes	yes	10/15/98
District of Columbia	yes	no	yes	no	8/15/98
Georgia	yes	yes	yes	yes	8/15/98
Idaho	yes	yes	yes	yes	10/15/98
Illinois	yes	yes	yes	yes	4/22/98
Indiana	yes	yes	yes	yes	10/15/98
Iowa	yes	yes	yes	yes	10/15/98

State	Refund Return	Balance Due	Zero Balance	Direct Deposit	Last Date
Kansas	yes	yes	yes	yes	10/15/98
Kentucky	yes	yes	yes	yes	10/15/98
Louisiana	yes	yes	yes	yes	10/15/98
Maryland	yes	yes	yes	yes	10/15/98
Massachusetts*	yes	yes	yes	yes	10/15/98
Michigan	yes	yes	yes	yes	10/15/98
Minnesota*	yes	yes	yes	yes	10/15/98
Mississippi	yes	yes	yes	no	10/15/98
Missouri	yes	yes	yes	yes	10/15/98
Montana	yes	yes	yes	yes	10/15/98
Nebraska	yes	yes	yes	yes	4/15/98
New Jersey	yes	yes	yes	no	10/15/98
New Mexico	yes	yes	yes	no	10/15/98
New York	yes	yes	yes	yes	10/15/98
North Carolina	yes	yes	yes	no	10/15/98
Oklahoma	yes	yes	yes	yes	10/15/98
Oregon	yes	yes	yes	no	10/15/98
Pennsylvania	yes	yes	yes	yes	10/15/98
Rhode Island	yes	yes	yes	no	5/1/98
South Carolina	yes	yes	yes	yes	10/15/98
Utah	yes	yes	yes	no	10/15/98
Virginia	yes	no	yes	yes	10/15/98
West Virginia	yes	yes	yes	yes	4/15/98
Wisconsin	yes	yes	yes	yes	10/15/98

* Direct program only

Note: Taxpayers can elect Direct Deposit of the federal refund and state refund to the same checking or savings account, or to different checking or savings accounts. A state refund, balance due or zero balance return can be associated with a federal refund, balance-due or zero-balance return.

2. The following chart provides a summary of states' plans regarding Non-Resident, Part-Year Resident, Credit to Other States, mailing of the state

signature form to the department of revenue (if the answer is no, it is kept by the ERO), and the state acknowledgment provider.

State	Non Res Return	Part Year Res Return	Credit to Other States	Mail 8453 to DOR	State ACK Provider
Alabama	no	yes	no	no	TaxConnect
Arizona	no	no	no	yes	Not decided
Arkansas	no	no	yes	no	TaxConnect
California*	yes	no	no	no	CA-BBS
Connecticut	no	no	yes	yes	TaxConnect
Colorado	yes	yes	yes	no	CO-BBS
Delaware	yes	yes	yes	yes	GAC-Taxpro
District of Columbia	no	no	no	yes	TaxConnect
Georgia	no	no	yes	no	TaxConnect
Idaho	yes	yes	no	no	Not decided
Illinois	yes	yes	no	yes	IL-COM PROC
Indiana	no	no	yes	no	TaxConnect
Iowa	yes	yes	yes	no	TaxConnect
Kansas	yes	yes	yes	**	TaxConnect
Kentucky	no	no	no	yes	GAC-Taxpro
Louisiana	no	no	no	no	TaxConnect
Maryland	no	yes	no	yes	GEIS
Massachusetts*	yes	no	no	yes	MA-Server
Michigan	no	no	yes	yes	TaxConnect
Minnesota*	yes	yes	yes	no	MN-BBB
Mississippi	yes	yes	yes	no	TaxConnect
Missouri	no	no	yes	no	TaxConnect
Montana	yes	yes	yes	***	GAC-Taxpro
Nebraska	no	no	no	no	NE-BBS
New Jersey	no	no	no	yes	GAC-Taxpro
New Mexico	yes	yes	yes	no	Not decided
New York	no	no	no	yes	TaxConnect
North Carolina	yes	yes	yes	yes	TaxConnect
Oklahoma	no	no	yes	yes	TaxConnect
Oregon	no	no	yes	no	OR-BBS
Pennsylvania	yes	yes	no	yes	TaxConnect
Rhode Island	no	no	no	yes	TaxConnect
South Carolina	yes	no	no	yes	TaxConnect
Utah	no	no	yes	yes	TaxConnect

State	Non Res Return	Part Year Res Return	Credit to Other States	Mail 8453 to DOR	State ACK Provider
Virginia	no	no	no	no	TaxConnect
West Virginia	no	no	no	yes	TaxConnect
Wisconsin	no	no	no	yes	TaxConnect

* Direct Program Only

** Taxpayers retain the KS-8453

*** Montana does not require a signature document

24.5 - What is a Federal/State Return

Electronic Portion of the Federal/State Return

1. A Federal/State return consists of the federal electronic tax return and state tax return information placed in a state packet. The state packet consists of two different electronic records, the "generic" and "unformatted" records. These electronic records are formatted following IRS and state specifications. All the tax information that the state requires is included in the state packet. The IRS does not augment the state packet.
2. The IRS functions strictly as a "data conduit" for the electronic state packet. The term "data conduit" is used to define a strictly controlled process to receive, temporarily store, and then forward to the state correctly formatted state tax data.
3. The state packet can contain no more than one "generic record" and from zero to nine associated "unformatted records" as defined by each state. The IRS will not accept more than one state packet per electronic return.
4. The IRS processes the state packet as follows:
 - a. State records are checked for meeting IRS provided specifications.
 - b. State records which do not meet IRS specifications are rejected. The federal return is also rejected.
 - c. State records that meet IRS specifications are made available for state retrieval and processing.
 - d. There is no permanent indication on the federal return that an associated state packet was received by IRS.

5. A state packet cannot be filed electronically without the associated federal return. The state packet reflects the taxpayer's tax residence state. The taxpayer's tax residence state may differ from the taxpayer's address. A state packet can be filed along with federal refund, zero-balance or balance-due returns. Check the state's specifications.

Non-Electronic Portion of the Federal/State Return

6. The non-electronic portion of the Federal/State return consists of the **FEDERAL** signature Form 8453 and attachments and the non-electronic portion of the **STATE** tax return. Each state will define the non-electronic portion of state returns. Most states will require signature documents and copies of Forms W-2 and other earning forms.

7. EROs must be careful to send the federal nonelectronic portion of the return, Form 8453 and attachments, and payment vouchers to the respective service center. EROs must also send the non-electronic portions of the state returns to the respective state tax administration agency.

24.6 - Where to Transmit Federal/State Returns

1. All Federal/State returns must be transmitted to the IRS electronic filing service center which supports the particular state.
2. An electronic return originator can request their EFIN be accepted at any of the five electronic filing service centers in order to be able to submit Federal/State returns to the correct service center for any state participating in the Federal/State electronic filing program.
3. The following state-to-service center relationships will exist for the 1997 Federal/State electronic filing program:

IRS Electronic Center	Federal/State Participants
Andover, MA	CT, DE, DC, MD, NJ, NY, PA, RI, VA
Austin, TX	IA, IL, KS, MO, NM, OK, WI
Cincinnati, OH	IN, KY, MI, SC, WV
Memphis, TN	AL, AR, GA, LA, MS, NC
Ogden, UT	AZ, CO, ID, MT, NE, OR, UT

Note: IRS will restrict electronic filers to sending state returns as specified above or the Federal/State return will reject. For example, if a filer in North

Carolina sends a South Carolina return to any service center other than Cincinnati, the return will be rejected. The North Carolina filer must request that their EFIN be accepted at Cincinnati Service Center (CSC), in order to transmit a South Carolina return to CSC. States may have additional restrictions.

4. IRS will reject Federal/State returns which are not submitted to the correct service center.

5. The taxpayer's signature document (IRS Form 8453), must be mailed to the service center where the Federal/State electronic return is transmitted.

24.7 - Requesting Acceptance of an EFIN at Multiple Centers

1. Current participants may request EFIN acceptance at other service centers, by submitting revised Forms 8633 (see section 4.2:5 of this publication) to the Andover Service Center. New applicants must file new Forms 8633 (see section 4.2:2 of this publication). Complete Form 8633 as follows: question 5, "Do you intend to file state returns electronically?"--Yes;" for question 3e, "I expect to accept returns for transmission to the following service centers..." check the appropriate service centers: Andover, Austin, Cincinnati, Memphis and/or Ogden.

