Publication 4163

Modernized e-File (MeF) Information for Authorized IRS *e-File* Providers for Business Returns

Tax Returns Processed in 2015

Publication 4163 (Rev. 12-2014) Catalog Number 36165C Department of the Treasury **Internal Revenue Service** www.irs.gov

The Internal Revenue Service Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.

Table of Contents

Table of Contents iii

List of Tables x

List of Figures xi

Processing Year 2015 Nature of Substantive Changes xii

1 Introduction and General Information 1

1.1 What is Modernized e-File (MeF)? 1

1.2 Using Publication 4163 1

1.3 General Information 1

1.4 Authorized IRS e-File Providers 1

1.4.1 Electronic Filing Identification Numbers (EFINs), Electronic Transmitter Identification Numbers (ETINs), and Passwords 2

1.4.2 Electronic Return Originator (ERO) 2

1.4.3 Transmitter 3

1.4.4 Software Developer 4

1.4.5 Online Provider 5

1.4.6 Intermediate Service Provider (ISP) 6

1.4.7 Reporting Agent 6

1.4.8 Large Taxpayer 7

1.5 Communicating with IRS 7

1.5.1 Modernized e-File (MeF) Status Page 7

1.5.2 Helpful Publications and Information 8

1.6 Overview and Benefits of Modernized e-File (MeF) 11

1.7 New for Processing Year 2015 12

1.7.1 New Forms 12

1.7.2 New Processes and Procedures 12

1.8 Forms for Processing Year 2015 12

1.8.1 Extension Applications 12

1.8.2 Corporation Returns 13

1.8.3 Tax Exempt/Government Entity (TEGE) Returns 13

1.8.4 Partnership Returns 13

1.8.5 Excise Tax and e-filing Compliance Returns (ETEC) 13

1.8.6 Estate and Trust Returns 13

1.8.7 Employment Tax Returns 13

1.9 PTIN Procedures 14

1.9.1 Preparer Tax Identification Number (PTIN) 14

1.10 Tax Relief in Disaster Situations 14

1.11 The Requirement to e-File 14

1.11.1 Tax Exempt/Government Entities (TEGE) 14

1.11.2 Estates and Trusts 15

1.11.3 Partnerships 15

1.11.4 Large Business and International (LB&I) Corporations 15

1.11.5 Excise Tax Returns 15

2 MeF Rules and Requirements 16

2.1 Participating in the IRS e-File Program 16

2.2 Maintaining Your IRS e-File Application 17

2.3 Adherence to MeF Rules 18

2.4 Protecting Taxpayer Information: Gramm-Leach-Bliley Act of 1999 and Federal Trade Commission Rules 18

2.5 Safeguarding MeF Data from Fraud and Abuse 19

2.5.1 Safeguarding Taxpayer Information 19

2.5.2 Safeguarding Against Fraud and Abuse 20

2.6 Disclosure of Tax Return Information 20

2.7 Submitting a Timely-Filed Electronic Tax Return 20

2.8 Preparer Penalties 21

2.9 Paperwork Reduction Act Notice 21

2.10 Provider Responsibilities in Obtaining, Handling, and Processing Return Information 22

2.10.1 Making Substantive Changes to the Return 22

2.10.2 Providing a Copy of the Return to the Taxpayer 22

3 MeF Information Applicable to All Form Types 23

3.1 Preparing Your Return 23

3.2 Validating Your Return 24

3.3 Return/Extension Due Date Tables 25

3.4 Short Period Returns for Corporate, Partnership and Estate and Trust Tax Returns 25

3.4.1 Current Year Software is Available 25

3.4.2 Current Year Software is Not Available 25

3.4.3 Valid Reasons for Forms 1041 Short Period Returns 26

3.4.4 Valid Reasons for Forms 1120 or 1120-F Short Period Returns 27

3.4.5 Valid Reasons for Form 1120S Short Period Returns 27

3.4.6 Forms 1065 and 1065-B Technical Termination Returns 28

3.5 Superseding and Amended Returns 28

3.5.1 Superseding Returns 29

3.5.2 Amended Returns 29

3.5.3 Form 2290 VIN Correction 31

3.6 Signing an Electronic Return 31

3.6.1 Practitioner Personal Identification Number (PIN) Signature Method—Form 8879 32

3.6.2 Form 1041 Multiple Tax Return Listing (MTRL) 34

3.6.3 Scanned Form 8453 Signature Method 34

3.6.4 Reporting Agents Personal Identification Number (PIN) Signature Method—Form 8655 36

3.6.5 OnLine e-Filer Signature Method (IRS Authorized Signer) 37

3.7 Applications for Extension of Time to File—Forms 7004 and 8868 38

3.8 Other Forms and Elections Requiring Signatures 39

3.8.1 Signature Requirements for Elections 39

3.9 Attaching Portable Document Format (.pdf) Files 39
3.10 Special Instructions for Supporting Data Required by Form 8865 40
3.11 Name Controls 40
3.11.1 Form 1041 Name Control Information 44
3.12 Addresses 47
3.12.1 Domestic Address Changes 47
3.12.2 Foreign Addresses 48
3.12.3 Foreign Country Codes for Forms 8858 and 926 48
3.13 North American Industry Classification System (NAICS) Codes 48
3.14 Refunds 49
3.15 Payments 50
3.15.1 General Payment Information 50
3.15.2 Electronic Funds Withdrawal (EFW) 50
3.15.3 Electronic Federal Tax Payment System (EFTPS) 52
3.15.4 Check or Money Order 53
3.16 Special Instructions When Copies of Original Forms are Required 53
3.17 Submitting the Electronic Return to the IRS 54
3.18 Record Keeping and Documentation Requirements 54
3.19 Acknowledgements of Transmitted Return Data 55
3.19.1 Acknowledgement Alerts for Form 1120-F 55
3.20 Transmission Perfection Period 56
3.20.1 How to Determine IRS Received Date 57
3.21 Rejected e-Filed Returns 58
3.21.1 Resubmission of Rejected Applications for Filing Extensions 60
3.22 Integrating Data/Elections into Your Return 60
3.22.1 Special Instructions for Consolidated Returns 60
3.23 Preparing Supporting Data Required by IRS Forms or Form Instructions 65

3.23.1 Example 1—Supporting data required by IRS forms 66

3.23.2 Example 2—Supporting data required by IRS form instructions. 67

3.23.3 Example 3—Supporting data required as another IRS form 68

3.23.4 Example 4—Supporting data required for tables on IRS forms 69

3.24 General Dependency 70

3.24.1 The Element “SpecialConditionDescription” 71

3.25 Creating Elections Required by Forms or Form Instructions 71

3.26 Creating Elections/Disclosure Statements Required by Regulations or Publications 71

3.26.1 Example 1—Creating Elections and/or Disclosure Statements With No Columnar Data 72

3.26.2 Example 2—Creating Elections and/or Disclosure Statements That Apply to Multiple Subsidiaries 72

3.26.3 Example 3—Creating Elections and/or Disclosure Statements With Columnar Data 73

3.27 Preparing Elections and/or Disclosure Statements That Require Supporting Data 74

3.28 Electronic Postmark 74

3.29 MeF Routine Maintenance 75

3.30 Ensuring Taxpayer Data Integrity 75

3.31 MeF Fed/State Program 76

4 MeF Information for Specific Forms 78

4.1 Employment Tax Returns 78

4.2 Tax-Exempt Organization Returns 78

4.2.1 TY 2014, TY 2013, 2012 Form 990-N (e-Postcard) 80

4.3 Estate and Trusts 80

4.4 Partnership Returns 81

4.4.1 TY 2014, 2013, 2012 Form 1065/1065-B 81

4.5 Corporate Returns 81

4.5.1 1120 Family Forms that *cannot* be e-filed as a Stand-Alone Return at the Parent Level 81

4.5.2 Special Instructions for Form 1120 Section 847, Special Estimated Tax Payments 82

4.5.3 Special Instructions for Form 8838 When Filed With Form 1120 82

4.5.4 Special Instructions for Form 1120-F when Foreign Investment in Real Property Tax is Claimed 82

4.6 Application for Automatic Extension of Time to File Certain Business Income Tax, Information and Other Returns—Form 7004 83

4.7 Application for Extension of Time to File an Exempt Organization Return—Form 8868 84

4.8 Excise Tax e-File and Compliance (ETEC) 85

4.8.1 ETEC Extension Requests: 85

4.9 Return Due Dates 85

4.10 Accepted Forms and Schedules 86

5 IRS e-File for Large Taxpayers Filing Their Own Corporate Income Tax Return 86

5.1 Purpose of Part 5 86

5.2 Why Certain Large Taxpayers are Required to e-File 88

5.3 How to Meet the Requirement to e-File 88

5.4 How to Register and Apply to e-file as a Large Taxpayer 92

5.4.1 Register with e-Services 92

5.4.2 Information Needed to Register 93

5.4.3 Apply to e-File 94

5.5 What is Different in Preparing Returns to e-File 97

5.5.1 Traditional Paper Filing Process 97

5.5.2 MeF Filing Process 97

5.5.3 Consolidated Returns 98

5.5.4 Aggregation of Data from Different Sources 98

5.5.5 Attaching Data Not Defined in XML Schemas 98

5.5.6 Attaching Data in .PDF Format 99

5.5.7 Treasury Decision (T.D). 9300 - Eliminating Signature Requirements for Certain Forms 100

5.5.8 Return Address and Name Control 100

5.5.9 Signing the Electronic Return 101

5.6 How to Transmit Electronic Returns to the IRS 102

5.6.1 Transmission Channels 102

5.6.2 Methods of Transmission 103

5.6.3 Retrieving an Acknowledgement 104

5.7 Timely Filed Electronic Returns 107

5.8 Additional Resources 109

5.8.1 Publication 5078 109

5.8.2 Publication 4164 110

5.8.3 Frequently Asked Questions for Large and Mid-Size Corporations 110

5.8.4 Telephone Assistance Contacts for Business Customers 110

5.8.5 E-Services – Online Tools for Tax Professionals 110

6 Exhibits 110

Exhibit 1 Standard U.S. Postal Service State Abbreviations and ZIP Codes 110

Exhibit 2 Foreign Country Codes 110

Exhibit 3 Schemas and Business Rules 110

Exhibit 4 Recommended Names and Descriptions for .PDF Files 111

List of Tables

Table 1–1: MeF Information 8

Table 1–2: Helpful Publications and Information 9

Table 3–1: Authorized IRS e-File Providers 24

Table 3–2: Short Period Return Indicators 26

Table 3–3: Processed Superseding and Amended Returns 28

Table 3–4: PIN Signature Method Authorization Form 34

Table 3–5: Scanned Form 8453 Method Authorization Form 36

Table 3–6: General Name Control Rules 41

Table 3–7: Name Control Rules for Partnerships 43

Table 3–8: Additional Name Control Rules for Other Organizations 44

Table 3–9: Estate Name Controls 45

Table 3–10: Trust Name Controls 46

Table 3–11: Received Date Determination Chart 57

Table 3–12: Consolidated Return Example - Attachment 1, F1120, line 10, Other Income (ItemizedOtherIncomeSchedule) 62

Table 3–13: Consolidated Return Example - Subsidiary 1, Hide 'N Seek Foods, Inc. 62

Table 3–14: Consolidated Return Example - Subsidiary 2, The Greek Playhouse 62

Table 3–15: Consolidated Return Example - Subsidiary 3, Acme Food Corp. 63

Table 3–16: Consolidated Return Example - Data Format 1 64

Table 3–17: Consolidated Return Example - Data Format 2 64

Table 3–18: Consolidated Return Example - Data Format 3 65

Table 3–19: Examples of Elections Required by Form Instructions 71

Table 3–20: Example 1—Creating Elections and/or Disclosure Statements With No Columnar Data 72

Table 3–21: Example 2—Creating Elections and/or Disclosure Statements That Apply to Multiple Subsidiaries 73

Table 3–22: Example 3—Creating Elections and/or Disclosure Statements With Columnar Data 73

Table 4–1: Forms 8288-A and 8805 Special Instructions (FIRPTA Claims) 83

Table 4–2: Return Due Dates 85

Table 4–3: Accepted Forms and Schedules 86

Table 5–1: How to Meet the Requirements to E-File 89

List of Figures

Figure 3–1: Supporting Data Required by IRS Forms 66

Figure 3–2: Supporting Data Required by IRS Form Instructions 67

Figure 3–3: Supporting Data Required as Another IRS Form 68

Figure 3–4: Supporting Data Required for Tables on IRS Forms 69

Processing Year 2015
Nature of Substantive Changes

Page	Change
All	This publication was updated to reflect tax returns processed in 2015; this includes 2012, 2013 and 2014 tax returns, and a few 2015 tax year returns.
All	2011 tax year products were removed
All	2014 and 2015 tax year products were added
12	Added New for Processing Year 2015 section.
12	Added “Form 1041 Multiple Tax Return Listing (MTRL) Process Change” to Part 1.7.2
26	Updated Short Period Returns table
37	Added section for 94x On-Line Filing PIN
70	Updated GeneralDependencySmall form listing
76	Removed reference to IRS.gov for listing of State e-File Coordinators. Instead, refer to applicable state’s tax authority website.
82	Corrected reporting location of Section 847 Deduction to Schedule J, Part II, Line 13 (tax years 2011 and later).

Note: When reading this Publication “We” refers to the IRS, while “You” refers to the reader.

1 Introduction and General Information

1.1 What is Modernized e-File (MeF)?

Modernized e-File (MeF) is an important component of IRS re-engineering efforts to improve service, enhance enforcement, and modernize technology and work processes. It is an Internet-based system that uses standardized Extensible Mark-Up Language (XML) constructs, which provide certain businesses the capability to electronically file. MeF processes the following Business Forms: 720, 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944, 945, 990, 990-EZ, 990-N, 990-PF, 1041, 1065, 1065-B, 1120, 1120-F, 1120-POL, 1120S, 2290, 7004, 8849, and 8868. Additional forms supported by MeF can be found at Modernized e-File (MeF) Forms on the IRS.gov website.

1.2 Using Publication 4163

This document addresses Tax Years 2012, 2013, 2014 and some Tax Year 2015 business returns filed during 2015. Publication 4163 is designed to provide authorized **IRS** *e-file* Providers and Large Taxpayers with specific requirements and procedures for electronic filing through the MeF system. E-file instructions for Large Taxpayers filing their own corporate income tax returns are included in Part 5 of this publication. The procedures in this publication apply to all MeF business e-file programs. All publications referenced in this document are available at IRS.gov. Be sure to check the website frequently for updated information on e-filing through Modernized e-File (MeF) Program Information.

1.3 General Information

When a new tax form is added to the MeF platform, that form may only be filed electronically during the current processing year (for example, PY 2015) and future processing years. Furthermore, for any given processing year, MeF will accept returns for the most recent tax year and two prior tax years. For example, during processing year 2015 Form(s) 1120/1120S/1120-F can only be e-filed for TY 2014, TY 2013 and TY 2012.

1.4 Authorized IRS e-File Providers

Authorized IRS e-file Providers are firms and organizations that develop software, originate and/or transmit electronic returns to the IRS, and provide services to a multitude of taxpayer clients. The roles and responsibilities of providers vary according to the e-file activities that firms conduct. A firm identifies its e-file activity by selecting the appropriate Provider Option in the IRS e-file application. Each Provider Option entails a different role and may have different responsibilities that relate specifically to the e-file activity of the firm. Some providers may have more than one e-file business activity. For example, an Electronic Return Originator (ERO) may also be a Transmitter. Providers must adhere to all IRS e-file rules and requirements applicable to their multiple e-file roles. The following details the roles and responsibilities of each provider option.

Return to Table of Contents

1.4.1 Electronic Filing Identification Numbers (EFINs), Electronic Transmitter Identification Numbers (ETINs), and Passwords

All providers must protect their EFINs, ETINs, and passwords from unauthorized use. Providers must never share the numbers and passwords with others, including the transferring of EFINs or ETINs to another entity when transferring the business by sale, gift, or other disposition. If the IRS learns that a Provider's EFIN or ETIN is compromised, the IRS changes the number and notifies the Provider by mailing a new acceptance letter to the Provider. Refer to Publication 3112, *IRS e-file Application and Participation* for additional information.

1.4.2 Electronic Return Originator (ERO)

The ERO is the Authorized IRS e-file Provider who originates the electronic submission of a return to the IRS. The ERO is usually the first point of contact for most taxpayers filing a return using IRS e-file. Please refer to Publication 3112 and Revenue Procedure 2007-40, Internal Revenue Bulletin (IRB): 2007-26 for additional information. Revenue Procedure 2007-40 informs authorized IRS e-file providers of their obligations to the Internal Revenue Service, taxpayers, and other participants in the IRS e-file Program, and combines the rules governing IRS e-file.

1.4.2.1 ERO Responsibilities

Origination of an Electronic Return: Although an ERO may also engage in return preparation, that activity is separate and distinct from the origination of the electronic submission of the return to the IRS. An ERO originates the electronic submission of a return after the taxpayer authorizes the filing of the return via IRS e-file. An ERO must originate the electronic submission of only returns that the ERO either prepared or collected from a taxpayer. An ERO originates the electronic submission by any one of the following:

- Electronically sending the return to a Transmitter that will transmit the return to the IRS (most taxpayers use this method); or
- Directly transmitting the return to the IRS (rarely used); or
- Providing a return to an ISP for processing, prior to transmission to the IRS (rarely used).

Return to Table of Contents

In originating the electronic submission of a return, the ERO has a variety of responsibilities including, but not limited to:

- Timely originating the electronic submission of returns;
- Submitting required supporting paper documents to the IRS;
- Providing copies to taxpayers;
- Retaining records and making records available to the IRS;
- Accepting returns only from taxpayers and authorized IRS e-file Providers; and
- Working with the taxpayer and/or the Transmitter to correct rejected returns.

If the taxpayer chooses not to have the electronic portion of a return corrected and re-transmitted to the IRS or if the electronic portion of a return cannot be accepted for processing by the IRS, the taxpayer must file a paper return. See 3.20, *Transmission Perfection Period*, for detailed instructions about filing a paper return.

Taxpayers required to e-file their return under Treasury Decision (T.D.) 9363 or Section 1224 of the Taxpayer Relief Act of 1997 must contact the e-help Desk for authorization to file their paper return.

1.4.3 Transmitter

A Transmitter sends the electronic return data directly to the IRS. EROs may apply to be transmitters and transmit return data themselves, or they may contract with an accepted third-party transmitter to transmit the data.

1.4.3.1 Transmitter Responsibilities

A Provider participating in MeF as a Transmitter has a variety of responsibilities that include, but are not limited to:

- Conducting a one-time communication test: no further testing is required as additional forms are added to MeF. This applies to MeF transmitters using software developers' software to prepare and transmit returns;
- Transmitting all electronic portions of returns to the IRS within three calendar days of receipt;
- Retrieving the acknowledgement file within two business days of transmission;

Return to Table of Contents

- Matching the acknowledgement file to the original transmission file and sending, or making available, the acknowledgement file to the ERO, ISP or Large Taxpayer for all rejected and accepted returns, within two business days of retrieval;

- Retaining an acknowledgement file received from the IRS until the end of the calendar year in which the electronic return was filed, or, for fiscal year filers, for nine (9) months after the transmission date, whichever is later;

- Immediately contacting the IRS e-help Desk toll-free number 1-866-255-0654 for further instructions if an acknowledgement has not been received within 24 hours of transmission;

- Working with the ERO or Large Taxpayer to promptly correct any transmission error that caused an electronic transmission to be rejected;

- Contacting the IRS e-help Desk toll-free number 1-866-255-0654 for assistance if the electronic portion of the return has been rejected after three transmission attempts;

- Ensuring the security of all transmitted data; and

- Ensuring against the unauthorized use of its EFIN or ETIN. A Transmitter must not transfer its EFIN or ETIN by sale, merger, loan, gift, or any other transaction to another entity.

The Transmitter must notify the ERO, ISP or taxpayer of the following:

Accepted Returns

- Date the return was accepted

Rejected Returns

- Date the return was rejected;

- Business Rule(s) explaining why the return rejected. Business Rules can be found on the Modernized e-File (MeF) Schemas and Business Rules page at the IRS.gov website;

- Steps the ERO or taxpayer need to take to correct any errors that caused the reject.

1.4.4 Software Developer

A Software Developer creates software that formats electronic return information according to IRS e-file specifications and/or transmits electronic return information

Return to Table of Contents

directly to the IRS. IRS e-file specifications are found in Publication 4164, *Modernized e-File (MeF) Guide for Software Developers and Transmitters*. Additional resources, such as the *Automated Enrollment (AE) External User Guide*, *MeF Submission Composition Guide* and *MeF State and Trading Partners Reference Guide* can be found on the Modernized e-File (MeF) User Guides and Publications page at IRS.gov.

Software developers must pass the Assurance Testing System (ATS). If an Authorized IRS e-file Provider is a Software Developer whose only role in IRS e-file is software development, the Principals and Responsible Officials need not pass a suitability check during the application process. However, if a Software Developer performs the function of any provider options, in addition to software development, then suitability checks will apply.

Software developers are not required to retest when new schemas, either major or minor, are posted. However, retesting using the ATS system is strongly recommended when updating software with schema changes.

1.4.4.1 Software Developer Responsibilities

A Software Developer has a variety of responsibilities that include, but are not limited to:

- Adhering to specifications provided in official IRS publications;
- Ensuring its software creates accurate electronic returns;
- Promptly correcting all software errors that cause tax returns to reject; and
- Distributing the corrections to all affected parties.

1.4.5 Online Provider

An Online Provider transmits business income tax return information prepared by a taxpayer using commercially purchased software or software provided by an Internet site.

1.4.5.1 Online Provider Responsibilities

An Online Provider has a variety of responsibilities that include, but are not limited to:

- Ensuring the use of an EFIN or ETIN obtained for online filing;
- Ensuring the EFIN of the ISP is included in the electronic return data when applicable;
- Transmitting online returns electronically to the IRS;

Return to Table of Contents

- Notifying the taxpayer of the status of a return by:
    - Sending an electronic transmission to the taxpayer or the ISP, when applicable, within two business days of retrieving the acknowledgment file from the IRS, or
    - Mailing a written notification to the taxpayer within one business day of retrieving the acknowledgment file;
- Providing the Internet Protocol (IP) information, which consists of the IP Address, IP Date, IP Time and IP Time Zone;
- Entering into agreements with companies to allow access to online filing only if the company correctly captures the IP Address of the computer submitting the return and the date, time, and time zone of the computer receiving it; and
- Including the Originator Type "Online Filer" in the Return Header.

1.4.6 Intermediate Service Provider (ISP)

An ISP assists with processing return information between an ERO, or the taxpayer in the case of Online Filer, and a Transmitter.

1.4.6.1 ISP Responsibilities

An ISP has a variety of responsibilities that include, but are not limited to:

- Including its EFIN and the ERO's EFIN with all return information forwarded to a Transmitter;
- Serving as a contact point between its client ERO and the IRS, if requested;
- Providing the IRS with a list of each client ERO, if requested; and
- Adhering to all applicable rules that apply to transmitters.

1.4.7 Reporting Agent

A Reporting Agent originates the electronic submission of certain returns for its clients, and/or transmits the returns to the IRS. A Reporting Agent must be an accounting service, franchiser, bank, or other entity that complies with Rev. Proc. 2007 38, 2007-25 I.R.B. 1442, and is authorized to perform one or more of the acts listed in Rev. Proc. 2007-38 on behalf of a taxpayer. Reporting Agents must submit Form 8655 *Reporting Agent Authorization* to the IRS prior to or at the same time that they submit an IRS e-file application.

Return to Table of Contents

1.4.8 Large Taxpayer

A Large Taxpayer is also a Provider Option on the IRS e-file Application but it is not an Authorized IRS e-file Provider. The creation of an IRS e-file Application for Large Taxpayers is different from the Authorized IRS e-file Providers Application. Therefore, large corporations should carefully read Part 5 of this publication for specific information.

For purposes of electronic filing, the IRS defines a Large Taxpayer as a business or other entity with assets of $10 million or more, or a partnership with more than 100 partners without regard to the asset threshold, which originates the electronic submission of its own return(s).

1.5 Communicating with IRS

The following IRS e-file information resources are available to providers.

The IRS e-help Desk provides assistance in support of MeF software and communication testing for corporate, partnership, estates and trusts, employment, excise, and tax exempt returns throughout the filing season. The e-help Desk also provides assistance with e-Services registration and the IRS e-file application processes. Contact the e-help Desk at 1-866-255-0654 or if outside the U.S. and U.S. Territories 1-512-416-7750. You may also contact the e-help Desk with comments or suggestions regarding Publication 4163 or if you have technical questions regarding the e-filing of Forms 720, 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944, 945, 990, 990-EZ, 990-N, 990-PF, 1041, 1065, 1065-B, 1120, 1120-F, 1120-POL, 1120S, 2290, 7004, 8849 and/or the 8868.

1.5.1 Modernized e-File (MeF) Status Page

The MeF Status page provides information on:

- Current system status
- System maintenance
- Unplanned system interruptions and processing delays

MeF uses QuickAlerts, an IRS e-mail service, to disseminate information quickly regarding MeF issues to subscribers. This service keeps tax professionals up to date on MeF issues throughout the year, with particular emphasis on issues during the filing season.

After subscribing, authorized IRS e-file Providers receive round-the-clock communications about issues such as processing delays, program updates, and early

Return to Table of Contents

notification of seminars and conferences. New subscribers may sign up through the subscription page link located on the QuickAlerts "More" e-file Benefits for Tax Professionals page.

The subject line of a QuickAlert will usually identify targeted providers such as software developers and transmitters, and/or electronic return originators as well as the targeted taxpayer type, either individual or business e-file.

For additional information and assistance on MeF and forms and publications, refer to Table 1–1.

