

October 15, 2003

Publication 1346 Part I - File Specification Changes #2

The changes are identified by two vertical bars in the right margin (||).
Deletions are identified by a hyphen followed by two vertical bars (-||).

These changes are effective immediately.

-New Highlights added

-Section 1.1 - Asynchronous (Async) Communications Specifications
1(a) was revised

-Section 2 - Page header was corrected

-Section 3.1 - Acknowledgment File Components
Item 16 through 20 were rewritten
Added new #22, 25 and 26 to list

-Section 3.2 - Acknowledgment File Record Layouts
ACK KEY Record (SEQ 0010, 0065, 0110 and 0112)

-Section 5.2.8 - Summary Record
IP Address revised

-Section 7.2 - Name Line 1 Format (g) and (i) revised

-Section 11.08 - Error Reject Codes for Forms
Item 92 (Sch O - Form 8865) was omitted

-Section 12.05 - Validation of Federal/State e-file returns...
Item #3 - deleted
Item #4 - renumbered to 3

-Section 12.07 - Validation of State-Only Returns
Item #2 was rewritten

Section 13.11 - Questions #21, 25, and 26 were rewritten

HIGHLIGHTS FOR TAX YEAR 2003

New Form(s)/Schedule(s)

Six additional forms and three new records will be accepted for Electronic Filing for Tax Year 2003:

Form 8860 - Qualified Zone Academy Bond Credit

Form 8873 - Extraterritorial Income Exclusion

Form 8874 - New Markets Credit

Form 8881 - Credit for Small Employer Pension Plan Startup Costs

Form 8882 - Credit for Employer-Provided Child Care Facilities and Services

Form 8884 - New York Liberty Zone Business Employee Credit

Earned Income Credit Indicator on Acknowledgement File

Taxpayers who are selected for the Service's EIC Residency Certification Test will receive an Indicator of "Y" on their Acknowledgement File Record (SEQ 0110). For additional details, refer to Section 3.01, Items 25 and 26. ||

e-file Submission Processing Center Changes

For processing year 2004, the e-file campuses are now referenced as "Submission Processing Centers". Ogden and Cincinnati will no longer process Individual tax returns such as 1040 family.

- For Individual Tax Returns and Electronic Tax Documents (ETDs), Cincinnati and Ogden submission processing centers will no longer be processing sites. They are replaced by Kansas City and Philadelphia.
- Allowable site designators for IMF Submission Processing Centers will be Andover (C), Austin (E), Kansas City (F), Memphis (D) and Philadelphia (G).
- New centralized toll-free number for the e-Help desk. The number is 1-866-255-0654 and became operational on June 2, 2003.
- Call the new 800 number when ready to transmit test and production files to obtain transmission phone line number.
- See transmission chart in Section 1, Data Communication to determine where to transmit.

Front-End Processing Subsystem

- New Communication Error Messages regarding VIRUS DETECTED AND INVALID FORM TYPE FOR THIS EMS PROCESSING SITE
- Modified Communication Error Message regarding INVALID SITE DESIGNATOR

Foreign Returns

Foreign returns will be transmitted directly to the Philadelphia Submission Processing Center for processing year 2004.

HIGHLIGHTS FOR TAX YEAR 2003 (continued)

Foreign Address Returns and Returns Containing Forms 2555/2555-EZ

Philadelphia site designator G will be used for foreign address returns and returns containing Forms 2555/2555-EZ. If a related Form 8453 is required, the completed and signed Form 8453 should be mailed to Austin Submission Processing Center.

Online Filing Changes

Beginning Processing Year 2004, a number of changes are planned for online filing. These changes involve:

- adding a new required IP Time Zone field
- increasing the length of the IP Address field
- rejecting online returns when any of the IP fields are missing or the IP address is invalid
- sending an acknowledgement when the IP address is reserved
- using an invalid IP address for PATS
- creation of three other new fields, IP Email Address, IP Routing Transit Number and IP Depositor Account Number

The new IP Time Zone field (SEQ 0215) of the Summary Record will indicate the time zone that is captured when the IRS e-file Transmitter receives an online return. Refer to the Field Description contained in the Summary Record to determine valid IP time zones.

