



MAGNETIC TAPE REPORTING

Magnetic tape reporting is neither a paper nor an electronic system, but an alternative way of filing for reporting agents filing Form 941, *Employer's Quarterly Federal Tax Return*, and Form 940, *Employer's Annual Federal Unemployment (FUTA) Tax Return*. The Magnetic Tape Program is often referred to as the "Mag Tape" Program.

WHO CAN PARTICIPATE

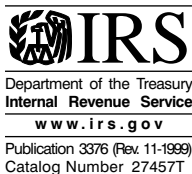
A reporting agent is automatically eligible to participate in the Mag Tape Program if the agent files at least 100 Forms 941 or 100 Forms 940 returns per tax period. An agent who files fewer forms, and wants to file on magnetic tape must obtain permission from the Magnetic Tape Coordinator at the IRS Service Center where the agent intends to file. The agent will be required to submit a letter of application.

Returns filed on magnetic tape must be fully paid. Full payment entitles filers to a ten-day extension of the filing date. Form 4996, *Electronic/Magnetic Media Filing Transmittal for Wage and Withholding Tax Returns*, must be received by the IRS before any magnetically-filed return is completed. The same information required on a paper return must be included when filing magnetically.

REQUIREMENTS

- An agent who wants to participate in the Mag Tape Program must submit a letter of application. The application must include the information specified in the *Revenue Procedure for the Mag Tape Program* (Publication 1912, Revenue Procedure 96-18, Catalog Number 22486Y).
- The application must include two types of attachments: a reporting agent's list and an authorization Form 8655, *Report Agent Authorization for Magnetic Tape/Electronic Filers*, for each taxpayer included on the agent's list. Publication 1912, *Revenue Procedure 96-18 Requirements for Magnetic Tape Reporting of Forms 940 and 941*, and Publication 1911, *Revenue Procedure 96-17 Preparing and Submitting Form 8655, Reporting Agent Authorization for Magnetic Tape and Electronic Filers* give specific information.
- For Form 941, the letter of application must be received by the following dates:

Application Due Date	For Quarter Ending
December 15 (prior year)	March 31
March 15	June 30
June 15	September 30
September 15	December 31



- For Form 940, the agent should submit the application by August 15 of the year preceding the due date of the returns that the agent will file on magnetic tape.
- Within 30 days of receiving an application, the IRS service center will return a validated agent's list to the agent.
- The agent must submit a test tape by the due date preceding the corresponding quarter ending dates, as follows:

Test Tape Due Date	For Quarter Ending
January 31	March 31
April 30	June 30
July 31	September 30
October 31	December 31

- For Form 940, the agent must submit a test tape by September 30 of the year preceding the due date of the return that will be filed on magnetic tape.
- After testing the magnetic tape, the agent will be notified by letter of approval or denial.

BENEFITS

Confidence

- Taxpayer confidence increases as returns are processed quickly and without errors.

Speed

- Minimal hands-on processing means no paperwork delays.
- Error-resolution volume is significantly reduced.
- Fewer errors need correction.

FOR FURTHER INFORMATION

Andover Service Center

Management Support Branch
 Mail Stop 105
 310 Lowell Street
 Andover, MA 05501
 Attn: Magnetic Tape Coordinator

Brookhaven Service Center

Stop 111
 P.O. Box 400
 Holtsville, NY 11742
 Attn: Magnetic Tape Coordinator

Cincinnati Service Center

Magnetic tape filers use the
 Philadelphia Service Center

Philadelphia Service Center

Mag Media Project Office
 Mail Stop 115
 11601 Roosevelt Blvd.
 Philadelphia, PA 19154

Atlanta Service Center
Stop 30
P.O. Box 47-421
Doraville, GA 30362
Attn: Magnetic Tape Coordinator

Austin Service Center
Magnetic tape filers use
Fresno Service Center (FSC)

Fresno Service Center
Stop 44
P.O. Box 12866
Fresno, CA 93779-2866
Attn: Magnetic Tape Coordinator

Memphis Service Center
Magnetic tape filers use PSC

Kansas City Service Center
Magnetic tape filers use FSC

Ogden Service Center
Magnetic tape filers use FSC

If you have questions about other electronic business options you may visit the Electronic Services section of the IRS web site at www.irs.gov.