Table 1–1: MeF Information

Topic	Service	Phone Number
Electronic Funds Withdrawal (Direct Debit) Payments	Check the status of payments or cancelled deferred payments. Visit the Electronic Funds Withdrawal page on IRS.gov for more information.	1-888-353-4537
Publications and Tax Forms	Obtain IRS publications and tax forms by phone or go to Forms and Publications on IRS.gov	1-800-829-3676
Draft Tax Forms And Instructions	Obtain draft versions of IRS tax forms and instructions at Draft Tax Forms on IRS.gov.	1-800-829-4933
Business and Specialty Tax Help	Request IRS Tax Assistance for corporate, partnership, tax exempt, employment or excise returns.	1-800-829-4933

1.5.2 Helpful Publications and Information

Use any of the following methods to access publications and information in the subsequent table:

1. Access Telephone Assistance Contacts for Business Customers on IRS.gov.
2. Access Forms and Publications on IRS.gov
3. Access the following link: IRS e-File Technical Publications
4. Search on IRS.gov "Keyword/Search Terms" box
5. Access the links in Table 1–2:

Return to Table of Contents

Table 1–2: Helpful Publications and Information

Process	Provider Option	Publication Description and/or Link
e-Services Registration	All	Registration Services allows individuals to conduct business electronically with IRS through a one-time, universal registration process. e-services Online Tutorials
Creating an IRS e-file Application	EROs, Transmitters, Software Developers, Online Providers, ISPs, Reporting Agent	Publication 3112, *IRS e-file Application and Participation*: Provides information on how to create an IRS e-file application. Successful completion of the IRS e-file application provides an Electronic Filing Identification Number (EFIN) and Electronic Transmitter Identification Number (ETIN) necessary to originate and transmit returns to IRS.
	Large Taxpayers	Part 5 of Publication 4163, *IRS e-File for Large Taxpayers Filing Their Own Corporate Income Tax Return*: Provides information on how to create an IRS e-file application specific to Large Taxpayers. Successful completion of the IRS e-file application provides an Electronic Filing Identification Number (EFIN) and Electronic Transmitter Identification Number (ETIN) necessary to originate and transmit returns to IRS.
Current Schema Known e-file Issues and Solutions	Software Developers and Transmitters	Known e-file Issues and Solutions: Contains temporary workaround solutions for known issues within active schema versions. The issues and solutions can be found on the same page the schema is posted, by form and tax year.
Assurance Test System (ATS) Testing	All	Publication 5078, *Modernized e-File Test Package*: Contains testing information for Corporations, Partnerships, Estates and Trusts, Employment, Excise and Tax Exempt returns. Test Scenarios can be found at Modernized e-File (MeF) Assurance Testing System (ATS) Updates on IRS.gov.

Return to Table of Contents

Process	Provider Option	Publication Description and/or Link
Technical Information	Software Developers and Transmitters	Publication 4164, *Modernized e-File Guide for Software Developers and Transmitters*: Contains communications procedures, transmission formats, business rules and validation procedures for returns e-filed through MeF.
Attachments to: • Unique Tax Returns: Forms 720/2290/8849 • Exempt Organization returns: Forms 990/990-EZ/990-PF/1120-POL • Estate and Trust Tax Returns: Form 1041 • Partnership Tax Returns: Form 1065/1065-B • Corporate Tax Returns: Form 1120/1120S/ 1120-F	EROs and Software Developers	Each form family's Schema and Business Rule page on IRS.gov contains a list of all attachments, forms and schedules that can be filed for Tax Year 2014. Also refer to Part 4.10 of this publication.
Attachments to Employment Tax returns: Forms 940, 940-PR 941, 941-PR, 941-SS, 943, 943-PR, 944, and 945.	EROs, Reporting Agents, Software Developers	

Return to Table of Contents

1.6 Overview and Benefits of Modernized e-File (MeF)

The Modernized e-File (MeF) system was developed to provide a standardized format using the widely accepted Extensible Markup Language (XML) format and standardized transmission methods for e-filed returns. IRS works regularly with stakeholders, including accounting firms, practitioners, software developers and the states, to identify and resolve issues relative to MeF return and downstream processing. MeF also provides:

- **More explicit error conditions**—Plain English explanations in the Acknowledgement File pinpoint the location of the error(s) in the return and provide complete information.

- **Faster acknowledgements**—Transmissions are processed upon receipt and acknowledgments are returned in near real-time.

- **Integrated refund and payment options**—Refunds can be electronically deposited in bank accounts or balance due payments can be electronically withdrawn from bank accounts. Payments are subject to limitations of the Federal Tax Deposit Rules found in Publications 3151, *The ABCs of Federal Tax Deposits* and 3151A, *The ABC's of Federal Tax Deposits (Resource Guide)*.

- **The capability to attach supporting forms and schedules**—Forms 720, 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944, 945, 990, 990-EZ, 990-N, 990-PF, 1041, 1065, 1065-B, 1120, 1120-F, 1120S, 1120-POL, 2290, 7004, 8868, 8849 and their supporting forms and schedules can be e-filed in MeF. See each form family's Schema and Business Rule page at IRS.gov for Tax Year 2014 accepted forms and schedules. Also refer to Part 4.10 of this publication.

- **24/7 transmissions**—MeF allows transmitters to send transmissions to the IRS year round, except for a short cutover period at the end of the calendar year.

- **A completely paperless process**—Taxpayers using a third-party practitioner can use the Practitioner Personal Identification Number (PIN) option; see *Signing an Electronic Return* in this document. Forms 8453-C, 8453-S, 8453-I, 8453-PE, 8453-B, 8453-EX, 8453-EO, 8453-EMP and 8453-FE can be printed, signed by the Corporate Officer, Principal or Fiduciary and when applicable, the ERO and/or Paid Preparer, and then scanned and attached to the return as a Portable Document Format (.pdf) file. Form 8665 is used by reporting agents to sign and file certain returns electronically. All other attachments for which XML schemas have not been developed can be attached as .PDF files.

- **Support for filing prior-year returns**—MeF can process the current and two previous years of returns. For Processing Year 2015, taxpayers can e-file returns for TY 2014, TY 2013, TY 2012, and for some TY 2015 returns.

Return to Table of Contents

Note: For Processing Year 2015, 1041 and 94x Forms will not be accepted for TY 2012 returns.

1.7 New for Processing Year 2015

1.7.1 New Forms

- Form 8962, *Premium Tax Credit*
- Form 8965, *Reporting of Exemption from Coverage*

1.7.2 New Processes and Procedures

1.7.2.1 Form 1041

Form 1041 can only be e-filed through the MeF platform in Processing Year 2015. The Legacy system will **not** accept Form 1041 in Processing Year 2015.

1.7.2.2 Form 1041 Multiple Tax Return Listing (MTRL) Process Change

As part of a regular review process, the IRS has determined that the Multiple Tax Return Listing (MTRL) process used to sign electronically filed Form 1041, *U.S. Income Tax Return for Estates and Trusts* must be modified. Beginning Jan. 1, 2015, the IRS e-file Signature Authorization document, Form 8879-F, can only be associated with a single 1041 return, not with multiple forms as used in previous years.

This change is required for two reasons following additional legal review by the IRS. First, the perjury statement on the form refers to amounts in Part 1 of the form and the relevant amounts are actually on the attached listing. Second, a signature on one form cannot ensure that the signer reviewed and approved each of the Forms 1041 in the listing.

1.8 Forms for Processing Year 2015

MeF can process all the following parent forms in XML. Check IRS.gov for the exact date MeF will begin processing. A complete listing of forms, including new forms, that MeF accepts can be found on the IRS.gov website at each form family's Schema and Business Rule page and in Part 4.10 of this publication.

1.8.1 Extension Applications

- **Form 7004**, *Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns*
- **Form 8868**, *Application for Extension of Time To File an Exempt Organization Return*

Return to Table of Contents

1.8.2 Corporation Returns

- **Form 1120**, *U.S. Corporation Income Tax Return*
- **Form 1120-F**, *U.S. Income Tax Return of a Foreign Corporation*
- **Form 1120S**, *U.S. Income Tax Return for an S Corporation*

1.8.3 Tax Exempt/Government Entity (TEGE) Returns

- **Form 990**, *Return of Organization Exempt From Income Tax*
- **Form 990-EZ**, *Short Form Return of Organization Exempt From Income Tax*
- **Form 990-N**, *Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required To File Form 990 or 990-EZ*
- **Form 990-PF**, *Return of Private Foundation or Section 4947(a)(1) Trust Treated as Private Foundation*
- **Form 1120-POL**, *U.S. Income Tax Return for Certain Political Organizations*

1.8.4 Partnership Returns

- **Form 1065**, *U.S. Return of Partnership Income*
- **Form 1065-B**, *U.S. Return of Income for Electing Large Partnerships*

1.8.5 Excise Tax and e-filing Compliance Returns (ETEC)

- **Form 2290**, *Heavy Highway Vehicle Use Tax Return*
- **Form 720**, *Quarterly Federal Excise Tax Return*
- **Form 8849**, *Claim for Refund of Excise Taxes* (All Schedules available)

1.8.6 Estate and Trust Returns

- **Form 1041**, *U.S. Income Tax Return for Estates and Trusts*

1.8.7 Employment Tax Returns

- **Form 940**, *Employer's Annual Federal Unemployment (FUTA) Tax Return*
- **Form 940-PR**, *Planilla para la Declaración Federal Anual del Patrono de la Contribución Federal para el Desempleo (FUTA)*
- **Form 941**, *Employer's QUARTERLY Federal Tax Return*
- **Form 941-PR**, *Planilla para la Declaración Federal TRIMESTRAL del Patrono*

Return to Table of Contents

- **Form 941-SS**, *Employer's QUARTERLY Federal Tax Return (American Samoa, Guam, the Commonwealth of Northern Mariana Islands, and the U.S. Virgin Islands)*
- **Form 943**, *Employer's Annual Federal Tax Return for Agricultural Employees*
- **Form 943-PR**, *Planilla para la Declaración Anual de la Contribución Federal del Patrono de Empleados Agrícolas*
- **Form 944**, *Employer's ANNUAL Federal Tax Return*
- **Form 945**, *Annual Return of Withheld Federal Income Tax*

1.9 PTIN Procedures

1.9.1 Preparer Tax Identification Number (PTIN)

Beginning January 1, 2011, all paid preparers must have a Preparer Tax Identification Number (PTIN) before preparing returns. Also, all enrolled agents are required to have a PTIN. The cost for the original PTIN application is $64.25.

All PTINs expire on December 31 of each year. PTIN renewal open season begins approximately October 16 each year for the following year. The PTIN renewal fee is $63 and is required annually.

Additional information on the PTIN process can be found at IRS.gov.

1.10 Tax Relief in Disaster Situations

Special tax provisions may help businesses recover financially from the impact of disasters. For additional information, please access Disaster Assistance.

1.11 The Requirement to e-File

While millions of taxpayers e-file voluntarily, certain corporations, partnerships, and tax exempt organizations are required to e-file. In the past several years, the Department of the Treasury issued regulations requiring certain entities to e-file. Complete regulations and the history of the requirement to e-file can be found on the IRS.gov website at the following links.

1.11.1 Tax Exempt/Government Entities (TEGE)

Required e-filing of Forms 990 and 990-PF for certain large tax-exempt organizations—For tax years ending on or after December 31, 2006, exempt organizations with $10 million or more in total assets may be required to e-file if the organization files at least 250 returns in a calendar year, including income, excise, employment tax and information returns. Private foundations and non-exempt charitable trusts are required to file Forms 990-PF electronically regardless of their asset size, if

Return to Table of Contents

they file at least 250 returns annually. The electronic filing requirement does not apply to Form 8868. Both Part I, *Automatic 3-Month Extension of Time*, and Part II, *Additional (Not Automatic) 3-Month Extension of Time*, can be filed electronically or in paper format.

Annual Electronic Filing Requirement for Small Exempt Organizations, Form 990-N (e-Postcard)—Most small tax-exempt organizations whose annual gross receipts are normally $50,000 or less ($25,000 for tax years ending after December 31, 2007 and before December 31, 2010) are required to electronically submit Form 990-N, also known as the e-Postcard, unless they choose to file a complete Form 990 or Form 990-EZ instead.

There is no requirement to file Forms 990-EZ or 1120-POL electronically (e-file).

1.11.2 Estates and Trusts

Any tax preparer who anticipates preparing and filing 11 or more Forms 1040, 1040A, 1040EZ and 1041 during a calendar year must use IRS e-file. Section 6011(e)(3) of the Internal Revenue Code requires specified tax return preparers to electronically file certain federal income tax returns that they prepare and file for individuals, trusts or estates. Final Regulations provide further guidance on this requirement. See T.D. 9518. See also *Most Tax Return Users Must Use IRS e-File* on the IRS.gov website.

1.11.3 Partnerships

Treasury Regulations Section 301.6011-3(a) provides that if a partnership with more than 100 partners is required to file a partnership return, the information required by the applicable forms and schedules must be filed electronically, unless a waiver from the electronic filing requirement has been granted. Returns filed electronically must be prepared in accordance with applicable revenue procedures or publications. Announcement 2002-3 excludes Fiscal Year filers for Tax Year 2001 only.

1.11.4 Large Business and International (LB&I) Corporations

1.11.4.1 Form 1120-F Foreign Corporations

Treasury Decision (T.D.) 9363 provides authorization to extend the requirement to e-file for certain corporations, including Form 1120-F. **For tax years ending on or after December 31, 2008, foreign corporations who file Form 1120-F and meet the T.D. 9363 criteria are required to e-file their return(s).** Be sure to check the IRS.gov website for the latest information on the requirement to e-file this form.

1.11.5 Excise Tax Returns

The American Jobs Creation Act statutorily requires that any taxpayer who files a Form 2290 with respect to 25 or more vehicles for any taxable period shall file such returns electronically.

Note: Corporations, partnerships or tax exempt organizations **not meeting the criteria** set out for their particular form in Treasury Decision (T.D.) 9363 and the

Return to Table of Contents

Taxpayer Relief Act of 1997, Section 1224 (December 31, 2000), and American Jobs Creation Act (October 2004) are excluded from the requirement to e-file. However, these entities are encouraged to e-file voluntarily.

2 MeF Rules and Requirements

2.1 Participating in the IRS e-File Program

Part 5 of this publication provides details for Large Taxpayers who electronically file their own income tax return. For purposes of electronic filing, the IRS defines a Large Taxpayer as a business or other entity with assets of $10 million or more, or a partnership with more than 100 partners without regard to the asset threshold, which originates the electronic submission of its own return(s).

To begin e-filing tax returns or developing tax preparation software for the submission of returns to the IRS, you must apply and be accepted as an authorized IRS e-file Provider.

To apply for IRS e-file, you must first register with e-Services. This is a one-time, universal registration process that authenticates individuals and allows them to conduct business electronically with the IRS. Complete instructions for registering for e-Services can be found by accessing e-Services—Online Tools for Tax Professionals on the IRS.gov website.

Effective Oct. 1, 2012, applications to become an IRS e-file Provider must be submitted online. The IRS will no longer accept paper e-file applications.

Once you have successfully registered and confirmed your registration, you will need to complete an online IRS e-file application for your business location. Part 1.3 of this document and Publication 3112, *IRS e-file Application and Participation*, explain the different types of provider options as well as the roles and responsibilities of being an Authorized IRS e-file Provider. They also include information on passing suitability and other requirements.

Note: Software developers with no other provider options (ERO, Transmitter, and so on) are not required to undergo suitability.

We recommend you complete the e-Services registration and IRS e-file Application process at least 45 days before you plan to e-file any returns. IRS also recommends that you have at least two Responsible Officials for back-up purposes.

Return to Table of Contents

In order to transmit returns directly to IRS, all providers must designate one or more representatives on the IRS e-file application as their MeF Internet Transmitter (IFA) and/or MeF System Enroller (A2A).

Revenue Procedure 2007-40, IRB 2007-26**,** which was published on June 25, 2007, supersedes Revenue Procedure 2005-60 (2005-35 IRB 449). Revenue Procedure 2007-40 informs Authorized IRS e-file Providers of their obligations to the IRS, taxpayers, and other participants in the IRS e-file program.

2.2 Maintaining Your IRS e-File Application

Important information on maintaining your IRS e-file Application:

1. Form Types – IRS e-file applications must be current and must list all the form types (1120, 1065, 990, etc.) that you plan to originate and transmit to the IRS throughout the year. To avoid having returns reject because of an incorrect form type, IRS e-file Applications must be kept up to date. Please be aware of all the forms that each family includes, e.g., the 1120 family includes 1120, 1120S, 1120-F and 7004; the 1065 family includes 1065, 1065-B and 7004. In your e-file application, check the appropriate box for each of the forms you plan to file.

2. Maintain your IRS e-file Application—Update your IRS e-file application to remove any Principal, Responsible Official or Delegated User who no longer works with your organization and who is no longer assigned the designated responsibility on the application.

3. Principals, Responsible Officials and Delegated Users must change their passwords every 180 days. You must keep your e-Services password active to maintain your IRS e-file application. IRS recommends that you have at least **two** Responsible Officials for back-up purposes.

4. **If your Password or PIN is forgotten or lost**, you must repeat the authentication and confirmation process using the Forgotten or Lost Password or PIN link on the e-Services login page. You will be required to create both a new Password and PIN. You will need your username, SSN/ITIN, date of birth and Adjusted Gross Income (AGI) from your most recent individual income tax return. If the information you provide matches our data, we will issue a registration confirmation code to you via the U.S. Postal Service. To complete your registration, you must log back into our web site within 28 days of your registration submission and enter the confirmation code you received. Your confirmation code will expire after 28 days if you do not confirm, and you will have to repeat the process.

Return to Table of Contents

You should keep all other information (for example, addresses, phone numbers) on the application current to avoid having your ETIN/EFIN disabled.

2.3 Adherence to MeF Rules

All providers must adhere to IRS e-file rules and requirements to continue participation in IRS e-file. Certain requirements are included in Revenue Procedure 2007-40, IRB 2007-26, which was published on June 25, 2007, and supersedes Revenue Procedure 2005-60 (2005-35 IRB 449). Adherence to all rules and requirements, regardless of where published, is expected of all providers. Some rules and requirements are specific to the activities performed by the Provider and are included in appropriate parts of this publication. The following list of requirements, while not all-inclusive, applies to all Authorized IRS e-file Providers of corporate income tax returns, tax-exempt organization returns, excise returns, partnership returns, estate and trust returns and employment returns. These rules do not apply to software developers who do not engage in any IRS e-file activity (such as transmitting returns) other than software development.

Authorized IRS e-file Providers requirements:

- Maintain an acceptable cumulative error or reject rate,
- Adhere to the requirements for ensuring that tax returns are properly signed,
- Include the ERO's EFIN as the return EFIN for returns the ERO submits to an Intermediate Service Provider (ISP) or Transmitter,
- Include the ISP's EFIN in the designated ISP field in the electronic return record, and
- Submit an electronic return to the IRS with information that is identical to the information provided to the taxpayer.

2.4 Protecting Taxpayer Information: Gramm-Leach-Bliley Act of 1999 and Federal Trade Commission Rules

Title V of the Gramm-Leach-Bliley Act (GLB Act) of 1999 established the policy stating that "financial institutions" have an obligation to respect the privacy of and protect the security and confidentiality of their customers' nonpublic personal information. "Financial institutions" is defined in GLB Act—15 USC Subchapter II, as "any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution," and are significantly engaged in financial activities. "Financial institutions" include tax preparation firms as

Return to Table of Contents

well as their affiliates. Refer to 16 CFR 313.2 and 313.3 for more information on the definition of “financial institutions.”

The GLB Act directed the Federal Trade Commission (FTC) to establish the Financial Privacy Rule and the Safeguards Rule. These rules apply to “financial institutions.” The Financial Privacy Rule requires companies to give consumers privacy notices that explain the institutions' information-sharing practices. In turn, consumers have the right to limit some—but not all—sharing of their information. The Safeguards Rule requires “financial institutions” under FTC jurisdiction to have measures in place, such as a written information security plan, to keep customer information secure. The Safeguards Rule also applies to recipients of and service providers to “financial institutions.” Thus, tax preparation firms that collect nonpublic personal information from customers have an obligation to make sure that their service providers safeguard the information.

FTC advises, “The Financial Privacy Rule does not supersede the restrictions in section 7216. The GLB Act and the Agencies' implementing regulations do not authorize a ‘financial institution’ to disclose nonpublic personal information in a way that is prohibited by some other law. Therefore, you [financial institutions] may not avoid the restrictions of section 7216 by providing customers with an opt-out notice and a reasonable opportunity to opt out.”

The GLB Act, the Financial Privacy Rule and the Safeguards Rule cover volunteer tax assistance services. The Financial Privacy Rule does not apply to businesses such as Payroll Service Providers whose customers are other businesses and not individual consumers.

For additional information please visit the Federal Trade Commission website where you can find documents, guidance, and useful information about the GLB Act, the Financial Privacy Rule and the Safeguards Rule.

2.5 Safeguarding MeF Data from Fraud and Abuse

2.5.1 Safeguarding Taxpayer Information

IRS Publication 4557, *Safeguarding Taxpayer Data: A Guide for Your Business* provides guidance on federal and state information security laws and regulations, as well as industry standards and best practices. Providers should read this publication to ensure they are handling taxpayer data in the manner prescribed by law.

IRS Publication 4600, *Safeguarding Taxpayer Information: Quick Reference Guide for Business* is a tri-fold brochure that summarizes and introduces Publication 4557. Businesses may use the brochure as an information security awareness and marketing tool.

If you have any comments on Publication 4557 or Publication 4600, please send an e-mail to Safeguard.data.tp@irs.gov.

Return to Table of Contents

2.5.2 Safeguarding Against Fraud and Abuse

A potentially abusive return is a return that the taxpayer is required to file but contains inaccurate information that may lead to an understatement of a liability or the overstatement of a credit resulting in a refund to which the taxpayer may not be entitled.

Neither the IRS nor providers benefit when fraud or allegations of abuse tarnish the integrity and reputation of IRS e-file. Safeguarding of IRS e-file from fraud and abuse is the shared responsibility of the IRS and Authorized IRS e-file Providers. Providers must be diligent in recognizing and preventing fraud and abuse in IRS e-file.

Each Principal, Responsible Official and Delegated User is responsible for ensuring they conform to IRS e-file rules and requirements. Providers with problems involving fraud and abuse may be suspended or expelled from the IRS e-file program, may be assessed civil and preparer penalties, or may be subject to legal action.

To learn about the integrity of MeF data and security during transmission of MeF returns over the Internet access Security During Transmission of MeF Returns Using the Internet at IRS.gov.

2.6 Disclosure of Tax Return Information

Under 26 CFR § 301.7216, disclosure of tax return information among Authorized IRS e-file Providers for the purpose of preparing a tax return is permissible. For example, an ERO may pass on tax return information to an ISP and/or a Transmitter for the purpose of having an electronic return formatted and/or transmitted to the IRS. However, if the tax return information is disclosed or used in any other way, an ISP and/or a Transmitter may be subject to the penalties described in § 301.7216 and/or the civil penalties in Internal Revenue Code (IRC) § 6713 for unauthorized disclosure or use of tax return information.

2.7 Submitting a Timely-Filed Electronic Tax Return

All prescribed due dates for filing paper income tax returns apply to electronic returns. All Providers must ensure that returns or applications for extensions of time to file are timely processed. See information in Part 3.28 for information concerning Electronic Postmarks.

An electronically filed return is not considered filed until the electronic portion of the tax return has been acknowledged by the IRS as “accepted” for processing. To be accepted, all e-filed returns must have a signature—either an attached .PDF signature document (Form 8453 series) or through use of the Practitioner PIN method (Form 8879 series) or via the Reporting Agents PIN method for 94x family of forms (Form 8655). See Part 3.6, *Signing an Electronic Return* for more information.

Transmitters may provide electronic postmarks to taxpayers if the transmitters adhere to the requirements in Part 3.28 of this publication. The receipt of an electronic postmark will provide taxpayers with confidence that they have filed their return timely. All

Return to Table of Contents

requirements for signing the return, as well as resubmitting a rejected timely filed return, must be adhered to for the electronic postmark to be considered the date of filing.

2.8 Preparer Penalties

Preparer penalties may be asserted against an individual or firm meeting the definition of an income tax preparer under IRC § 7701(a)(36) and IRC § 301.7701-15. Preparer penalties that may be asserted under appropriate circumstances include, but are not limited to, those set forth in IRC § 6694, 6695, and 6713.

Under IRC § 301.7701-15(d), Authorized IRS e-file Providers are not income tax return preparers for the purpose of assessing most preparer penalties, as long as their services are limited to "typing, reproduction, or other mechanical assistance in the preparation of a return or claim for refund." If an ERO, ISP, Transmitter, or the tax preparation product of a Software Developer alters the return information in a non-substantive way, this alteration will be considered to come under the "mechanical assistance" exception described in IRC § 301.7701-15(d). A non-substantive change is a correction or change limited to a transposition error, misplaced entry, spelling error, or arithmetic correction.

If an ERO, ISP, Transmitter, or the tax preparation product of a Software Developer alters the return in a way that does not come under the "mechanical assistance" exception, the Authorized IRS e-file Provider may be considered "income preparers" for purposes of asserting income tax return preparer penalties. See IRC § 301.7701-15; Rev. Rul. 85-189, 1985-2 C.B. 341 which describes a situation in which the Software Developer was determined to be an income tax return preparer and subject to certain preparer penalties.

In addition to the above-specified provisions, the IRS reserves the right to assert all appropriate preparer and non-preparer penalties against an Authorized IRS e-file Provider as warranted. For further information about rules for tax preparers who are authorized to e-file, see Publication 3112.

2.9 Paperwork Reduction Act Notice

The collection of information contained in this publication has been reviewed and approved by the Office of Management and Budget in accordance with the Paperwork Reduction Act (44 U.S.C. 3507) under control number 1545-1708.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number. Books or records relating to a collection of information must be retained as long as their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. § 6103.

Return to Table of Contents

This information is required to implement IRS e-file and to enable taxpayers to file their corporate, partnership, excise, estate and trust, employment and tax-exempt organization income tax returns electronically. The information will be used to ensure taxpayers receive accurate and essential information regarding the filing of their electronic returns and to identify the persons involved in the filing of electronic returns. The collection of information is required to retain the benefit of participating in IRS e-file. The likely respondents are business or other for-profit institutions.

2.10 Provider Responsibilities in Obtaining, Handling, and Processing Return Information

Note: Details for those Large Taxpayers required to electronically file their own income tax return may be found in Part 5 of this publication. For purposes of electronic filing, the IRS defines a Large Taxpayer as a business or other entity with assets of $10 million or more, or a partnership with more than 100 partners without regard to the asset threshold, which originates the electronic submission of its own return(s).