The IP Address field (SEQ 0190) of the Summary Record will be used to capture both versions of IP addresses, four (IPv4) and six (IPv6). The field is being expanded from 15 to 39 positions in order to handle the longer IPv6 addresses.

Online returns that are missing IP Address (SEQ 0190), IP Date (SEQ 0200), IP Time (SEQ 0210) or IP Time Zone (SEQ 0215) fields in the Summary Record will be rejected (ERC 0439). Online returns with invalid IP addresses will also be rejected. An invalid IPv4 address is one where any of its 4 parts are not a number from 0 to 255 and there are not 3 periods separating those 4 parts (ERC 0438). An invalid IPv6 address is one where any of its 8 parts are not a hexadecimal number from 0 to FFFF and there are not 7 colons separating those 8 parts (ERC 0441).

An "R" in the new Reserved IP Address Code field (SEQ 0005) of the Acknowledgement Key Record will indicate that a reserved IP address is present. The Transmitter should take steps to understand why a reserved IP address was captured and what can be done to prevent this in the future.

The IP address to be used for PATS Testing this year will be "PATS:PATS:PATS:PATS". If the hard-coded IP address is not removed during live production, online returns will reject.

Additional new Summary Record fields are IP Email Address, IP Routing Transit Number and IP Depositor Account Number. These fields are for online filers who choose to provide information to the IRS. The IP Email Address field (SEQ 0195) will contain the taxpayer's email address. For those online filers obtaining Refund Anticipation Loans (RALs), the IP Routing Transit Number field (SEQ 0217) and IP Depositor Account Number field (SEQ 0219) will contain the taxpayer's bank account information. If an online filer requests the RAL in the form of a check, the word "CHECK" will be entered into the IP Routing Transit Number field. These fields will be used to assist IRS in preventing taxpayer identity theft.

HIGHLIGHTS FOR TAX YEAR 2003 (continued)

Practitioner PIN method (ETD only)

The Practitioner PIN method will be available for processing year 2004 when filing an ETD Form 4868, Applications for Automatic Extension of Time to File.

- New Jurat/Disclosure Code I
- Revisions - Error Reject Codes 0697 and 0698

State-Only

A PIN cannot be used with a State Only Return because the "State Only 1040" does not capture the AGI and DOB. However, an 8453 is not required for State Only returns. A new value of "4" in the PIN Presence Indicator **field** on the ACK Record **means that a State-Only return was filed.**

NOTE: Taxpayer PIN cannot be used with State-Only returns and Form 8453 or 8453-OL is NOT required.

The Submission Processing Centers have been realigned. Cincinnati and Ogden Service Centers are BMF sites. IMF Returns will be transmitted to the following Service Centers:

Home Service Center	Transmit Site	States Supported
Andover	Austin	CT DC DE MD NJ NY PA RI VA VT
Austin	Austin	IA IL KS MO NM OK WI
Kansas City	Tennessee	IN KY MI OH SC WV
Memphis	Tennessee	AL AR GA LA MS NC
Philadelphia	Austin	AZ CO HI ID MT ND NE OR UT

State Only e-file returns with Foreign Addresses

State Only e-file returns with Foreign Addresses, including the U.S. possessions of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands will be processed at the Philadelphia Submission Processing Center.

Form W-2 and W-2GU

A Corrected W-2 (SEQ 0010) and Corrected W-2GU (SEQ 0010) literal has been added to the electronic record layout of Forms W-2 and W-2GU. These literals should be checked when a taxpayer's original return includes corrected figures from a Form W-2C. EROs will enter only the correct figures from Form W-2C with the other information from Form W-2 on the appropriate electronic record of the original return.

