November 3, 2003

Publication 1346 Part I – File Specification Changes #3

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.

EIC highlight corrected and new text added

Section 3.01 (19) – Acknowledgment File Format
     "by Practitioner" was replaced with "On-Line"

Section 5.02 (8) – Summary Record
     Colon (:) was added

ERC 0030   Revised text
ERC 0107   Added an exception
ERC 0136   Revised seq numbers
ERC 0147   Revised seq numbers and field identification
ERC 0148   Revised seq numbers and field identification
ERC 0201   Revised text
ERC 0202   Revised text
ERC 0206   Revised text
ERC 0217   Revised text
ERC 0218   Revised text
ERC 0233   Revised text
ERC 0234   Revised text
ERC 0357   Revised seq numbers
ERC 0406   (Added semicolon after W2-GU)
ERC 0449   New ERC
ERC 0501   Revised text

Attachment 8 Valid Universal Location Codes (ULC) for EFINs
     NEW REVISED TABLE—DO codes replaced with "ULC"

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 0010). 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.

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 **some** 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: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. ||

Form 8453

An Authorized IRS *e-file* provider must submit Form(s) 8453 within three business days after receipt of the acknowledgment file. An electronically submitted tax return is not considered filed until IRS receives a complete and signed Form 8453. Your failure to comply with this requirement may result in suspension from the IRS *e*-file program.

These instructions do not apply to tax returns filed using electronic signatures such as Self-Select PIN or Practitioner PIN. The PIN Presence Indicator field (0065) in the Acknowledgment Key Record indicates if the electronic signature was received by IRS or if Form 8453 is required.

Form 8582 – Passive Activity Loss Limitations

If you are required to file two or more copies of Worksheet 4 and/or Worksheet 7, enter "STMbnn" in the appropriate fields (SEQ 1560 for Worksheet 4 and SEQ 2458 for Worksheet 7) and enter all information in the Statement Records. Identify the appropriate line references (the Name of Activity field can be used for this purpose) when beginning additional worksheets.

Error Reject Codes that Identify Duplicates

Effective Processing Year 2004, ERC 0902 has been eliminated. A Declaration ||
Control Number (DCN) used more than once will be identified with new Error ||
Reject Code (ERC) 0529. Due to programming changes, ERC 0905 that identified ||
duplicate DCNs within the same drain has been eliminated. ||

ERC 0900 has been eliminated. A primary SSN used more than once will be ||
identified by Error Reject Codes 0508 and 0515. ERC 0904 will continue to ||
identify duplicate primary SSNs occurring within the same drain. ||

ERC 0903 has been eliminated. A secondary SSN used more than once will be ||
identified by Error Reject Codes 0508 and 0513. ERC 0906 will continue to ||
identify duplicate secondary SSNs occurring within the same drain. ||

The Duplicate Code field (SEQ 0060) in the Acknowledgment Key Record will ||
continue to identify duplicates of the DCN, primary SSN and secondary SSN. ||

Section 3 – Acknowledgment File Format

.01 <u>**Acknowledgment File Components (continued)**</u>

19. The "**3**" in the **PIN Presence Indicator field** means that taxpayer PIN ||
is present and was entered using the Self-Select PIN method **On-Line**. ||

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 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 (.), **colon (:),** or blank (). ||

ERROR REJECT CODE (ERC) CROSS REFERENCES

ERC	DESCRIPTION	PAGE

0030 o Taxpayer Identification Number (SEQ 0003) of all data records in   Pg 92
        a tax return must contain the same Primary SSN.

     o Schedule Occurrence Number (SEQ 0005 of the Schedule Record
        Identification) and Form Occurrence Number (SEQ 0005 of the Form
        Record Identification) must be significant and in ascending,
        consecutive numerical sequence beginning with "0000001".
        Note: For multiple occurrences of a schedule or form, the Page
        Number (SEQ 0002 of the Schedule or Form Record Identifications)
        must be sequential within each occurrence of a schedule or Form.

     o All pages of a multiple-page schedule or form must be present.
        Listed below are exceptions to this rule:
        -Page 2 may be present without Page 1 and vice versa for the
        following: Schedule E, Form 4684, Form 4797, Form 8283,
        Form 8824 and Form 8853.   -|
        -Page 2 need not be transmitted if there are no entries for
        that page (but Page 2 cannot be present without Page 1) for the
        following: Schedule C, **Schedule C (5713)**, Schedule D, |
        Schedule F, Schedule H, **Schedule O (5471)**, Schedule 2, |
        Form 2106, Form 2441, Form 4562, Form 5329, Form 6251,
        Form 6765, Form 8275, Form 8275-R, Form 8582-CR, Form 8606,
        Form 8621, Form 8697, Form 8801, and Form 8839.
        -**Pages 2, 3 and 4 are optional for Form 2210 but Page 2, 3 and 4** ||
        can not be present without Page 1. ||
        -**Pages 2 and 3 are optional for Form 8582 but pages 2 or 3 can** ||
        not be present without Page 1. ||
        -Form 4136 Page 2 may be present without Page 1, but if Page 1
        is present, then Page 2 must also be present.
        -Pages 2-4 need not be transmitted if there are no entries for
        those pages (but these pages cannot be present without page 1)
        for the following: Form 5471, Form 5713
        -Form 8865 Pages 3-7 need not be transmitted if there are no
        entries for those pages. But these pages cannot be present
        without pages 1 and 2.
        -State Record ST 0001 may be present without ST 0002, but
     o ST 0002 cannot be present without ST 0001.