2.10.1 Making Substantive Changes to the Return

An ERO who chooses to originate returns collected, but not prepared, becomes an “income tax return preparer” of the returns when, as a result of entering the data, discovers errors on the return that require substantive changes **and then makes the changes to correct those errors**. A non-substantive change is a correction limited to a transposition error, misplaced entry, spelling error or arithmetic correction. The IRS considers all other changes substantive, and an ERO becomes a tax return preparer when these changes are made. As such, the ERO may be required to sign the tax return as the tax return preparer.

A substantive change is one in which the “Total Income” amount differs by more than $150 or the “Taxable Income” amount differs by more than $100. If the electronic return data on a corporate income tax return is changed after the taxpayer signed the jurat, the taxpayer must sign a new Form 8453 (as applicable to the form type) if there is a substantive change in the Total Income or Taxable Income.

2.10.2 Providing a Copy of the Return to the Taxpayer

An ERO is required to submit an electronic return to the IRS with information that is identical to the information provided to the taxpayer and provide a complete copy of the return filed with the IRS to the taxpayer. The copy given to the taxpayer may be in any media acceptable to both the taxpayer and the Provider. A complete copy of a taxpayer's return consists of the electronic portion of the return, including all schedules, forms, .PDF attachments and jurats, which were filed with the IRS. The copy provided to the taxpayer must include all information submitted to the IRS to enable the taxpayer to

Return to Table of Contents

determine what schedules, forms, electronic files and other supporting material have been filed with the return. The copy, however, need not contain the taxpayer identification number of the Paid Preparer. The electronic portion of the return can be contained on a replica of an official form or on an unofficial form. On an unofficial form, however, data entries must be referenced to the line numbers or descriptions on an official form.

The taxpayer should be advised to retain a complete copy of the return and any supporting information. It is recommended to retain this information for a minimum of three years from the due date or extended due date of the tax return. This corresponds to the Statute of Limitations for that tax period, which is generally three years from the date the tax return is filed.

3 MeF Information Applicable to All Form Types

3.1 Preparing Your Return

Most corporations, partnerships and tax-exempt organizations have used software to prepare their returns for years. Whether you prepare your own return or have a third-party tax professional prepare it, you need to ensure that the software purchased has all the forms and schedules necessary to file your return. Not all software providers support all forms and schedules. It is the taxpayer's responsibility to verify the software provider chosen supports all the forms and schedules required, including the ability to file amended tax returns and/or short period returns, if necessary.

You can find software developers who have passed ATS on the Modernized e-File (MeF) Providers page at IRS.gov website at the following sites:

Return to Table of Contents

Table 3–1: Authorized IRS e-File Providers

Form	Link to List of Authorized IRS e-File Providers
720	720 e-file
94x	94x Modernized e-File (MeF) Providers
990/990N/990-EZ/990-PF/ 1120-POL/8868	Exempt Organizations
1041	1041 e-file
1065/1065-B	Partnerships
1120/1120-F/1120S/7004	Corporations
2290	2290 e-file
8849	8849 e-file

3.2 Validating Your Return

Validating an e-file return involves running the diagnostics built into the software used to prepare a return. IRS provides software developers all the business rules and XML schema requirements needed for each form and schedule to build into their software (see Exhibit 3). To ensure that the electronic return is complete and contains all required information, please follow the steps below:

1. Prepare the return using IRS-approved software that has all the forms and schedules necessary to file.
2. Check/validate the return to make sure it includes all forms, schedules, and attachments required to be filed with the return.
3. Check/validate the return to make sure it will be accepted by IRS.
4. Receive proper authorization to e-file the return.
5. Transmit the return.

When the return is transmitted to IRS, each of the XML schema requirements and business rules are checked. If there are no errors, the return will be accepted. If the return fails any of the business rules or schema requirements, the transmitter receives an acknowledgement from the IRS with the error description(s). When third-party transmitters are used, they must notify their clients of the rejection.

Return to Table of Contents

3.3 Return/Extension Due Date Tables

Links to the return due date and extended due date tables for Tax Year 2014 can be found in each form family's Tax Year 2014 Schema and Business Rule page on IRS.gov and Part 4.9 of this publication.

3.4 Short Period Returns for Corporate, Partnership and Estate and Trust Tax Returns

MeF accepts short period corporate, partnership and estate and trust tax returns.

3.4.1 Current Year Software is Available

When a taxpayer needs to file a short period return and the current year software is available, ensure the Tax Year in the Return Manifest and Return Header reflect the Tax Year of the schemas being used (e.g., in the current year, use TY2014). Then, enter the actual Beginning and Ending Date of the short period return (e.g., 11/01/2014–01/31/2015).

3.4.2 Current Year Software is Not Available

In certain situations, a taxpayer may need to file a short period return before their software is ready for the next tax year. For instance, at the beginning of calendar year 2015, a taxpayer may need to file a short period TY2014 return with Tax Period Beginning Date 01/01/14 and Tax Period Ending Date 01/31/14. Such a return would normally be filed on TY2014 software, but in this scenario, the TY2014 software may have not been developed. In this case, the taxpayer may use TY2013 software. Ensure that the Tax Year in the Return Manifest and Return Header reflect the Tax Year of the TY2013 schema and then enter the actual Beginning and Ending Dates of the short period return (i.e., 01/01/2014 - 01/31/2014). The return must reflect the laws applicable to the TY2014 return even though the schema being used is a TY2013 schema. When a short period corporate return is filed, regulations may require the taxpayer to attach Form 1128, provide an explanation of why the short period return is being filed, and/or cite the applicable Revenue Procedure (Rev. Proc.).

Note: Once current year TY 2014 software becomes available, it must be used to prepare the short period TY 2014 return.

If you use the Form 1128, attach it to the top-level of the return as a .PDF file and describe it as "Form 1128 for Short Period Return."

If a Revenue Procedure is required to be cited on the tax return, then the schema provides the ability to indicate "Pursuant to Rev. Proc. 2006-45" or "Pursuant to Rev. Proc. 2006-46."

To prevent processing delays, a number of indicators have been added to the 1041, 1120, 1120S and 1120-F schemas, which include a list of valid reasons that should be

Return to Table of Contents

used to explain why a short period return, is being filed. The indicators are listed in Table 3–2.

Table 3–2: Short Period Return Indicators

Schema	Indicator
1041	ShortPeriodReason1041Ind
1120	shortPeriodReasonCd
1120-F	shortPeriodReason11201120FInd
1120S	shortPeriodReasonCd

If the reason for your short period return is not on this list for Forms 1120, 1120S or 1120-F, use the General Dependency to indicate the reason that a short period return is being filed.

The General Dependency may be submitted in the General Dependency XML document or in a .PDF file. Provide the regulatory citation and explanation in the General Dependency .PDF file with the description "Short Period Return Explanation."

Note: The values transmitted in the return must be labeled precisely using one of the following values. Failure to name these items exactly as shown will cause the return to reject with a schema reject.

3.4.3 Valid Reasons for Forms 1041 Short Period Returns

- Form 1128 attached as a .PDF
- IRS granted change in tax period
- Trust is changing tax period under IRC Reg. 1.442.1(c)
- Rev. Proc. 76-10
- Rev. Proc. 85-58
- Rev. Proc. 87-32
- Rev. Proc. 2003-38
- Rev. Proc. 2006-46
- IRS Regulation 1.502-76
- Section 806 of Tax Reform Act of 1986

Return to Table of Contents

- Tax Period month changing to 12

3.4.4 Valid Reasons for Forms 1120 or 1120-F Short Period Returns

- National Office Grant Letter
- Filed under Revenue Procedure 2006-45 or 2006-46
- Notation referring to Section 898 (c)((1) A)
- Election Change in taxable year under Section 898 (c)(2)
- Section 1398 Election
- Second Short Year after Section 1398 Election
- Section 444 Election Terminated

3.4.5 Valid Reasons for Form 1120S Short Period Returns

- National Office Grant Letter
- Filed Under Revenue Procedure 2006-46
- S Election Termination or revocation is checked
- Statement on Qualifying Disposition under Reg. 1.1368-1(g)(2)(i)
- Statement on Termination of Shareholders Interest under Reg. 1377(a)(2) and 1.1377-(1)b
- Statement referring to S Election and taxpayer is changing to 12/31 calendar year end
- Statement the S corporation is coming out of consolidation
- Statement the corporation is a qualified sub chapter S subsidiary
- Section 444
- 1120S, Box A contains a date which matches the Tax Period Begin Date
- Section 1398 Election
- Second Short Year after Section 1398 Election

Return to Table of Contents

3.4.6 Forms 1065 and 1065-B Technical Termination Returns

Section 708(b)(1)(B) provides that a termination occurs where, "within a 12-month period, there is a sale or exchange of 50% or more of the total interest in partnership capital and profits." This is known as a type B termination or technical termination. Returns should be prepared for the appropriate tax period reflecting the respective partnership interests during that time. The final return for the period prior to the change in partner interest should have the "Technical Termination" **and** the "Final Return" checkbox marked. A second return will also be filed to reflect the initial return of the new partner(s)' interest(s) and should have the "Technical Termination" and the "Initial Return" checkbox marked. For further information, please see the Form 1065 instructions.

3.5 Superseding and Amended Returns

The MeF system processes both superseding and amended returns for Forms 1041, 1120, 1120S, 1120-F, 1065 and 1065-B. For Forms 990, 990-EZ, 990-PF and 1120-POL, MeF only processes amended returns. The table below indicates the form types for which superseding and amended returns can be processed through MeF (A=amended return, S=superseding return).

Table 3–3: Processed Superseding and Amended Returns

Tax Year	94x Series	990 Series	1041	1120	1120S	1120-F	1065	1065-B	2290
2012		A		A/S	A/S	A/S	A/S	A/S	A
2013		A	A/S	A/S	A/S	A/S	A/S	A/S	A
2014		A	A/S	A/S	A/S	A/S	A/S	A/S	A
2015									

If a taxpayer is or was required to e-file an original return in tax years ending on or after December 31, 2012, and the taxpayer needs to file an amended or superseding return, for that tax year, the amended or superseding return must also be e-filed.

Any taxpayer who has received an approved waiver from IRS to file on paper is exempted from this requirement. For tax years 2006 through 2011, which are no longer available on MeF, if the taxpayer was previously required to e-file an original return and is now filing an amended return, they are exempt from the requirement to e-file and should file using the existing paper process. In this situation, the taxpayer is not required to request a waiver.

Partnerships who are required to file an amended return electronically for a tax year no longer supported by MeF must contact the e-help Desk at 1-866-255-0654. The taxpayer should indicate they are required to file electronically an amended return, but MeF no longer supports the tax year for which they are filing the amended return.

Return to Table of Contents

Therefore, they are requesting a waiver from the requirement to file the amended return electronically.

Note: Corporate amended returns with carryback claims may be e-filed as long as the carryback claim box is checked.

3.5.1 Superseding Returns

A superseding return is a return filed subsequent to the originally filed return but filed within the filing period, including extensions. A superseding return must be a complete XML filing of the entire return, with all required forms, schedules and attachments (XML or .PDF, if applicable).

Note: A "Superseding Return" checkbox is available on certain MeF business returns; however, this checkbox is not available on their paper counterparts.

Access corporate superseding returns on the IRS.gov website for more information on corporate superseding returns.

For partnership returns, see Guidance for Amended Partnership Returns.

To file a superseding Form 990, 990-EZ, 990-PF, 1120-POL, and 2290, within the filing period (including extensions), the taxpayer should check the "Amended Return" box in the relevant schema. This eliminates the possibility of receiving a rejection for a duplicate filing.

For Forms 1041, 1065, 1065-B, 1120, 1120S, 1120-F, a taxpayer filing a superseding return must select the Superseded Return checkbox (designation) in the software or the return will reject as a duplicate filing. All of the business rules enforced for e-filing original returns are also enforced for superseding returns.

3.5.2 Amended Returns

An amended return is a return filed subsequent to the originally filed or superseding return and filed after the expiration of the filing period (including extensions).

Note: An "Amended Return" checkbox is available on certain MeF business returns; however, this checkbox may not be available on their paper counterparts.

When amending Form 1120, 1120S, 1120-F, 1065, and 1065-B returns, the taxpayer should include the main form and any forms and schedules necessary to support the changes that were made. When amending Form 1041, complete the entire return and correct the appropriate lines with the new information.

- For Form 1120, 1120S and 1120-F amended returns, only a subset of business rules relevant to the corresponding original returns will be enforced. This subset is posted on IRS.gov.

Return to Table of Contents

- For 1065, 1065-B and 1041 amended returns, **all** of the business rules for e-filing original returns will be enforced.

Beginning in Tax Year 2011 and subsequent years, partnerships who are required to file a Form 8082 along with their amended return will need to:

1. Complete the Form 8082 available electronically, and

2. Attach the "GeneralDependencySmall" to indicate if

    a. You are a Tax Matters Partner (TMP) filing an Administrative Adjustment Request (AAR) on behalf of the pass through entity and you are or not requesting a substituted return treatment.

    b. You are an Electing Large Partnership

Most taxpayers who e-file an amended return have previously e-filed the underlying original tax return. In these situations, the easiest way to e-file an amended return is simply to update the original return for the changed items. Once this has been completed, attach the required XML document (see below) and any other supporting explanations and e-file the amended return, ensuring that the Amended Return checkbox is selected.

Amended returns require **at a minimum**:

1. The corrected Form 1120, 1120S, or 1120-F return, completed in its entirety (all pages of the return), with the Amended Return checkbox selected.

2. All forms, schedules and attachments that changed or that support changes on the amended Form 1120, 1120S, or 1120-F including any subsidiary returns (if changed) and the information to support those changes.

3. **One** of the following:

    - For Form 1120—Attach to the amended Form 1120, the XML Form 1120X completed through Part I, line 10 or 11, as applicable, and Part II with the line number of each amended item, the corrected amount or treatment of the item, and an explanation of the reasons for each change.

    - For Forms 1120S and 1120-F—Attach to the amended Form 1120S or Form 1120-F, the XML document, **AmendedReturnChanges**, which identifies the line number of each amended item, description, the amount on the previous return, the amount on the amended return, and an explanation of the reasons for each change.

4. A signed signature document, Form 8453-C/S/I, as applicable or use of a Practitioner's PIN.

Return to Table of Contents

5. Appropriate forms to make a payment, request a refund or request a credit carryover to another year.

For Forms 1041, 1065, 1065-B, 990, 990-EZ, 990-PF, 1120-POL, and 2290, there is an “Amended Return” box in the XML schema. For these amended returns, a subset of business rules is currently not in place. In order to pass the business rules for these forms, you need to complete the entire return and all applicable fields.

An amended return for Form 720 (Form 720X) must be filed using the existing paper procedures.

For information on Form 1065/1065-B amended returns, see Guidance for Amended Partnership Returns.

3.5.3 Form 2290 VIN Correction

For Form 2290 a VIN Correction is treated the same as an Amended Return. If you must correct a VIN(s) previously reported on an e-filed Form 2290 due to a typographical error (transposed or incorrectly entered characters), a corrected Form 2290 must be filed with the IRS. The “VIN Correction” checkbox located on page 1 of the Form 2290 must be checked and the Schedule 1 must be completed using the corrected VIN(s). An explanation identifying which VIN(s) are being corrected from the original accepted e-filed return and why the VIN(s) are being corrected must be included. There are two (2) ways this can be done:

1. Attach a binary attachment (.pdf), or

2. Use the General Dependency Medium – the Description Element in the General Dependency Medium schema should be identified as "VIN Correction."

3.6 Signing an Electronic Return

A tax return filed through MeF is a composite of electronically transmitted data. As with any income tax return submitted to the IRS on paper, an electronic income tax return must be signed by an authorized tax return signer of the entity type (corporation, partnership, estates and trusts, employment taxes or exempt organization), the ERO (if applicable) and the paid preparer (if applicable). If the electronic return does not have an appropriate signature (see below), the return will be rejected. Treasury Decision (T.D.) 9300 provides guidance on signing requirements for each return type.

The MeF system requires taxpayers and providers to use specific signature methods for signing electronic returns. Available options are the Practitioner Personal Identification Number (PIN) method using Form 8879 or the Scanned Form 8453 method. Reporting agents should use the PIN method with Form 8655.

Return to Table of Contents

3.6.1 Practitioner Personal Identification Number (PIN) Signature Method—Form 8879

The Practitioner PIN option can **only** be used if the taxpayer uses an ERO. Follow the processes below to sign the return electronically:

1. The ERO contacts the taxpayer and requests they choose a five-digit, self-selected PIN as their electronic signature. The taxpayer can authorize the ERO to input this in the software (by phone, fax, etc.), or they can come to the ERO's office and enter the PIN directly into the software.

2. Each Form 8879 is tailored to a unique parent form (see Table 3–4). The ERO completes and prints out the appropriate Form 8879 and includes their PIN and the taxpayer's self-selected PIN. The ERO's electronic signature is comprised of an 11-digit PIN. The first six positions of the PIN are made up of the ERO's Electronic Filing Identification Number (EFIN) and the next five positions are made up of numeric characters the ERO chooses.

   Note: The ERO must sign and complete the requested information in the "Declaration of Electronic Return Originator [ERO]" section after thoroughly reading the declaration. An ERO may authorize members of its firm or designate employees to sign for the ERO, but the ERO is still responsible for all electronically filed returns originated by its firm. EROs do not have to disclose their Employer Identification Number (EIN) or Social Security Number (SSN) on the copies they provide to taxpayers.

3. If the return was prepared for a fee, the ERO's responsibility is to **identify the paid preparer** in the appropriate fields of the electronic return record for transmission. The ERO should complete the Form 8879 with the information received from the taxpayer. The paid preparer should keep a copy of the return approved and signed by the taxpayer using the Form 8879.

4. The ERO must retain the Form 8879 for three years from the return due date, extended due date, or the IRS received date, whichever is later. The ERO should provide a copy of the Form 8879 to the taxpayer, along with other return data as required. **Do not** mail these forms to the IRS.

Return to Table of Contents

As the ERO completes the XML schema return header, the following fields are required for the Form 1120 family practitioner PIN method, or the return will be rejected.

- Practitioner PIN
- PIN Entered By Code
- Name of Officer
- Title of Officer
- Taxpayer PIN/ Fiduciary PIN
- Date Signed

Note: Form 1041 return header schema does not include Name of Officer or Title of Officer. For the Form 1041, the taxpayer PIN is replaced by Fiduciary PIN. Other Form families may have other specific fields that are required to be completed.

Signature authorization is made on the following Forms 8879 for corporate, partnership, employment, estate or trust, tax-exempt organizations and excise tax filers (see Table 3–4). The forms are available for downloading at Forms and Publications on the IRS.gov website.

Return to Table of Contents

Table 3–4: PIN Signature Method Authorization Form

Form	Signature Authorization Form
940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944 and 945	8879-EMP (.pdf), *IRS e-file Signature for Forms 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944, and 945*
990, 990EZ, 990-PF, 1120-POL and 8868	8879-EO (.pdf), *IRS e-file Signature Authorization for an Exempt Organization*
1041	8879-F (.pdf), *IRS e-file Signature Authorization for Form 1041*
1065	8879-PE (.pdf), *IRS e-file Signature Authorization for Form 1065*
1065-B	8879-B (.pdf), *IRS e-file Signature Authorization for Form 1065-B*
1120	8879-C (.pdf), *IRS e-file Signature Authorization for Form 1120*
1120S	8879-S (.pdf), *IRS e-file Signature Authorization for Form 1120S*
1120-F	8879-I (.pdf), *IRS e-file Signature Authorization for Form 1120-F*
720, 2290 and 8849	8879-EX (.pdf), *IRS e-file Signature Authorization for Forms 720, 2290, and 8849*

3.6.2 Form 1041 Multiple Tax Return Listing (MTRL)

As part of a regular review process, the IRS has determined that the Multiple Tax Return Listing (MTRL) process used to sign electronically filed Form 1041, *U.S. Income Tax Return for Estates and Trusts* must be modified. Beginning Jan. 1, 2015, the IRS e-file Signature Authorization document, Form 8879-F, can only be associated with a single 1041 return, not with multiple forms as used in previous years.

This change is required for two reasons following additional legal review by the IRS. First, the perjury statement on the form refers to amounts in Part 1 of the form and the relevant amounts are actually on the attached listing. Second, a signature on one form cannot ensure that the signer reviewed and approved each of the Forms 1041 in the listing.

3.6.3 Scanned Form 8453 Signature Method

The Scanned Form 8453 method involves signing a paper document and attaching it to your electronic return. The authorized tax return signer of the entity type (corporation, estate or trust, employment, partnership, exempt organization, excise tax filer), signs

Return to Table of Contents

the appropriate form (see Table 3–5). The form is then scanned and attached to the electronic return as a .PDF file. The tax preparation software selected will provide instructions on how and where to attach this document to the electronic return. You must describe the scanned Form 8453 attachment in the return software as “8453 Signature Document.”

The Form 8453 series may be used as a declaration that the taxpayer signed the electronic return. This document is a jurat, an affidavit in which the taxpayer attests to the truth of the information contained in the return and attached return information. It has the same legal effect as if the taxpayer had actually and physically signed the return.

These forms were created specifically for each parent return type and need to be signed and dated by the authorized tax return signer of the entity type. **The IRS will not accept these documents submitted on paper.** Once signed and dated, they are to be scanned and submitted with the e-filed return as a .PDF file. Signing and dating the Forms 8453 authorizes the ERO, Transmitter, or ISP to send the return to the IRS. The Consent to Disclosure authorizes the IRS to disclose information to the taxpayer’s Authorized IRS e-file Provider. See each individual Form 8453 for specifics on the extent of disclosure authorized. EROs, Transmitters and ISPs are authorized to receive acknowledgement of receipt or reason for rejection of the electronic return from IRS.

The Multiple Tax Return Listing (MTRL) used for legacy Form 8453-F does not apply to Form 1041 in MeF. Form 8453-FE, which is available for the 1041 MeF program, will not include an option to mail the Form 8453 Signature Document to IRS. Each Form 1041 MeF Submission must have a signed Form 8453-FE if the Scanned Form 8453 Signature Method is used. **Form 8453-FE cannot be used as a transmittal to attach paper documents.**

If the electronic return data on a corporate income tax return is changed after the taxpayer signed the jurat, the taxpayer must sign a new Form 8453 if the “Total Income” amount differs by more than $150 or the “Taxable Income” amount differs by more than $100.

A copy of the signed form should be retained by the entity type, but should not be mailed to the IRS.

Signature authorization is made on the following Forms 8453. The forms are available for downloading at Forms and Publications on the IRS.gov website.

Return to Table of Contents

Table 3–5: Scanned Form 8453 Method Authorization Form

Form	Signature Authorization Form
940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944 and 945	8453-EMP (.pdf), *Employment Tax Declaration for an IRS e-file Return - For use with Forms 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944, and 945*
990, 990EZ, 990-PF, 1120-POL and 8868	8453-EO, *Exempt Organization Declaration & Signature for Electronic Filing*
1041	8453-FE, *U.S. Estate or Trust Income Tax Declaration and Signature for an IRS e-file Return*
1065	8453-PE, *U.S. Partnership Declaration and Signature for Electronic Filing*
1065-B	8453-B, *U.S. Electing Large Partnership Declaration for an IRS e-file Return*
1120	8453-C, *U.S. Corporation Income Tax Declaration for an IRS e-file Return*
1120S	8453-S, *U.S. S Corporation Income Tax Declaration for an IRS e-file Return*
1120-F	8453-I, *Foreign Corporation Income Tax Declaration for an IRS e-file Return*
720, 2290 and 8849	8453-EX (.pdf), *Excise Tax Declaration for an IRS e-file Return*

Note: Form 2290 on-line filers who do not use an ERO should refer to Publication 4164 for alternative signature requirements.

3.6.4 Reporting Agents Personal Identification Number (PIN) Signature Method—Form 8655

Reporting Agent—A Reporting Agent is an accounting service, franchiser, bank, or other entity that complies with Rev. Proc. 2007-38, 2003-2 C.B. 403, and is authorized to prepare and electronically file Forms 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944 and 945 for a taxpayer. Reporting agents sign all of the electronic returns they file with a 5-digit PIN signature. The Reporting Agent PIN is issued through the IRS e-file application process as a result of selecting Reporting Agent as a provider option on

Return to Table of Contents

the application. Reporting agents may transmit their own returns, or may use the services of a third-party transmitter. See Publication 1474.

Become a Reporting Agent, and receive a 5 digit PIN to sign 94x returns transmitted via the Employment Tax e-file System. Potential e-file participants that use the 94x e-file Program select the Reporting Agent provider option on their IRS e-file Application. Applications can be completed on-line after first registering for e-Services.

Authorized Reporting Agents prepare, sign and e-file all 94x Family of returns for his/her clients. For complete guidelines refer to Publication 3112 and Revenue Procedure 2007-40.

Form 8655, *Reporting Agent Authorization*, gives the tax professional authority to sign the client's return with their reporting agent's 5 digit-PIN.

Note: Reporting agents must adhere to the following:

- Revenue Procedure 2007-38, *Requirements for Completing and Submitting Form 8655, Reporting Agent Authorization*
- Publication 1474, *Technical Specification Guide for Reporting Agent Authorization and Federal Tax Depositors*
- Submit an agent's list containing the names, EINs, and addresses of the taxpayers for whom they will file returns. Publication 1474, page 13, Exhibit 2 shows how to create an agent list.
- Submit an authorization made on Form 8655, *Reporting Agent Authorization* with a revision date of May 2005 or later (or its equivalent), for each taxpayer included on the agent's list. For instructions on preparing Form 8655, see Rev. Proc. 2007-38.

3.6.5 OnLine e-Filer Signature Method (IRS Authorized Signer)

OnLine e-Filer—This signature method is only available for use when submitting Forms 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944 and 945. Only a Principal for the business or organization can apply to become the IRS Authorized Signer and participate in the 94x OnLine e-Filer Program.

1. To become a 94x OnLine e-Filer participant, the applicant must first complete the electronic 94x PIN Registration Process. The 94x PIN Registration Process is used to request an IRS issued 10-digit PIN, used by the Authorized Signer to sign the 94x Family of OnLine e-filed returns. The Authorized Signer must register for the 94x OnLine e-Filer PIN through an approved software provider who offers this service to their clients, by completing the 94x PIN Registration via the Internet, using a personal computer, modem, and IRS Approved Commercial Off-the-Shelf (COTS) software. The IRS Approved software must be downloaded

Return to Table of Contents

from an Internet site and prepared off-line or the software can be used on-line. Prospective 94x OnLine e-Filers must submit the 94x Registration at least 45 days in advance of the due date of the 94x return to ensure timely filing of 94x e-file returns.