Section 1 - Data Communications

.01 IRS Front-end Processing Subsystem (FEPS)

1. Asynchronous (Async) Communications Specifications

The FEPS support the following:

- a. IRS recommends **that Trading Partners purchase a modem that supports a minimum of 28.800 kpbs; however, the FEPS will step down to slower speeds as not to lose slower incoming transmissions.** ||
||

b. Modems

All Dial-up modems must be compatible with V.34 (28.8 and 33.6 kbps) or V.90 (56 kbps) standards. All leased-line async modems must be the same at both the IRS and the transmitter sites.

c. File Transfer Protocols

- (1) FTP (with special permission - see note above)
- (2) XMODEM-CRC -|
- (3) XMODEM Checksum
- (4) XMODEM-1K
- (5) YMODEM-Batch
- (6) ZMODEM -|

Transmitters may use any telecommunications software that is compatible with the above file transfer protocols.

d. Character Codes

American Standard Code for Information Interchange (ASCII)

e. Industry Standards

- (1) Data
 - (a) Industry Standard 103
 - (b) Industry Standard 212A
 - (c) ITU-T V.22
 - (d) ITU-T V.22 bis
 - (e) ITU-T V.32
 - (f) ITU-T V.32 bis
 - (g) ITU-T V.34
 - (h) ITU-T.V.90
- (2) Error Control
 - ITU-T V.42
 - MNP 2-4
- (3) Data Compression
 - (a) ITU-T V.42 bis
 - (b) MNP 5

NOTE: IRS does offer ZMODEM data compression.

- (4) File Compression
 - COMPRESS
 - GZIP (Freeware available from www.gzip.org)
- (5) Duplex

New communication software usually defaults to full duplex, but older software may prompt for duplex, in which case, you should respond with "full".

Section 2 - Transmission File Format

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.02 Fixed and Variable Length Options (continued)

3. Examples of Fixed and Variable Formats (continued)

g. STCGL/LTCGL - Variable Format

Form 1040 return with a 1040 Schedule D form and 2 occurrences of Form 8865 with the first 3 pages. (Maximum STCGL = 15,000 per this example. Maximum LTCGL = 15,000 per this example.)