Example: If the ERO is located in North Carolina and expects to submit returns for New York, South Carolina and Oregon, the ERO would answer Form 8633 questions 3e, and 5 as follows:

a. 3e I expect to transmit to or accept returns for transmission to the following service centers;

Andover Austin Cincinnati Memphis Ogden

b. 5 Do you intend to file state returns electronically? **Yes**

This would automatically generate a request that the ERO's North Carolina EFIN be entered in the Andover Service Center (New York), the Cincinnati Service Center (South Carolina), and the Ogden Service Center (Oregon). Memphis is the service center for North Carolina returns.

24.8 - Federal/State Participants Acceptance Testing (PATS)

1. For state returns, each state will test software developers using a state provided test package. Each state coordinator will respond to **ALL** software

developer questions related to state testing.

2. Several states support concurrent testing of Federal/State software during Participants Acceptance Testing. Some states still require the software developer to complete federal testing and obtain IRS acceptance before beginning federal/state software developer testing. Contact the state coordinators for specific testing procedures at each state.

3. Concurrent Testing allows software developers to begin state testing prior to obtaining acceptance from IRS for completing the federal preparers acceptance process. The rules for "concurrent state testing" are as follows:

- a. State testing can begin after the software developer gets 13 federal returns accepted with no error "reject codes" at their primary service center.
- b. Software developers must schedule testing with the state coordinator and create any state required test scenarios.
- c. The state coordinator must schedule testing for software developers with the IRS service center.
- d. The state coordinator must respond to any problems encountered by the software developer on federal or state returns during the state Participants Acceptance Testing.

Note: The software developer will continue separate federal testing using the federal test scenarios with their primary service center until they are accepted for federal filing. Procedures in place for federal Participants Acceptance Testing will not change.

4. The IRS will perform limited testing on the state generic and unformatted records. If these records are not rejected through the automatic checks in the IRS software, the IRS will make the state data available to each state agency for further testing.

5. The IRS will not perform a compare run to look at specific state data. Each state will test the state data and provide feedback to electronic filers. Filers should refer to each state's procedures and specifications.

6. Electronic filers who have been accepted into the federal electronic filing system, have begun transmitting federal returns and wish to continue state

testing must obtain a test ETIN from their IRS service center. Check the state procedures to determine if the state allows testing beyond live startup.

24.9 - Social Security Numbers Used in Federal/State Testing

1. Software developers and transmitters requested that the IRS and the states use different social security numbers (SSNs) for their respective Participants Acceptance Testing process. The following range of Test SSNs are designated to participating states for use in the state test packages:

State	Test Package SSNs
Alabama	400-00-7400 to 400-00-7499
Arizona	400-00-7500 to 400-00-7599
Arkansas	400-00-5500 to 400-00-5599
Colorado	400-00-5600 to 400-00-5699
Connecticut	400-00-5700 to 400-00-5799
Delaware	400-00-5800 to 400-00-5899
District of Columbia	400-00-7300 to 400-00-7399
Georgia	400-00-6600 to 400-00-6699
Idaho	400-00-5900 to 400-00-5999
Indiana	400-00-4000 to 400-00-4099
Illinois	400-00-3500 to 400-00-3599
Iowa	400-00-6000 to 400-00-6099
Kansas	400-00-4100 to 400-00-4199
Kentucky	400-00-4200 to 400-00-4299
Louisiana	400-00-4300 to 400-00-4399
Maryland	400-00-7200 to 400-00-7299
Michigan	400-00-4500 to 400-00-4599
Mississippi	400-00-4600 to 400-00-4699
Missouri	400-00-6100 to 400-00-6199
Montana	400-00-6800 to 400-00-6899
Nebraska	400-00-6200 to 400-00-6299
New Jersey	400-00-6300 to 400-00-6399
New Mexico	700-00-0000 to 700-00-2000
New York	400-00-4800 to 400-00-4899
North Carolina	400-00-4900 to 400-00-4999
Oklahoma	400-00-5000 to 400-00-5099
Oregon	400-00-6400 to 400-00-6499
Pennsylvania	400-00-7100 to 400-00-7199
Rhode Island	400-00-6900 to 400-00-6999
South Carolina	400-00-5100 to 400-00-5199

State	Test Package SSNs
Utah	400-00-5200 to 400-00-5299
Virginia	400-00-7000 to 400-00-7099
West Virginia	400-00-5300 to 400-00-5399
Wisconsin	400-00-5400 to 400-00-5499

2. The IRS will accept these SSNs during Participants Acceptance Testing, but will reject them if submitted during live processing. The IRS reject code provided will advise filers that the SSN is not within the valid range of social security numbers.

24.10 - IRS Acknowledgement/Reject Resolution Procedures

1. If a federal return is rejected due to errors, the state packet will also be rejected. If a state packet is rejected by the IRS due to errors, the federal return will also be rejected.
2. Form 8453, U.S. Individual Income Tax Declaration for Electronic Filing, informs taxpayers that their federal return will be rejected due to errors on their state return and, consequently, their federal refunds may be delayed.
3. Corrected returns may be retransmitted to the IRS electronic filing service center. The filer has the option to retransmit the federal return and file the state return on paper. The state packet cannot be filed electronically without the associated federal return.
4. Once the IRS accepts a federal return which contains a state packet, **subsequent rejection of the state return by the state tax administration agency will not impact the accepted federal return.** Although the federal return can have errors after IRS acknowledgement of acceptance, this does not impact the state packet already retrieved by the state tax administration agency.
5. During the operational phase of this program (beginning January 16, 1998), the service centers will assist transmitters and filers with problems and errors that are the result of federal formatting requirements (see exhibit 14).
6. Electronic return files transmitted and accepted will normally be acknowledged within two workdays of receipt, and the state packet will be available to the state for retrieval within twenty-four hours of IRS acknowledgment.

7. The ACK Key Record received by transmitters will contain a state packet code. This code will indicate whether a state packet was filed in conjunction with the accepted or rejected federal return. The state packet code will be blank if the federal return did not contain a state packet. If the federal return contained a state packet the code will reflect the state code of the associated generic record. **The IRS acceptance of the federal return and receipt of the state packet does not imply state acknowledgement or acceptance of the state tax return.**

8. Once a state packet has been accepted by the IRS for state retrieval, filers will need to contact the respective state to resolve taxpayer problems. Error resolution for state returns is the responsibility of the state tax administration agency.

9. The IRS will purge state packets thirty (30) days from IRS acknowledgement of federal return acceptance. Electronic filers **MUST** contact states to obtain state acknowledgement of return receipt and/or acceptance. Check the state's procedures for more information on each state's acknowledgement process.

10. Taxpayer inquiries on refund delays for state returns should be directed to the appropriate state. The federal Tele-Tax System will not contain refund information on state returns.

24.11 - State Electronic Filing Coordinators

State Coordinator	Telephone Number	Fax Number
ALABAMA DEPARTMENT OF REVENUE Ed Cutter 50 N. Ripley St., Room 4112 Montgomery, AL 36132	(304) 242-9805	(304) 242-0064
	E-mail: ecutter@alalinc.net	
ARIZONA DEPARTMENT OF REVENUE Dave Rowand 1600 West Monroe street Phoenix, AZ 85007	(602) 542-3141	(602) 542-1123

24.11 State Electronic Filing Coordinators (continued)

State Coordinator	Telephone Number	Fax Number
ARKANSAS DEPARTMENT OF FINANCE AND ADMINISTRATION		
Dan Brown P.O. Box 8110 (ZIP 72203-8110) 7th and Wolfe Streets G-34 Little Rock, AR 72201	(501) 682-7070	(501) 682-1691
	E-mail: dan.brown@state.ar.us	
CALIFORNIA FRANCHISE TAX BOARD		
Patricia Smith P.O. Box 1468, MSA-1 Sacramento, CA 95812-1468	(916) 845-6946	(916) 845-5340
	E-mail: patricia_smith@ftb.ca.gov	
COLORADO DEPARTMENT OF REVENUE		
Phil Archuletta 1375 Sherman Street, Room 604 Denver, CO 80203	(303) 866-3031	(303) 866-3050
	E-mail: parchuletta@toto.dor.state.co.us	
CONNECTICUT DEPARTMENT OF REVENUE SERVICES		
Barbara Modeen 25 Sigourney Street Hartford, CT 06106	(860) 297-5979	(860) 297-5978
DELAWARE DIVISION OF REVENUE		
James Stewart 820 North French Street Wilmington, DE 19899	(302) 577-3340 EXT 7480	(302) 577-3689
DISTRICT OF COLUMBIA DEPARTMENT OF FINANCE & REVENUE		
Voncile Foos P.O.Box 7182/DC 20044 441 4th Street N.W., Suite 570 Washington, DC 20001	(202) 727-6120	(202) 727-6885
	E-Mail: voncile_foos_at_~ dcoctr1@ccmail.dcgov.org	
GEORGIA DEPARTMENT OF REVENUE		
Sandy Sharpe 270 Washington Street, Room 201A Atlanta, GA 30334	(404) 651-8555	(404) 651-8266