2. The IRS Authorized Signer will receive a 10 digit PIN used to sign electronically filed 94x returns through the IRS Approved COTS software. This method is not acceptable for tax professionals. Form 8655, *Reporting Agent Authorization*, gives the tax professional authority to sign the client's return with their Reporting Agent's 5 digit PIN, NOT the OnLine e-filer's assigned 10 digit PIN. The OnLine e-filer's 10 digit PIN is not to be shared; therefore, if the tax professional enters the client's 10 digit PIN on their behalf, they are doing so without a signed authorization.

The Authorized Signer acts for the entity in legal and/or tax matters and is held liable for filing all 94x returns and making all 94x tax deposits and payments, adhering to all rules and regulations as set forth in Publication 4163, Publication 3823, Publication 15 (Circular E), Employer's Tax Guide and Revenue Procedures 2007-40. Refer to Publication 3823 for complete details regarding the OnLine e-Filer Signature.

Approved 94x OnLine e-Filers are only allowed submission of 5 returns a year, using the IRS Approved COTS software. Approved 94x OnLine e-Filers cannot file bulk returns or e-file returns for other businesses.

3.7 Applications for Extension of Time to File—Forms 7004 and 8868

If a payment **is not** submitted with Form 7004 a signature is not required.

If a payment **is** submitted with Form 7004 you must use the Practitioner PIN or the ACH Debit Agreement Indicator to sign the extension application and payment.

- When filing through an ERO, you may use the Practitioner PIN to sign your extension.
- If you are not filing through an ERO then the ACH Debit Agreement Indicator is the option you must use to sign your return. Check with your software developer for further instructions.

Form 8868, *Application of Extension of Time to File an Exempt Organization Return*, Part I, does not require a signature if it is not submitted with a payment. A signature is **always** required for Form 8868, Part II. If providing a payment with either Part I or Part II, you may use the Practitioner PIN or the scanned Form 8453-EO method to submit the extension application and payment.

Return to Table of Contents

3.8 Other Forms and Elections Requiring Signatures

Many forms that may be attached to MeF forms have separate signature lines. IRS Chief Counsel reviewed regulations to identify forms and elections that require a separate signature to determine if the requirements can be changed. Treasury Decision (T.D.) 9300 and T.D. 9329 contain amendments to the Income Tax Regulations (26 CFR Part 1) and Procedure and Administration Regulations (26 CFR Part 301). This decision also eliminates some of the regulatory requirements considered impediments to the electronic submission of tax returns and other forms filed by corporations, partnerships and other businesses with regard to third-party signature requirements. These regulations impeded electronic filing by requiring taxpayers to:

1. Include third-party signatures on their tax returns,
2. Attach documents or statements generated by third-parties, and/or
3. Sign an IRS form and file it as an attachment to their income tax return.

3.8.1 Signature Requirements for Elections

IRS Counsel reviewed Treasury Regulations to identify elections that require a signature to determine if the requirements can be changed. IRS published the results of this review on IRS.gov on the e-file for Large Business and International web page. Elections that require a separate signature may be submitted in .PDF format.

3.9 Attaching Portable Document Format (.pdf) Files

Portable Document Format (.pdf) files attached to a return must contain a meaningful file name and description. The description will be used when the IRS displays the name of the attachment, for example, “Foreign Tax Credit Carryover” (see Exhibit 4 for recommended names and descriptions for .PDF files). We recommend that .PDF files be attached at the top-level return, unless there is a reason it needs to be attached at a form level or to one of the General Dependency schemas.

The reference is created from the element to the Binary Attachment XML document, not to the .PDF file. If no reference is created to the Binary Attachment XML document, then the .PDF file is considered to be “attached” to the Submission. Creating reference(s) to .PDF files is necessary when the IRS specifies the conditions under which the reference must be created and the reference locations within return data where the reference must exist.

In order to facilitate the processing of your return, **do not** password protect or encrypt .PDF attachments submitted through MeF.

Return to Table of Contents

3.10 Special Instructions for Supporting Data Required by Form 8865

In many instances, information on schedules attached to Form 1065 will be the same schedules as required to be filed with Form 8865*, Return of U.S. Person with Respect to Certain Foreign Partnerships.* You should copy the data from Form 1065 completed Schedules B, D, K, K1, L, M-1 and/or M-2 to the corresponding Form 8865 Schedules and submit them with Form 8865. Do not attach these schedules with the Form 1065.

3.11 Name Controls

Name Control matching is a process in MeF that verifies the Employer Identification Number (EIN) and Name Control of the filer against the IRS's National Account Profile (NAP) database. Name Control mismatch is one of the most common causes for the rejection of returns in MeF so it is critical to ensure that each return submitted has the correct Name Control.

The IRS uses the following rules to check Name Controls. Generally, the Business Name Control is derived from the first four characters of the business name and consists of up to four alpha and/or numeric characters. See the Section 3.12 for special instructions for Form 1041.

If you are unable to determine your business name control with certainty after reading the rules below, please contact the IRS Business and Specialty Help Line (1-800-829-4933) and request assistance with verification of your organization's Name Control. The following are links with detailed information on Name Control:

Corporations: Using the Correct Name Control in e-filing Corporate Tax Returns

Partnerships: Using the Correct Name Control in e-filing Partnership Tax Returns

Name Control-General Information:

- The Name Control consists of up to four alpha and/or numeric characters.
- The Name Control can be fewer than four characters, but not more. Blanks may be present only at the end of the Name Control.
- The Name Control should be determined from the information specified on the first name line. Generally, the Name Control is derived from the first four characters of the entity name. The ampersand (&) and hyphen (-) are the only special characters allowed in the Name Control.

  Note: Do not include the letters "dba" (doing business as) or "fbo" (for benefit of) as part of the Name Control.

Return to Table of Contents

Name Control Valid Characters:

- Alpha (A-Z)
- Numeric (0- 9)
- Hyphen (-)
- Ampersand (&)

Name Control Special Rule:

- If an invalid character is used in the name line, drop the special character from the taxpayer's name (for example, “4U.com” should be “4UCO”).

The following examples should assist in establishing the correct Name Control. Please note, many software developers have built the IRS’s Name Control parameters into their software.

Table 3–6: General Name Control Rules

Name Control (Underlined)	Name Control	Rule
Sumac Field Plow Inc. 11TH Street Inc. P & P Company Y-Z Drive Co ZZZ Club Palm Catalpa Ltd. Fir Homeowners Assn.	SUMA 11TH P&PC Y-ZD ZZZC PALM FIRH	Derive the Name Control from the first four significant characters of the business name.
The Willow Co. The Hawthorn	WILL THEH	When determining the business name control, omit “The” when it is followed by more than one word. Include the word “The” when it is followed by only one word.

Return to Table of Contents

Name Control (Underlined)	Name Control	Rule
John Hackberry PA Sam Sycamore SC Carl Eucalyptus M.D.P.A. The Joseph Holly Fund The Joseph Holly Foundation Kathryn Fir Memorial Fdn.	JOHN SAMS CARL JOSE JOSE KATH	If a business name contains any of the following abbreviations, treat as the business name of a corporation: • Inc – Incorporated • Co – Company • Corp – Corporation • Fdn – Foundation • PC – Professional Corporation • SC – Small Corporation • PA – Professional Association • PS – Professional Service • LLC – Limited Liability Company • Assn – Association
City of Fort Hickory Board Walnut County Employees Association Rho Alpha Chapter Alpha Tau Fraternity House Assn. of Beta XI Chapter of Omicron Delta Kappa	CITY WALN RHOA HOUS	Apply the Name Control rules to local governmental organizations or chapter names of national fraternal organizations.

In addition to the Name Control rules in Table 3–6, partnerships use the following Name Control rules.

Return to Table of Contents

Table 3–7: Name Control Rules for Partnerships

Partnership (Name Control Underlined)	Name Control	Rule
Maple Pizza, LLC, John Maple Ptr Harold J. Almond & Thad J. Balsam et al Ptr. DBA Howard Elder Development Co. W.P. Plum & H.N. Laurel dba P&L Pump	MAPLE HOWA P&LP	A trade name of DBA is present, use the first four characters of the business name.
E.J. Fig, M.L. Maple, & R.T. Holly Partnership Laurel, Birch & Hawthorn Ptrshp., Mark Laurel Gen. Ptr.	EJFI LAUR	"Partnership" or an abbreviation of that word appears with list of partners' names – use the first four letters of the partnership name.
Cedar, Teak & Pine, Ptrs. Bob Oak & Carol Hazel	CEDA OAK	Neither condition above is present – use the first four characters of the first partner's last name.

Return to Table of Contents

Table 3–8: Additional Name Control Rules for Other Organizations

Exempt Organization (Name Control Underlined)	Name Control	Rule
Local 210 International Birch Assn AFLCIO Laborer's Union BPOE Benevolent Order of Elks AMVETS American Veterans Southbend American Legion Boy Scouts of America (BSA)	INTE LABO BENE AMER AMER BOYS	The Name Control is the first four characters of the national title.
VFW Post 3120	VETE	"VFW" is present (an abbreviation for "Veterans of Foreign Wars"), use VETE
Parent Teacher's Association of Los Angeles PTA of Georgia	PTAC PTAG	The Name Control is "PTA" plus the first letter of the state, whether or not the state name is present as part of the name of the organization.
Diocese of Kansas City St. Rose's Hospital St. Silver's Church Diocese of Lani Building Fund, St. Bernard's Church	STRO STSI STBE	For churches and their subordinates, (for example, nursing homes, hospitals) derive the Name Control from the legal name of the church.
Committee to elect John Smith Citizens for John Doe Friends of Janice Doe Smith for State Representative Linda Jones for Congress	JOHN JOHN JANI SMIT LIND	Derive the Name Control of Political Organizations from the first four characters of the individual's name.

3.11.1 Form 1041 Name Control Information

The rules for assigning the name control are different for trusts that applied for their Employer Identification Number (EIN) via the Internet and trusts that applied for their EIN using a paper application.

3.11.1.1 Internet Applications

- Trusts that received their EIN via the Internet must use the same rules as corporations when determining their correct Name Control. The IRS Internet

Return to Table of Contents

computer program assigns the first four characters of the first name of the trust as the name control, ignoring leading terms such as “Trust for” and selects the first four characters of first name of the individual, organization, and so on. This is a departure from procedures used for EIN applications for trusts that were filed on paper.

- Employer Identification Numbers for Trusts that were assigned via completion of an Internet application begin with 20, 26, 27 or 45 (for example, 20-nnnnnnn; 46 and 47 are reserved for future use). Also, IRS notice CP 575B is used to notify an applicant of the EIN assigned to the entity named in the application and includes a tear-off tab that references the Name Control assigned to the EIN. The Name Control should also appear at the top of the second page. In the following example, NAME represents the Name Control.

(IRS USE ONLY) 575B 10-31-2008 NAME B 999999999 SS-4

3.11.1.2 Paper Applications

- Trusts that applied for their EIN via a paper application (for example, Form SS-4) were assigned name controls using the first four characters of the last name of the trust. Please refer to the following examples to determine your correct name control when completing the entity section of your electronic Form 1041.

- The procedures for assigning the name control for an Estate has not changed.

Note: Filers (Fiduciaries or their authorized representatives) who cannot determine the correct Name Control will need to contact the Business Specialty Tax Line at 1-800-829-4933 for assistance.

Table 3–9: Estate Name Controls

Estate Name (Name Control Underlined)	Name Control	Rule
Frank Walnut Estate, Allan Beech, Exec.	WALN	The Name Control is the first four characters of the deceased individual's **last name**. **Note:** The decedent's name may be followed by or preceded by "Estate" or the abbreviated “Est” on the name line.

Return to Table of Contents

Table 3–10: Trust Name Controls

Trust Name (Name Control Underlined)	Name Control	Rule
Cedar Corp Employee Benefit Trust Magnolia Association Charitable Lead Trust	CEDA MAGN	When any of the items below are included in the name, use the first four characters of the name of the business. • Inc – Incorporated • Co – Company • Corp – Corporation • Fdn – Foundation • PC – Professional Corporation • SC – Small Corporation • PA – Professional Association • PS – Professional Service • LLC – Limited Liability Company • Assn – Association
0020 GNMA Pool GNMA Pool No. 00100B	20GN 100G	GNMA pool, use the first four digits of the pool number, but do not include any leading zeros or trailing alphas. If there are fewer than four numbers, use the letters “GNMA” to complete the Name Control.

Return to Table of Contents

Trust Name (Name Control Underlined)	Name Control	Rule
Jan Fir Trust FBO Patrick Redwood Redwood Chestnut Bank TTEE	FIR	If a named trust is listed, use the first four characters of the trust's name or individual's last name.
Jan R. Fir Children's Trust	FIRC	
JRF Children's Trust	JRFC	**Note:** Never include any part of the word "trust" in the Name Control.
ABCD Trust No. 001036	ABCD	
Donald C Beech Trust FBO Mary & Karen Redbud	BEEC	
Testamentary Trust U/W Margaret Balsam, Drew Fig & Laura Fir	BALS	
Maple-Birch Endowment Trust, John J. Willow Trustee	MAPL	
Michael Teak Clifford Trust	TEAK	
Trust No. 0129C FBO Margaret Laurel	129	For numbered trusts, use the first four digits of the trust number, disregarding any leading zeros and trailing alphas.
Trust No. 12100 FBO Margaret Laurel	1210	
Richard L. Aster, Charitable Remainder Unitrust	ASTE	If none of the above conditions are met, use the first four characters of the last name of the trustee (TTEE) or beneficiary (FBO).
Testamentary Trust Edward Buckeye TTEE	BUCK	
Trust FBO Eugene Eucalyptus	EUCA	
Trust FBO The Dogwood Blossom Society	DOGW	

3.12 Addresses

3.12.1 Domestic Address Changes

MeF accepts all domestic address changes provided by the taxpayer in the entity portion of the parent return. However in the case of a consolidated return, the name change is effective only for the top consolidated entity. When the "Name or Address Change" checkbox on the return is checked, the specific address entered on the return will become the taxpayer's new "official" address of record within IRS Master File. The IRS uses a taxpayer's address of record for various notices that are required to be sent to a taxpayer's "last known address" under the Internal Revenue Code and for refunds of overpayments of tax, unless otherwise specifically directed by taxpayers, such as by using Direct Deposit.

Return to Table of Contents

An ERO's address should generally not be entered in fields reserved for taxpayers' addresses in the electronic return record. The only exceptions are (1) if the ERO is the taxpayer or (2) if the address of a power of attorney, for the taxpayer of the tax return, is the same as the address of the ERO.

See Exhibit 1 at the end of this publication for a link to the Standard State Address Abbreviations and Valid Postal ZIP Codes as recognized by the U.S. Postal Service.

3.12.2 Foreign Addresses

An income tax return or extension, except for Form 990-PF, with a foreign address in the entity portion of the return may be filed electronically as long as the foreign address is formatted correctly.

Foreign address changes are also accepted when filing through MeF. IRS will update the business' entity information with the change of address. The specific address entered on the return will become the taxpayer's new official address of record within IRS Master File. The IRS uses a taxpayer's address of record for various notices that are required to be sent to a taxpayer's "last known address" under the Internal Revenue Code and for refunds of overpayments of tax, unless otherwise specifically directed by taxpayers, such as by using Direct Deposit.

Some returns, forms or attachments require the preparer to enter the two-character Foreign Country Code. This code should always be the code of the Foreign Country or Foreign Sovereignty as recognized by the United States Department of State.

For example, England, Scotland, and Wales are part of the United Kingdom. The Foreign Country Code for United Kingdom is "UK." The Balearic Islands are a part of Spain and should be coded as Spain (SP). When entering foreign addresses on the return or form, the state or republic, such as England or Scotland, can be entered with the city (for example, London, England) and the country as "United Kingdom" or "UK."

See Exhibit 2 at the end of this publication for a link to the IRS.gov website for the accepted Foreign Country Codes.

3.12.3 Foreign Country Codes for Forms 8858 and 926

Form instructions for the 8858 and 926 specify that a foreign address has to be entered with the country name using the full country name rather than an abbreviation. However, taxpayers e-filing these forms through MeF should continue to use a country code for the country name.

3.13 North American Industry Classification System (NAICS) Codes

To facilitate the administration of the Internal Revenue Code (IRC), a principal business activity and associated code are used to classify an enterprise by the type of activity in which it is involved. These principal business activity codes are based on the North American Industry Classification System (NAICS). A list of valid Principal Business

Return to Table of Contents

Activity Codes (NAICS Codes) can be found in the instructions for Form 1120-FSC at IRS.gov .

3.14 Refunds

There are several options available regarding refunds through MeF:

- Apply it to next year's estimated tax
- Receive it as a Direct Deposit or paper check
- Split it between portions applied to next year's estimated tax with the remainder received as Direct Deposit or paper check

Note: Direct deposits are not available for Excise tax returns, Estate and Trust tax returns or Employment Tax returns.

Taxpayers often elect the Direct Deposit option because it is the fastest way of receiving refunds. Providers must accept any Direct Deposit election to any eligible financial institution designated by the taxpayer. Refunds may be designated for Direct Deposit to qualified accounts in the taxpayer's name. Qualified accounts include savings, checking, share draft, or consumer asset accounts, for example, IRA or money market accounts.

Direct Deposit refunds may not be designated to credit card accounts. Qualified accounts must be held by financial institutions within the United States. Qualifying institutions may be national banks, state banks, including within the District of Columbia and political sub-divisions of the 50 states, savings and loan associations, mutual savings banks, and credit unions.

Checking or share draft accounts that are payable through another institution may not accept direct deposits. A taxpayer should verify Direct Deposit policy of its financial institution before electing this option.

A taxpayer choosing Direct Deposit must supply its provider with account numbers and routing numbers for qualified accounts. This information is best obtained from official financial institution records, account cards, checks or share drafts that contain the taxpayer's name and address.

A provider is not allowed to charge a separate fee for a taxpayer using Direct Deposit and must accept any Direct Deposit election by a taxpayer to any eligible financial institution. The Provider must advise the taxpayer that a Direct Deposit election cannot be rescinded. The Provider must not alter the Direct Deposit information in the electronic record after a taxpayer has signed the tax return and cannot make changes to routing numbers of financial institutions or to a taxpayer's account numbers after IRS has accepted its return.

Return to Table of Contents

Providers serving repeat customers or clients should verify account and routing numbers each year, since some software programs store the previous year's information and will reuse the data unless it is changed. Taxpayers will not receive Direct Deposit of their refunds if account information is not updated to reflect current information.

Refunds that are not direct deposited because of institutional refusal, erroneous account or routing numbers, closed accounts, bank mergers, or any other reason will be issued as paper checks, **resulting in refund delays of up to ten weeks**. While the IRS will ordinarily process a request for Direct Deposit, it reserves the right to issue a paper check and does not guarantee a specific date by which the refund will be deposited into the taxpayer's account. Neither the IRS nor the Bureau of Fiscal Service (formerly 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, authorized IRS e-file Provider, financial institution, or any of their agents.

Providers should advise taxpayers that they could avoid refund delays by having all of their taxes and obligations paid, providing current and correct information to the ERO, ensuring all financial institution account information is up-to-date and carefully checking their tax return information before signing the return.

3.15 Payments

3.15.1 General Payment Information

Taxpayers who owe additional tax must pay their balances due by the original due date of the return or be subject to interest and penalties. An extension of time to file may be filed electronically by the original return due date, but it is an extension of time to file the return, not an extension of time to pay a balance due. Providers should inform taxpayers of their obligations and options for paying balances due. Taxpayers have several choices when paying any taxes owed on their returns as well as estimated tax payments.

If you are requesting an extension of time to file Form 1042, see the deposit rules in the form instructions to determine how payment must be made.

3.15.2 Electronic Funds Withdrawal (EFW)

3.15.2.1 Types of Payments Allowed

- Balance due payments can be submitted via the EFW (direct debit) payment option, using the IRSPayment record, for Form(s) 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944, 945, 1120, 1120-F, 1120S, 1120-POL, 990-PF, 1065, 1065-B, 720, 1041 and 2290 tax returns.

- Extension payments can be submitted, using the IRSPayment record, with extension Form(s) 7004 and 8868. Filing an extension does not extend the time

Return to Table of Contents

to pay. If the entity is a corporation or affiliated group of corporations filing a consolidated return, the corporation must remit the amount of the unpaid tax liability on or before the due date. For information on Form(s) 7004 and 8868, please refer to the various sections within this publication regarding those two forms, and also refer to the tax form instructions for each form.

Note: For Forms 7004 and 8868, the payment must equal the amount shown as the balance due.

- Up to four quarterly estimated tax payments can be submitted with Form(s) 990-PF, 1041 and 1120/1120-F/1120S/1120-POL, using a separate IRSESPayment record for each request submitted.

3.15.2.2 Requirements for EFW Payment Records

The following information is required in the payment record:

- Routing Transit Number
- Bank Account Number
- Account Type
- Payment Amount
- Requested Payment Date
- Taxpayer's Daytime Phone Number

If the electronic funds withdrawal is authorized, an IRSPayment record and/or IRSESPayment record(s) must be attached to the electronic return or extension, and an EFW consent statement must be signed.

Note: IRSPayment and IRSESPayment record(s) can only be attached at the top-level return. If attached elsewhere, they will not be processed. An EFW cannot be submitted stand-alone.

If a taxpayer does not provide all of the required information needed to complete the EFW payment record, the provider should contact the taxpayer to obtain the information needed. If the provider is unsuccessful in obtaining the electronic funds withdrawal information, but the return is otherwise complete, the provider should proceed with the origination of the electronic return data to the IRS to ensure timely filing of the return. The provider must timely notify the taxpayer that other arrangements must be made to submit the payment or payments.

It is important to note that the 10-day transmission perfection period (5 calendar days for a rejected extension) does not apply to payments. If a submission was rejected, a

Return to Table of Contents

return can be corrected within 10 calendar days and be given the received date of the original rejected return. When a return is rejected on the due date, it is recommended that the EFW payment **not** be transmitted with the return and that another payment option be used. Visit IRS.gov/e-pay for other electronic payment options available, or submit the payment by check or money order. See the following sections for information on other payment options.

3.15.2.3 General EFW Information

If the taxpayer chooses to pay using the EFW method, they may authorize the entire payment, not to exceed 200% of the balance shown on the return, or a partial payment to be made at the time their tax return/extension form is electronically filed.

The EFW payment option is not available for making federal tax deposits. Domestic corporations must deposit all income tax payments by the due date of the return using the Electronic Federal Tax Payment System (EFTPS). Additional EFTPS information is available on the IRS.gov website by clicking on the link to EFTPS, on the Electronic Federal Tax Payment System page. For other payment options available for making federal tax deposits, please refer to the tax form instructions for each respective form.

3.15.2.4 Scheduling EFW Payments

Certain payments, such as estimated payments, can be scheduled for withdrawal at a later date, up to the due date of the return. For other payments, such as Form(s) 720 and 2290 excise taxes, payments cannot be scheduled and must be paid when the return is electronically filed. For returns transmitted after the due date, the payment date must be the same as the date the return is transmitted or within the previous five days. Review the business rules for each respective payment type to determine if/when scheduling is allowed.

3.15.2.5 Revoking or Canceling EFW Payments

To revoke or cancel an EFW payment the taxpayer should contact the IRS E-file Payment Inquiry and Cancellation Service at 1-888-353-4537. They should wait at least ten (10) calendar days from when the IRS e-file return was accepted before calling. The caller should be prepared to provide the Employer Identification Number (EIN), state that the payment is a business payment, provide the exact payment amount (dollars and cents), and bank account number entered in the payment record. Cancellations must be made by 11:59 p.m. Eastern Standard Time two business days prior to the scheduled payment date.

For additional information about the EFW payment option, visit IRS.gov/e-pay.

3.15.3 Electronic Federal Tax Payment System (EFTPS)

All business and individual taxes, as well as federal tax deposits, can be paid using EFTPS. EFTPS is available year-round, 24/7. Payments can be made online using the EFTPS.gov website, or by phone using the EFTPS Voice Response System. To use

Return to Table of Contents

EFTPS, taxpayers must first enroll, online at EFTPS.gov, or by phone, at 1-800-555-4477. Visit the Electronic Federal Tax Payment System page for more information.

Domestic corporations must deposit all income tax payments using the Electronic Federal Tax Payment System (EFTPS). If the corporation expects to have a net operating loss carryback, the corporation can reduce the amount to be deposited to the extent of the overpayment resulting from the carryback. This can be done, provided all other prior year tax liabilities have been fully paid and Form 1138, *Extension of Time for Payment of Taxes by a Corporation Expecting a Net Operating Loss Carryback*, is filed with Form 7004.

Foreign corporations who maintain an office or place of business in the United States should pay their tax as previously described for domestic corporations.

3.15.4 Check or Money Order

Payments by check or money order do not have to be mailed at the same time the electronic return is transmitted. For example, the return may be transmitted in March and the taxpayer may mail the payment (with a voucher, if applicable) at any time on or before the return due date.

A foreign corporation without an office or place of business in the United States, and which does not bank in the United States cannot pay using EFW or EFTPS. These corporations will need to pay using checks or money orders. The check or money order should be made payable to “United States Treasury.”

The following must be written on all checks or money orders submitted:

- Employer Identification Number (EIN)
- Type of tax return
- Tax year to which the payment applies

Note: Taxpayers should adhere to the requirements for electronic deposits, but we will accept payment by check or money order to eliminate or limit late payment penalties and interest.

3.16 Special Instructions When Copies of Original Forms are Required

Pay special attention when instructions call for processing a form prior to filing the electronic return. For example, instructions may indicate that Form 4466, *Corporation Application for Quick Refund of Overpayment of Estimated Tax,* should be filed prior to filing the return in order to receive a quick refund. In such circumstances, the taxpayer should **paper file Form 4466** with the appropriate IRS Submission Processing Center. A **copy of Form 4466 should be attached to the electronic return**, for informational purposes, but this electronic version of Form 4466 **will not** be processed.

Return to Table of Contents

There are other forms that may fall in this category. When paper forms are required to be filed prior to the filing of a return, and electronic copies of such forms are attached to electronic returns, MeF will keep copies of these forms for informational purposes only.