|

```

1234567891123456789212345678931234567894123456789512345678961234567897123456
  0         0         0         0         0         0         0
0250****RET  1040  PG01  007018865  200212 [0007]....
0173****RET  1040  PG02  007018865  200212 [0770]25000...
0253****FRM  W-2   PG01  007018865  0000001[0040]871234567...
0117****STCGL SCH  DPG01 007018865 00000010000001ANY COMPANY
123100000000100+000000000390+000000003450+#
0117****STCGL SCH  DPG01 007018865 00000010000002
123100000000100+000000000090+000000000450-#
0117****STCGL SCH  DPG01 007018865 00000010000003ONLY COMPANY
123100000000100+000000000090+000000000060+#
"         "         "         "         "         "
0175****SCH  D1040 PG01  007018865  0000001[0020]STCGL.....
0117****STCGL 8865  PG01  007018865  00000010000001           200201012002
123100000000100+000000000090+000000000070+#
0117****STCGL 8865  PG01  007018865  00000010000002           200201012002
123100000000100+000000000090+000000000010+#
"         "         "         "         "         "
0129****LTCGL 8865  PG01  007018865  00000010000001           200201012002
123100000000050+000000000040+000000000010+           #
"         "         "         "         "         "
0129****LTCGL 8865  PG01  007018865  00000010004973           200201012002
123100000000050+000000000040+000000000010+           #
0129****LTCGL 8865  PG01  007018865  00000010004974           200201012002
123100000000050+000000000040+000000000010+           #
"         "         "         "         "         "
0098****FRM   8865  PG01  007018865  0000001[0006]200201.....
0095****FRM   8865  PG02  007018865  0000001[1040]X...
0129****FRM   8865  PG03  007018865  0000001[2480]STCGL[2490]20011015[2500]200
11031[2510]500[2520]200[2530]300[2750]300[2760]LTCGL#
0117****STCGL 8865  PG01  007018865  00000020000001           200201012002
123100000000100+000000000090+000000000070+#
0117****STCGL 8865  PG01  007018865  00000020000002           200201012002
123100000000100+000000000090+000000000010+#
"         "         "         "         "         "
0129****LTCGL 8865  PG01  007018865  00000020000001           200201012002
123100000000050+000000000040+000000000010+           #
0129****LTCGL 8865  PG01  007018865  00000020000002           200201012002
123100000000050+000000000040+000000000010+           #
"         "         "         "         "         "
0098****FRM   8865  PG01  007018865  0000002[0006]200201....
0095****FRM   8865  PG02  007018865  0000002[1040]X...
0129****FRM   8865  PG03  007018865  0000002[2480]STCGL[2490]20011015[2500]200
11031[2510]500[2520]200[2530]300[2750]300[2760]LTCGL#
0244****SUM   007018865  ANY CO
  169999          01002301000000000000000040000000000006543078690000000999.27.3
0.277           12345678
#

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Section 3 - Acknowledgment File Format

.01 Acknowledgment File Components (continued)

5. An "A" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been accepted as a filed tax return and will be processed in the same manner as a return originally submitted on a paper document. This does not imply that the return will pass all IRS validity checks or post to the IRS Master File without delays.
6. The "D" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been identified as a duplicate return, i.e., a tax return record had previously been transmitted and accepted for that Social Security Number.
7. The "R" in the Acceptance Code field of an ACK Key Record indicates that the associated tax return has been rejected due to a fatal error involving the return format, internal consistency, or data errors in a key field. The error(s) must be corrected and the return resubmitted to the IRS to be considered a filed tax return.
8. The "T" in the Acceptance Code field of an ACK Key Record indicates that the entire transmission has been rejected.
9. The "D" in the Duplicate Code field of an ACK Key Record indicates that the DCN is a duplicate or zero.
10. The "P" in the Duplicate Code of an ACK Key Record indicates that the Primary SSN is a duplicate or zero.
11. The "S" in the Duplicate Code of an ACK Key Record indicates that the Spouse SSN is a duplicate or zero.
12. The "B" in the Debt Code of the ACK Key Record indicates that a debt was found on both the FMS and IRS files for this return.