24.11 State Electronic Filing Coordinators (continued)

State Coordinator	Telephone Number	Fax Number
IDAHO STATE TAX COMMISSION Dawn Glazier 800 Park Blvd., Plaza IV Boise, ID 83722-0410	(208) 334-7822	(208) 334-7650
ILLINOIS DEPARTMENT OF REVENUE Laura Teer 101 West Jefferson Street, 3-249 Springfield, IL 62794	(217) 785-5738	(217) 524-0526
	E-mail: rtefh07@revenue.state.il.us	
INDIANA DEPARTMENT OF REVENUE William Dunbar 100 North Senate Ave., Room N248-IGCN Indianapolis, IN 46204-2253	(317) 232-2066	(317) 232-2322
	E-mail: bdunbar@pop.dor.state.in.us	
IOWA DEPARTMENT OF REVENUE AND FINANCE Jay Kerrigan Hoover State Office Building. East 13th and Walnut, 4th Floor Des Moines, IA 50319	(515) 242-6359	(515) 242-6040
	E-mail: jkerrigan@drf.e-mail.com	
KANSAS DEPARTMENT OF REVENUE Nancy H. Lewis 915 SW Harrison Topeka, KS 66612-2001	(913) 296-4066	(913) 296-8989
	E-mail: kdor99@ink.org	
KENTUCKY REVENUE CABINET Kent Sparrow 1266 Louisville Road Frankfort, KY 40620	(502) 564-5370	(502) 564-4206
	E-mail: ksparrow@mail.state.ky.us	
LOUISIANA DEPARTMENT OF REVENUE AND TAXATION Naomi Foret P.O. Box 201 (Zip 70821-0201) 330 North Ardenwood Street Baton Rouge, LA 70806	(504) 925-7640	(504) 925-6760
	E-mail: nforet@rev.state.la.us	

24.11 State Electronic Filing Coordinators (continued)

State Coordinator	Telephone Number	Fax Number
MARYLAND COMPTROLLER OF THE TREASURY		
Luc Guinand 110 Carroll Street Annapolis, MD 21411	(410) 974-3753	(410) 974-2967
MASSACHUSETTS DEPARTMENT OF REVENUE		
Kara McDonough (P.O. Box 703, Boston, MA 02204) 200 Arlington Street Chelsea, MA 02150	(617) 887-5008	(617) 887-5019
MICHIGAN BUREAU OF REVENUE		
Pat Cotter P.O. Box 30058/430 W. Allegan Lansing, MI 48922	(517) 373-0614	(517) 373-8504
		E-mail: cotterp@state.mi.us
MINNESOTA DEPARTMENT OF REVENUE		
Mark Koran 10 Riverpark Plaza, M/S 4131 Saint Paul, MN 55146-4131	(612) 297-7704	(612) 296-6604
		E-mail: mark.koran@state.mn.us
MISSISSIPPI STATE TAX COMMISSION		
Meg Tucker Niki Meadows (P.O. Box 1033 Jackson, MS 39215) 1577 Springridge Road Raymond, MS 39125	(601) 923-7015 (601) 923-7040	(601) 923-7039
		E-mail: mtucker@ns1.mstc.state.ms.us
MISSOURI DEPARTMENT OF REVENUE		
Maria Micke P.O. Box 371 Jefferson City, MO 65105	(573) 751-3930	(573) 526-5915

24.11 State Electronic Filing Coordinators (continued)

State Coordinator	Telephone Number	Fax Number
MONTANA DEPARTMENT OF REVENUE		
Katherine Smith Income and Miscellaneous Tax Division (P.O. Box 5805) 125 South Roberts, Mitchell Building Helena, MT 59620	(406) 444-0507	(406) 444-4999
		E-mail: kasmith@mt.gov
NEBRASKA DEPARTMENT OF REVENUE		
Larry Chapman 301 Centennial Mall South P.O. Box 94818 Lincoln, NE 68509	(402) 471-5619	(402) 471-5608
NEW JERSEY DIVISION OF TAXATION		
Denis Gallagher P.O. Box 191 Trenton, NJ 08625-0191	(609) 292-5977	(609) 292-1777
NEW MEXICO TAX AND REVENUE DEPARTMENT		
Tom McMichael 460 St. Michael Street, Suite 500 Santa Fe, NM 87505	(505) 995-3040	(505) 982-0125
		E-mail: tme2000@ix.netcom.com
NEW YORK DEPARTMENT OF TAX AND FINANCE		
James McGinnis W.A. Harriman Campus, B8-R915 Albany, NY 12227-0125	(518) 457-7296	(518) 457-8218
		E-mail: james_mcginnis@tax.state.ny.us
NORTH CAROLINA DEPARTMENT OF REVENUE		
Alice Manning P.O. Box 871 (Zip 27602) 501 North Wilmington Street Raleigh, NC 27640	(919) 733-1674	(919) 715-6086

24.11 State Electronic Filing Coordinators (continued)

State Coordinator	Telephone Number	Fax Number
OKLAHOMA TAX COMMISSION Darla Young 2501 Lincoln Boulevard Oklahoma City, OK 73152	(405) 521-3124	(405) 522-0063
OREGON DEPARTMENT OF REVENUE Nancy Boysen 955 Center Street, N.E. Salem, OR 97310	(503) 945-8642	(503) 945-8649
	E-mail: nancy.j.boysen@state.or.us	
PENNSYLVANIA DEPARTMENT OF REVENUE Richard Santo 6th Floor Strawberry Square Harrisburg, PA 17128-0605	(717) 787-8346	(717) 783-1952
RHODE ISLAND DIVISION OF TAXATION Susan Galvin One Capitol Hill Providence, RI 02900-5800	(401) 277-2263	401) 277-6288
	E-mail: galvins@tax.state.ri.us	
SOUTH CAROLINA DEPARTMENT OF REVENUE AND TAXATION Gibbie Porcari P.O. Box 125 Columbia, SC 29214	(803) 737-4541	(803) 737-4507
	E-mail: porcarg@app1.dor.state.sc.us	
UTAH STATE TAX COMMISSION Douglas Hansen 210 North 1950 West Salt Lake City, UT 84134	(801) 297-7575	(801) 297-7698
VIRGINIA DEPARTMENT OF TAXATION Denise Johnson P.O. Box 27423 Richmond, VA 23261-7423	(804) 367-6100	(804) 367-0985

24.11 State Electronic Filing Coordinators (continued)

State Coordinator	Telephone Number	Fax Number
WEST VIRGINIA DEPARTMENT OF TAXATION		
Carson Gillman 1001 Lee Street East Charleston, WV 25301	(304) 558-8700	(304) 558-8733
WISCONSIN DEPARTMENT OF REVENUE		
Barry Widera 4638 University Avenue, Room 215 Madison, WI 53705	(608) 264-6886	(608) 264-6884
	E-mail: bwidera@mail.state.wi.us	

SECTION 25 - SHOPPING FOR SOFTWARE

1. One of the keys to a successful electronic filing operation is having a software package with which the electronic filer is comfortable.
2. While all software developers must pass the Participants Acceptance Testing System (PATs) process in order to be accepted into the electronic filing program, there are some differences in the various software packages. When shopping for software, electronic filers should try various packages to determine which meets their needs. Specifically, filers should consider individual software features, customer and support services, communications and capability, and costs.
3. Exhibit 1 offers some guidelines to follow when shopping for software.

EXHIBIT 1 - SHOPPING FOR SOFTWARE

Software Features:

1. Is it user friendly? Menu driven? Does it have help screens?
2. Does it have screens for all forms eligible to be filed electronically?
3. Do the input screens look like the standard IRS Forms 1040EZ/1040A/1040?
4. Does it verify math computations for each page?
5. Are there checks for duplicate SSNs, DCNs, and bank account numbers?
6. Does the package offer a complete system for tax preparation?
7. Do you have to go out of your software and into your operating system to format and/or transmit the electronic returns?
8. Are diagnostic checks built into the software, or are they performed by the service bureau transmitter?
9. Does it have a correction mechanism for IRS rejected returns?
10. Does it print Form 8453 before transmission to allow a taxpayer to sign it timely?
11. Does it have a quick and reliable method of researching and determining the status of electronic returns by name, SSN, DCN, transmission date, etc.?
12. Does it allow for expanded options, such as macros?

