

# **Revenue Procedure 2012-46**

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## **Publication 4436**

### **General Rules and Specifications for Substitute Form 941 and Schedule B (Form 941), and Schedule R (Form 941)**



Department of the Treasury  
**Internal Revenue Service**

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**NOTE.** This revenue procedure will be reproduced as the next revision of IRS Publication 4436, General Rules and Specifications for Substitute Forms and Schedules

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# Part 1

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## Section 1.1 – Purpose

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**.01** The purpose of this publication is to provide general rules and specifications from the Internal Revenue Service (IRS) for paper and computer-generated substitutes for Form 941, Employer's QUARTERLY Federal Tax Return, Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors (referred to in this publication as "Schedule B"), and Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers (referred to in this publication as "Schedule R").

**Note.** Substitute territorial forms (941-PR, 941-SS, and Anexo B (Formulario 941-PR)) should also conform to the specifications outlined in this revenue procedure.

**.02** This publication provides information for substitute Form 941, Schedule B, and Schedule R. If you need more in-depth information on who must complete the forms and how to complete them, see the Instructions for Form 941, Instructions for Schedule B (Form 941), the instructions included in Schedule R, and Publication 15 (Circular E), Employer's Tax Guide, or visit [IRS.gov](http://IRS.gov).

**Note.** Failure to produce acceptable substitutes of the forms and schedules listed in this publication may result in delays in processing and penalties.

**.03** Forms that completely follow the guidelines in this publication and are exact replicas of the official IRS forms do not need to be submitted to the IRS for specific approval. Substitute forms and schedules need to be scanned using IRS scanning equipment.

If you are uncertain of any specification and want clarification, do the following.

1. Submit a letter citing the specification.
2. State your understanding of the specification.
3. Enclose an example (if appropriate) of how the form would appear if produced using your understanding.
4. Be sure to include your name, complete address, phone number, and, if applicable, your email address with your correspondence. Email to

[SCRIPS@irs.gov](mailto:SCRIPS@irs.gov) or [Substituteforms@irs.gov](mailto:Substituteforms@irs.gov) or use the following address.

Internal Revenue Service  
Attn: Substitute Forms Program  
SE:W:CAR:MP:T:M:S, IR-6526  
1111 Constitution Avenue, NW  
Washington, DC 20224

**Note.** Allow at least 30 days for the IRS to respond.

**.04** However, software developers and form producers should send a blank copy of their substitute Form 941 and Schedule B (Form 941) in pdf format to [SCRIPS@irs.gov](mailto:SCRIPS@irs.gov). The purpose is not specifically for approval but to assist the IRS in preparing to scan these forms. Submitters will only receive comments if a significant problem is discovered through this process. Submitters are not expected to delay marketing their forms in order to receive feedback. In no case should Submitters include “live” taxpayer data.

**.05** The six-digit form ID code (beginning 95xxxx) on Form 941 and Schedule B (Form 941) identifies the official **paper** form. The six-digit form ID code (beginning 97xxxx) identifies substitute **6x10** grid Form 941 and Schedule B (Form 941). The six-digit ID code (beginning 99xxxx) identifies the official **IRS issued** Form 941 and Schedule B (Form 941). The last two digits of the code represent the calendar year. For example, the last two digits of ID code 970112 identifies calendar year 2012.

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## Section 1.2 – What's New

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**.01 Future Developments.** The IRS has created a page on IRS.gov for information about Form 941 at [www.irs.gov/form941](http://www.irs.gov/form941). Information about any future development affecting form 941 (such as legislation enacted after we release it) will be posted on that page.

**.02 Social security and Medicare tax for 2012.** The employee tax rate for social security is 4.2% and the employer tax rate for social security is 6.2%, unchanged from 2011. The social security wage base limit is \$110,100. The Medicare tax rate is 1.45% each for the employee and employer, unchanged from 2011. There is no wage base limit for Medicare tax.

**.03 VOW to Hire Heroes Act of 2011.** The law provides an expanded work opportunity tax credit to businesses that hire eligible unemployed veterans and, for the first time, also makes part of the credit available to certain tax-exempt organizations. Businesses claim the credit as part of the general business credit and tax-exempt organizations claim it against their payroll tax liability using Form 5884-C, Work Opportunity Credit for Qualified Tax-Exempt Organizations Hiring Qualified Veterans. The liability reported on Form 941 is not reduced by the amount of the credit. The credit is available

for eligible unemployed veterans who begin work on or after November 22, 2011, and before January 1, 2013.

**.04 Change of Address.** Beginning 2012, employers must use Form 8822-B, Change-Business, for any address change.

**.05 Check box for 941.** We changed the check box next to line 4, under line 3 to read: “Check and go to line 6,” on form 941.

**.06 Reference box for 941.** We moved the reference box next to line 5a, 5b and 5c, that states the tax rates for 2011 on form 941.