13. The "F" in the Debt Code of the ACK Key Record indicates that a debt was found on the FMS File for this return.
14. An "I" in the Debt Code of the ACK Key Record indicates that a debt was found on the IRS File for this return.
15. The "N" in the Debt Code of the ACK Key Record indicates that no debt was found on either the FMS or IRS Files.
16. The "0" in the **PIN Presence Indicator field** means that no PIN is present ||
on the return. Form 8453 or Form 8453-OL is required.
17. The "1" in the **PIN Presence Indicator field** means that **taxpayer** PIN ||
is present **and was entered using the Practitioner PIN method.** ||
18. The "2" in the **PIN Presence Indicator field** means that **taxpayer** PIN ||
is present **and was entered using the Self-Select PIN method by** ||
Practitioner. ||

Section 3 - Acknowledgment File Format

.01 Acknowledgment File Components (continued)

19. The "3" in the **PIN Presence Indicator field** means that **taxpayer PIN is present and was entered using the Self-Select PIN method by Practitioner.** ||
||
||
20. The "4" in the PIN Presence Indicator **field** means that a State-Only return was filed. ||
-||
- NOTE: Taxpayer PIN cannot be used with State-Only returns and Form 8453 or 8453-OL is NOT required.** ||
||
21. A "(blank)" in the **PIN Presence Indicator** means that a **return with a PIN was rejected.**
22. **The "R" in the Reserved IP Address Code field of the ACK Key Record indicates that a reserved IP address is present for this return.** ||
||
23. Up to 96 ACK Error Record(s) may be furnished to the electronic filer, one for each three-position Error Reject Code. Filers should use these Error Reject Codes to determine the source of the error causing the return (or transmission) to be rejected. If more than the maximum number of reject conditions are identified, the last reject code will be "0999".
24. The Error Reject Codes and references to validation criteria related to the error conditions are listed in Attachment 1. Filers should use this information to resolve reject conditions. When a condition cannot be resolved with the information provided, the filer should contact the Electronic Filing Unit at the applicable submission processing center for assistance.
25. A "Y" in the EIC Indicator Field Description on the ACK Key Record indicates: ||
||
- a. The taxpayers identified on this return have been selected for the Service's EIC Residency Certification Test. ||
||
- b. These taxpayers are required to submit Form 8836, Qualifying Children Residency Statement and related documents to: ||
||
- Internal Revenue Service ||
Stop 4300, Annex 2 ||
Kansas City, MO 64999-0065 or ||
- Fax form and documentation to: **(913) 266-9640** ||
- c. The EIC portion of the refund will be held until the EIC Residency test is verified. ||
||
- d. If you have questions or need help, please call our special toll free number at 1-800-294-2723. ||
||
26. A "blank" in the EIC Indicator Field Description on the ACK Key Record indicates these taxpayers were not selected for the Service's EIC Residency Certification Test. ||
||
||

Section 3 - Acknowledgment File Format

.02 Acknowledgment File Record Layouts (continued)

Field Identification No.	Form Ref.	Length	Field Description
-----	----	-----	-----
		4	"0120"
		4	Value "*****"
0000	Record ID	6	Value "ACKbbb"
0005	Reserved IP Address Code	1	"R" = Reserved or Blank
0010	EIC Indicator	1	"Y" or Blank
0020	Taxpayer Identification Number	9	N (Primary SSN)
0030	Return Sequence Number	16	Numeric ETIN (5), Transmitter's Use Code (2), Julian Day (3), Trans Seq Num (2), Seq Num for Return(4)
0040	Expected Refund or Balance Due	12	Refund or Balance Due from Applicable Return
0050	Acceptance Code	1	"A" = Accepted "R" = Rejected "D" = Duplicated Return "T" = Transmission Rejected
0060	Duplicate Code	3	"D" = Duplicate DCN or zero "P" = Duplicate Primary SSN or zero "S" = Duplicate Spouse SSN or zero
0065	PIN Presence Indicator	1	"0" = No PIN 8453 or 8453-OL Required "1" = Practitioner PIN "2" = Self-Select PIN by Practitioner Used "3" = Self-Select PIN On-Line Used "4" = State-Only PIN, - 8453/8453-OL is NOT Required Blank = Rejected Return
0070	EFT Code	1	Blank

Section 3 - Acknowledgment File Format

.02 Acknowledgment File Record Layouts (continued)

1. ACK KEY Record (continued)

Field Identification No.	Form Ref.	Length	Field Description
0080 Date Accepted		8	DT Format = YYYYMMDD