Customer and Support Services:

1. Is the user's manual easy to understand, accurate, and detailed enough to follow?
2. Does the user's manual include a tutorial?
3. Does the vendor offer hands-on training in their office? In your office?
4. Does the vendor offer comprehensive technical support during the filing season?
5. Does the vendor have toll-free telephone numbers, fax machines, courier service, or a 24-hour help line during the filing season?
6. How many program updates were issued last year? Were they due to IRS changes, or to correct the vendor's software?
7. How are software updates issued? Modem? Express Mail?

Communications and Capability:

1. Does the software allow for direct transmission to IRS, or is a different software required for transmitting?
2. Does it require a specific modem, speed, or protocol for transmission to a third part, or a service bureau? Which modem is recommended by the software company for direct transmission to IRS?
3. Will the transmitting software accept data from a different software preparation package?
4. Are there built-in safety features to prevent accidental deletion of files?

Costs:

1. What is included in the quoted price of the software? Modem? Additional programs?
2. What is the price structure for filing electronic returns? Are you charged per return? Are you charged for rejections? Are you charged for retransmissions?
3. Are there volume discounts for number of returns transmitted?
4. Can you install the software on multiple systems for the quoted cost?

EXHIBIT 2 - REJECT CODES AND EXPLANATIONS

A complete list of reject codes and explanations will be included in Publication 1345-A, ***Handbook for Electronic Filers of Individual Income Tax Returns, Tax Year 1997 (Supplement)***, to be published in January 1998. Transmitters and software developers who need this information for testing purposes should consult Publication 1346, ***Electronic Return File Specifications and Record Layouts for Individual Income Tax Returns, Tax Year 1997***.

EXHIBIT 3 - RETURN SEQUENCE NUMBER

There are two sequences for submitting returns: Return Sequence Number and Attachment Sequence Number. Exhibit 3 is a listing of Return Sequence Numbers and Exhibit 4 is a listing of Attachment Sequence Numbers. You may use the record numbers to identify the schedule/form which has a Reject Error.

Schedule/Form	Record Number
Form 1040/1040A/1040EZ	01
Schedule A	07
Schedule B/Schedule 1	08
Schedule C/Schedule C-EZ	09
Schedule D	12
Schedule E	13
Schedule EIC	43
Schedule F	14
Schedule H	44
Schedule R/Schedule 3	16
Schedule SE	17
Form W-2	02
Form W-2G	03
Form 1099-R	04
Form 1116	19
Form 2106	54
Form 2119	20
Form 2210	06
Form 2210F	06
Form 2441/Schedule 2	21
Form 2555/2555-EZ	34
Form 3903	62
Form 4136	23
Form 4137	24
Form 4255	65
Form 4562	67
Form 4684	26
Form 4797	27
Form 4835	37
Form 4868	69
** Form 4952	72
Form 4970	73
Form 4972	28
Form 5329	29

EXHIBIT 3 - RETURN SEQUENCE NUMBER (continued)

Schedule/Form	Record Number
Form 6198	31
Form 6251	32
Form 6252	79
Form 8283	55
Form 8396	53
Form 8582	88
Form 8606	47
Form 8615	33
Form 8814	40
Form 8815	57
Form 8828	64
Form 8829	66
Form 8839	38
Form 9465	95
State Records	97
Statement Numbers(1-30)	98
Summary Record	99

** The attachment sequence number will remain 72 for electronic returns.

EXHIBIT 4 - ATTACHMENT SEQUENCE NUMBER

There are two sequences for submitting returns: Return Sequence Number and Attachment Sequence Number. Exhibit 3 is a listing of Return Sequence Numbers and Exhibit 4 is a listing of Attachment Sequence Numbers. You may use the record numbers to identify the schedule/form which has a Reject Error.

Record Number	Schedule/Form
01	Form 1040/Form 1040A/Form 1040EZ
02	Form W-2
03	Form W-2G
04	Form 1099-R
06	Form 2210
06	Form 2210F
07	Schedule A
08	Schedule B/Schedule 1
09	Schedule C/Schedule C-EZ
12	Schedule D
13	Schedule E
14	Schedule F
16	Schedule R/Schedule 3
17	Schedule SE
19	Form 1116
20	Form 2119
21	Form 2441/Schedule 2
23	Form 4136
24	Form 4137
26	Form 4684
27	Form 4797
28	Form 4972
29	Form 5329
31	Form 6198
32	Form 6251
33	Form 8615
34	Form 2555/2555-EZ
37	Form 4835
38	Form 8839
40	Form 8814
43	Schedule EIC
44	Schedule H

EXHIBIT 4 - ATTACHMENT SEQUENCE NUMBER (continued)

Record Number	Schedule/Form
47	Form 8606
53	Form 8396
54	Form 2106
55	Form 8283
57	Form 8815
62	Form 3903
64	Form 8828
65	Form 4255
66	Form 8829
67	Form 4562
69	Form 4868
72	Form 4952
73	Form 4970
79	Form 6252
88	Form 8582
95	Form 9465
97	State Records
98	Statement Number(1-30)
99	Summary Record

EXHIBIT 5 - STATE ABBREVIATIONS AND DISTRICT OFFICE CODES

1. The following pages contain listings, by electronic filing service center, of the various IRS district offices.
2. The first two digits of the EFIN match the district office code for the IRS district where the applicant is located.
3. The first digit of the ETIN assigned to transmitters and software developers matches the service center to which returns will be transmitted or where software will be tested.
4. These digits are as follows:

Service Center ETIN Begins With:

Andover	9
Austin	3
Cincinnati	1
Memphis	7
Ogden	5

ANDOVER SERVICE CENTER

STATE	ABBREVIATION	DISTRICT OFFICE	CODE
Connecticut	CT	Hartford	06
Delaware	DE	Wilmington	51
Maine	ME	Augusta	01
Maryland	MD	Baltimore	52
District of Columbia	DC	Baltimore	52

EXHIBIT 5 - STATE ABBREVIATIONS AND DISTRICT OFFICE CODES (cont.)

ANDOVER SERVICE CENTER (cont.)

STATE	ABBREVIATION	DISTRICT OFFICE	CODE
Massachusetts	MA	Boston	04
New Hampshire	NH	Portsmouth	02
New Jersey	NJ	Newark	22
New York	NY	Albany	14
New York	NY	Brooklyn	11
New York	NY	Buffalo	16
New York	NY	Manhattan	13
New York	AE	APO/FPO -- NY	13
Pennsylvania	PA	Philadelphia	23
Pennsylvania	PA	Pittsburgh	25
Rhode Island	RI	Providence	05
Vermont	VT	Burlington	03
Virginia	VA	Richmond	54

AUSTIN SERVICE CENTER

STATE	ABBREVIATION	DISTRICT OFFICE	CODE
Illinois	IL	Chicago	36
Illinois	IL	Springfield	37
Iowa	IA	Des Moines	42
Kansas	KS	Wichita	48
Minnesota	MN	St. Paul	41
Missouri	MO	St. Louis	43
New Mexico	NM	Albuquerque	85
Oklahoma	OK	Oklahoma City	73
Texas	TX	Austin	74
Texas	TX	Dallas	75
Texas	TX	Houston	76
Wisconsin	WI	Milwaukee	39

EXHIBIT 5 - STATE ABBREVIATIONS AND DISTRICT OFFICE CODES (cont.)

CINCINNATI SERVICE CENTER

STATE	ABBREVIATION	DISTRICT OFFICE	CODE
Florida	FL	Ft. Lauderdale	65
Florida	AA	APO/FPO -- Miami	65
Florida	FL	Jacksonville	59
Indiana	IN	Indianapolis	35
Kentucky	KY	Louisville	61
Michigan	MI	Detroit	38
Ohio	OH	Cincinnati	31
Ohio	OH	Cleveland	34
South Carolina	SC	Columbia	57
West Virginia	WV	Parkersburg	55

MEMPHIS SERVICE CENTER

STATE	ABBREVIATION	DISTRICT OFFICE	CODE
Alabama	AL	Birmingham	63
Arkansas	AR	Little Rock	71
Georgia	GA	Atlanta	58
Louisiana	LA	New Orleans	72
Mississippi	MS	Jackson	64
North Carolina	NC	Greensboro	56
Tennessee	TN	Nashville	62

EXHIBIT 5 - STATE ABBREVIATIONS AND DISTRICT OFFICE CODES (cont.)