3.17 Submitting the Electronic Return to the IRS

An ERO must originate the electronic submission of a return as soon as possible after it is signed by an authorized tax return signer of the entity type (corporation, partnership, estate or trust, employment taxes or exempt organization), the ERO and the paid preparer, as applicable.

An ERO must ensure that stockpiling of returns does not occur. Stockpiling refers to collecting returns either from taxpayers or from another authorized IRS e-file Provider prior to official acceptance by IRS e-file. After official acceptance to participate in IRS e-file, “stockpiling” refers to waiting more than three calendar days to submit the return to the IRS once the ERO has all necessary information for origination. Returns held until the date on which electronic returns may first be transmitted to the IRS are not considered stockpiled.

In order to facilitate the processing of your return, do not password protect or encrypt .PDF attachments submitted through MeF

3.18 Record Keeping and Documentation Requirements

Providers must retain all of the information in the following list until the end of the calendar year in which the return was filed, or until nine months after a fiscal year return was filed, whichever is later:

- A copy of signed IRS e-file Consent to Disclosure forms for taxpayers who signed using a scanned signature form (applicable Form 8453)
- A complete copy of the electronic portion of the return that can be readily and accurately converted into an electronic transmission the IRS can process
- The acknowledgement file for IRS accepted returns
- The acknowledgement for all extensions

For any period of time during which the Provider’s main office is closed, required records may be retained at the business address of a Responsible Official listed on their e-file application. Providers must make the records available to the IRS upon request.

Forms 8879-A, 8879-B, 8879-C, 8879-EO, 8879-F, 8879-I, 8879-PE, 8879-S and 8879-EMP, *Practitioner PIN Method of Electronically Signing the Return by the ERO and*

Return to Table of Contents

Taxpayer, must be retained by the provider and made available to the IRS in the same manner described above. These forms must be retained for three years from the due date of the return, extended due date, or the IRS received date, whichever is later.

Providers may electronically image and store all paper records they are required to retain for IRS e-file. This includes signed signature documents as well as any supporting documents not included in the electronic record. The storage system must satisfy the requirements of Revenue Procedure 97-22, *Retention of Books and Records.* Briefly, the electronic storage system must ensure an accurate and complete transfer of the hard copy to the electronic storage media. All records must be capable of being reproduced with a high degree of legibility and readability, including the signatures of taxpayers and any other necessary signatories, when displayed on a video terminal and when reproduced in hard copy.

Electronic filers who originate their own returns must retain all information that a taxpayer would retain, including acknowledgements, for the appropriate time period. Generally, it is recommended that taxpayers retain all returns, records and acknowledgements, rejected and accepted, for a period of three years from the due date or extended due date of the return.

3.19 Acknowledgements of Transmitted Return Data

The IRS electronically acknowledges the receipt of all transmissions and returns. Each return in a transmission is either accepted or rejected for specific reason(s). Returns which meet the processing criteria are considered “filed” as soon as the return is accepted. Rejected returns that fail to meet processing criteria are considered “not filed.” The acknowledgement identifies the source of rejections and provides business rule text that explains why a transmission or return rejected (see Exhibit 3). When MeF business rules are changed, IRS posts the new rules on the Modernized e-File (MeF) Schemas and Business Rules page on the IRS.gov website.

When the MeF system has processed a tax return, it generates an acknowledgement, which provides the return acceptance status, informing the submitter whether the return was accepted or rejected. At the request of the corporation, partnership, trust or estate, employment, tax-exempt organization or excise tax filer, the Provider must provide the date the IRS accepted the electronic return. If the Transmitter provided an electronic postmark for the return, the Provider must also provide that, if requested by the taxpayer. This information is found in the acknowledgement sent to the Transmitter by the IRS.

3.19.1 Acknowledgement Alerts for Form 1120-F

MeF generates Alerts for Form 1120-F. Alerts identify return conditions for the transmitter, software developer or taxpayer that do not result in the rejection of the

return. Alerts are listed in a table in the Acknowledgement file on an accepted or rejected return.

If your return is accepted and includes an Alert, do not resubmit that return. The Alert is for your information only. If you attempt to resubmit an Accepted return with the Alert issue(s) corrected, the subsequent return will be rejected as a duplicate.

3.20 Transmission Perfection Period

When an electronically transmitted business return is rejected, there is a 10-day Transmission Perfection Period to perfect that return for electronic re-transmission. The perfection period will be 10 calendar days for any business return that is accepted after December 31, 2009. For Forms 7004 and 8868, which are applications for filing extensions, the perfection period is 5 calendar days. Perfection of the business return for electronic re-transmission is generally required when the originally signed return had errors in the XML format or errors that caused the return to fail IRS e-file schema validation or business rules.

The Transmission Perfection Period is **not** an extension of time to file; it is a period of time to correct errors in the electronic file. The Transmission Perfection Period applies to business returns filed on MeF, regardless of the date filed, due date, or extended due date. The yearly cutover period **does not** extend the 10 calendar day Transmission Perfection Period. **The perfection period is never extended regardless of weekends, holidays or the end of the year cutoff.**

When a previously rejected electronic return is “accepted” by the IRS within the 10-day Transmission Perfection Period, it will be deemed to have been received on the date of the first reject that occurred within that 10-day period. The 10-calendar-day period is actually a “look back” period and is determined as of the date the return is accepted. IRS looks back 10 calendar days from the date the return is accepted (or from the Electronic Postmark, if applicable) to determine if there have been any rejects for the same EIN and Tax Period. If there have been one or more rejects within that 10 day look back period, IRS uses the received date on the earliest reject (or the Electronic Postmark, if applicable, of the earliest reject) as the IRS Received Date for the accepted return to determine timeliness.

Note: The received date is one of the following:

1. Electronic postmark (if present),
2. Timestamp in A2A receipt or

Return to Table of Contents

3. Global Transaction (GTX) Key for IFA transmissions.

The following chart provides examples of how IRS determines received dates. The chart assumes the first rejection occurred on date of transmission, the second rejection occurred on date of re-transmission, and acceptance occurred on date of final transmission. It does not matter if the return was transmitted before the due date or after the due date of the return. The 10-day Perfection Period is independent of the timeliness of the return. Downstream processing determines whether a valid extension is on file for the return and whether or not the return is timely filed.

Note: This chart reflects the change to 10-day perfection period starting with returns accepted **after** December 31, 2009.

Table 3–11: Received Date Determination Chart

	Tax Year End	Due Date	Extension	Electronic Postmark 1st reject	Original Transmission 1st Reject Date	Electronic Postmark 2nd reject	2nd Transmission/ Reject Date	Electronic Postmark Accepted Return	Accepted Date/Final Transmission	IRS Received Date
1	12/31/XX	03/15/X1	No	03/09/X1	03/10/X1	03/10/X1	03/12/X1	03/29/X1	03/30/X1	03/29/X1
2	12/31/XX	03/15/X1	No	03/09/X1	03/10/X1	03/10/X1	03/12/X1	03/19/X1	03/20/X1	03/09/X1
3	12/31/XX	03/15/X1	No	03/14/X1	03/15/X1	03/23/X1	03/24/X1	03/24/X1	03/25/X1	03/14/X1
4	12/31/XX	03/15/X1	No	03/09/X1	03/10/X1	03/15/X1	03/15/X1	04/03/X1	04/04/X1	04/03/X1
5	12/31/XX	03/15/X1	No	03/09/X1	03/10/X1	03/14/X1	03/15/X1	03/23/X1	03/25/X1	03/14/X1
6	12/31/XX	03/15/X1	Yes 09/15/X1	08/08/X1	08/10/X1	08/10/X1	08/11/X1	09/17/X1	09/18/X1	09/17/X1
7	03/31/XX	06/15/XX	Yes 12/15/XX	08/10/XX	08/10/XX	12/22/XX	12/23/XX	01/09/X1	01/10/X1	01/09/X1
8	03/31/XX	06/15/XX	Yes 12/15/XX	N/A	08/10/XX	N/A	12/23/XX	N/A	12/28/XX	12/23/XX
9	12/31/XX	03/15/X1	Yes 09/15/X1	N/A	N/A	N/A	N/A	09/30/X1	10/01/X1	09/30/X1

3.20.1 How to Determine IRS Received Date

1. **Return accepted on 3/30/X1**: Look back 10 days from Electronic Postmark of the accepted return. There is no rejected return within 10 days of 03/29/X1. IRS Received Date is the Electronic Postmark Date of the accepted return - 03/29/X1.

2. **Return accepted on 3/20/X1**: Look back to earliest reject within 10 days of Electronic Postmark of accepted return. There is a reject within 10 days of

Return to Table of Contents

03/19/X1. IRS Received Date is the Electronic Postmark of the earliest reject within 10 days of the Electronic Postmark of the accepted return - 3/09/X1.

3. **Return accepted on 3/25/X1**: Look back to earliest reject within 10 days of return being accepted. Electronic postmark of the earliest reject within the 10-day period is 03/14/X1. IRS Received Date is the Electronic Postmark of the earliest reject within 10 days of the Electronic Postmark of the accepted return - 03/14/X1.

4. **Return accepted on 4/04/X1**: Look back to earliest reject within 10 days of being accepted. There is no reject within 10 days of accepted return. IRS Received Date is the Electronic Postmark Date of the accepted return - 04/03/X1.

5. **Return accepted on 3/25/X1**: Look back to earliest reject within 10 days of being accepted. IRS Received Date is the Electronic Postmark Date of earliest rejected return with the 10-day perfection period - 03/14/X1.

6. **Return accepted on 9/18/X1**: Look back to earliest reject within 10 days of Electronic Postmark of accepted return. There is no rejected return within 10 days of 09/17/X1. IRS Received Date is the Electronic Postmark Date of the accepted return - 09/17/X1.

7. **Return accepted on 1/10/X1**: Look back to earliest reject within 10 days of Electronic Postmark of accepted return. There is no rejected return within 10 days of 01/09/X1. IRS Received Date is the Electronic Postmark Date of the accepted return 01/09/X1.

8. **Return accepted on 12/28/XX**: Look back to earliest reject within 10 days of accepted return, there was no Electronic Postmark. There was a rejected return within 10 days of 12/28/XX. IRS Received Date is the date of the earliest reject within 10 days of the accepted return 12/23/XX. **Note:** there was no Electronic Postmark.

9. **Return accepted on 10/01/X1**: There was no previous reject within 10 days of the Electronic Postmark of the accepted return. IRS Received Date is the Electronic Postmark of the accepted return – 09/30/X1.

3.21 Rejected e-Filed Returns

Notice 2010-13 provides that a taxpayer required to e-file can request a waiver from the electronic filing requirement when it cannot meet the electronic filing requirements.

Notice 2011-26 provides “Administrative Exemptions to the Specified Tax Return Preparer Electronic Filing Requirement Under Internal Revenue Code § 6011(e)(3) and Regulations Under § 6011(e)(3).” This notice applies to tax return preparers who are required by law to file electronically certain income tax returns for individuals, estates and trusts. Form 8948 is used for Form 1041 should they be unable to meet the

electronic filing due dates because of a rejected return. Rev. Proc. 2011-25 discusses the e-file waiver process for Form 1041.

Before filing a paper return, corporations, partnerships and tax-exempt organizations required to e-file **must** contact the e-help Desk (1-866-255-0654) to attempt to resolve the rejection conditions. If the rejection conditions cannot be resolved, these taxpayers must receive authorization from the e-help Desk before filing a paper return.

To be considered **timely filed** the paper return must be postmarked by the later of the due date of the return, including extensions, or 10 calendar days after the date the IRS last gives notification the return was rejected as long as:

1. The first transmission was made on or before the due date of the return (including extensions) and
2. The last transmission was made within 10 calendar days of the first transmission.

Follow the steps below to ensure that the paper return is identified as a rejected electronic return and the taxpayer is given credit for the date of the first rejection within the 10-day transmission perfection period:

1. The taxpayer must call the IRS e-help Desk (1-866-255-0654) to advise that they have not been able to have their return accepted. The e-help Desk will provide a case number to the taxpayer.
2. The taxpayer should prepare the paper return and **include all of the following**:
    - An explanation of why the paper return is being filed after the due date
    - A copy of the reject notification
    - A brief history of actions taken to correct the electronic return
3. Write **in red** at the top of the first page of the paper return "**REJECTED ELECTRONIC RETURN – [DATE]**." The date will be the date of first rejection within the 10-day transmission perfection timeframe.
4. The paper return must be signed by the taxpayer. The PIN that was used on the electronically filed return that was rejected may not be used as the signature on the paper return.

If the return is rejected, it is recommended that the following documents be retained:

- A copy of the **Submission Receipt** received from IRS (Transmitter)
- A copy of the rejected **Transmission File** (Transmitter)

Return to Table of Contents

- A copy of the rejected **Acknowledgement** (Everyone)

3.21.1 Resubmission of Rejected Applications for Filing Extensions

If the IRS rejects the application for a filing extension request, and the reason for the rejection cannot be corrected and re-transmitted, the Provider must take reasonable steps to inform the taxpayer of the rejection within 24 hours of receiving the acknowledgement. When the Provider advises the taxpayer that the extension has not been accepted, they must provide the taxpayer with the Business Rule explanation (see Exhibit 3).

- If the electronic application for a filing extension can be re-transmitted, it must be filed by the later of the due date of the return or 5 calendar days after the date the IRS gives notification the application for extension is rejected.

- If the electronic application for a filing extension cannot be accepted for processing electronically, the taxpayer must file a **paper** application for a filing extension. In order for the **paper** application for a filing extension to be considered timely, it must be filed by the later of the due date of the filing extension, or 5 calendar days after the date the IRS gives notification the filing extension is rejected. The **paper** application for a filing extension should include an explanation of why it is being filed after the due date and include a copy of the electronic rejection notification.

3.22 Integrating Data/Elections into Your Return

When filing a return on paper, all supporting data, transactional data, elections, disclosure statements and other items can be prepared in a variety of software packages and attached as documents to the paper return. When e-filing a return, these documents must be integrated and included in the electronic return. This section discusses how to handle these attachments in your electronic return. Complete instructions for all forms and potential attachments are contained in this publication and are available on the IRS.gov website on the Modernized e-File (MeF) User Guides & Publications page.

Note: When e-filing a tax return, it is critical to select tax preparation software that will meet all of your tax return needs and properly support all forms and schedules required to file. IRS does not require software developers to support all forms, and software developers will create software based on the anticipated needs of their clients. The test scenarios created by IRS do not include all forms or schedules that can be part of an actual return. You should check with your software developer on the availability of the forms/schedules you need to e-file.

3.22.1 Special Instructions for Consolidated Returns

MeF requires tax preparation software approved for electronic filing to use IRS forms for reporting data for each subsidiary return. In addition to the consolidated return, tax preparation software approved for electronic filing must allow taxpayers to create a

Return to Table of Contents

separate “stacked return” for the parent and each subsidiary return. Tax preparation software must allow taxpayers to report Eliminations and Adjustments as a separate “stacked return”. Tax preparation software may also allow taxpayers to use spreadsheets for the internal review of the return, but IRS requires all subsidiary data to be formatted, transmitted and viewed by IRS as “stacked returns”.

MeF requires supporting data to be included in tax preparation software, see example provided below, or attached as scanned .PDF files. IRS has reviewed all of the forms that may be attached as well as the instructions relevant to those forms, and identified every instance in which taxpayers are required to attach supporting data. IRS provided structured formats to software developers or provided instructions to enter supporting data as .PDF files in instances where IRS has not defined a format.

When IRS has defined structured formats, software developers are required to use these formats for developing tax preparation software approved by IRS for electronic filing. It is the responsibility of software developers to provide appropriate instructions for taxpayers to enter supporting data to meet the IRS guidelines. Most software developers will allow taxpayers to import/export data from other sources. Taxpayers are encouraged to discuss available options with their software developer early to determine how to prepare supporting data for their electronic return.

When submitting a consolidated return, the **software must provide the detail for each entity at the entity level** and then roll that data up to the consolidated return. At a minimum, this roll-up information must be provided on any line where the form requires a statement or schedule to be attached (for example, Form 1120, Line 10, Other Income (attach schedule); Line 26, Other Deductions (attach schedule); and so on). However there are forms and schedules that are transactional or informational in nature and cannot be mathematically consolidated or reported on the consolidated return. The transactional data flows to the consolidated return via a different form or schedule and the informational data is simply attached to the consolidated return. For example Form 6252, *Installment Sale Income*, results for each transaction flow to the Form 4797, *Sales of Business Property*, and subsequently the data on the Form 4797 flows to the consolidated return. Form 8883, *Asset Allocation Statement*, provides informational data only and does not flow to any other schedule, form or a consolidated return.

Below is an example based on the data provided in the 1120 ATS Scenario 2 for a consolidated return. This example can be found on the Modernized e-File (MeF) Assurance Testing System (ATS) Updates page on the IRS.gov website.

Return to Table of Contents

Table 3–12: Consolidated Return Example - Attachment 1, F1120, line 10, Other Income (ItemizedOtherIncomeSchedule)

Consolidated Schedules	Total	Hide 'N Seek Foods, Inc.	The Greek Playhouse	Acme Food Corp.
Sales	217,441	208,671		8,770
Exchange Gain/Loss Realized	-2,321,468	-2,229,104		-92,364
Partnership Income/Loss	50,559,438	-59,869	220,747	50,398,560
Miscellaneous Income	149,354	156,146		-6,792
Interco Consulting Fees	1,448,935	1,448,935		
TOTAL	50,053,700	-475,221	220,747	50,308,174

The first subsidiary (Hide ‘N Seek Foods, Inc.) will provide the following data on the ItemizedOtherIncomeSchedule:

Table 3–13: Consolidated Return Example - Subsidiary 1, Hide 'N Seek Foods, Inc.

Corporation Name	Corporation EIN	Other Income Type	Other Income Amount
Hide ‘N Seek Foods, Inc.	00-0000002	Sales	208,671
Hide ‘N Seek Foods, Inc.	00-0000002	Exchange Gain/Loss realized	-2,229,104
Hide ‘N Seek Foods, Inc.	00-0000002	Partnership Income/Loss	-59,869
Hide ‘N Seek Foods, Inc.	00-0000002	Miscellaneous Income	156,146
Hide ‘N Seek Foods, Inc.	00-0000002	Interco Consulting Fees	1,448,935
Hide ‘N Seek Foods, Inc.	00-0000002	Total	-475,221

The second subsidiary (The Greek Playhouse) will provide the following data on the ItemizedOtherIncomeSchedule:

Table 3–14: Consolidated Return Example - Subsidiary 2, The Greek Playhouse

Corporation Name	Corporation EIN	Other Income Type	Other Income Amount
The Greek Playhouse	00-0000012	Partnership Income/Loss	220,747
The Greek Playhouse	00-0000012	Total	220,747

Return to Table of Contents

The third subsidiary (Acme Food Corp.) will provide the following data on the ItemizedOtherIncomeSchedule:

Table 3–15: Consolidated Return Example - Subsidiary 3, Acme Food Corp.

CorporationName	Corporation EIN	Other Income Type	Other IncomeAmount
Acme Food Corp.	00-0000013	Sales	8,770
Acme Food Corp.	00-0000013	Exchange Gain/Loss realized	-92,364
Acme Food Corp.	00-0000013	Partnership Income/Loss	50,398,560
Acme Food Corp.	00-0000013	Miscellaneous Income	-6,792
Acme Food Corp.	00-0000013	Total	50,308,174

The consolidated return should have an attachment for Other Income and the following data must be provided in one of the following formats:

Format 1 - The ItemizedOtherIncomeSchedule for the consolidated return contains a roll-up of the detail for each entity.

Return to Table of Contents

Table 3–16: Consolidated Return Example - Data Format 1

Corporation Name	Corporation EIN	Other Income Type	Other Income Amount
Hide 'N Seek Foods, Inc.	00-0000002	Sales	208,671
Hide 'N Seek Foods, Inc.	00-0000002	Exchange Gain/Loss realized	-2,229,104
Hide 'N Seek Foods, Inc.	00-0000002	Partnership Income/Loss	-59,869
Hide 'N Seek Foods, Inc.	00-0000002	Miscellaneous Income	156,146
Hide 'N Seek Foods, Inc.	00-0000002	Interco Consulting Fees	1,448,935
The Greek Playhouse	00-0000012	Partnership Income/Loss	220,747
Acme Food Corp.	00-0000013	Sales	8,770
Acme Food Corp.	00-0000013	Exchange Gain/Loss realized	-92,364
Acme Food Corp.	00-0000013	Partnership Income/Loss	50,398,560
Acme Food Corp.	00-0000013	Miscellaneous Income	-6,792
Hide 'N Seek Foods, Inc.	00-0000002	Total	50,053,700

Note: Dependencies should be attached at the entity level and also rolled up to the consolidated return.

Format 2 - The ItemizedOtherIncomeSchedule for the consolidated return contains a roll-up of the total from each entity.

Table 3–17: Consolidated Return Example - Data Format 2

Corporation Name	Corporation EIN	Other Income Type	Other Income Amount
Hide 'N Seek Foods, Inc.	00-0000002	Total Other Income	-475,221
The Greek Playhouse	00-0000012	Total Other Income	220,747
Acme Food Corp.	00-0000013	Total Other Income	50,308,174
Hide 'N Seek Foods, Inc.	00-0000002	Total Other Income	50,053,700

Note: Dependencies should be attached at the entity level and also rolled up to the consolidated return.

Format 3 - The ItemizedOtherIncomeSchedule for the consolidated return contains a total of all subsidiaries by category.

Return to Table of Contents

Table 3–18: Consolidated Return Example - Data Format 3

Corporation Name	Corporation EIN	Other Income Type	Other Income Amount
Hide ‘N Seek Foods, Inc.	00-0000002	Sales	217,441
Hide ‘N Seek Foods, Inc.	00-0000002	Exchange Gain/Loss realized	-2,321,468
Hide ‘N Seek Foods, Inc.	00-0000002	Partnership Income/Loss	50,559,438
Hide ‘N Seek Foods, Inc.	00-0000002	Miscellaneous Income	149,354
Hide ‘N Seek Foods, Inc.	00-0000002	Interco Consulting Fees	1,448,935

Note: Dependencies should be attached at the entity level and also rolled up to the consolidated return.

3.23 Preparing Supporting Data Required by IRS Forms or Form Instructions

MeF uses a rigid structure that must be used to create most supporting data. This structure is necessary to ensure tax preparation software creates supporting data that can be transmitted to and viewed by IRS systems. We have reviewed all MeF forms and instructions to identify every instance in which supporting data might be required. The XML schemas available in MeF define formats that must be used to report the supporting data. In cases where we have specifically provided guidance, supporting data may be attached to the electronic return as a .PDF file. Most software developers allow providers the ability to import/export data from other sources. Providers should discuss options for importing supporting data created in other formats into the tax preparation software. It is the software developer’s responsibility to provide taxpayers with appropriate instructions to enter supporting data that meets IRS guidelines. The following examples will assist providers in understanding how to prepare supporting data for electronic returns when required by form or form instructions. The examples below reflect specific forms, but the same guidelines for attaching supporting data apply to all form types filed electronically.

Return to Table of Contents

3.23.1 Example 1—Supporting data required by IRS forms

IRS publishes specific formats that software developers must use for this type of supporting data. In the example below, taxpayers **must include** (either by entering or importing) **required data** for the "type" and "amount of income" as indicated in tax preparation software instructions.

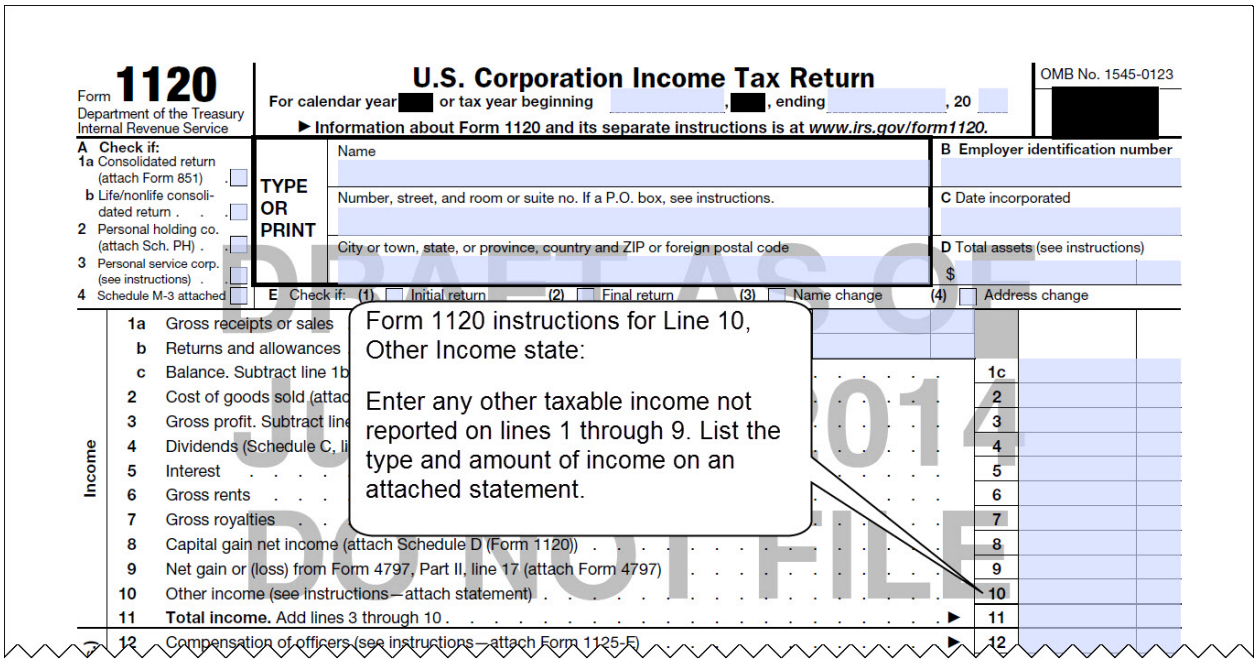


Figure 3–1: Supporting Data Required by IRS Forms

Return to Table of Contents

3.23.2 Example 2—Supporting data required by IRS form instructions.

IRS publishes specific formats that tax preparation software must use for supporting data required by form instructions. In the example below, taxpayers **must include** (either by entering or importing) **required data** for "description of property" and "depreciation method" as indicated by tax preparation software instructions.