0090 Return DCN		14	N
0100 Number of Error Records		2	N Range 00-96
0110 FOUO RET SEQ NUM		12	Reserved
0112 State DD Ind		1	Reserved
0115 Payment Acknowledgement Literal		15	"PYMNT RQST RVCD" or blank
0117 Date of Birth Validity Code		1	"0" = DOB Validation Not Required "1" = All DOB(s) Valid "2" = Primary DOB Mismatch "3" = Spouse DOB Mismatch "4" = Both DOB(s) Mismatch
0118 Filler		2	blank
0119 State-Only Code		2	"SO"
0120 Debt Code		1	"N" = None "I" = IRS Debt "F" = FMS Debt "B" = IRS and FMS debt or blank
0130 State Packet Code		2	blank or valid state code
Record Terminus Character		1	Value "#"

Section 5 - Types of Characters

.02 Special Cases for Special Characters

1. Form 1040

Name Line 1: A - Z; ampersand (&); blank (); hyphen (-); and less-than (<).

Name Line 2: A - Z; 0 - 9; ampersand (&); blank (); hyphen (-); percent (%) for "in care of" address; and slash (/).

Street Address: A - Z; 0 - 9; blank (); hyphen (-); and slash (/).

City: At least three characters must be entered; A - Z; blank (); APO/FPO - Refer to Attachment 4.

State: A - Z - Refer to Attachment 3.

Dependent Names: A - Z; blank (); and hyphen (-).

2. Form 5329

Name of Person Subject to Penalty Tax: A - Z; blank (); hyphen (-); and less-than (<).

3. Form 8606

Nondeductible IRA Name: A - Z; blank (); hyphen (-); and less-than (<).

4. Forms W-2/W-2G/1099-R

Employer Name: A - Z; 0 - 9; ampersand (&); comma (,); hyphen (-); plus (+); and slash (/).

City/State/Zip: A - Z; 0 - 9; comma (,); and hyphen (-).

5. Foreign Employer/Payer Address on Forms W-2/W-2G/1099-R

Employer/Payer State: Period (.).

6. Employee, Recipient/Winners with Foreign Address on Form W-2/W-2G/1099R

Employee/Recipient/Winner State: Enter Period (.).

7. Other Schedules/Forms with Similar Fields

Follow character set instructions for fields that most resemble those listed above.

8. Summary Record

IP Address: 0-9, **A-F**, period (.) or blank ().

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Section 7 - Formats for Name Controls, Name Lines, and Addresses

.02 Name Line 1 Format (continued)

g. For a Joint Return with different last names and either the Primary OR the Secondary taxpayer is deceased: Enter the Literal "DECD" after the surname of the deceased taxpayer (e.g., John A<Doe<DECD & Jane B Smith or John A<Doe<**III** DECD & Jane B Smith; John A<Doe<& Jane B Smith DECD or John A<Doe<**JR** & Jane B Smith DECD).

h. For a Joint Return with the same last name and both taxpayers are deceased: Enter the literal "DECD" after the first name and/or initial of the deceased taxpayer (e.g., John A DECD & Jane B DECD<Doe or John A DECD & Jane B DECD<Doe<JR).

i. For a Joint Return with different last name and both taxpayers are deceased: Enter the literal "DECD" after the surname of the deceased taxpayer (e.g., John A<Doe<DECD & Jane B Smith DECD or John **A**<Doe<**SR** DECD & **J B** Smith DECD).

* Parentheses indicate the last name of the taxpayer with Primary SSN.

Section 11 - Validation - Specific Schedules and Forms

.08 Error Reject Codes for Forms (continued)

81. Form 8845

ERC 0758

82. Form 8846

ERC 0759

83. Form 8847

ERC 0760

84. Form 8853

ERC 0350, 0351, 0355, 0356, 0359, 0362, 0363, 0365 (Reserved)

85. Form 8859

ERC 0761

86. Form 8860

ERC 0178, 0721, 0722

87. Form 8861

ERC 0762

88. Form 8862

ERC 0602, 0603, 0604, 0605

89. Form 8863

ERC 0379, 0380, 0381, 0383, 0385, 0387

90. Form 8865

ERC 0635 (Reserved), 0636, 0637, 0638, 0639, 0640, 0641, 0642, 0643, 0644, 0645, 0646, 0647, 0648, 0649, 0650, 0655, 0661, 0662

91. Schedule K-1 (Form 8865)

ERC 0663

92. Schedule O (Form 8865)

Only Field Format validations apply.

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Section 12 - Federal/State Electronic Filing Specifications

.03 What's New for Federal/State Electronic-Filing in 2004?

State-Only e-file returns with Foreign Addresses.

.04 Federal/State e-file Returns with Foreign Addresses

IRS e-file will be accepting Federal/State e-file returns with Foreign Addresses, including the U.S. possessions of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands. These returns will be processed at the Philadelphia Submission Processing Center.

.05 Validation of Federal/State e-file returns with Foreign addresses

1. Addresses from the U.S. possessions will be formatted as U.S. addresses. Addresses from the foreign countries will be formatted using new foreign country address fields.