OGDEN SERVICE CENTER

STATE	ABBREVIATION	DISTRICT OFFICE	CODE
Alaska	AK	Anchorage	92
Arizona	AZ	Phoenix	86
California	CA	Laguna Niguel	33
California	CA	Los Angeles	95
California	CA	Sacramento	68
California	CA	San Jose	77
California	CA	San Francisco	94
California	AP	APO/FPO -- S. F.	94
Colorado	CO	Denver	84
Hawaii	HI	Honolulu	99
Idaho	ID	Boise	82
Montana	MT	Helena	81
Nebraska	NE	Omaha	47
Nevada	NV	Las Vegas	88
North Dakota	ND	Fargo	45
Oregon	OR	Portland	93
South Dakota	SD	Aberdeen	46
Utah	UT	Salt Lake City	87
Washington	WA	Seattle	91
Wyoming	WY	Cheyenne	83

EXHIBIT 6 - STREET ADDRESS ABBREVIATIONS

1. The following is a list of standard abbreviations. You are not obligated to use them except for the "ampersand" sign (&), and the "in care of" sign (%). These signs must be used in the name and address area of the return when appropriate.

2. Do not use punctuation of any kind when entering an abbreviated word. Do not use the "pound" sign (#), an "asterisk" (*), or a "period" (.). This will cause the return to reject. **ALL ABBREVIATIONS MUST BE IN CAPITAL (UPPER CASE) LETTERS.**

Word	Abbreviation
and	&
Air Force Base	AFB
Apartment	APT
Avenue	AVE
Boulevard	BLVD
Building	BLDG
Care of, or In care of	%
Circle	CIR
Court	CT
Drive	DR
East	E
Fort	FT
General Delivery	GEN DEL
Heights	HTS
Highway	HWY
Island	IS
Lane	LN
Junction	JCT
Lodge	LDG
North	N
Northeast, N.E.	NE
Northwest, N.W.	NW
One-fourth, One-quarter	¼*
One-half	½*
Parkway	PKY

* There must be a space before & after all fractions;
(e.g., **1012 ½ John St**).

EXHIBIT 6 - STREET ADDRESS ABBREVIATIONS (continued)

Word	Abbreviation
Place	PL
Post Office Box, P.O. Box . . .	PO BOX
Route, Rte.	RT
Road	RD
R.D., Rural Delivery, RFD,	RR
R.F.D., R.R., Rural Route	RR
South	S
Southeast, S.E.	SE
Southwest, S.W.	SW
Square	SQ
Street	ST
Terrace	TER
West	W

NOTE: For a complete listing of acceptable address abbreviations, see Document 7475, Catalogue # 7046E, State Abbreviations, Major City Codes and Address Abbreviations.

EXHIBIT 7 - STANDARD POSTAL SERVICE STATE ABBREVIATIONS

State	Abbrev	Zip Code	State	Abbrev	Zip Code
Alabama	AL	350nn-369nn	Nevada	NV	889nn-898nn
Alaska	AK	995nn-999nn	New Hampshire	NH	030nn-038nn
Arizona	AZ	850nn-865nn	New Jersey	NJ	070nn-089nn
Arkansas	AR	716nn-729nn	New Mexico	NM	870nn-884nn
		75502	New York	NY	004nn-005nn
California	CA	900nn-908nn			06390
		910nn-961nn			100nn-149nn
Colorado	CO	800nn-816nn	North Carolina	NC	270nn-289nn
Connecticut	CT	060nn-069nn	North Dakota	ND	580nn-588nn
Delaware	DE	197nn-199nn	Ohio	OH	430nn-459nn
Dist. of Col.	DC	200nn-205nn	Oklahoma	OK	730nn-732nn
Florida	FL	320nn-339nn			734nn-749nn
		341nn-342nn	Oregon	OR	970nn-979nn
		344nn	Pennsylvania	PA	150nn-196nn
		346nn-347nn	Rhode Island	RI	028nn-029nn
		349nn	South Carolina	SC	290nn-299nn
Georgia	GA	300nn-319nn	South Dakota	SD	570nn-577nn
		399nn	Tennessee	TN	370nn-385nn
Hawaii	HI	967nn-968nn	Texas	TX	733nn, 73949
Idaho	ID	832nn-838nn			750nn-799nn
Illinois	IL	600nn-629nn	Utah	UT	840nn-847nn
Indiana	IN	460nn-479nn	Vermont	VT	050nn-054nn
Iowa	IA	500nn-528nn			056nn-059nn
Kansas	KS	660nn-679nn	Virginia	VA	20041
Kentucky	KY	400nn-427nn			20301, 20370
		45275			20164, 20165
Louisiana	LA	700nn-714nn			20166, 20167
		71749			220nn-246nn
Maine	ME	03801	Washington	WA	980nn-986nn
		039nn-049nn			988nn-994nn
Maryland	MD	20331	West Virginia	WV	247nn-268nn
		206nn-219nn	Wisconsin	WI	49936
Massachusetts	MA	010nn-027nn			530nn-549nn
		055nn	Wyoming	WY	820nn-831nn
Michigan	MI	480nn-499nn	The following are for military addresses overseas:		
Minnesota	MN	550nn-567nn	APO or FPO	AA	340nn
Mississippi	MS	386nn-397nn	APO or FPO	AE	090nn-098nn
Missouri	MO	630nn-658nn	APO or FPO	AP	962nn-966nn
Montana	MT	590nn-599nn			
Nebraska	NE	680nn-693nn			

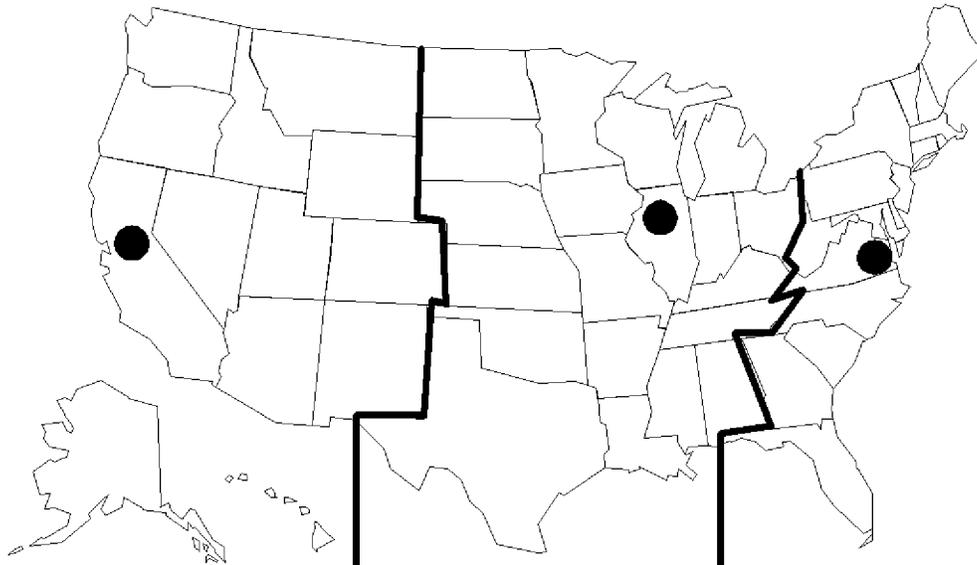
EXHIBIT 8 - CRIMINAL INVESTIGATION HOTLINE NUMBERS FOR REPORTING SUSPICIOUS ELECTRONIC FILING TRANSACTIONS

STATE	CONTACT	TELEPHONE
Alabama	Donald Barnes	(205) 912-5570
Alaska	Owen Stanton	(907) 271-6245
Arizona	Carol Bonfim	(602) 207-8968
Arkansas	Lynn Ware	(501) 324-6263
California	Richard Goss	(213) 894-3323 EXT 1141
	Heather Van De Velde	(510) 637-2678
	John Baker	(714) 836-2872 EXT 121
	James Freitas	(916) 974-5212
Colorado	Tim Chase	(303) 446-1841
Connecticut	Richard Schumacher	(203) 845-3378
Delaware	Mike DeVito	(302) 791-4519
District of Columbia	Tina Fletcher	(301) 436-8115
Florida	Sandra Linder	(305) 982-5202
	Mike McKay	(904) 279-1632
Georgia		(770) 488-9551
Hawaii	Malia Beth Dougan	(808) 541-1150 EXT 243
Idaho	Steve Hines	(208) 334-1000
Illinois	Gregg Peterson	(312) 886-1366
	Gregg Peterson (Pager)	(312) 839-5823
Indiana	Donna Turner	(317) 226-7751
Iowa	Mary Morlan	(515) 284-4180
Kansas	Robin Barber	(913) 789-1170
Kentucky	Cathy Prebe	(502) 843-1457
Louisiana	Donald Barnes	(504) 558-3440
Maine	Tom Carroll	(413) 785-0087
Maryland	Tina Fletcher	(301) 436-8115
Massachusetts	Tom Carroll	(413) 785-0087
Michigan	Joseph Boley	(313) 226-2357
Minnesota	Tim Nichols	(612) 348-1213
Mississippi	Donald Barnes	(601) 965-5099
Missouri	Robin Barber	(913) 789-1170
Montana	Ken Gunn	(406) 247-7482
Nebraska	Jody Holmes	(402) 221-3597