**.07 Line 6 of 941.** We removed the lines 6a through 6d as they were no longer needed. As a result, line 6e was renumbered as line 6 on form 941.

**.08 State Abbreviation.** The boxes for state abbreviation have been removed from line 16. Since State holidays are no longer considered legal holidays for timeliness of deposits, this is no longer needed on form 941.

**.09 Line References (Form 941).** Line reference to line 17 has changed to reference line 16, line reference to line 18 has changed to reference line 17, and line 19 has changed to reference line 18.

**.10 Schedule R.** Column (f) formerly used to report advance EIC payments is now used to report total taxes after adjustments (formerly reported on column (e)).

**.11 Draft Forms.** Draft forms can be found at: <http://www.irs.gov/app/picklist/list/draftTaxForms.html>.

**.12 Editorial Changes.** We made editorial changes throughout, including updated references. Redundancies were eliminated as much as possible.

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## **Section 1.3 – General Requirements for Reproducing IRS Official Form 941, Schedule B, and Schedule R**

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**.01** Submit substitute Form 941, Schedule B, and Schedule R to the IRS for specifications review. Substitute Form 941, Schedule B, and Schedule R that **completely conform** to the specifications contained in this revenue procedure do not require prior approval from the IRS, but should be submitted to [SCRIPS@irs.gov](mailto:SCRIPS@irs.gov) to ensure that they conform to IRS format and scanning specifications.

**.02** Print the form on standard 8.5 inches wide by 11-inch paper.

**.03** Use white paper that meets generally-accepted weight, color, and quality standards (minimum 20 lb. white bond paper).

**Note.** Reclaimed fiber in any percentage is permitted provided that the requirements of this standard are met.

**.04** The IRS prefers printing Form 941 on both sides of a single sheet of paper, but it is acceptable to print on one side of each of two separate sheets of paper.

**.05** Make substitute paper forms as identical to the official IRS-printed forms as possible.

**.06** Print the substitute forms using nonreflective black (not blue or other-colored) ink. Printing in an ink color other than black may reduce readability in the scanning process. This may result in figures being too faint to be recognizable.

**.07** Use typefaces that are substantially identical in size and shape to the official forms and use rules and shading (if used) that are substantially identical to those on the official forms. Use font size as large as possible within the fields.

**.08** Print the six-digit form ID codes in the upper right-hand corner of each form using nonreflective black, carbon-based, 12-point or non-OCR-A font may reduce readability for scanning. Use the official paper over-the-counter IRS forms to develop your substitute paper forms.

**Note.** Maintain as much white space as possible around the form ID code. Do not allow character strings to print adjacent to the code.

The year digits represent the year of the form layout and the tax year filed. For tax year 2012, print “950112” on page 1 of Form 941; “950212” on page 2 of Form 941; “950312” on Schedule B (Form 941); “950412” on page 1 of Schedule R (Form 941); “950512” on page 2 of Schedule B (Form 941) (continuation sheet); and “950612” on page 3 of Schedule R (Form 941) (instructions). *See Section 4* for information on form ID codes for software-generated forms.

**.09** Print the OMB number in the same location as on the official forms. Be sure to include the OMB number on Form 941 and Schedules B and R.

**.10** Print all entry boxes and checkboxes exactly as shown (**location and size**) on the official forms.

**Note.** Instead of a four-sided checkbox for the entry, just the bottom line of the box can be used as long as the location and size remain the same.

**.11** Print your IRS-issued three-letter substitute form source code in place of the Cat. No. on the left at the bottom of page 1 of Form 941, Schedule B, or Schedule R.

**Note.** You can obtain a three-letter substitute form source code by requesting it by email at [Substituteforms@irs.gov](mailto:Substituteforms@irs.gov). Please enter "Substitute Forms" on the subject line.

**.12** Print “For Privacy Act and Paperwork Reduction Act Notice, see the back of the Payment Voucher” at the bottom of page 1 of Form 941.

**.13** Print “For Paperwork Reduction Act Notice, see separate instructions” at the bottom of Schedule B. Print “For Paperwork Reduction Act Notice, see the instructions” at the bottom of Schedule R.

**.14 Do Not** print the form catalog number (“Cat. No.”) at the bottom of the forms or instructions.

**.15 Do Not** print the Government Printing Office (GPO) symbol at the bottom of the forms or instructions.

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## Section 1.4 – Reproducing Form 941, Schedule B, and Schedule R for Software-Generated Paper Forms

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**.01** You may use the pdf files to develop the layout for your forms. Draft forms found at <http://www.irs.gov/app/picklist/list/draftTaxForms.html> can be used to develop interim formats until the forms are finalized. When forms become finalized, they are posted and can be found at <http://www.irs.gov/app/picklist/list/formsPublications.html>. You may use 6x10 grid formats to develop software versions of Form 941 and Schedules B and R. Please follow the specifications exactly to develop the fields.