2. All returns with a foreign address will be transmitted at the Philadelphia Submission Processing Center.
3. The following IRS Error Reject Code is used exclusively for errors in the Foreign State return packet.

0419 STATE RECORD

State Record - If Address Indicator (SEQ 0097) on the Tax Return is equal to "3" (indicating a foreign country), then the following fields must be present: Foreign Street Address (SEQ 0077), Foreign City, State or Province, Postal Code (SEQ 0087), and Foreign Country (SEQ 0098); and the following fields cannot be present: Street Address (SEQ 0080), City (SEQ 0085), State Abbreviation (SEQ 0095) and Zip Code (SEQ 0100).

If Address Indicator (SEQ 0097) on the Tax Return is not equal to "3", then the following fields cannot be present: Foreign Street Address (SEQ 0077), Foreign City, State or Province, Postal Code (SEQ 0087), and Foreign Country (SEQ 0098).

0430 STATE RECORD

State Record - If State Abbreviation (SEQ 0095) equals "AS", "GU", "MP", "PR" or "VI"; or Address Ind SEQ (0097) on the Sate Only 1040 equals "3" it must be processed at Philadelphia.

Section 12 - Federal/State Electronic Filing Specifications

.06 State-Only Filing

Any Federal/State e-file participant has the option of participating in State-Only e-filing. Taxpayers will have the choice of filing a State Return without the standard Form 1040 attached for the following instances: -|

- Previously rejected state e-file return
- State return input separately from Federal return
- Part-year resident state return
- Multiple state returns for one taxpayer
- Non-resident state returns
- Married filing separately with state, but filing jointly with Federal return

-||

.07 Validation of State-Only Returns

1. State-Only return data will contain a Form 1040, Page 1 record, state return packet, and a Summary record. The State Abbreviation of the Form 1040 (SEQ 0087) must contain the value "SO", indicating that: (1) State-Only return data is attached, (2) State-Only processing will be performed, and (3) Form 1040, Page 2 and foreign 1040 processing will be bypassed.
2. The State-Only return should always be transmitted to the Center that supports that particular state. **State-Only returns with Foreign addresses will be processed at Philadelphia Submission Processing Center.** ||
3. If the State Abbreviation (SEQ 0087) is equal to "SO" in variable format of the Form 1040 Page 1 record, then the highest sequence number present cannot be greater than the **Address Indicator (SEQ 0097)**. **If the State Abbreviation field is equal to "SO" in fixed format of the Form 1040 Page 1 record, then all fields beyond the Address Indicator field must be blank.** |
4. The Primary SSN of the State-Only 1040 record (SEQ 0010) must equal the SSN of the attached State generic record and the Taxpayer Identification Number of the Summary record (SEQ 0002).
5. The Primary SSN (SEQ 0010) and Primary Name Control (SEQ 0050) of State-Only 1040 record must match data from the IRS Master File.
6. The Secondary SSN (SEQ 0030) and Secondary Name Control (SEQ 0055) of State-Only 1040 record must match data from the IRS Master File.
7. The RECAP Record will contain a new count for the total number of State-Only returns (SEQ 0130).
8. If there is an entry in the State Direct Deposit/Direct Debit Section the IRS will verify the state Routing Transit Number (RTN). If the state RTN is not listed on the current Financial Organization Master File (FOMF) an indicator will be set for the state's future use. The return will not be rejected.
9. A new count of accepted State-Only returns must be provided in the RECAP record (SEQ 0135).

Section 13 - Electronic Signatures Specifications

.10 Self-Select PIN Method Questions and Answers (continued)

12. Is the Self-Select PIN a Universal PIN?

No. It is used as the taxpayer's electronic signature on their 2003 Individual Income Tax Return only.

13. Can the taxpayer use the same PIN next year?

Yes, or they may choose any 5 numbers except all zeroes.

14. What happens if two taxpayers select and use the same PIN?

The taxpayers' personal information includes the Social Security Number, Date of Birth and Adjusted Gross Income from the 2002 tax return along with their PIN. The IRS will verify the personal information provided by the taxpayer's return and have the PIN as the electronic signature.