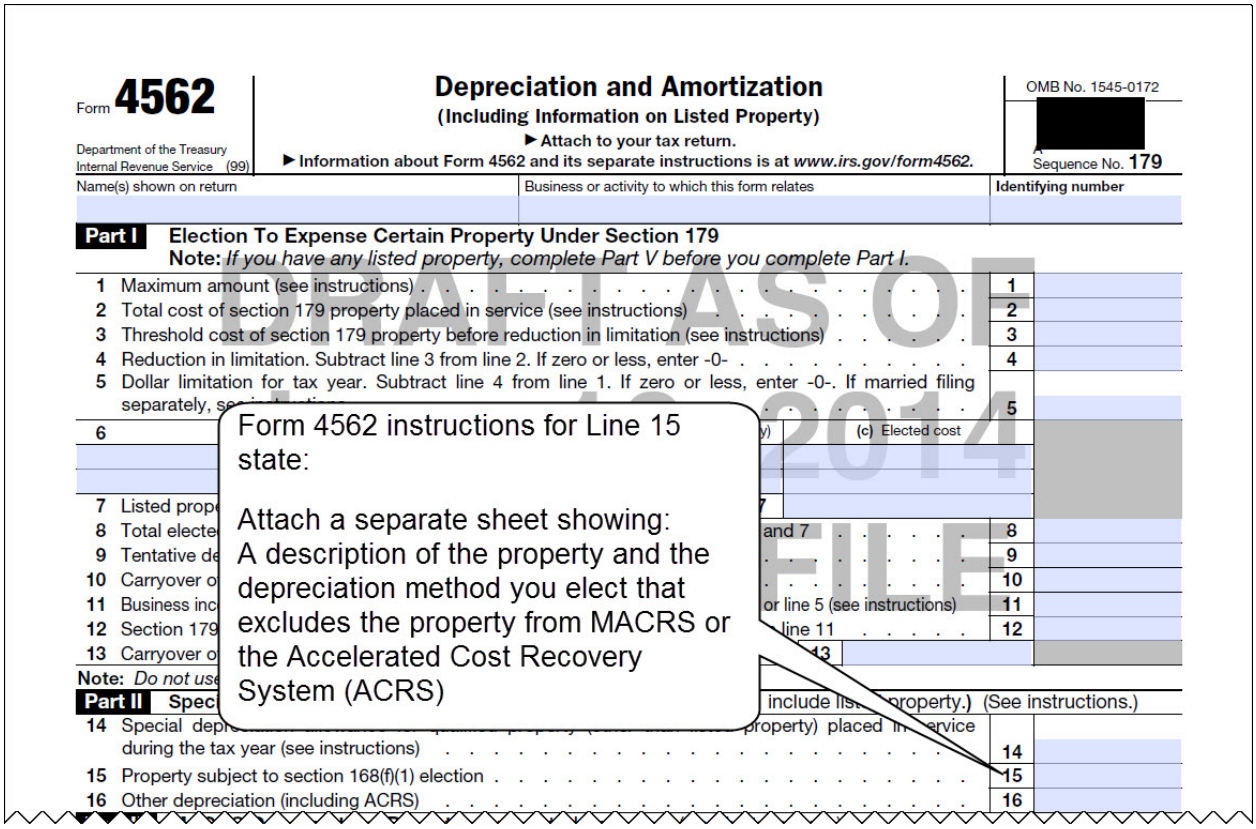


Figure 3–2: Supporting Data Required by IRS Form Instructions

Return to Table of Contents

3.23.3 Example 3—Supporting data required as another IRS form

In the following example, form instructions require the taxpayer to attach another IRS form or statement as supporting data. Form 1120, Line 9 requires supporting data be provided using IRS Form 4797 or Form 4684; failure to use the required IRS form will cause the electronic return to reject.

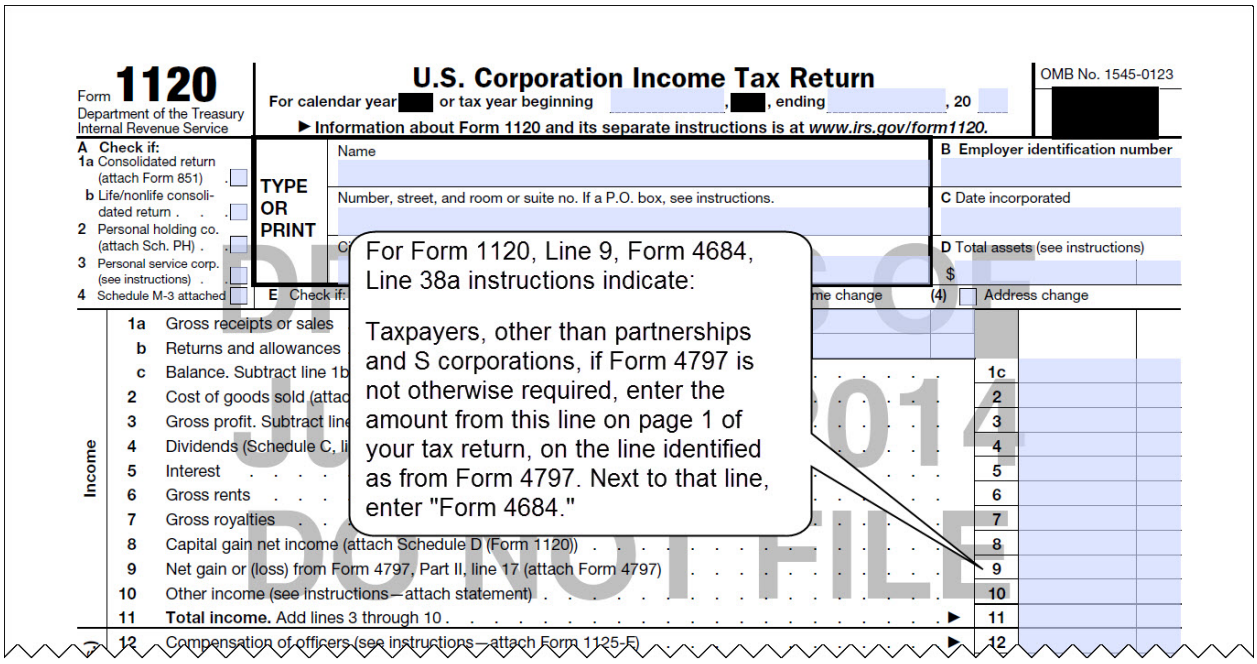


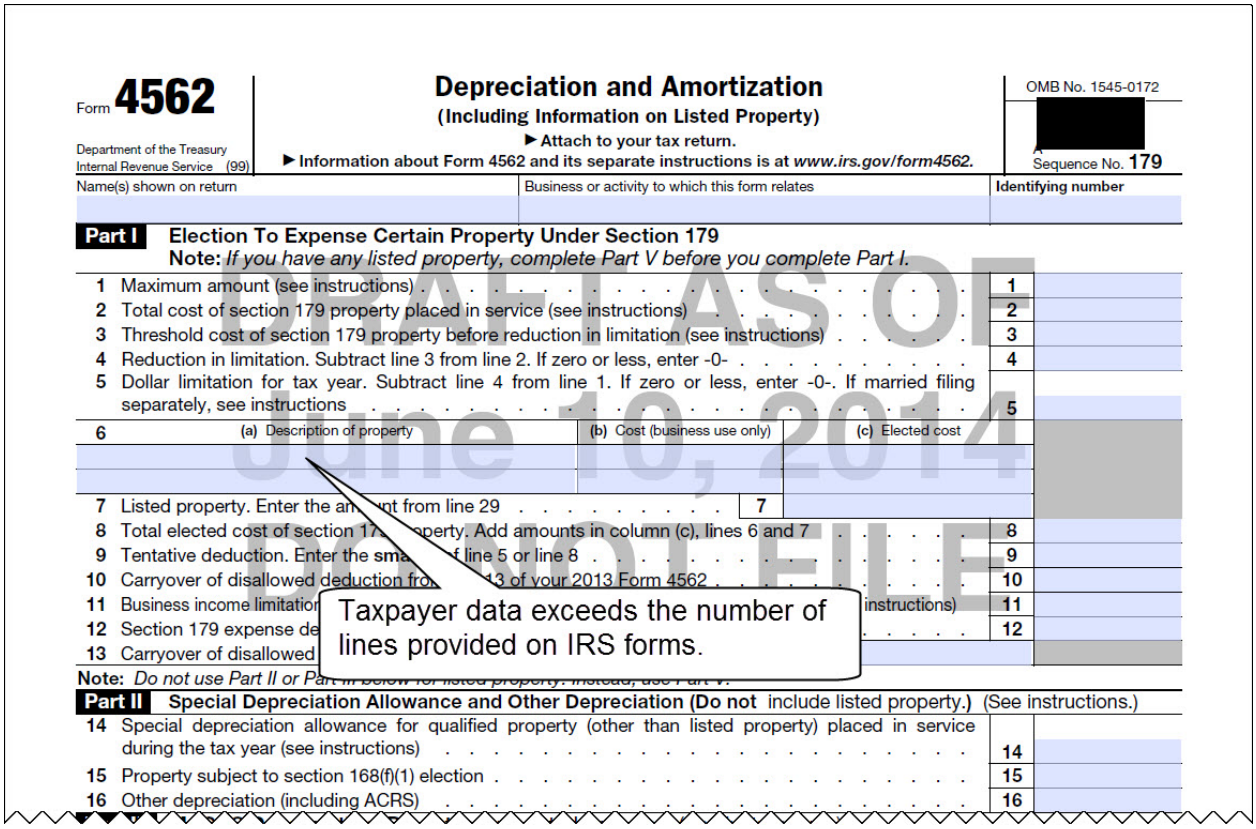
Figure 3–3: Supporting Data Required as Another IRS Form

Return to Table of Contents

3.23.4 Example 4—Supporting data required for tables on IRS forms

When **required data exceeds the number of lines provided** on IRS forms, tax preparation software will allow the taxpayer to continue to enter all necessary data instead of creating an attachment. When the electronic data is transmitted and processed, the data will be displayed as “repeating data” by MeF systems.

Note: Large Taxpayers required to e-file should refer to the E-file for Large Business and International (LB&I) page on IRS.gov for additional information regarding transactional data. Go to “Directions for Corporations to e-file” and click on the appropriate tax year.


Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)
▶ Attach to your tax return.
▶ Information about Form 4562 and its separate instructions is at *www.irs.gov/form4562.*

OMB No. 1545-0172
[redacted]
Sequence No. **179**

Name(s) shown on return | Business or activity to which this form relates | Identifying number

Part I **Election To Expense Certain Property Under Section 179**
Note: *If you have any listed property, complete Part V before you complete Part I.*

1 Maximum amount (see instructions) . . . 1
2 Total cost of section 179 property placed in service (see instructions) . . . 2
3 Threshold cost of section 179 property before reduction in limitation (see instructions) . . . 3
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0- . . . 4
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . 5

6 (a) Description of property | (b) Cost (business use only) | (c) Elected cost

7 Listed property. Enter the amount from line 29 . . . 7
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7 . . . 8
9 Tentative deduction. Enter the smaller of line 5 or line 8 . . . 9
10 Carryover of disallowed deduction from line 13 of your 2013 Form 4562 . . . 10
11 Business income limitation (see instructions) . . . 11
12 Section 179 expense deduction . . . 12
13 Carryover of disallowed . . .

Taxpayer data exceeds the number of lines provided on IRS forms.

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property.) (See instructions.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) . . . 14
15 Property subject to section 168(f)(1) election . . . 15
16 Other depreciation (including ACRS) . . . 16

DRAFT AS OF June 10, 2014 DO NOT FILE

Figure 3–4: Supporting Data Required for Tables on IRS Forms

Return to Table of Contents

3.24 General Dependency

The General Dependency was created to allow for the submission of information that is not specified in a predefined schema. There are three General Dependencies available:

- "GeneralDependency," available for Forms 1041, 1065, 1065-B and 1120, is attached at the return level and allows for an explanation of up to 1,000,000 characters (e-file type is "LongExplanationType").

- "GeneralDependencyMedium," available for Forms 1041, 1120-F, 1120S, 720, 2249 and 8849, is attached at the return level and allows for an explanation of up to 100,000 characters (e-file type is "MediumExplanationType").

- "GeneralDependencySmall" is attached at the form or schedule level and allows for an explanation of up to 5,000 characters (e-file type is "TextType" with maximum length 5,000 characters). The "General DependencySmall" is available for:

Form 851	Schedule M-3 (Form 1120L)
Form 926	Schedule M-3 (Form 1120PC)
Form 940	Schedule M-3 (Form 1120S)
Form 940-PR	Schedule M-3 (Form 1065)
Form 941	Schedule K-1 (Form 1065)
Form 941-PR	Form 3800
Form 941-SS	Form 4136
Form 943	Form 4562
Form 943-PR	Form 4684
Form 944	Form 5471
Form 945	Form 5713
Form 1041	Form 6765
Form 1065	Form 8586
Form 1065-B	Form 8834
Form 1118	Form 8865
Form 1118AMT	Form 8886
Schedule M-3 (Form 1120)	Form 8938

Attach statements submitted as .PDF files at the top-level return unless there is a reason they need to be attached to the form level of the General Dependency schemas.

Return to Table of Contents

Refer to Frequently Asked Questions for Large and Mid-Size Corporations for examples of when to use the General Dependencies.

3.24.1 The Element "SpecialConditionDescription"

The element "SpecialConditionDescription" applies to many MeF parent forms for use in situations that may affect e-filing during the processing year without having to update schemas with specific literals. The element "DisasterReliefTxt" is used in the Form 1041 and 94x series. Such situations might include, but are not limited to, natural disasters, changes due to late legislation, recent Revenue Procedures, and so on.

MeF will post information to the "**Known Issues and Solutions**" file on IRS.gov when the "SpecialConditionDescription" may be used. A separate "Known Issues and Solutions" file is available for each tax year. These files are located by tax year on the schema page for the specific forms.

3.25 Creating Elections Required by Forms or Form Instructions

IRS has reviewed all forms and form instructions to identify situations which require taxpayers to attach supporting data. Many of these requirements relate to elections. When an election is required by IRS forms or form instructions, IRS provides specific XML formats for each election that must be used by software developers for developing tax preparation software approved for electronic filing. Providers must use the defined format to enter data for these elections. The following examples are samples of elections required by form instructions.

Table 3–19: Examples of Elections Required by Form Instructions

Form 1120 Instructions	Dual Consolidated Losses Statement
Form 8697 Instructions	De Minimis Exception Election
Form 4562 Instructions	Election Not to Claim Special Depreciation Allowance

3.26 Creating Elections/Disclosure Statements Required by Regulations or Publications

MeF requires all disclosure statements and elections to be included in tax preparation software and transmitted to the IRS in one transmission file.

IRS reviews most regulations and publications to identify instances where corporations, partnerships and tax-exempt organizations can make elections. To allow companies to add additional information on their return, IRS created a "General Dependency" schema. The General Dependency has a defined format and should be used by the taxpayers to report most disclosure statements and elections required by regulations or IRS publications. The General Dependency schema format is provided to software developers for use with their tax preparation software, and developers should provide

instructions for completing this schema to its software users. The General Dependency schema has the following data elements:

1. **Form Line or Instructions Reference** (optional) - This field should be completed when the election is being made based on information on IRS forms or form instructions and IRS has not defined a format. As discussed above, in most instances IRS has defined a format for these elections.

2. **Regulation Reference** (optional) - This field should be used to identify information for elections made based on information contained in Regulations or Publications.

3. **Description** (optional) - This field should be used to enter a brief explanation of the election.

4. **Attachment Information** (optional) - This field allows providers to include stream data (up to 1,000,000 characters).

IRS will allow all elections and/or disclosure statements with “columnar data” to be attached in .PDF format.

3.26.1 Example 1—Creating Elections and/or Disclosure Statements With No Columnar Data

Election and/or disclosure statement data that does not contain columnar data must be reported using the General Dependency schema included in tax preparation software.

Table 3–20: Example 1—Creating Elections and/or Disclosure Statements With No Columnar Data

Regulation Reference	Description
IRC Section 172(b)(3)	Election to Forego Net Operating Loss Carryback

Pursuant to IRC Sec. 172(b)(3), taxpayer hereby elects to relinquish the entire carryback period with respect to the net operating loss incurred in this tax year ended.

3.26.2 Example 2—Creating Elections and/or Disclosure Statements That Apply to Multiple Subsidiaries

Election and/or disclosure statement data that applies to multiple subsidiaries and does not contain columnar data must be reported using the General Dependency schema included in tax preparation software.

Return to Table of Contents

Table 3–21: Example 2—Creating Elections and/or Disclosure Statements That Apply to Multiple Subsidiaries

Regulation Reference	Description
IRC Section 172(b)(3)	Election to Forego Net Operating Loss Carryback

Pursuant to IRC Sec. 172(b)(3), taxpayer hereby elects to relinquish the entire carryback period with respect to the net operating loss incurred in this tax year ended for the following subsidiaries:

- ABC Corporation
- DEF Corporation
- GHI Corporation

3.26.3 Example 3—Creating Elections and/or Disclosure Statements With Columnar Data

Elections and/or disclosure statements that require columnar data may be attached to the electronic return in .PDF format. Create separate .PDF files for each election and disclosure statement. Use the number of the Code Section or Regulation to create the name of the .PDF file and description.

Table 3–22: Example 3—Creating Elections and/or Disclosure Statements With Columnar Data

Regulation Reference	Description
IRS Section 195(b)	Election to Amortize Start-Up Expenditures

- Taxpayer Name: ABC Corporation
- Taxpayer ID Number: 00-0000002
- Year-end: December 31, 2014

In accordance with IRC Sec. 195, taxpayer hereby elects to amortize all start-up expenditures over a period of XX months beginning with July XX, 20XX, the month that the corporation's active trade or business began (or was acquired). The trade or business of the taxpayer to which this election relates is XXXXXX.

The start-up expense incurred is:

Description of Start-Up Expense	Date	Incurred Amount

Return to Table of Contents

3.27 Preparing Elections and/or Disclosure Statements That Require Supporting Data

Some elections and/or disclosure statements require supporting data that cannot be entered into a General Dependency schema. IRS allows this type of supporting data to be submitted as a .PDF file. The actual disclosure statement and/or election must be entered into the required format and only the supporting data may be submitted as a .PDF file. Examples include “Election to Amortize a Bond Premium” or “Election for 100% Dividends Received Deduction.”

Note: If the data requested requires “columnar format,” submit these documents in .PDF format until the IRS provides a structure to support columnar format.

We recommend that .PDF files be attached at the top-level return unless there are reasons it should be attached at a form level or to the GeneralDependency schema.

IRS Chief Counsel has provided guidance in T.D. 9329 and T.D. 9300 that allows corporations to retain supporting documentation in their offices rather than providing such documentation to IRS in a return. Please review these Treasury Decisions for full information.

3.28 Electronic Postmark

A Transmitter may provide an electronic postmark to taxpayers who file tax returns and extensions of time to file tax returns through an ERO or through an Online Provider (Online Filing). The Transmitter creates the electronic postmark bearing the date and time, in the Transmitter’s time zone, that the return is received at the Transmitter’s host computer. Adjust the electronic postmark to the time zone where the taxpayer resides to determine the postmark’s actual time.

For example, if the Transmitter provides an electronic postmark with a time in the Pacific time zone but the taxpayer resides in the Eastern time zone, the taxpayer must **add** three hours to the postmark time to determine the actual postmark time (Eastern time zone).

Conversely, if the Transmitter provides an electronic postmark with a time in the Eastern time zone but the taxpayer resides in the Pacific time zone, the taxpayer must **subtract** three hours from the postmark time to determine the actual postmark time (Pacific time zone).

If an electronic postmark is created on or before a prescribed deadline for filing but the return is received by the IRS after the prescribed filing deadline, the return will be treated as filed on the electronic postmark date if received within two (2) days of the electronic postmark. For a return to be treated as filed on the electronic postmark date, all requirements for signing the return must be met. If a return is rejected, a corrected return must be filed in accordance with the rules for timely filing corrected returns after rejection of an electronic return.

Return to Table of Contents

A Transmitter is authorized to provide an electronic postmark if the Transmitter:

- Creates an electronic postmark bearing the date and time, in the Transmitter's time zone, the return was received by the Transmitter's host system;
- Provides the electronic postmark to the taxpayer or the ERO no later than when the acknowledgement is made available to the taxpayer in a format that precludes alteration and manipulation of the electronic postmark information;
- Provides the same electronic postmark data to the IRS in the electronic record of the return;
- Upon request, provides taxpayers with an explanation of the electronic postmark and when the IRS treats the electronic postmark as the filing date;
- Refrains from using terms that currently have specific meaning in the postal industry such as "certified" or "registered" and similar terms, and from using "Internal Revenue Service," "IRS" or "Federal" as a definer of the electronic postmark when discussing the electronic postmark, including in all advertising, product packaging, articles, press releases, and other presentations;
- Retains a record of each electronic postmark until the end of the calendar year and provides the record to the IRS upon request or for nine (9) months after the transmission date for fiscal year filers;
- Transmits all tax returns and extensions of time to file that received an electronic postmark to the IRS within two days of receipt from the ERO, or from the taxpayer in the case of Online Filing.

3.29 MeF Routine Maintenance

IRS has established a routine system maintenance window for MeF, generally each Sunday from 1:00 a.m. to 7:00 a.m. Eastern time. This maintenance may result in intermittent downtime for transmitters. The IRS has established a MeF Internet Filing and MeF Systems Status page, see the Modernized e-File (MeF) Status page, which provides near-real time notice to providers of the status of the systems. Providers are encouraged to check the status prior to e-filing their return(s) to ensure there are no system issues.

3.30 Ensuring Taxpayer Data Integrity

When IRS receives the transmission file, one of the first steps of processing the electronic return is to count the bytes received. Tax preparation software approved for electronic filing will compute a checksum value and embed the total in the submission file sent to IRS. The MeF system will also compute a checksum value of the submission file.

Return to Table of Contents

The MeF system will return the following two XML elements in the submission acknowledgement, whether the submission is accepted or rejected:

- <EmbeddedCRC32>
- <ComputedCRC32>

The taxpayer/ERO should check the data in the <EmbeddedCRC32> element and the <ComputedCRC32> element to ensure that the size of the file transmitted to the IRS is the same size as the file computed by the IRS. If there is a discrepancy between these two values, it is the responsibility of the ERO to contact the transmitter to see if the file was changed before transmission.

For corporate returns, an Acknowledgment will reflect the **Taxable Income and Total Tax** amounts as shown in the submitted return. If these figures do not reflect what was included on the return you intended to file, you should immediately contact the e-help Desk (1-866-255-0654) for assistance.

3.31 MeF Fed/State Program

In partnership with states, the MeF Fed/State Program was developed to allow transmitters to submit state and federal returns electronically.

MeF implemented the Forms 990 and 1120 Fed/State Programs in January 2006, the 1065/1065-B in January 2007, and the 1041 Fed/State program in January 2014. Currently, the states participating in the 1120/1065/1041 MeF Fed/State programs can be found through the IRS.gov website link to the Federation of Tax Administrators (FTA) site. You can find the link in the answer to question A4. Once you are on the FTA site, click on “Technology” then “Status of State Programs” from the left menu. Click on the link titled “Snapshots of the State Electronic Commerce Program.”

Transmitters sending in both federal and state returns can use either MeF Internet Filing Application (IFA) or Application-to-Application (A2A) transmission channels.

State returns may be linked to a federal return by including the Submission ID of the federal return in the State Manifest or the state return may be sent unlinked (stand-alone). If the state submission is linked to a federal submission (also referred to as a Fed/State return), the IRS will check to see if there is an accepted federal submission under that Submission ID.

A state retrieves its state returns via A2A, and transmitters can retrieve receipts showing that the state has the returns. MeF will accept both federal submissions and state submissions. Each return/extension must be enclosed in a separate submission, but multiple submissions may be contained in a single message.

Return to Table of Contents

On linked returns, if there is not an accepted federal return, the IRS will deny the state submission and send an acknowledgement. If there is an accepted federal return under the Submission ID, MeF will perform minimal validation on the state submission, including validation that the state shown in the state manifest is a state that participates in the applicable 990, 1065, 1120 or 1041 Fed/State Program. MeF will then pass along to the state what the ERO/Transmitter sends in the State submission. If the ERO/Transmitter does not link the state return to a previously accepted federal return (also referred to as a State Standalone return), then MeF will perform minimal validation as described above, including validation that the state allows State Standalone returns. MeF will then pass along to the state the entire state submission sent in by the ERO/taxpayer.

Note: A state return is comprised of both state and a federal portion. The taxpayer provides both components based on state requirements. The only information IRS passes on to the state is what the taxpayer provided. The state generates the acknowledgement for the state return and sends it to the MeF system for the transmitter to retrieve.

In addition, for Forms 990/990-EZ/990-PF, as part of the federal return, a filer can request that a copy of the federal return be provided to one or more participating states. Upon receipt of the request, IRS will validate that the state(s) is participating in the Fed/State program. If it is, then IRS will send a redacted copy of the accepted return to the state agency(s). Items that are always redacted from the state copy include, but are not limited to,

- the PIN or Form 8453-EO,
- the request for the copy and
- payment information included with Form 990-PF.
- In addition, the IRS may redact Schedule B if a state does not require it.

MeF will process the IRS submission and generate an acknowledgement for each submission and copy of IRS Forms 990/990-EZ/990-PF forwarded to a state. If the Federal 990 series return is rejected, however, no copies will be forwarded to the state. A state is responsible for validating each of its state submissions, and for generating a state acknowledgement for each state submission to be returned to the IRS for transmitter retrieval.

Both federal and state returns must be submitted in IRS-approved XML format. Federal returns must conform to valid IRS schema versions. State returns must conform to the return structure specified by IRS, and include elements defined for the specific state data.

Return to Table of Contents

Access the corporate, partnership and estate and trust link to the State Master Schema at IRS.gov, on the Modernized e-File (MeF) Schemas and Business Rules page by clicking on the TIGERS website. For more information about a specific state's e-file program, visit that state's website.