EXHIBIT 8 - CRIMINAL INVESTIGATION HOTLINE NUMBERS FOR REPORTING SUSPICIOUS ELECTRONIC FILING TRANSACTIONS (continued)

STATE	CONTACT	TELEPHONE
Nevada	Bill Lee	(702) 455-1107
	Greg Berent	(702) 824-2207 EXT 251
New Hampshire	Tom Carroll	(413) 785-0087
New Jersey	Jackie Hale/Linda Masessa	(973) 357-4015
New Mexico	Alvan Romero	(505) 837-9025
New York	Greg Tranchina	(212) 436-1660
	Kim LaDuke	(315) 448-0807
	Gerald Bradley	(518) 431-4668
	Frank Perez/Doug Miller	(716) 263-3137
	Toni Gallagher	(716) 551-3031 EXT 177
North Carolina	Bob Freeland	(803) 449-6032
North Dakota	Michele Honek	(701) 239-5143
Ohio	Sandy Job-Rivera	(513) 684-2333
Oklahoma	Dan Henderson	(405) 297-4751
	Pam Evans	(918) 581-7050
Oregon	Mike Riley	(503) 326-3203
Pennsylvania	Peter Trucksis	(215) 597-6788
Rhode Island	Laurie McGunagle	(401) 823-1796
South Carolina	Bob Freeland	(803) 449-6032
South Dakota	Greg Pasco	(605) 330-4449
Tennessee	Ken Runkle	(615) 736-5444
Texas	Steven Boon	(214) 767-1068
	Kim Yarbrough	(281) 721-8349
	Helene Galzagorry	(512) 464-3020
Utah	Dianna Fuller	(801) 799-6763
Vermont	Tom Carroll	(413) 785-0087
Virginia	Andrea Oliver	(703) 756-6664
Washington	Mike Hardaway	(206) 220-5852
West Virginia	Andrea Oliver	(703) 756-6664
Wisconsin	Tom Walz	(414) 297-3916
Wyoming	Mike Cunningham	(307) 633-0900

EXHIBIT 9 - TAX FORMS DISTRIBUTION SITES



Western Area Distribution Center
Rancho Cordova, CA 95743-0001

1-800-829-Form (3676)

8:00 a.m.-4:30 p.m.
(Pacific Time)

Forms Distribution Center
P. O. Box 9903
Bloomington, IL 61799

1-800-829-Form (3676)

7:00 a.m.-5:30 p.m.
(Central Time)

Forms Distribution Center
P. O. Box 24866
Richmond, VA 23289

329-1144 Local (Richmond)
1-800-829-Form (3676)

8:15 a.m.-5:30 p.m.
(Eastern Time)

Note: Form 8633 and Fingerprint Cards, FD-258, can be obtained from all electronic filing service centers; see exhibit 14.

PUBLICATIONS:

USUALLY AVAILABLE

Publication 1345, <i>Handbook for Electronic Filers</i>	October
Publication 1345A, <i>Handbook for Electronic Filers (Supplement)</i>	January
Publication 1346, <i>File Specifications and Record Layouts</i>	July & October
Publication 1436, <i>Test Package</i>	October

EXHIBIT 10 - CUSTOMER SERVICE TELEPHONE NUMBERS

Alabama

1-800-829-1040

Alaska

1-800-829-1040

Arizona

1-800-829-1040

Arkansas

1-800-829-1040

California

Oakland, 839-1040

Elsewhere, 1-800-829-1040

Colorado

Denver, 825-7041

Elsewhere, 1-800-829-1040

Connecticut

1-800-829-1040

Delaware

1-800-829-1040

District of Columbia

1-800-829-1040

Florida

Jacksonville, 354-1760

Elsewhere, 1-800-829-1040

Georgia

Atlanta, 522-0050

Elsewhere, 1-800-829-1040

Hawaii

1-800-829-1040

Idaho

1-800-829-1040

Illinois

1-800-829-1040

Indiana

1-800-829-1040

Iowa

1-800-829-1040

Kansas

1-800-829-1040

Kentucky

1-800-829-1040

Louisiana

1-800-829-1040

Maine

1-800-829-1040

Maryland

Baltimore, 962-2590

Elsewhere, 1-800-829-1040

Massachusetts

Boston, 536-1040

Elsewhere, 1-800-829-1040

Michigan

1-800-829-1040

EXHIBIT 10 - CUSTOMER SERVICE TELEPHONE NUMBERS (cont.)

Minnesota

1-800-829-1040

Mississippi

1-800-829-1040

Missouri

St. Louis, 342-1040

Elsewhere, 1-800-829-1040

Montana

1-800-829-1040

Nebraska

1-800-829-1040

Nevada

1-800-829-1040

New Hampshire

1-800-829-1040

New Jersey

1-800-829-1040

New Mexico

1-800-829-1040

New York

Buffalo, 685-5432

Elsewhere, 1-800-829-1040

North Carolina

1-800-829-1040

North Dakota

1-800-829-1040

Ohio

Cincinnati, 621-6281

Cleveland, 522-3000

Elsewhere, 1-800-829-1040

Oklahoma

1-800-829-1040

Oregon

Portland, 221-3960

Elsewhere, 1-800-829-1040

Pennsylvania

Philadelphia, 574-9900

Pittsburgh, 281-0112

Elsewhere, 1-800-829-1040

Puerto Rico

1-800-829-1040

Rhode Island

1-800-829-1040

South Carolina

1-800-829-1040

South Dakota

1-800-829-1040

Tennessee

Nashville, 834-9005

Elsewhere, 1-800-829-1040

Texas

Dallas, 742-2440

Houston, 541-0440

Elsewhere, 1-800-829-1040

EXHIBIT 10 - CUSTOMER SERVICE TELEPHONE NUMBERS (cont.)

Utah

1-800-829-1040

Vermont

1-800-829-1040

Virginia

Richmond, 698-5000

Elsewhere, 1-800-829-1040

Washington

Seattle, 442-1040

Elsewhere, 1-800-829-1040

West Virginia

1-800-829-1040

Wisconsin

1-800-829-1040

Wyoming

1-800-829-1040

**Telephone Assistance for Taxpayers with Impaired Hearing Who Have
TDD Equipment: 1-800-820-4059**

EXHIBIT 11 - TELE-TAX INFORMATION NUMBERS (by Service Center)

The following is a list of TELE-TAX telephone numbers, by electronic filing service center. Because the 800 numbers listed in exhibit 12 automatically connect to the service center associated with the caller's area code, you may need to use the numbers listed below to contact TELE-TAX if electronic returns were filed at a center other than the one normally servicing your state. See the example in section 21.2:3 for more information. These are not toll-free numbers.