15. My client received a Telefile Tax Package but can't use it and wants to use the PIN. Can they use their Customer Service Number (CSN) as their PIN?

Yes, or they can choose any 5 numbers they want (except all zeros).

16. Do both taxpayers filing a joint return need a PIN?

Yes, each taxpayer must sign using a PIN. The taxpayers will choose any five numbers (except all zeros) as the electronic signatures.

17. What should I do if my client is unable to return to my office to input his/her PIN?

Your client may authorize you to input his/her PIN by completing Form 8879, IRS e-file Authorization. Provide Form 8879 to the taxpayer along with a copy of the completed tax return, either personally or by mail. Instruct your client to review the tax return for accuracy and complete the Form 8879 by providing the requested information (a self-selected five-digit PIN, pen and ink signature, and date). If your client is unable to return the signed Form 8879 to your office, he/she may return it by mail or FAX.

18. What is Form 8879, IRS e-file Signature Authorization?

Form 8879, IRS e-file Signature Authorization allows the tax professional to input the taxpayer's PIN. It is provided as a convenience for taxpayers that are unavailable to personally enter their PIN.

19. Where can I obtain a copy of Form 8879?

Some tax preparation software includes Form 8879, IRS e-file Signature Authorization format. A copy can also be obtained from the IRS website, www.irs.gov.

20. Must I use Form 8879 for every e-file return?

No. Form 8879 is only required when one or both taxpayers are unavailable to personally enter their PIN.

21. Can the taxpayer give me their PIN verbally for me to enter in their electronic record?

Yes. The taxpayer may give you their PIN verbally; however, you must receive a completed Form 8879, IRS e-file Signature Authorization, from the taxpayer before you transmit the return or release it for transmission to the IRS.

Section 13 - Electronic Signatures Specifications

.10 Self-Select PIN Method Questions and Answers (continued)

22. Can a married taxpayer filing a joint return pick the PIN and enter it for his/her spouse?

No. The taxpayer that is not present to personally enter their PIN must complete Form 8879 to authorize their tax professional to input the PIN for them.

23. Do both taxpayers filing a joint return have to authorize that tax professional to input their PINs?

No, only the taxpayer that is not present to sign the return should authorize the preparer to enter their PIN. If neither spouse is present to sign a joint return, each can authorize the preparer to enter his/her respective PIN. But a spouse who is present should enter his/her own PIN, even if the preparer has authorization to enter the other spouse's PIN.

24. What is my responsibility as a return preparer using Form 8879?

As a return preparer, your responsibility is to provide the taxpayer with Form 8879 along with their return for review. You are required to generate or enter the header information, all five line items in Part I, and the ERO firm name in Part II.

25. What is my responsibility as an ERO using Form 8879 when the taxpayer completed their own return?

As an ERO, your responsibility will be to complete Form 8879 based on the return information you received from the taxpayer.

26. When does the taxpayer complete Form 8879?

If you prepared the return, the taxpayer **must complete** Form 8879 **after they have reviewed the prepared return**. If the taxpayer provided a completed return for transmission, the Form 8879 and PIN selection can be completed without reviewing the electronic return. **You must receive the completed Form 8879 from the taxpayer before you transmit the return or release it for transmission** to the IRS.

27. Can a taxpayer complete Form 8879 and fax it to the ERO?

Yes. Form 8879 can be signed and returned to the ERO via fax transmission. However, the ERO must retain Form 8879 in their file for three years from the Return Due Date or IRS Received Date, whichever is later.

28. Do I provide a copy of the completed Form 8879 to the taxpayer for their records?

Provide a copy of the completed Form 8879 for those taxpayers requesting one. You may provide a copy to other taxpayers, but you are not required to do so.