**.02** If you are developing software using the 6x10 grid, you may make the following modifications.

- With “12”, for instance, representing the digits for the year 2012, use “970112” for page 1 of Form 941, “970212” for page 2 of Form 941, “970312” for Schedule B (Form 941), “970412” for page 1 of Schedule R (Form 941), “970512” for page 2 of Schedule R (Form 941) (continuation sheet), and “970612” for page 3 of Schedule R (Form 941) (instructions) as the form ID codes.
- **Note.** Maintain as much white space as possible around the form ID code. Do not allow character strings to print adjacent to the code.
- Place all 6x10 grid boxes and entry spaces in the same field locations as indicated on the official forms.
- Use single lines for “Employer Identification Number” (EIN) and other entry areas in the entity section of page 1 of Form 941 and Schedule B, and the first page and continuation page of Schedule R.
- **Do Not** need to use reverse type as shown on the IRS official form.
- **Do Not** pre-print decimal points in the data boxes. However, where the amounts are required, the amounts should be printed with decimal points and place holders for cents.
- Use a single box for “state abbreviation” in line 16 of Form 941.
- Delete the pre-printed formatting in any “date” boxes.
- Use a single box for “Personal Identification Number (PIN)” on Form 941.
- You may delete all shading when using the 6x10 grid format.

**.03** If producing both the form and the data or the form only, print your three-letter source code at the bottom of page 1 of Form 941 and Schedule B, or the first page of Schedule R. See *Section 3.11*.

**.04** If producing only the data on the form, print your four-digit software industry form code on Form 941. The four-digit vendor code preceded by four zeros and a slash (0000/9876) must be pre-printed. If you have a valid vendor

code issued to you through the National Association of Computerized Tax Processors (NACTP), you should use the code. If you do not have a valid vendor code, contact the NATCP via e-mail at [president@natcp.org](mailto:president@natcp.org) for information on these codes.

**.05** Print “For Privacy Act and Paperwork Reduction Act Notice, see the Payment Voucher” at the bottom of page 1 of Form 941.

**.06** Print “For Paperwork Reduction Act Notice, see separate instructions” at the bottom of Schedule B. “Print For Paperwork Reduction Act Notice, see the instructions” at the bottom of the first page of Schedule R.

**.07** Be sure to print the OMB number in the same location as on the official forms on substitute Form 941, Schedule B, and Schedule R.

**.08 Do Not** print the form catalog number (“Cat. No.”) at the bottom of the forms or instructions.

**.09 Do Not** print the Government Printing Office (GPO) symbol at the bottom of the forms or instructions.

**.10** To ensure accurate scanning and processing, enter data on Form 941, Schedule B, and Schedule R as follows:

- Display/print the name and EIN on all pages and attachments in the proper associated fields.
- Use 12-point (minimum 10-point) Courier font (where possible).
- Omit dollar signs, but use commas when showing amounts.
- Except for lines 1 and 2 on Form 941, leave blank any data field with a value of zero.
- Enter negative amounts with a minus sign. For example, report “-10.59” instead of “(10.59).”

**Note.** The IRS prefers that you use a minus sign for negative amounts instead of parentheses or some other means. However, if your software only allows for parentheses in reporting negative amounts, you may use them.

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## Section 1.5 – Specific Instructions for Schedule R

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**.01** To properly file and to reduce delays and contact from the Service, new Schedule R must be produced as closely as possible to the official IRS form.

**Note. Do Not** present the information in spreadsheet or similar format. We may not be able to properly process nonconforming documents with an excessive number of entries. Complete as many Continuation Sheets for Schedule R (Form 941) as necessary. If continuation sheets are not used or they vary in form from the official form, processing may be delayed and you may be subject to penalties.

**.02** Use Schedule R (Form 941) to allocate the aggregate information reported on Form 941 to each client. If you have more than 15 clients, complete as



many Continuation Sheets for Schedule R (page 2) as necessary. Attach Schedule R, including any continuation sheets, to your aggregate Form 941 and file it with your return. Enter your business information carefully.

Make sure all information exactly matches the information shown on the aggregate Form 941. Compare the total of each column on line 19 (including your information on line 18) of Schedule R to the amounts reported on the aggregate Form 941. For each column total of Schedule R, the relevant line from Form 941 is noted in the column heading. If the totals on line 19 of the Schedule R do not match the totals on Form 941, there is an error that must be corrected before submitting Form 941 and Schedule R.

**.03 Do:**

- Develop and submit only conforming Schedules R.
- Follow the format and fields exactly as on the official IRS Schedule R.
- Maintain the same number of entry lines on the substitute Schedule R as on the official IRS form.