        For Form 1040, Pages 1 and 2 must be present (Exception: State
        Only returns), and the following cannot be present: Form 1040A
        Pages 1 and 2, Schedule 1, Schedule 2, Schedule 3, Form 1040EZ.
        For Form 1040A, Pages 1 and 2 must be present, and the following
        cannot be present: Form 1040 Pages 1 and 2, Form 1040EZ.
        For Form 1040EZ, must be present, and the following cannot be
        present: Form 1040 Pages 1 and 2, Form 1040A Pages 1 and 2.

0107 o Schedule SE - If SST Wages/RRT Comp (SEQ 0088) or Unreported   Pg 99
        Tips (SEQ 0090) is significant, then Total Wages/Unreported Tips
        (SEQ 0100) must be significant.

        Exception: This check is not performed when SST Wages/RRT Comp ||
        (SEQ 0088) is equal to or greater than $87,000. ||

ERROR REJECT CODE (ERC) CROSS REFERENCES

ERC		DESCRIPTION	PAGE

0136 o Form 1040 - If Form 2210 or Form 2210F is present, then ES   Pg 95,
Penalty Amount (SEQ 1300) of Form 1040 must equal Underpayment   98
Penalty/Short Method (SEQ **0245**) or Total Underpayment Penalty ||
(SEQ **0670**) from Form 2210, or Underpayment Penalty/Farmers ||
Fishermen (SEQ 0180) from Form 2210F.

    o Form 1040A - If Form 2210 is present, then ES Penalty Amount
(SEQ 1300) of Form 1040A must equal Underpayment Penalty/Short
Method (SEQ 0240) or Total Underpayment Penalty (SEQ 0720) from
Form 2210.

0147 o Form 2210 – One of the following fields must equal "X": Waiver   Pg 101
Entire Penalty Box (SEQ **0135**), **Waiver of Part of Penalty Box** ||
(SEQ 0145), Annualized **Income** Installment Method Box (SEQ **0155**), ||
Actually Withheld Box (SEQ **0165**) or **Joint Return** Box (SEQ **0173**). ||

0148 o Form 2210 - When Waiver **of Entire Penalty** Box (SEQ **0135**) **or** || Pg 101
Waiver of Part Penalty Box (SEQ 0145) equals "X", either Waive**d** ||
Explanation/Short Method (SEQ **0233**) or Waiver Explanation ||
(SEQ **0660**) must equal "STMbnn".
    o
Form 2210F - When Waiver of Penalty Box (SEQ 0013) equals "X",
Waiver Explanation (SEQ 0177) must equal "STMbnn".

0201 o Schedule EIC - If any field of the following "qualifying child   Pg 99
group" is significant, then all fields in that group must be
significant: Qualifying Child Name Control (SEQ 0007, 0077;
Qualifying Child First Name (SEQ 0010, 0080); Qualifying Child
Last Name (SEQ 0011, 0081); **Year of Birth (SEQ 0020, 0090);** ||
Qualifying SSN (SEQ 0015, 0085); Relationship (SEQ 0060, 0130);
and Number of Months (SEQ 0070, 0140).

    o Qualifying Child Name Control (SEQ 0007, 0077) must be in the
correct format. See Section 7.01 for Name Control format.

0202 o Schedule EIC - Year of Birth **(SEQ 0020, 0090)** cannot be greater || Pg 99
than current tax year.

0206 o Schedule EIC - If Year of Birth (SEQ 0020, 0090) is **less** than   -|| Pg 99
"19**85"** (**age 19 and older**) and **greater** than "19**79"**, then the |
corresponding Student "Yes" Box (SEQ 0030, 0100) or the |
corresponding Disabled "Yes" Box (SEQ 0040, 0110) must
equal "X".

0217 o Schedule EIC – When Year of Birth (SEQ 0020, 0090) is less than   -|| Pg 99
"1980", the corresponding Disabled "Yes" Box (SEQ 0040, 0110) |
must equal "X".

0218 o Schedule EIC – When Year of Birth (SEQ 0020, 0090) equals   -|| Pg 99
"2003", the corresponding Number of Months (SEQ 0070, 0140) must |
equal "12".

