



IRS e-file Process

Managing Your Workflow

A suggested process* ...

Prepare electronic returns.

Prepare a client folder and list on the outside of the folder: Client's name, Social Security Number (SSN), refund or balance due, whether a state return is included, and the type of signature document enclosed.

1

Verify client tax information for accuracy by requesting photo identification for himself/herself and Social Security cards for all persons to be listed on the tax return, in addition to the documents needed to prepare the return.

Complete the tax return on your computer and **run the software diagnostics** to identify necessary corrections to the return and **create the e-file** according to your software instructions.

Sign electronic returns.

Provide a copy of the tax return for client's review. The client signs the return by either using a **five-digit Personal Identification Number (PIN)** consisting of any five numbers (except all zeros), and signs Form 8879¹, IRS e-file Signature Authorization, or you as the Electronic Return Originator (ERO) enter the PIN according to the client's instructions on Form 8879.

You as the ERO sign the electronic return by entering your chosen Practitioner PIN (your EFIN plus a five-digit self-select PIN) and signing Form 8879.

If the client prefers to sign by hand signature or the return is PIN-ineligible² then Form 8453¹, U.S. Individual Income Tax Declaration for an IRS e-file Return, must be used instead of Form 8879.

You must not transmit the tax return before obtaining the client's signature.

2

Submit electronic returns to IRS.

Repeat steps 1 & 2 for all returns prepared that day, and place in a section of your files marked "To Be Transmitted."

3

At the end of each day, **batch that day's returns**³ by following your software instructions and print a transmission report. **Crosscheck the report** with the information shown on the outside of each client folder to ensure you have captured all returns, the amounts are correct, and that all applicable state returns are included.

Send the batch of returns to your transmitter (or to the IRS if filing directly), following your software's transmission instructions. Place the folders for transmitted returns in a section of your files marked "Awaiting Acknowledgment."

* These steps are merely suggested practice, and should not be construed as official guidance from the Internal Revenue Service. The process may vary. Any process that conforms to the requirements outlined in Revenue Procedure 2000-31, Publication 1345, Publication 1345A, IRS forms and instructions, and www.irs.gov is acceptable. Check with your software company for additional suggestions, based on their suite of services and product's ability to create client databases and reports. Many companies offer training, in addition to printed or electronic guidance, and ongoing customer support.



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Receive acknowledgment.

The next morning, **request your acknowledgment files** from your transmitter and print the acknowledgment report, following your software instructions.

Place the folders for accepted returns with Forms 8879 in a section of your files marked "Send Client Acknowledgment," and those with Forms 8453 in a section of your files marked "Acknowledged, Form 8453."

Correct rejected returns.

If a return is rejected, attach the client's error report⁴ to the outside of the folder. Place these folders in a section of your files marked "Rejected Returns," and **work those first**.

Most problems can be easily corrected (e.g., input errors); a few may require additional client contact. Once the correction is made, and the e-file recreated, place the client's folder back in the section of your files marked "To Be Transmitted" and include it with that day's transmissions. If you need help resolving rejects, contact your software's customer support line, or for help with rejects, call the IRS e-file Help Desk⁴.

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Complete the e-file process.

Remove one signed copy of Form 8453 for each accepted return from its folder in the "Acknowledged, Form 8453" section of your files, place them in your pre-addressed mailing envelope, and **mail to the appropriate IRS Submission Processing Center**⁴. Move these folders from the "Acknowledged, Form 8453" section of your files to the "Send Client Acknowledgment" section of your files.

Mail acknowledgment letters for all accepted returns to your clients. Form 9325, Acknowledgement and General Information for Taxpayers Who File Returns Electronically, may be used for this purpose. File the client folders, separating those containing Forms 8453 and W-2 from those containing Forms 8879⁵.

- ¹ Provide one signed copy of Form 8879 to the client and maintain one in your files. If using Form 8453, provide one signed copy to the client; maintain one in your files with Forms W-2; mail one to the IRS.
- ² Taxpayers who are ineligible to use the Practitioner PIN Program are those who are required to attach one or more of the following forms to their returns: Forms 3115, 3468, 8283-Section B, 8332, 5713, 8609. These taxpayers may use Form 8453. Taxpayers with irresolvable rejects (i.e., Social Security number already used on a tax return already filed) will be unable to e-file. You should notify them after receiving the rejection, and advise them to sign and mail the paper return you provided them at their appointment.
- ³ If using multiple non-networked computers, follow your software provider's instructions for transferring the e-files to one transmitting computer with your modem and/or Internet connection. All transmissions should be done using one computer.
- ⁴ IRS Publication 1345A, sent automatically to all active EROs annually, provides error codes and descriptions to aid in resolving rejects. The section containing filing season information provides contact information and mailing addresses to IRS Submission Processing Centers to send Forms 8453 Returns filed using Practitioner PIN signatures carry no requirement for mailing paper forms to the IRS.
- ⁵ Returns filed using Practitioner PIN signatures carry no requirement for mailing paper forms to the IRS.



IRS

Department of Treasury
Internal Revenue Service

Publication 04176 (5-2003)
Catalog Number 36344B