**.04 Do Not:**

- Add or delete entry lines.
- Submit spreadsheets, database printouts, or similar formatted documents instead of using the Schedule R format to report data.
- Reduce or expand font size to add or delete extra data or lines.

**.05** If Substitute Schedules R and Continuation Sheets for Schedule R are not submitted in similar format to the official IRS schedule, the substitutes may be returned, you may be contacted by the IRS, delays in processing may occur, and you may be subject to penalties.

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## **Section 1.6 – OMB Requirements for Substitute Forms**

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**.01** The Paperwork Reduction Act (the Act) of 1995 (Public Law 104-13) requires the following.

- The Office of Management and Budget (OMB) approves all IRS tax forms that are subject to the Act.
- Each IRS form contains the OMB approval number, if assigned. (The official OMB numbers may be found on the official IRS-printed forms.)
- Each IRS form (or its instructions) states:
  1. Why the IRS needs the information,
  2. How it will be used, and
  3. Whether or not the information is required to be furnished to the IRS.

**.02** This information must be provided to any users of official or substitute IRS forms or instructions.

**.03** The OMB requirements for substitute IRS forms are the following.

- Any substitute form or substitute statement to a recipient must show the OMB number as it appears on the official IRS form.
- For Form 941, Schedule B, and Schedule R, the OMB number (1545-0029) must appear exactly as shown on the official IRS form.
- For Form 941, Schedule B, and Schedule R, the OMB number must use one of the following formats.
  1. OMB No.1545–0029 (preferred) or
  2. OMB # 1545–0029 (acceptable).

**.04** If no instructions are provided to users of your forms, you must furnish to them the exact text of the Privacy Act and Paperwork Reduction Act Notice.

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## Section 1.7 – Reproducible Copies of Forms

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**.01** You can order official IRS forms and information copies of federal tax materials at local IRS offices or by calling the IRS National Distribution Center at 1-800-829-3676. Other ways to get federal tax material include the following.

- Accessing IRS.gov.
- Ordering IRS tax products on DVD (IRS Publication 1796).

**.02** The DVD contains approximately 2,500 tax forms and publications for small businesses, return preparers, and others who frequently need current or prior year tax products. Most current tax forms on the DVD may be filled in electronically, then printed out for submission and saved for record-keeping. Other products on the DVD include the Internal Revenue Bulletins, Tax Supplements, and Internet resources and links for the tax professional. For system requirements, contact the National Technical Information Service (NTIS) at <http://www.ntis.gov>.

**Note.** Some forms on the DVD are intended as information only and may not be submitted as an official IRS form (e.g., Forms 1099, W-2, and W-3). Additionally, Publication 1796 does not permit electronic filing.

Prices are subject to change. The cost of the DVD if purchased from NTIS at [www.irs.gov/formspubs/article/0,,id=108660,00.html](http://www.irs.gov/formspubs/article/0,,id=108660,00.html) is \$30 (with no handling

fee). If purchased using the following methods, the cost for each DVD is \$30 (plus a \$6 handling fee). These methods are:

- By phone – 1-877-CDFORMS (1-877-233-6767) (For IRS DVD purchase only),
- By fax – 703-605-6900 (For IRS DVD purchase only),
- By mail – to:

National Technical Information Service  
5301 Shawnee Road  
Alexandria, VA 22312

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## **Section 1.8 – Effect on Other Documents**

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**.01** Revenue Procedure 2011-39, 2011-30 I.R.B. 68, dated July 25, 2011, is superseded.

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## **Section 1.9 – Helpful Information**

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**.01** Please follow the specifications and guidelines to produce substitute Form 941 and Schedules B and R.

**.02** These forms are subject to review and possible change as required. Therefore, employers are cautioned against overstocking supplies of privately-printed substitutes.

**.03** Here is a review of references that were listed throughout this document.

- Form 941, Employer’s QUARTERLY Federal Tax Return
- Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors (referred to in this publication as “Schedule B”).
- Schedule R (Form 941), Allocation Schedule for Aggregate Form 941 Filers (referred to in this publication as “Schedule R”).
- Substitute territorial forms (941-PR, 941-SS, and Anexo B (Formulario 941-PR).
- Instructions for Form 941.
- Instructions for Schedule B (Form 941).
- Publication 15 (Circular E), Employer’s Tax Guide.
- SCRIPS@irs.gov for submissions.
- Substituteforms@irs.gov for questions.
- For questions:

Internal Revenue Service  
 Attn: Substitute Forms Program  
 SE: W:CAR:MP:T:M:S, IR-6526  
 1111 Constitution Avenue, NW  
 Washington, DC 20224

- <http://www.irs.gov/app/picklist/list/draftTaxForms.html> for draft forms.
- <http://www.irs.gov/app/picklist/list/formsPublications.html> for final forms.
- IRS tax products on DVD (IRS Publication 1796).