ERROR REJECT CODE (ERC) CROSS REFERENCES

ERC		DESCRIPTION		PAGE

0233 o Tax Form - If Direct Deposit "No" (SEQ 1263) is equal to "X", || Pg 98
the Direct Deposit Information must not be present, if present, ||
reject the return. ||

0234 o Tax Form - One of the following must equal "X": Direct Deposit | Pg 98
"Yes" (SEQ 1262) or Direct Deposit "No" (SEQ 1263) and both ||
cannot be blank and both cannot equal "X". |

0357 o If MSA Literal **(SEQ 0732)** is significant, then MSA Amount || Pg 93,
(SEQ 0733) must be significant and vice versa. || 98

   Form 1040 – If MSA Literal (SEQ **0732**) and MSA Amount (SEQ **0733**) ||
   is significant then, Form 8853 must be attached and vice versa. |

0406 o The EFIN cannot contain an "out of service center" District Pg 101,
   Office (DO). The DO contained in the EFIN of Originator 102,
   (SEQ 0008b) must be valid for the Processing Site (SEQ 0040) of 105,
   the TRANS Record A (TRANA) of the transmission. 109,
   124,

   o Exception: An "out of service center" District Office (DO) is
      permitted when State Data is present; or when Processing Site |
      equals "**G**" **(Philadelphia)** and at least one of the following is
      present: Form 2555, Form 2555-EZ, Form 4563, Form 5074,
      Form 8689, and/or Form W-2GU; an Address Ind (SEQ 0097) of the ||
      Tax Form equal to "3"; a State Abbreviation (SEQ 0087) of the
      Tax Form equal to "AS", "GU", "MP", "PR", or "VI".

0449 o The "Qualified First-Time Homebuyer Distr" (SEQ 0365) can not ||
be greater than $10,000. ||

0501 o Qualifying SSN (SEQ 0015, 0085) of Schedule EIC **and the** || Pg 92
corresponding Year of Birth (SEQ 0020, 0090) must match data ||
received from the Social Security Administration. ||

   o Qualifying SSN (SEQ 0015, 0085) of Schedule EIC and the -||
      corresponding Qualifying Child Name Control (SEQ 0007, 0077)
      must match data from the IRS Master File.

ATTACHMENT 8
VALID UNIVERSAL LOCATION CODES (ULC) FOR EFINS
LISTED BY SUBMISSION PROCESSING CENTERS

Foreign addresses and returns containing Forms 2555/255EZ must be batched to Philadelphia.

Fed/State and State-only returns must be batched by state return.

Federal returns must be batched by ULC of ERO EFIN or by address of online taxpayer.

ANDOVER SUBMISSION PROCESSING CENTER

SITE DESIGNATOR - C

01	Augusta	ME
02	Portsmouth	NH
03	Burlington	VT
04	Boston	MA
05	Providence	RI
06	Hartford	CT
11	Brooklyn	NY
13	Manhattan	NY
13	APO/FPO - NY	AE
14	Albany	NY
16	Buffalo	NY
22	Newark	NJ
23	Philadelphia	PA
25	Pittsburgh	PA
51	Wilmington	DE
52	Baltimore	MD
54	Richmond	VA
78	District of Columbia	DC

AUSTIN SUBMISSION PROCESSING CENTER

SITE DESIGNATOR - E

36	Chicago	IL
37	Springfield	IL
39	Milwaukee	WI
41	St. Paul	MN
42	Des Moines	IA
43	St. Louis	MO
48	Wichita	KS
73	Oklahoma City	OK
74	Austin	TX
75	Dallas	TX
76	Houston	TX
85	Albuquerque	NM

PHILADELPHIA PROCESSING CENTER

SITE DESIGNATOR - G

33	Laguna Niguel	CA
45	Fargo	ND
46	Aberdeen	SD
47	Omaha	NE
66	U.S. Possessions	
68	Sacramento	CA
77	San Jose	CA
81	Helena	MT
82	Boise	ID
83	Cheyenne	WY
84	Denver	CO
86	Phoenix	AZ
87	Salt Lake City	UT
88	Las Vegas	NV
91	Seattle	WA
92	Anchorage	AK
93	Portland	OR
94	San Francisco	CA
94	APO/FPO San Francisco	AP
95	Los Angeles	CA
98	International	
99	Honolulu	HI

MEMPHIS SUBMISSION PROCESSING CENTER

SITE DESIGNATOR – D

56	Greensboro	NC
58	Atlanta	GA
62	Nashville	TN
63	Birmingham	AL
64	Jackson	MS
71	Little Rock	AR
72	New Orleans	LA

KANSAS CITY SUBMISSION PROCESSING CENTER

SITE DESIGNATOR – F

31	Cincinnati	OH
34	Cleveland	OH
35	Indianapolis	IN
38	Detroit	MI
55	Parkersburg	WV
57	Columbia	SC
59	Jacksonville	FL
61	Louisville	KY
65	Ft. Lauderdale	FL
65	APO/FPO - Miami	AA

Universal Location Codes 10, 21, 32, 44 and 53 are designated for On-Line filing and are valid at all sites.
Universal Location Codes 08, 17, 18, 29 and 49 are for Internal Use Only.