Andover Service Center

Boston, Massachusetts . . . (617) 536-0709

Austin Service Center

Dallas, Texas (214) 767-1792

Houston, Texas (713) 541-3400

Cincinnati Service Center

Indianapolis, Indiana (317) 631-1010

Cincinnati, Ohio (513) 421-0329

Cleveland, Ohio (216) 522-3037

Memphis Service Center

Nashville, Tennessee (615) 781-5040

Ogden Service Center

Phoenix, Arizona (602) 640-3933

Denver, Colorado (303) 592-1118

Portland, Oregon (503) 294-5363

Seattle, Washington (206) 343-7221

EXHIBIT 12 - TELE-TAX TELEPHONE NUMBERS (by State)

Alabama

1-800-829-4477

Alaska

1-800-829-4477

Arizona

Phoenix, (602) 640-3933
Elsewhere, 1-800-829-4477

Arkansas

1-800-829-4477

California

Oakland, (510) 839-4245
Elsewhere, 1-800-829-4477

Colorado

Denver, (303) 592-1118
Elsewhere, 1-800-829-4477

Connecticut

1-800-829-4477

Delaware

1-800-829-4477

District of Columbia

(202) 628-2929

Florida

1-800-829-4477

Georgia

Atlanta, (404) 331-6572
Elsewhere, 1-800-829-4477

Hawaii

1-800-829-4477

Idaho

1-800-829-4477

Illinois

Chicago, (312) 886-9614
Elsewhere, 1-800-829-4477

Indiana

Indianapolis, (317) 631-1010
Elsewhere, 1-800-829-4477

Iowa

1-800-829-4477

Kansas

1-800-829-4477

Kentucky

1-800-829-4477

Louisiana

1-800-829-4477

Maine

1-800-829-4477

Maryland

Baltimore, (410) 244-7306
Elsewhere, 1-800-829-4477

Massachusetts

Boston, (617) 536-0709
Elsewhere, 1-800-829-4477

Michigan

1-800-829-4477

Minnesota

1-800-829-4477

Mississippi

1-800-829-4477

Missouri

St. Louis, (314) 241-4700
Elsewhere, 1-800-829-4477

EXHIBIT 12 - TELE-TAX TELEPHONE NUMBERS (by State) (continued)

Montana

1-800-829-4477

Nebraska

1-800-829-4477

Nevada

1-800-829-4477

New Hampshire

1-800-829-4477

New Jersey

1-800-829-4477

New Mexico

1-800-829-4477

New York

1-800-829-4477

North Carolina

1-800-829-4477

North Dakota

1-800-829-4477

Ohio

Cincinnati, (513) 421-0329

Cleveland, (216) 522-3037

Elsewhere, 1-800-829-4477

Oklahoma

1-800-829-4477

Oregon

Portland, (503) 294-5363

Elsewhere, 1-800-829-4477

Pennsylvania

Philadelphia, (215) 627-1040

Pittsburgh, (412) 261-1040

Elsewhere, 1-800-829-4477

Puerto Rico

1-800-829-4477

Rhode Island

1-800-829-4477

South Carolina

1-800-829-4477

South Dakota

1-800-829-4477

Tennessee

Nashville, (615) 781-5040

Elsewhere, 1-800-829-4477

Texas

Dallas, (214) 767-1792

Houston, (713) 541-3400

Elsewhere, 1-800-829-4477

Utah

1-800-829-4477

Vermont

1-800-829-4477

Virginia

Richmond, (804) 783-1569

Elsewhere, 1-800-829-4477

Washington

Seattle, (206) 343-7221

Elsewhere, 1-800-829-4477

West Virginia

1-800-829-4477

Wisconsin

1-800-829-4477

Wyoming

1-800-829-4477

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE

ALABAMA 600 South Maestri Place, Stop 21 New Orleans, LA 70130	PAULETTE WINDON	TEL 504-558-3008 FAX 504-558-3061
ALASKA 949 East 36th Street, Stop A480 Anchorage, AK 99508	MARIE LOZANO E-mail: Marie_Lozano@ccmail.wr.irs.gov	TEL 907-271-6458 FAX 907-271-6824
ARIZONA 210 East Earll Drive, Stop 4040PX Phoenix, AZ 85012-2623	TERRI WEDEPOHL E-Mail: Terri_Wedepohl@ccmail.wr.irs.gov	TEL 602-207-8337 FAX 602-207-8630
ARKANSAS Stop 1030 OKC 55 North Robinson Street Oklahoma City, OK 73102	BONITA BIRDSONG E-mail: Bonita.I.Birdsong@ccmail.irs.gov	TEL 405-297-4125 FAX 405-297-4135
CALIFORNIA NORTHERN CALIFORNIA 1301 Clay Street, Stop 1500S Oakland, CA 94612-2510	DEBORAH TORRES E-Mail: Deborah_Torres@ccmail.wr.irs.gov	TEL 510-637-2475 FAX 510-637-2508
SACRAMENTO 4330 Watt Avenue North Highlands, CA 95660	PRUDY HEARN E-Mail: Prudence_Hearn@ccmail.wr.irs.gov	TEL 916-974-5624 FAX 916-974-5983
CENTRAL CALIFORNIA 55 South Market Street, M/S HQ660 San Jose, CA 96113	JAMES KINSEY E-Mail: James_Kinsey@ccmail.wr.irs.gov	TEL 408-494-8119 FAX 408-494-8062
LOS ANGELES Room 5202 300 North Los Angeles Street Los Angeles, CA 90012	GORDON MEYERS E-Mail: Gordon_Meyers@ccmail.wr.irs.gov	TEL 213-894-1222 FAX 213-894-0905

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

SOUTHERN CALIFORNIA
Chet Holifield Federal Building
24000 Avila Road
Laguna Niguel, CA 92677

GINDY BARNARD
TEL 714-360-2605
FAX 714-360-2608
E-Mail: Gindy_Barnard@ccmail.wr.irs.gov

COLORADO
600 17th Street, MS 6610 DEN
Denver, CO 80202-2490

PAMELA MCNAIR
TEL 303-446-1662
FAX 303-446-1010
E-Mail: Pamela_J_McNair@ccmail.wr.irs.gov

CONNECTICUT
135 High Street, Stop 190
Hartford, CT 06103

MICHAEL KINSLEY
TEL 860-240-4151
FAX 860-240-4301

DELAWARE
31 Hopkins Plaza, Room 623
Baltimore, MD 21201

KAREN MAYR
TEL 410-962-1801
FAX 410-962-0823

DISTRICT OF COLUMBIA
31 Hopkins Plaza, Room 623
Baltimore, MD 21201

KAREN MAYR
TEL 410-962-1801
FAX 410-962-0823

FLORIDA
NORTH FLORIDA
400 West Bay Street, Stop 4120
Jacksonville, FL 32202

JAN WISHART
TEL 904-232-1730
FAX 904-232-3036
E-Mail: Jan.Wishart@m1.irs.gov

SOUTH FLORIDA
Room A270, Stop 6030
One North University Drive
Fort Lauderdale, FL 33324

SUSAN GILBERT
TEL 954-423-7722
FAX 954-423-7631

FOREIGN LOCATION
Customer Service Division
CP:IN:D:CS Karen Winslow
950 L'Enfant Plaza, Prom Level, SW
Washington, DC 20224

KAREN WINSLOW
TEL 202-874-1332
FAX 202-874-5440

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

GEORGIA JANEY HAUK TEL 404-331-7517
Room 1531, Stop 205D FAX 404-331-3285
401 West Peachtree Street, NW
Atlanta, GA 30365

HAWAII GLENNA NAKAMURA TEL 808-541-1110
Stop H480 FAX 808-541-1109
300 Ala Moana Boulevard
Honolulu, HI 96850-4992 E-Mail: Glenna_Nakamura@ccmail.wr.irs.gov

IDAHO PAMELA MCNAIR TEL 303-446-1662
600 17th Street, MS 6610 DEN FAX 303-446-1010
Denver, CO 80202-2490 E-Mail: Pamela_J_McNair@ccmail.wr.irs.gov

ILLINOIS RUTH CAMERON TEL 312-886-1571
Stop 6604 CHI FAX 312-886-0290
230 South Dearborn Street
Chicago, IL 60604

INDIANA ELOISE ERICKSON TEL 317-226-6015
P.O. Box 44211, Stop 66 FAX 317-226-5724
575 North Pennsylvania Street, Room 573
Indianapolis, IN 46244

IOWA GERRI NESS TEL 414-297-3574
Stop 6710 MIL FAX 414-297-1344
310 West Wisconsin Avenue
Milwaukee, WI 53203-2221 E-Mail: Gerri.Ness@ccmail.irs.gov

KANSAS CAROLYN CHAPMAN TEL 314-539-2161
Stop 6623 STL FAX 314-539-7866
1222 Spruce
St. Louis, MO 63103 E-Mail: Carolyn.Chapman@ccmail.irs.gov

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

KENTUCKY

P.O. Box 1107, MDP 37, or
801 Broadway, Room 481
Nashville, TN 37202 or 37203

BETTY MARTIN

TEL 615-736-7319
FAX 615-736-7489

LOUISIANA

600 South Maestri Place, Stop 21
New Orleans, LA 70130

PAULETTE WINDON

TEL 504-558-3008
FAX 504-558-3061

MAINE

JFK Federal Building
P.O. Box 9112
Boston, MA 02203

MARY DYLESKI

TEL 617-565-1348
FAX 617-565-1379

MARYLAND

31 Hopkins Plaza, Room 623
Baltimore, MD 21201

KAREN MAYR

TEL 410-962-1801
FAX 410-962-0823

MASSACHUSETTS

JFK Federal Building
P.O. Box 9112
Boston, MA 02203

MARY DYLESKI

TEL 617-565-1348
FAX 617-565-1379

MICHIGAN

P.O. Box 330500, Stop 52
477 Michigan Avenue, Room 1196
Detroit, MI 48232-6500

JUANITA ROBINSON

TEL 313-226-2262
FAX 313-226-3502

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

MINNESOTA

Stop 6610 STP
316 North Robert Street
St. Paul, MN 55101

MICHELLE BENSON TEL 612-290-3320
EXT 226
FAX 612-290-4231
E-Mail: Michelle.Benson@ccmail.irs.gov