4 MeF Information for Specific Forms

4.1 Employment Tax Returns

PY 2015 Forms 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944 and 945 *cannot* be e-filed for:

- Amended Returns
- Annual Returns with Tax Periods ending prior to December 31, 2013
- Quarterly Returns with Tax Periods prior to the fourth quarter 2013
- Short Period Returns

4.2 Tax-Exempt Organization Returns

TY 2014, 2013, 2012 Forms 990 and 990-EZ *cannot* be e-filed for:

- Name change returns,
- Returns from organizations not recognized as exempt, i.e., application pending, etc.,
- Returns showing a change in accounting period,
- Short period returns, except for short period final returns,
- Early filed returns, i.e., filed before end of tax year, except for final returns.

Return to Table of Contents

TY 2014, 2013, 2012 Form 990-PF *cannot* be e-filed for:

- Returns from organizations not recognized as exempt, for example, application for exemption pending, etc.,
- Foreign private foundations,
- Name change returns,
- "Limited" 990-PFs, i.e., "Limited" 990-PFs are filed by organizations that originally received advance rulings as public charities but were later determined to be private foundations,
- Foundations in 60-month terminations,
- Short period returns, except for short period final returns.

TY 2014, 2013, 2012 Form 990-N (e-Postcard) *cannot* be e-filed for:

- Returns from organizations not recognized as exempt, for example, application for exemption pending, etc.,
- Returns with attachments,
- Organizations required to file Form 990, Form 990-EZ, Form 990-PF or Form 1120-POL,
- Organizations that are included in a group return,
- Section 509(a) (3) supporting organizations required to file form 990 or form 990-EZ.

Note: This filing requirement does not apply to churches, their integrated auxiliaries, and conventions or associations of churches

TY 2014, 2013, 2012 Form 1120-POL *cannot* be e-filed for:

- Short period returns, except for short period final returns,
- Name change returns,
- Returns with non-numbered attachments/schedules, unless allowed for an attached form shared with Forms 1120/1120S, for which an IRS format has not been developed.

Return to Table of Contents

TY 2014, 2013, 2012 Form 8868 *cannot* be e-filed for:

- Form 8870.
- Form 8868 will not be accepted for TY 2012 extensions in 2015.

4.2.1 TY 2014, TY 2013, 2012 Form 990-N (e-Postcard)

Small tax-exempt organizations, whose gross receipts are normally $50,000 or less, are not required to file Form 990, *Return of Organization Exempt from Income Tax,* or Form 990-EZ, *Short Form Return of Organization Exempt from Income Tax*. With the enactment of the Pension Protection Act of 2006 (PPA), these small tax-exempt organizations are required to file Form 990-N, also known as e-Postcard, with the IRS annually. Form 990-N must be filed electronically; it cannot be filed on paper.

File Form 990, 990-EZ or 990-PF in lieu of Form 990-N for the following organizations, even if their gross receipts are normally $50,000 or less:

- Private foundations required to file Form 990-PF
- Section 509(a) (3) supporting organizations required to file Form 990 or Form 990-EZ.

In addition, the Form 990-N filing requirement does not apply to churches, their integrated auxiliaries, and conventions or associations of churches. Organizations that have not been recognized as tax-exempt, including those with applications pending, must first call Customer Account Services at 1-877-829-5500, a toll-free number, to update their account before filing Form 990-N.

Beginning in 2008, small tax-exempt organizations that previously were not required to file returns may be required to file an annual electronic notice, Form 990-N. This filing requirement applies to tax periods beginning after December 31, 2006. Organizations that do not file the notice will lose their tax-exempt status. The same return due dates apply to Form 990-N as for Form 990 series returns.

Note: Requests for an extension of time to file are not allowed for Form 990-N.

4.3 Estate and Trusts

Beginning with Tax Year 2013, the Estate and Trusts Tax forms have been added to the Modernized e-File (MeF) program. When a new tax form is added to the MeF platform, that form may only be filed electronically during the current processing year (e.g., PY 2014) and future processing years.

Return to Table of Contents

The system will receive and process return information electronically for the following business return type:

- **Form 1041,** *U.S. Income Tax Return for Estates and Trusts*

4.4 Partnership Returns

4.4.1 TY 2014, 2013, 2012 Form 1065/1065-B

Common Trust Fund Returns can now be e-filed for 2012, 2013 and 2014.

4.5 Corporate Returns

TY 2014 Forms 1120/1120S/1120-F *cannot* be e-filed for:

- Returns with tax periods ending December 31, 2011 or prior,
- Returns covering multiple tax periods,
- Bank Holding Company Tax Act. Election to make installment payments for a portion of the total tax attributable to the Bank Holding Company Tax Act.
- Prompt Assessments.

4.5.1 1120 Family Forms that *cannot* be e-filed as a Stand-Alone Return at the Parent Level

Corporations required to e-file subsidiary returns for the following forms must file them in XML format. Refer to the link Directions for Corporations to e-file, Tax Year 2014 on the e-file for Large Business and International (LB&I) page on the IRS.gov website for additional information.

1120-L	Life Insurance Company
1120-PC	Property and Casualty

Return to Table of Contents

If any of the forms listed below are filed as stand-alone returns, i.e. not part of a consolidated return, they must be filed on paper since they are not currently processed on the MeF system. However, if any of the following forms are part of a consolidated return, they may be attached in .PDF format. They should be named appropriately and attached to the top-level consolidated return.

1120-C (formerly 990-C)	Farmer's Cooperative Association
1120-FSC	Foreign Sales Corporations
1120-H	Homeowners Association
1120-IC-DISC	Interest Charge Domestic International Sales
1120-ND	Nuclear Decommission Trusts
1120-REIT	Real Estate Investment Trust
1120-RIC	Regulated Investment Companies
1120SF	Settlement Funds

The 1120X cannot be e-filed as a stand-alone return. It must be submitted as an attachment to an 1120 return.

1120X	Amended Return

4.5.2 Special Instructions for Form 1120 Section 847, Special Estimated Tax Payments

If a taxpayer is required to make or apply *Special Estimated Tax Payments* (SETPs) under Section 847 in addition to its regular estimated tax payments, the amount should be included in total estimated tax payments on line 13, Schedule J, Part II. Your software should allow you to enter “Form 8816” or “Section 847 Deduction” and the amount. Making the appropriate entries should assist the IRS in properly accounting for a taxpayer’s SETPs and may eliminate the need to correspond with the taxpayer to obtain clarification of the type and amount of payments claimed.

4.5.3 Special Instructions for Form 8838 When Filed With Form 1120

The signature on Form 1120 extends to all accompanying statements and schedules with the exception of Form 8838, *Consent to Extend the Time to Assess Tax Under Section 367 – Gain Recognition Agreement*. Attach a signed copy of Form 8838 to the Form 1120/1120S/1120-F as a .PDF file with the description “Form 8838.”

4.5.4 Special Instructions for Form 1120-F when Foreign Investment in Real Property Tax is Claimed

When claiming Foreign Investment in Real Property Tax (FIRPTA) Credit on Line 5i of Form 1120-F, Forms 8288-A and 8805 must be attached to the return. Since these

Return to Table of Contents

forms are not available as schemas in XML format, attach Forms 8288-A and 8805 to the return in .PDF format. In order to pass the business rule, the DF files must be named and described exactly as stated in the rule.

Table 4–1: Forms 8288-A and 8805 Special Instructions (FIRPTA Claims)

Form	File Name	Description
8288-A	Form8288-A.pdf	Form 8288-A
8805	Form8805.pdf	Form 8805

4.6 Application for Automatic Extension of Time to File Certain Business Income Tax, Information and Other Returns—Form 7004

All the returns listed on Form 7004 are eligible for an automatic extension of time to file from the due date of the return. The instructions for Form 7004 describe exceptions that apply to foreign corporations without offices or places of business in the United States, foreign and certain domestic corporations and certain partnerships.

The Form 7004 does not extend the time for payment of tax. Refer to the Form 7004 instructions for additional information on payment of tax and balance due.

TY 2014 Form 7004 *cannot* be e-filed for:

- Name change applications,
- Requests for refunds,
- Applications requesting extension due to change in accounting period unless prior approval has been applied for from IRS or certain conditions have been met. See Publication 538, "Accounting Periods and Methods", for further details.
- Applications with Net Operating Loss Carryback. Form 1138 should be sent separately and not with the 7004.
- Applications attaching a Power of Attorney (POA). The POA should be sent separately and not with the 7004.
- Early filed returns, i.e. returns filed before the end of tax period.
- Any condition or requirement, not supported by software that requires the submission of a paper document or form.
- Filing short period extension due to termination of 1120S status.
- Extensions for the following forms:

Return to Table of Contents

- Form 706-GS(D), *Generation-Skipping Transfer Tax Return for Distributions*
- Form 8612, *Return of Excise Tax on Undistributed Income of Real Estate Investment Trusts*
- Form 8613, *Return of Excise Tax on Undistributed Income of Regulated Investment Companies*
- Form 8725, *Excise Tax on Greenmail*
- Form 8831, *Excise Taxes on Excess Inclusions of REMIC Residual Interests*
- Form 8876, *Excise Tax on Structured Settlement Factoring Transactions*

4.7 Application for Extension of Time to File an Exempt Organization Return—Form 8868

Use Form 8868, *Application for Extension of Time to File an Exempt Organization Return*, to request an extension of time to file.

Beginning January 2013, individuals can mail in an extension of time to file Form 4720 to report and pay their individual excise taxes using their SSN. For paper submissions only, individuals extending Form 4720 should submit a paper Form 8868 and enter Return Code “03” and their SSN. For e-filed submissions: Corporations extending Form 4720 should continue to enter Return Code “09” and their EIN.

MeF will now accept all Forms 8868, Part I **and** Part II, with the exception of extensions for Forms 8870, which must be filed in paper format. MeF accepts Forms 8868 Parts I and II from organizations not recognized as exempt (application pending, etc.); extensions for short period returns; extensions for Forms 990-BL and 6069; extensions for group returns; and extensions for composite or consolidated Forms 990-T.

An accepted acknowledgement of the electronic Form 8868 serves as IRS approval of the extension for Form 8868, Part I – *Automatic 3 Month Extension of Time*.

Form 8868, *Application of Extension of Time to File an Exempt Organization Return*, **Part I,** *Automatic 3-Month Extension of Time,* does not require a signature unless a payment is submitted with the form. **A signature is always required for Form 8868 Part II,** *Additional (Not Automatic) 3-Month Extension of Time***.** If providing a payment with either Part I or Part II, you may use the Practitioner PIN or the scanned Form 8453-EO method to submit the extension application and payment.

An extension will be rejected if it is not received by the IRS due date of the applicable return.

Return to Table of Contents

Note: For purposes of determining timeliness of the extension, the received date is the electronic postmark, if present, or the IRS received date in the GTX Key. To avoid rejecting extensions from filers or transmitters in a different time zone from the IRS system, the time zone differences are taken into consideration.

4.8 Excise Tax e-File and Compliance (ETEC)

TY 2014 Forms 720, 2290 and 8849 that *cannot* be e-filed for:

- **Form 2290** -- no returns will be accepted for tax periods prior to July 1, 2012.
- **Form 720** -- no returns will be accepted prior to first quarter 2013.
- **Form 8849** – no returns will be accepted prior to 2012.

4.8.1 ETEC Extension Requests:

- Extensions can be requested on Form 2290,
- No extension to file Form 720,
- No extension to file Form 8849.

4.9 Return Due Dates

The return due date and extended due date tables for Tax Year 2014 will be available on each form family's Schema and Business Rule page at IRS.gov. For Tax Years 2013 and 2012, these can be found at the Modernized e-File MeF User Guides and Publications page at IRS.gov, by tax year.

Table 4–2: Return Due Dates

Form	Tax Year			
Forms 720, 2290, 8849, Excise Tax Returns	2015	2014	2013	2012
94x Family, Employment Tax Returns	2015	2014		
99x Family, Tax-Exempt Organization Returns		2014		
1041, Estate and Trusts		2014		
1065x Family, Partnership Returns		2014		
1120x Family, Corporate Returns		2014		
Form 7004				

Note: Form 8849 has various due dates depending on which schedule is being filed. If the Form 8849 is not filed timely, certain claims can be filed on the income tax

Return to Table of Contents

return using Form 4136, provided the statute of limitations has not expired on the income tax return and the Form 4136 instructions allow the credit.

4.10 Accepted Forms and Schedules

The list of accepted forms and schedules for Tax Year 2014 will be available on each form family's Schema and Business Rule page at IRS.gov. For Tax Years 2013 and 2012, these can be found at the Modernized e-File MeF User Guides and Publications page at IRS.gov, by tax year.

Table 4–3: Accepted Forms and Schedules

Form	Tax Year			
Forms 720, 2290, 8849, Excise Tax Returns	2015	2014	2013	2012
94x Family, Employment Tax Returns	2015	2014		
99x Family, Tax-Exempt Organization Returns		2014		
1041, Estate and Trusts		2014		
1065x Family, Partnership Returns		2014		
1120x Family, Corporate Returns		2014		

5 IRS e-File for Large Taxpayers Filing Their Own Corporate Income Tax Return

5.1 Purpose of Part 5

This chapter provides an additional source of information for Large Taxpayers and certain businesses **which choose to electronically file their income tax returns directly with the IRS rather than using an Electronic Return Originator (ERO)**.

For purposes of electronic filing, the IRS defines a **Large Taxpayer** as a business or other entity with assets of $10 million or more, or a partnership with more than 100 partners without regard to the asset threshold, which originates the electronic submission of its own return(s).

- These taxpayers may choose to electronically file their own corporate return or use an Authorized IRS e-file Provider.
- An Authorized IRS e-file Provider is a company or individual that has applied, passed suitability and been accepted by IRS to e-file individual or business income tax returns.

Return to Table of Contents

- A list of MeF Authorized IRS e-file Providers can be found on the IRS.gov website.

If you do not meet the Large Taxpayer criteria:

- Assets of $10 million or more,
- A partnership with more than 100 partners without regard to the asset threshold

STOP—you MUST use an Authorized IRS e-file Provider.

Certain Large Taxpayers and Tax-Exempt Organizations Required to e-File:

1. Large Taxpayers who file 250 or more returns ending on or after December 31, 2008, or had total assets of $10 million or more;
2. Partnerships with more than 100 partners are required to electronically file their tax return.

"Returns Filed" includes an aggregate of:

- Income tax returns
- Returns under Section 6033
- Information returns
- Excise tax returns
- Employment tax returns

Required e-Filing of Forms 990 and 990-PF for Certain Large Tax-Exempt Organizations:

- **Form 990**: For tax, years ending on or after December 31, 2006, exempt organizations with $10 million or more in total assets may be required to e-file if the organization files at least 250 returns in a calendar year, including income, excise, employment tax and information returns. See e-File for Charities and Non-Profits on the IRS.gov web page.
- **Form 990-PF**: Private foundations and non-exempt charitable trusts are required to file Forms 990-PF electronically regardless of their asset size, if

Return to Table of Contents

5.2 Why Certain Large Taxpayers are Required to e-File

On November 13, 2007, the Internal Revenue Service issued final Treasury Regulations, which were announced in Treasury Decision (T.D.) 9363 Internal Revenue Bulletin: 2007-49. These final regulations update and clarify the rules and procedures for corporations and organizations required to file their returns electronically.

The regulations require electronic filing of

- Forms 1120 and 1120S by corporations required to file at least 250 returns during the calendar year, required to file corporate income tax returns and that had total assets of $10 million or more as shown on Schedule L of their Form 1120 and 1120S, for taxable years ending on or after December 31, 2006.
- The same criterion for the requirement to e-file applies to Form 1120-F returns for tax years ending on or after December 31, 2006.
- The regulations also required electronic filing of Form 990-PF, regardless of total assets, by organizations required to file at least 250 returns during the calendar year.

Except as described in the preamble, the final regulations clarify that the electronic filing requirement applies to Forms 1120, 1120S and 1120-F, including amended and superseding returns.

The determination of whether a corporation is required to file at least 250 returns is made by aggregating all returns (regardless of type) that the entity is required to file over the calendar year. Examples include income tax returns, returns required under Section 6033, information returns, excise tax returns and employment tax returns.

5.3 How to Meet the Requirement to e-File

As a large taxpayer, you must decide if you are going to use an Electronic Return Originator (ERO) or prepare and e-file your return yourself.

If you elect to use an ERO, STOP—the following instructions in this section do not pertain to you.

If you elect to e-file your return yourself, you have the following three options from which to choose:

Online Provider—You may transmit through an Online Provider. You prepare and send your corporate return to an Authorized IRS e-file Provider. The provider will act as an Online Provider who then transmits your return to IRS. You do NOT need to register and apply as a Large Taxpayer. The Online Provider uses their Electronic Transmitter

Return to Table of Contents

Identification Number (ETIN) and Electronic Filing Identification Number (EFIN) on your behalf.

Direct Transmission—You transmit your corporate return directly to IRS with no assistance from another entity. You must register and apply as a Large Taxpayer to obtain an ETIN to transmit your return and an EFIN to originate the return.

Third-Party Transmitter—You prepare and send your corporate return to an authorized IRS e-file Provider who then transmits your return to IRS. You must register and apply as a Large Taxpayer in order to obtain an EFIN to originate the return.

Important! Be sure to verify the transmission methods the software vendor provides through its tax preparation software. For example, if the software vendor is not a Transmitter, then you will have to either transmit your return yourself or find an Online Provider or Third-Party Transmitter who can transmit your return for you.

Table 5–1: How to Meet the Requirements to E-File

Transmitter Types	How Does It Work?	How Does Return Get to IRS?	Large Taxpayer Needs Their Own EFIN to e-file?	Large Taxpayer Needs Their Own ETIN to e-file?
Online Provider	Large Taxpayer must: • Select an Online Provider • Use the Online Provider's software to create their return • Notify the Online Provider the return is ready to file • Get notification from the Online Provider that the return has been successfully acknowledged by IRS with an Accepted or Rejected status	Online Provider transmits the return	No	No

Return to Table of Contents

Direct Transmission	Large Taxpayer must: • Register for e-Services • Apply as a Large Taxpayer • Choose the transmission method “MeF Internet” • Ensure at least one (two or more recommended) Responsible Official or Delegated User has the authority to use: o “MeF Internet Transmitter” (IFA), **or** o “MeF System Enroller” (A2A) • Complete Communications Test • Contact e-help Desk to have ETIN moved to “Production” status • Transmit Return • Retrieve Acknowledgement File	IFA or A2A	Yes	Yes

Return to Table of Contents

Third-Party Transmitter	Large Taxpayer must: • Register for e-Services • Apply as a Large Taxpayer • Choose the transmission method “MeF Internet” • Select a Third-Party Transmitter • Provide completed return to Third-Party Transmitter • Third-Party must: o Check transmission file format o Transmit return to IRS o Retrieve Acknowledgement File and provide notification to the Large Taxpayer that the return has been successfully acknowledged by IRS with an Accepted or Rejected status	Transmission channel is determined by Third-Party Transmitter	Yes	No You will be assigned and receive an ETIN, but you will not need to use it.

Return to Table of Contents

5.4 How to Register and Apply to e-file as a Large Taxpayer

- It is recommended that you complete the e-Services registration and IRS e-file Application process at least 45 days before you plan to file your electronic return.
- If you plan to transmit your own return, you should complete the e-Services Registration and IRS e-file application at least 60 days prior to filing your return.
- Transmitting your own return requires communications testing to ensure connectivity with IRS.

Registration is a one-time, universal process that authenticates the individual registrant to the IRS through the use of "shared secrets" and enables you to do business electronically with the IRS.

All Responsible Official(s) and Delegated User(s) within your corporation who will be responsible for e-filing your corporate return and/or creating or maintaining your corporate IRS e-file Application will need to individually register with e-Services.

The Responsible Official is not required to be a Corporate Officer or a Principal of the Firm.

5.4.1 Register with e-Services

To register, select the "Registration Services" link under e-Services - Online Tools for Tax Professionals or follow the instructions below:

1. Go to IRS.gov and select the "for Tax Pros" tab.
2. Select the "e-Services for Tax Pros" link on the left hand side under "More Topics for Tax Pros."
3. Select the "Registration Services" link under "Registration Services."
4. Click on the "Registration" link and follow the instructions. Pay particular attention on how to construct your Username and Password. You will need to safely record the
    - Username,
    - Password,
    - The self-selected five-digit Personal Identification Number (PIN) which will represent your electronic signature,
    - Username recovery question/answer,

Return to Table of Contents

- Account unlock questions/answers.

  The PIN is used to sign your corporation's IRS e-file Application. The PIN is also needed to sign the application when updates are made. Specific instructions and screen shots of the registration process are available at e-Services On-line Tutorials and Help, located in the menu bar of Registration Services.

If you are experiencing problems as you complete your e-Services Registration, contact the IRS e-help Desk at 1-866-255-0654 for assistance.

5. Once successfully registered online, the IRS will mail a confirmation code to the official address of record.

You will have **28** days from the initial registration to access e-Services and input your confirmation code to successfully complete your registration. You **must** perform this step to complete the registration process.

The e-Services password will expire every 180 days. You will receive a screen notice warning 15 days prior to expiration and (if e-mail address was provided) an e-mail will be sent 30, 20, and 10 days prior to password expiration. If you do not access e-Services on a regular basis, you should set a reminder to access e-Services and update your password.

5.4.2 Information Needed to Register

The following information is required to register. The IRS does not store this information in the application or with your corporation's records. It is only used to verify your identity and allow you to continue registration with e-Services.

- Legal name (verified with IRS and SSA records)
- Social Security Number (verified with SSA records)/Individual Taxpayer Identification Number (verified with IRS records)
- Date of birth (verified with SSA records)
- Telephone number
- E-mail address - If you do not provide your e-mail address, you will not receive a reminder regarding your password expiration.
- Adjusted Gross Income (AGI) from either your current year or prior year filed tax return (verified from IRS records)
- Username, password and PIN

Return to Table of Contents

- Select your preferred username.
- Read the rules for selecting your username, password and PIN.
- Select your password and PIN.
- Read the helpful hints on selecting a secure, unique password and PIN.
- If you have forgotten or lost your password or PIN, go to Forgotten or Lost Password or PIN

- Username recovery question/answer
- Account unlock questions/answers
- Home mailing address (verified from IRS records). If you have moved since your last transaction with the IRS, please update your information when registering.

If you wish to review the instructions and the screens for registration, access e-Services On-line Tutorials and Help.

Now that you have successfully registered, you are ready to create your corporation's IRS e-file Application.

5.4.3 Apply to e-File

First, determine who will perform certain functions for your corporation and gather the necessary information required to complete the application. Determine:

- Who will be your Responsible Official(s)? Up to five are allowed; the IRS recommends that you have **at least two** for back-up purposes and the authorities they will have.
- Who will be your Delegated Users and what authorities they will have?
- What form(s) you will e-file.
- How you will transmit your return (see Part 5.6).

Below are definitions that will help you to determine who will act as Responsible Officials and Delegated Users.

5.4.3.1 Responsible Official

- An individual with responsibility for and authority over your e-file operation.
- An individual who is the first point of contact with the IRS and has the authority to create, revise and sign your IRS e-file application.

Return to Table of Contents

- An individual who is responsible for ensuring that your corporation adheres to the provisions of all publications and notices governing IRS e-file. If one individual cannot fulfill these responsibilities, up to four additional Responsible Officials may be identified for a total of five.

- An individual who is a U.S. citizen or legal resident alien (lawful permanent resident) and has attained the age of 18 as of the date of the application.

You will need the following information for each Responsible Official you want to add to your corporation's IRS e-file application:

- Name
- Social Security Number
- Position Title
- Date of Birth
- E-mail Address

5.4.3.2 Delegated User

A Delegated User is an individual within your firm/organization, other than a Responsible Official, who is an employee, partner, or other member of the firm/organization or who has a business relationship with the firm/organization.

The information you will need for each Delegated User you want to add to your corporation's IRS e-file application includes:

- Name
- Social Security Number
- Title
- E-mail address

5.4.3.3 Authorities

You are able to modify what "authorities" the Responsible Official(s) and Delegated User(s) have. The Responsible Official that creates the corporation's IRS e-file application can authorize any or all of the following permissions for **either** Responsible Officials or Delegated Users.

Authority to:

- View the corporation's IRS e-file Application Information

Return to Table of Contents

- Update the corporation's IRS e-file Application Information
- Sign and submit the corporation's revised IRS e-file Application
- Add, delete or change Responsible Officials
- Be designated as the corporation's MeF Internet Transmitter (Internet Filing Application (IFA) is the primary method for Large Taxpayers)
- Be designated as the corporation's MeF System Enroller (Application-to-Application (A2A) limited usage)

It is important that Responsible Officials and/or Delegated Users and their authorities be deleted from the IRS e-file Application when they are no longer associated with the Large Taxpayer or when their position within the firm no longer warrants one or more authorities.

There are two distinct differences in creating an IRS e-file Application as a Large Taxpayer versus an individual/firm who is in the business of preparing and/or transmitting tax returns for profit.

1. Suitability checks are **not** performed on the Responsible Officials of Large Taxpayers.
2. You will be assigned **both** an Electronic Filing Identification Number (EFIN) and an Electronic Transmitter Identification Number (ETIN) on the completion of your IRS e-file application.

It is important to become familiar with the rules and requirements for participation in IRS e-file program by reading the applicable IRS e-file documents. Publications and other information about IRS e-file and related topics, including state filing information, can be found at IRS.gov. Links to many of the publications are included in a later section of this document.

Specific instructions along with a page-by-page preview of the e-file application process can be found at e-Services On-line Tutorials, *How Do I Apply to Become an Authorized IRS e-file Provider?*.

If you are experiencing problems as you complete your IRS e-file Application, contact the IRS e-help Desk at 1-866-255-0654 for assistance.

As a reminder, when you are in e-Services, you are in a secure environment. Do **not** use your browser "back" or "forward" arrows! Use the navigation buttons on the screens for "next" or "previous."

Return to Table of Contents

5.5 What is Different in Preparing Returns to e-File

Most corporations have been using software to prepare their returns for years. With the requirement to e-file, the challenge is to integrate all of the supporting data, transactional data, elections, disclosure statements and other items with your return. These documents can be prepared in a variety of software packages; with paper filing, you would just attach the document to your return. This section discusses how to handle these attachments. Additional information may be found in Parts 3 and 4.

IRS requires all tax preparation software used for preparing electronic returns to pass the requirements for MeF Assurance Testing (ATS). IRS approved software must be used to prepare returns.

IRS does not require software vendors to support all forms. They are allowed to develop their tax preparation software based on the needs of their clients. You should ensure that your software vendor supports all of the forms/schedules (for example, amended and short year return capabilities); you may need to e-file your return. Generally, **waivers are not granted for software limitations**.