MISSISSIPPI

600 South Maestri Place, Stop 21
New Orleans, LA 70130

PAULETTE WINDON TEL 504-558-3008
FAX 504-558-3061

MISSOURI

Stop 6623 STL
1222 Spruce
St. Louis, MO 63103

CAROLYN CHAPMAN TEL 314-539-2161
FAX 314-539-7866
E-Mail: Carolyn.Chapman@ccmail.irs.gov

MONTANA

301 South Park Avenue
Helena, MT 59626

BARBARA SHAFFER TEL 406-441-1042
FAX 406-441-1035
E-Mail: Barb_Shaffer@ccmail.wr.irs.gov

NEBRASKA

Stop 6710 MIL
310 West Wisconsin Avenue
Milwaukee, WI 53203-2221

GERRI NESS TEL 414-297-3574
FAX 414-297-1344
E-Mail: Gerri.Ness@ccmail.irs.gov

NEVADA

4750 West Oakey Boulevard
Las Vegas, NV 89192

RICA FITZHUGH TEL 702-455-1029
FAX 702-455-1225
E-Mail: Rica_Fitzhugh@ccmail.wr.irs.gov

NEW HAMPSHIRE

JFK Federal Building
P.O. Box 9112
Boston, MA 02203

MARY DYLESKI TEL 617-565-1348
FAX 617-565-1379

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

NEW JERSEY

P.O. Box 688 or
970 Broad Street, Room 208
Newark, NJ 07101

DENISE PERRY

TEL 201-645-6685
FAX 201-645-3323

NEW MEXICO

5338 Montgomery Boulevard, NE
Albuquerque, NM 87109-1311 E-Mail: Donna_J_Stayton@ccmail.wr.irs.gov

DONNA STAYTON

TEL 505-837-5515
FAX 505-837-5755

NEW YORK

BROOKLYN

10 Metrotech Center
625 Fulton Street
Brooklyn, NY 11201

BARBARA GOINS

TEL 718-488-2914
FAX 718-488-2904

MANHATTAN

290 Broadway 7th Floor, or
P.O. Box 3036 Church Street Station
New York, NY 10007 or 10008

FRED THAGGARD

TEL 212-436-1026
FAX 212-436-1017

UPSTATE NEW YORK

P.O. Box 1040 Niagara Square Station, or
111 West Huron Street, Room 7
Buffalo, NY 14201 or 14202

TEL 716-551-5037
FAX 716-551-4466

NORTH CAROLINA

320 Federal Place, Room 116
Greensboro, NC 27401

VEDA HOWELL

TEL 910-378-2144
FAX 910-378-2060

NORTH DAKOTA

Stop 6610 STP
316 North Robert Street
St. Paul, MN 55101

MICHELLE BENSON

TEL 612-290-3320
EXT 226
FAX 612-290-4231

E-Mail: Michelle.Benson@ccmail.irs.gov

OHIO

550 Main Street, Room 1523

WILMA BEIGEL

TEL 513-684-2400

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

Cincinnati, OH 45202

FAX 513-684-2633

OKLAHOMA

Stop 1030 OKC
55 North Robinson Street
Oklahoma City, OK 73102

BONITA BIRDSONG

TEL 405-297-4125

FAX 405-297-4135

E-mail: Bonita.I.Birdsong@ccmail.irs.gov

OREGON

1220 SW Third Avenue
Portland, OR 97208

KATHY HOWELL

TEL 503-326-7256

FAX 503-326-7221

E-Mail: Kathy_Howell@ccmail.wr.irs.gov

PENNSYLVANIA

600 Arch Street, Room 4452
Philadelphia, PA 19106

LEA ZACHARKA

TEL 215-597-8842

FAX 215-597-9715

RHODE ISLAND

135 High Street, Stop 190
Hartford, CT 06103

MICHAEL KINSLEY

TEL 860-240-4151

FAX 860-240-4301

SOUTH CAROLINA

320 Federal Place, Room 116
Greensboro, NC 27401

VEDA HOWELL

TEL 910-378-2144

FAX 910-378-2060

SOUTH DAKOTA

Stop 6610 STP
316 North Robert Street
St. Paul, MN 55101

MICHELLE BENSON

TEL 612-290-3320

EXT 226

FAX 612-290-4231

E-Mail: Michelle.Benson@ccmail.irs.gov

TENNESSEE

P.O. Box 1107, MDP 37, or
801 Broadway, Room 481
Nashville, TN 37202 or 37203

BETTY MARTIN

TEL 615-736-7319

FAX 615-736-7489

TEXAS

HOUSTON

THELMA DENNIS

TEL 713-773-7435

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

8701 South Gessner Stop 6401 HAL
Houston, TX 77074 FAX 713-773-7865

NORTH TEXAS
Stop 6605 DAL
1100 Commerce Street
Dallas, TX 75242
JULIE NUNLIST
TEL 214-767-3755
FAX 214-767-1149
E-mail: Julie.Nunlist@ccmail.irs.gov

SOUTH TEXAS
Stop 6630 AUS
300 East 8th Street
Austin, TX 78701
LINDA DONAHO
TEL 512-499-5181
FAX 512-499-5687
E-mail: Linda.Donaho@ccmail.irs.gov

UTAH
600 17th Street, MS 6610 DEN
Denver, CO 80202-2490
PAMELA MCNAIR
TEL 303-446-1662
FAX 303-446-1010
E-Mail: Pamela_J_McNair@ccmail.wr.irs.gov

VERMONT
JFK Federal Building
P.O. Box 9112
Boston, MA 02203
MARY DYLESKI
TEL 617-565-1348
FAX 617-565-1379

VIRGINIA
P.O. Box 10049
400 North 8th Street, Room 10-502
Richmond, VA 23240
SUSAN ANDREWS
TEL 804-771-8048
FAX 804-771-8049

WASHINGTON
915 Second Avenue, Room 2462
Seattle, WA 98174
WAYNE MERCADO
TEL 206-220-5766
FAX 206-220-5551
E-Mail: Wayne_R_Mercado@ccmail.wr.irs.gov

WASHINGTON, D.C. (see District of Columbia)

WEST VIRGINIA
P.O. Box 10049
400 North 8th Street, Room 10-502
SUSAN ANDREWS
TEL 804-771-8048
FAX 804-771-8049

EXHIBIT 13 - ELECTRONIC FILING CONTACT POINTS BY STATE (cont.)

Richmond, VA 23240

WISCONSIN

Stop 6710 MIL
310 West Wisconsin Avenue
Milwaukee, WI 53203-2221

GERRI NESS

TEL 414-297-3574

FAX 414-297-1600

E-Mail: Gerri.Ness@ccmail.irs.gov

WYOMING

5353 Yellowstone Road
Cheyenne, WY 82009

VIRGINIA SONTAG

TEL 307-633-0803

FAX 307-633-0915



EXHIBIT 14 - SERVICE CENTER TELEPHONE NUMBERS

For questions relating to the submission or processing of **FORMS 8633**, Application to Participate in the Electronic Filing Program, or questions relating to the **SUITABILITY** process or the status of suitability determinations, call **(not toll free)**:

Andover Service Center . . . 508-474-1499

For questions relating to transmission of return data and issues other than those related to applications and suitability, call **(not toll free)**:

Andover Service Center . . . 508-474-9486

Austin Service Center 512-460-8900

Cincinnati Service Center . . 606-292-5621

Memphis Service Center . . . 901-546-2690

Ogden Service Center 801-620-7444

EXHIBIT 15 - ELECTRONIC SERVICES

The following electronic services are available:

- via the World Wide Web - <http://www.irs.ustreas.gov>
- via FTP - <ftp.irs.ustreas.gov>
- via Telnet - <iris.irs.ustreas.gov>
- via modem - (703) 321-8020
- IRS FAX Forms - (703) 487-4160
- CD ROM of Tax Forms from Government Printing Office - (202) 512-1800
- Electronic Filing System Bulletin Board - (606) 292-0137

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