5.5.1 Traditional Paper Filing Process

When taxpayers prepare paper consolidated corporate income tax returns, spreadsheets are commonly used to report the required data for each subsidiary. These spreadsheets are commonly attached to report subsidiary data on Form 1120, other attached IRS forms such as Form 4562, and for supporting data, i.e., other income statement. These spreadsheets are attached to the consolidated return and mailed to IRS.

Taxpayers use tax preparation software to prepare most of their paper corporate income tax returns but may also use other formats (Word, Excel, etc) to prepare supporting data. The documents containing supporting data are then attached to the portion of the return prepared by tax preparation software and mailed to IRS.

5.5.2 MeF Filing Process

MeF requires tax software approved for electronic filing to use IRS forms for reporting data for each subsidiary return. IRS provides all the business rules and XML schema requirements for each form, schedule and attachment. Generally, if a schema is provided for a specific form, the data must be submitted in the XML format provided. See the current listing “2014 Summary Chart of Filing Directions for use by Taxpayers Required to e-file, Listed by Form Number” on IRS.gov for specifics. MeF requires supporting data to be included in tax preparation software or attached as .PDF files. Statements with “columnar data” may be attached in .PDF format.

Return to Table of Contents

5.5.3 Consolidated Returns

In addition to the parent return, tax software approved for electronic filing should allow taxpayers to create a separate "stacked return" for each subsidiary. Tax preparation software should allow taxpayers to report Eliminations and Adjustments as a separate "stacked return." Tax preparation software may also allow taxpayers to use spreadsheets for the internal review of the return, but IRS requires all subsidiary data to be formatted and transmitted to IRS as "stacked returns."

5.5.4 Aggregation of Data from Different Sources

Most software packages allow taxpayers to import and/or export data from other sources. Taxpayers are encouraged to discuss available options with their software vendor early in the return preparation process to determine how to prepare supporting data. Detailed examples and instructions on how to include supporting data can be found in 3.9, *Attaching Portable Document Format (.pdf) Files* and on the IRS.gov website, e-file for Large Business and International (LB&I) Corporations. Select the link for Guidance for Naming Portable Documents Format (.pdf) files. That link will take you to Recommended Names and Descriptions for PDF Files attached to Modernized e-File (MeF) Business Submissions for guidance on naming the attached .PDF files.

In many instances, information on schedules attached to Form 1065 will be the same schedules required to be filed with Form 8865, Return of U.S. Person with Respect to Certain Foreign Partnerships.

- You should copy the data from the Form 1065 completed Schedules B, D, K, K1, L, M-1 and/or M-2 to the corresponding Form 8865 schedules and submit them with Form 8865.
- Do not attach these schedules with the Form 1065.

5.5.5 Attaching Data Not Defined in XML Schemas

When taxpayers prepare corporate income tax returns on paper, they may or may not use tax preparation software to prepare the disclosure statements and/or elections required by Treasury Regulations or various IRS Publications. They may use a variety of programs (Word, Excel, etc.) to prepare the numerous disclosure statements and/or elections based on the unique needs of the particular return.

Unless specifically listed in the Recommended Names and Descriptions for PDF Files attached to Modernized e-File (MeF) Business Submissions, or required to be presented in columnar or tabular format, all disclosure statements and elections to be included with the return must be submitted in the specified XML format. MeF provides schema for many of the common elections and disclosures. In the event that a specific schema is not available, taxpayers should use the General Dependency Schema. The

General Dependency Schema allows taxpayers to identify the disclosure statement/election using the following data elements:

- Form Line or Instructions Reference (optional),
- Regulation Reference (optional),
- Description (optional),
- Attachment Information (optional).

There are three General Dependencies available. Specific information about using these dependencies can be found in 3.24, *General Dependency*.

Detailed examples and instructions on how to prepare the disclosure statements and/or elections can be found in 3.26, *Creating Elections/Disclosure Statements Required by Regulations or Publications*.

5.5.6 Attaching Data in .PDF Format

Some disclosure statements and/or elections may require supporting data that cannot be entered into the specified formats, i.e. Plans of Merger, Plans of Reorganization, meeting notes, etc. In June 2007, IRS issued T.D. 9329, *"Guidance Necessary to Facilitate Business Electronic Filing and Burden Reduction"* which eliminated reporting burdens and also eliminated regulatory impediments to the electronic filing of certain statements taxpayers are required to include on or with their Federal income tax returns. Please refer to T.D. 9329 for specific information.

In the event this type of supporting data is still required, it may be exported to the appropriate XML schema, if your software supports it, or attached to the electronic return as a .PDF file. The actual disclosure statement and/or election must be entered into the required XML format and only the supporting data submitted as .PDF.

Each file attached to a return must contain a unique, meaningful title and description for the attachment. If the description of the file is not representative of its contents, it may result in a delay in the return processing.

The following examples of descriptions may also delay processing:

- "Other"
- "PDF Attachment"
- "Miscellaneous Information"

The description will be used to identify the attachment when the IRS displays the .PDF. For example: "Foreign Tax Credit Carryover."

Return to Table of Contents

See Exhibit 4 for a detailed table of “Recommended names and descriptions for .PDF files.”

5.5.7 Treasury Decision (T.D). 9300 - Eliminating Signature Requirements for Certain Forms

Many forms that may be attached to a return have separate signature lines.

These signature requirements impeded electronic filing by:

- Requiring taxpayers to include third-party signatures on their tax returns,
- Requiring taxpayers to attach documents or statements generated by third-parties,
- Requiring a taxpayer to sign an IRS form and file it as an attachment to the taxpayer’s income tax return.

The regulations in T.D. 9300 provide that in a number of situations, the signature on a taxpayer’s return covers attachments to that return. See T.D. 9300 for specifics.

5.5.8 Return Address and Name Control

The address on the first page of the electronic return, once processed by the IRS, will be used to update the taxpayer’s address-of-record. The IRS uses a taxpayer’s address-of-record for various notices that are required to be sent to a taxpayer’s “last known address” under the Internal Revenue Code and for refunds of overpayments of tax, unless otherwise specifically directed by taxpayers, such as by Direct Deposit.

Returns with a foreign address in the entity portion of the Form 1120/1120S/1120-F may be filed electronically.

There will be instances in the preparation of the tax returns, forms or attachments when a two character Foreign Country Code is required. The code should always be the code of the Foreign Country or Foreign Sovereignty as recognized by the US State Department. For example, Scotland, Wales, and England are part of the foreign country United Kingdom. The Foreign Country Code for United Kingdom is UK. The Balearic Islands are a part of Spain and should be coded as Spain, “SP”. These are just a few examples.

When entering foreign addresses on the return or form, the state or republic, such as Scotland or England, can be entered with the city, “London, England” and the country as “United Kingdom” or “UK”. See Foreign Country Codes for a complete listing of Foreign Country Codes.

Return to Table of Contents

The Name Control for corporations should be determined from the information specified on the first name line. Generally, the Name Control is derived from the first four characters of the corporation name and consists of up to four alpha and/or numeric characters. See Using the Correct Name Control in e-filing Corporate Tax Returns for a detailed explanation of business Name Controls.

5.5.9 Signing the Electronic Return

Since corporate returns filed through MeF are composed of electronically-transmitted data, a method is necessary for the corporate officer to legally sign the return. The corporation must designate an officer of the firm responsible for signing the corporate income tax return following the procedures outlined in Treasury Regulation Section 1.6062-1.

IRS developed Forms 8453-(C/S/I) for corporations to attach to their return.

- 8453-C - U.S. Corporation Income Tax Declaration for an IRS e-file Return
- 8453-S - U.S. S Corporation Income Tax Declaration for an IRS e-file Return
- 8453-I - Foreign Corporation Income Tax Declaration for an IRS e-file Return

As the return is prepared, there will be numerous supporting document attachments, including the applicable Form 8453, which should be scanned and attached to the return as a Portable Document Format (.pdf) document. The corporate officer must sign and date the applicable Form 8453, to authorize the origination of the electronic submission of the return, prior to the transmission of the return. The "*Declaration of Officer*" includes the officer's declaration under penalties of perjury that the return is true, correct and complete. If a third-party transmitter is used to transmit the return, the Form 8453-(C/S/I) also gives the officer's consent to have the IRS send that third-party transmitter an acknowledgement indicating whether or not the return was accepted and, if rejected, the reason(s) for the rejection. The third-party transmitter will then provide that acknowledgement to the officer. If a Paid Preparer is hired to review and sign the return, then the paid preparer must also sign the Form 8453-(C/S/I). The Paid Preparer must check the box in the "Paid Preparer's Use Only" section. Paid Preparers do not have to disclose their SSN or EIN on the copies they supply to taxpayers.

You **MUST retain the original** applicable **Form 8453** (such as 8453C/S/I) that is physically signed by your corporation's officer. It is recommended this information be retained for minimum of three years from the due date or extended due date of the tax return.

Return to Table of Contents

Note: If the electronic return data on a corporate income tax return is changed after the Declaration of Taxpayer is signed, you MUST sign a new declaration if the "Total Income" amount differs by more than $150 or the "Taxable Income" amount differs by more than $100.

Tax preparation software approved for electronic filing should include the applicable Forms 8453 which must be completed and signed by all required parties. These documents will then be scanned into a .PDF document and attached to the electronic return. IRS approved MeF software will provide instructions for including the scanned document with the electronic tax return.

In the event you are unable to file your return electronically and the e-help Desk has directed you to file your return on paper, the corporate officer MUST sign the paper copy of the tax return before it is filed. Form 8453- (C/S/I) is NOT a valid signature option when filing a paper copy of a tax return. Detailed guidance can be found on the IRS.gov website at e-file for Large Business and International (LB&I).

5.6 How to Transmit Electronic Returns to the IRS

There are different methods in which a return can be transmitted to IRS. The IRS's definition of a transmitter is someone who sends the electronic tax return directly to the IRS. A transmitter must complete an IRS e-file Application and be approved by IRS to transmit returns. Transmitters use an Electronic Transmitter Identification Number (ETIN) as they transmit returns to the IRS. A large taxpayer, who completes an IRS e-file Application, is issued an ETIN that is used to transmit the return directly to IRS. Large taxpayers who choose to use a Third-Party Transmitter do not require the ETIN.

The software that a developer creates has to be approved by IRS. The submissions must be formatted in Extensible Mark-Up Language (XML). MeF performs validations of the transmission and return data through business rules, schema validations, Simple Object Access Protocol (SOAP) envelope validation, Transmission Header and Manifest validation which applies to both Internet Filing Application (IFA) and Application-to-Application (A2A) transmissions.

5.6.1 Transmission Channels

Internet Filing Application (IFA) is a direct, secure Internet connection that requires a person to initiate the transmission session. IFA provides a browser-based interface that allows an individual the ability to easily upload a return and transmit it securely over the Internet. The speed at which the return transmits over the Internet depends on the speed the Internet Service Provider (ISP) provides.

Return to Table of Contents

As identified in the IRS e-file Application procedures, one or more of your Delegated Users must be designated as a "MeF Internet Transmitter." It is highly recommended to designate more than one Delegated User to ensure you have a backup. If the corporation chooses to transmit their own return, the Authorized MeF Internet Transmitter will access IFA through the Modernized e-File (MeF) Internet Filing link. For additional specific instructions, including screen shots for transmitting through IFA refer to Publication 4164, *Modernized e-File Guide for Software Developers and Transmitters*.

Prior to being moved to production status, the MeF Internet Transmitter must perform a communications test with the IRS to verify that you are able to transmit electronic return data to the IRS. Your ETIN is in a "test" status until you perform this communications test with IRS. After successful connectivity, you must contact the e-help Desk at 1-866-255-0654 to have your ETIN moved from "test" status to "production" status. Large Taxpayers do NOT need to perform a communications test each year. They perform the communications test the first year only. Software packages may have communication tests built in so completing this requirement is relatively easy. Follow directions in the software or documentation package, if problems occur contact the software developer who sold the software or contact the technical support operation that comes with the software package.

The status of each form type transmitted to the IRS can be viewed by accessing the firm's IRS e-file Application and clicking on the "Forms" link. The form/format previously selected on your IRS e-file Application will be displayed in a table along with the status. The status is updated from "test" to "production" when required communication testing is completed. For more information regarding communication testing, refer to Publication 5078, *Modernized e-File (MeF) Test Package*.

Application-to-Application (A2A) uses secure Internet connections to communicate with MeF using SOAP (Simple Object Access Protocol) messages. You can find more information in the Publication 4164, *Modernized e-File Guide for Software Developers and Transmitters*.

When an A2A transmission is complete, a receipt is created that is the response to the Send Submissions message. The next step is for MeF to validate the transmission file and the electronic returns and generate an Acknowledgement File, which is the official notification that the electronic return was Accepted (no errors) or Rejected (errors identified). If the electronic return is rejected, the Acknowledgement File will contain an Error Code Explanation(s) that can be used to identify and correct errors. The IRS makes the Acknowledgement File available for the Transmitter to retrieve as soon as MeF processing is completed.

5.6.2 Methods of Transmission

There are three options in which to e-file your tax returns.

Return to Table of Contents

The first method is **Direct Transmission**, which allows you, as the corporation, to file your return directly with IRS. As a transmitter, you will be responsible for the following:

- Transmitting returns to IRS through IFA or A2A,
- Retrieving the Acknowledgement File from IRS within two days of transmission,
- Promptly correcting any transmission error that causes the electronic transmission to be rejected,
- Ensuring the security of all transmitted data,
- Contacting the IRS e-help Desk toll-free number 1-866-255-0654 for further instructions if an Acknowledgement of acceptance for processing has not been received within 24 hours of transmission.

Refer to Publication 4164, *Modernized e-File Guide for Software Developers and Transmitters*, which is available on the IRS.gov website, for specific information on transmitting returns and correcting errors.

The second method is through a **Third-Party Transmitter**. This method involves having an Authorized IRS e-file Provider transmit your corporation's return to IRS. Contact the Third-Party Transmitter for instructions.

The third method is **Online Provider**. This option allows you to prepare your return and send it to the Online Provider, who will transmit the return for you. There is no Electronic Return Originator (ERO) involved in this process.

5.6.3 Retrieving an Acknowledgement

After transmitting a return, you will need to retrieve the acknowledgement. The Acknowledgement File is the official notification that the electronic return was Accepted (no errors) or Rejected (errors identified).

The Large Taxpayer transmitting the corporation's own return must retain the Acknowledgement file that contains the Acceptance Status "Accepted" as proof that their return was accepted by the IRS. A Status Record that shows that a return was "Acknowledged" is not proof that the return was Accepted. The Status Record shows that an Acknowledgement was generated but does not provide the status of the Acknowledgement - "Rejected" or "Accepted."

If the electronic return is rejected, the Acknowledgement File will contain an Error Code Explanation(s), which should be used to identify and correct errors. IRS makes the Acknowledgement File available for the MeF Internet Transmitter to "pick up" as soon as MeF processing is completed.

Return to Table of Contents

Download the acknowledgement following the steps as outlined in Publication 4164. The acknowledgement is an XML file.

The following is an example of an **accepted acknowledgement** for an 1120 Federal Return:


```xml
<?xml version="1.0" encoding="UTF-8"?>
<AcknowledgementList xmlns="http://www.irs.gov/efile"
xmlns:efile="http://www.irs.gov/efile"><Count>1</Count>
	<Acknowledgement xsi:schemaLocation="http://www.irs.gov/efile
	efileAttachments.xsd" xmlns="http://www.irs.gov/efile"
	xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance">
		<SubmissionId>00000000000000000000</SubmissionId>
		<EFIN>000000</EFIN>
		<GovernmentCode>IRS</GovernmentCode>
		<TaxYear>2014</TaxYear>
		<SubmissionType>1120</SubmissionType>
		<SubmissionCategory>Corp</SubmissionCategory>
		<ElectronicPostmark>2015-02-17T09:30:47Z</ElectronicPostmark>
		<AcceptanceStatus>Accepted</AcceptanceStatus>
		<ContainedAlerts>false</ContainedAlerts>
		<StatusDate>2015-02-17</StatusDate>
		<IRSSubmissionId>00000000000000000000</IRSSubmissionId>
		<TIN>000000000</TIN>
		<IRSReceivedDate>2015-02-17</IRSReceivedDate>
		<TaxPeriodEndDate>2014-12-31</TaxPeriodEndDate>
		<PaymentIndicator>Payment Request Received</PaymentIndicator>
		<CompletedValidation>true</CompletedValidation>
		<EmbeddedCRC32>0x0</EmbeddedCRC32>
		<ComputedCRC32>0x0</ComputedCRC32>
		<TaxableIncome>123456789123456</TaxableIncome>
		<TotalTax>123456789123456</TotalTax>
	</Acknowledgement>
</AcknowledgementList>
```


5.6.3.1 Elements of the Acknowledgement

- SubmissionID is the identifying number given to your return.
- EFIN is your Electronic Filing Identification Number.
- Government Code identifies whether the return was a federal or state return
- Submission Type identifies the form (1120, 1120S, 1065, etc.).
- Tax Year identifies the tax year of the return.

Return to Table of Contents

- Submission Category identifies the return type: corporate, partnership, employment or exempt organization return. This allows acknowledgements to be downloaded by submission category.

- Electronic Postmark is the date and time the ERO or taxpayer submitted the return to the transmitter. In the case of a Large Taxpayer who is transmitting their own return, the Electronic postmark should **NOT** be used.

- Acceptance Status is the status indicating whether the return was accepted or rejected.

- Contained Alerts indicates if the acknowledgement contains one or more Alert.

- Status Date is the date the acknowledgement was created.

- TIN will be either an SSN or EIN. If submission category is “Ind”, then it is an SSN, otherwise an EIN.

- EIN is the Employer Identification Number of the entity filing the return.

- IRS Received Date is the date the IRS considers the return to have been received.

- Tax Period End Date is the date indicated on the return as the Tax Period Ending Date

- Completed Validation indicates if the return completed both the schema and business rule validation. This is particularly important if the return was rejected. If the completed Validation is “No” (false), there may be additional errors identified when the return is resubmitted.

- Embedded CRC32 is the hash total your software package calculated per the zip file submitted.

- Computed CRC32 is the hash total the IRS computed per the zip file submitted. If the Embedded CRC32 and Computed CRC32 totals do not agree, contact the IRS e-help Desk.

- Taxable Income is the amount you entered in the Taxable Income line of your Form 1120, 1120-F or 1041 return. For the Form 1120S return, this is the amount you entered from Total Income/Loss. Compare this amount with what is actually on your return. If the amounts do not match, contact your software vendor or IRS e-Help Desk.

- Total Tax is the amount you entered in the Total Tax line of your Form 1120, 1120S, 1120-F or 1041 return. Compare this amount with what is actually on

Return to Table of Contents

your return. If the amounts do not match, contact your software vendor or IRS e-Help Desk.

- Net Income/Loss is the amount you entered in the Net Income Loss from the Analysis of Net Income Loss section of your Form 1065 or 1065-B return. Compare this amount with what is actually on your return. If the amounts do not match, contact your software vendor or IRS e-Help Desk.

5.7 Timely Filed Electronic Returns

All prescribed due dates for filing paper income tax returns apply to electronic returns. Transmitters must ensure that the electronic return is transmitted on or before the due date, including extensions. An electronically filed return is not considered filed until the tax return, including the signature document or Practitioner PIN process, has been acknowledged and accepted by the IRS.

If you use a Third-Party Transmitter or an Online Provider, they may provide an **Electronic Postmark**. The Transmitter or Online Provider creates the Electronic Postmark bearing the date and time, in the Transmitter's/Online Provider's time zone, the return is received at their host computer. Your **IRS Received Date** is initially determined using the electronic postmark, based on the transmitter's time zone. If there is a question of the timeliness of your return, and the Transmitter/Online Provider is located in a different time zone, your actual received date will be determined by adjusting the electronic postmark to the time zone where you are located.

For example, if the Transmitter provides an electronic postmark with a time in the Pacific Time Zone but the taxpayer resides in the Eastern Time Zone, the taxpayer must add three hours to the postmark time to determine the actual postmark time (Eastern Time Zone).

Conversely, if the Transmitter provides an electronic postmark with a time in the Eastern Time Zone but the taxpayer resides in the Pacific Time Zone, the taxpayer must subtract three hours from the postmark time to determine the actual postmark time (Pacific Time Zone).

If you are filing directly with IRS, your return is deemed filed when the tax return has been acknowledged and accepted by the IRS. Taxpayers filing directly may **NOT** use the electronic postmark.

All accepted Acknowledgements will include the "IRS Received Date" which is the date in which IRS deems the return received.

When a transmitted electronic business return is rejected, there is a 10-day Transmission Perfection Period to perfect that return for electronic re-transmission. The yearly cutover period **does not** extend the 10 day Transmission Perfection Period. **The**

Return to Table of Contents

perfection period is never extended regardless of weekends, holidays or the end of the year cutoff.

For Form 7004, *Application for Automatic Extension of Time To File Certain Business Income Tax, Information, and Other Returns*, the perfection period is **5** days.

Perfection of the return for electronic re-transmission generally means that the originally signed return may have errors in the format of the XML or errors that cause the return to fail the IRS e-file schema validation or business rules.

When a previously rejected electronic return is "Accepted" by the IRS within the 10-day Transmission Perfection Period, it will be deemed to have been received on the date of the first reject that occurred within that 10-day period. More detailed information and examples can be found in Part 3.20, *Transmission Perfection Period*.

Notice 2010-13 provides that a taxpayer required to e-file can request a waiver from the electronic filing requirement when it cannot meet the electronic filing requirements. Before filing a paper return, corporations, partnerships and tax-exempt organizations required to e-file **must contact the e-help Desk** (1-866-255-0654) to attempt to resolve the reject conditions. If the error conditions cannot be resolved, these taxpayers must receive authorization from the e-help Desk before filing a paper return.

To be considered **timely filed**, this paper return must be postmarked by the later of the due date of the return (including extensions) or 10 calendar days after the date the IRS last gives notification that the return was rejected.

Follow the steps below to ensure that the paper return is identified as a rejected electronic return and the taxpayer is given credit for the date of the first reject within the 10-day transmission perfection period:

1. The taxpayer must call the IRS e-help Desk (1-866-255-0624) to advise that they have not been able to have their return accepted. The e-help Desk will provide a case number to the taxpayer.

2. The taxpayer should prepare the paper return and **include the following**:

    - An explanation of why the paper return is being filed after the due date,

    - A copy of the reject notification, and

    - A brief history of actions taken to correct the electronic return.

3. Write **in red** at the top of the first page of the paper return - **REJECTED ELECTRONIC RETURN – [DATE].** The date will be the date of first reject within the 10-day transmission perfection timeframe.

Return to Table of Contents

4. The paper return must be signed by the taxpayer. The PIN that was used on the electronically filed return that was rejected may not be used as the signature on the paper return.

If the return is rejected, it is recommended that the following documents be retained:

- A copy of the **Submission Receipt** received from IRS (Transmitter)
- A copy of the rejected **Transmission File** (Transmitter)
- A copy of the rejected **Acknowledgement** (Everyone)

It is not required, but it is recommended Large Taxpayers also retain a copy of the electronic return data after it is formatted into XML and before it is transmitted to IRS or a third-party transmitter. In the unlikely event there is a dispute concerning electronic data displayed by MeF systems, this file could be used as proof of the data as originally transmitted. Both IRS and the transmitter are required to retain a separate copy of the electronic return in the original format.

5.8 Additional Resources

The following publications and websites will help you understand the e-file process:

5.8.1 Publication 5078

Beginning with processing year 2014, Publication 5078, *Modernized e-File (MeF) Test Package* provides instructions on how to complete the communications test with the IRS to ensure returns can be submitted to the IRS.

Publication 5078 consolidates testing information that was in the following publications:

- **Publication 4162,** for Forms 1120/1120S/1120-F, Form 7004.
- **Publication 4205,** which provided guidance to Electronic Return originators in preparing and submitting Exempt Organization returns and extensions.
- **Publication 4505**, which provided guidance to Electronic Return Originators in preparing and submitting Corporate and Partnership tax returns and extensions.
- **Publication 4594,** which provided guidance to Electronic Return Originators in preparing and submitting Excise Tax returns and extensions.

Return to Table of Contents

5.8.2 Publication 4164

Publication 4164, *Modernized* e*-File Guide for Software Developers and Transmitters.* This document provides guidance to Electronic Return Originators in preparing and submitting Corporate, Partnership, Excise and Exempt Organization tax returns and extensions.

5.8.3 Frequently Asked Questions for Large and Mid-Size Corporations

Frequently Asked Questions for Large and Mid-Size Corporations provides guidance to large corporations based on questions the IRS has been receiving since the e-filing requirement was issued.

5.8.4 Telephone Assistance Contacts for Business Customers

Telephone Assistance Contacts for Business Customers on IRS.gov provides a listing of helpful phone numbers.

5.8.5 E-Services – Online Tools for Tax Professionals

E-Services – Online Tools for Tax Professionals at IRS.gov addresses e-Services, which is a suite of web-based products that will allow tax professionals and payers to conduct business with the IRS electronically. These services are available 24 hours a day, 7 days a week via the Internet. e-Services is not available to the general public. Only approved IRS business partners as noted on the page, are eligible to participate in e-Services.

6 Exhibits

Exhibit 1	Standard U.S. Postal Service State Abbreviations and ZIP Codes

Standard Postal Service State Abbreviations and Zip code list

Exhibit 2	Foreign Country Codes

Foreign Country Code Listing for Modernized e-File (MeF)

Exhibit 3	Schemas and Business Rules

Schema validation and business rules can be found at IRS.gov as follows:

Forms 720, 2290 and 8849

Forms 940, 940-PR, 941, 941-PR, 941-SS, 943, 943-PR, 944 and 945

Forms 990, 990-EZ, 990-N, 990-PF, 1120-POL and 8868

Forms 1041

Forms 1065 and 1065-B

Return to Table of Contents

Exhibit 4 Recommended Names and Descriptions for .PDF Files

Information on recommended names for .PDF files attached to MeF business submissions is located on the Recommended Names and Descriptions for PDF Files Attached to Modernized e-File (MeF) Business Submissions page.

Access the following link, which has the information listed by Regulatory Requirement.

Recommended Names and Descriptions of PDF Files Defined in Regulatory Requirements

Return to Table of Contents