

**CREDIT**

**CARD**



**BULK**

**PROVIDER**

**REQUIREMENTS**

**Nature of Changes**

<b>Date/Version</b>	<b>Page</b>	<b>Paragraph</b>	<b>Change Description</b>
03/24/2015 v0	1-116		Revision number and date
03/26/2015 v0	3, 13		Changed reference of customer service to Bulk Provider Support and updated contact information
03/24/2015 v0	39, 56, 67, 72, 76, 83, 90		Updated Example dates from 2015 to 2016
04/01/2015 v0	74		Removed Tax Type 10401 in IMF Stand-Alone only Listing
05/06/2015 v0	76-81		Annual updates including increased tax year offered from 10 years to 20 years
03/26/2015 v0	104-105		Updated Daily Operations Procedures contact information
03/26/2015 v0	106		Updated Federal Reserve Holidays listing to include 2016 dates
03/24/2015 v0	107-114		Updated Section 5 language
05/06/2015 v1			Annual Updates - FINAL

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**1. GENERAL INTEREST ITEMS**

**TREASURY FINANCIAL AGREEMENT (TFA) CONTACT LIST**

**To be provided upon registering with the Treasury Financial Agent**

**A. EFTPS BULK PROVIDER REGISTRATION**

1. Each Credit Card Bulk Provider must complete the standard EFTPS Business Enrollment form (IRS Form 9779) and the attached “**TRADING PARTNER REGISTRATION FORM**”. The Treasury Financial Agent (TFA) will use the enrollment and Registration forms to initially set up the Credit Card Bulk Provider on the Electronic Federal Tax Payment System (EFTPS) and to track activity. The completed forms will be mailed to the address provided by the TFA.
2. **In the Integrated File and Pay Credit Card Program**, a balance due return is associated with an accepted e-file return. The approved credit card payment must wait for the acceptance of the e-file return. Upon acceptance of the e-file return, the credit card payment can be submitted using the Credit Card Bulk Provider Requirements and the approved entity and tax identifying information accepted by the IRS. In order to use this program, the credit card bulk provider must annually register with the IRS and sign an agreement indicating the company’s adherence to the IRS requirements. In addition, the bulk provider must register and test with the assigned Treasury Financial Agent. For subsequent years, the Credit Card Bulk Provider must annually test with the TFA to be recertified. All testing is required to be completed and certification to be submitted by December 28 of each year. If December 28 falls on a Saturday or Sunday, the preceding workday will be the due date.
3. **For stand-alone credit card programs**, the IRS requires a proposal to be submitted in reference to an IRS Request for Proposal. The IRS will issue contract awards based on the best solutions for increasing e-file and electronic payment volumes. Following the Annual Requirements Review Meeting (Kickoff), the Credit Card Bulk Provider has through June 30<sup>th</sup> of each year to submit their Final proposal with any changes to the contract.



**TRADING PARTNER REGISTRATION FORM**

**Company Profile**

\_\_\_\_\_  
Company Name - Your corporate name (up to 30 characters).

\_\_\_\_\_  
Address (up to 30 characters)

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip

\_\_\_\_\_  
Country

\_\_\_\_\_  
Business Unit - Your division name (up to 30 characters)  
Describing a specific business unit under the company name.

\_\_\_\_\_  
Business Hours

**EDI Envelope Information**

\_\_\_\_\_  
Interchange Receiver ID (up to 15 characters)

\_\_\_\_\_  
Function group ID (up to 15 characters)

**Communications Contact**

The person at your company that will be our ongoing contact for communications issues and concerns.

\_\_\_\_\_  
Communications Contact Name  
(Up to 30 characters)

\_\_\_\_\_  
Title  
(Up to 30 characters)

\_\_\_\_\_  
Phone (xxx-xxx-xxxx)

**EDI Contact**

The person at your company that will be our ongoing contact for EDI translation issues and concerns.

\_\_\_\_\_  
EDI Contact Name  
(Up to 30 characters)

\_\_\_\_\_  
Title  
(Up to 30 characters)

\_\_\_\_\_  
Phone (xxx-xxx-xxxx)



**GENERAL INFORMATION**

Please list the following:

Hardware Platform: \_\_\_\_\_

Operating System: \_\_\_\_\_

EDI Translator: \_\_\_\_\_

Production site city and state: \_\_\_\_\_

Disaster recovery site city and state: \_\_\_\_\_

Company business hours: \_\_\_\_\_

Contact name: \_\_\_\_\_

Contact Business Hours: \_\_\_\_\_

Contact Telephone Number: \_\_\_\_\_

**B. LETTER OF AGREEMENT**

A signed letter of agreement is required to be on file with the Treasury Financial Agent (TFA) before live entity validation and/or payments can begin. The letter of agreement will be provided by the TFA and will be signed and returned based on instructions from the TFA.

Note: The letter of agreement will contain a statement that:

"Every taxpayer for whom the Credit Card Bulk Provider will be submitting Electronic Federal Tax Payment System payments will have certified that the credit card processor is authorized to process the payment and to exchange information with the IRS necessary to process the payment."



**C. PROJECT SCHEDULES**

**BULK PROVIDER & TREASURY FINANCIAL AGENT  
DEVELOPMENT SCHEDULE**

<u>PHASE</u>	<u>TARGET START DATE</u>	<u>TARGET END DATE</u>	<u>STATUS</u>
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EDI SOFTWARE INSTALLATION  
BUSINESS SYSTEM DESIGN

**ENTITY VALIDATION (Required for Credit Card processors who are contacted directly by the taxpayer)**

DETAIL DESIGN  
DEVELOPMENT  
SYSTEM TEST  
ACCEPTANCE TEST  
BULK PROVIDER TESTING  
LIVE ENTITY VALIDATION

**DEBIT PAYMENTS**

DETAIL DESIGN  
DEVELOPMENT  
SYSTEM TEST  
ACCEPTANCE TEST  
BULK PROVIDER TESTING  
LIVE DEBIT PAYMENTS



**TREASURY FINANCIAL AGENT TESTING SCHEDULE**

BULK PROVIDER Name \_\_\_\_\_

	<u>Earliest Available Start Date</u>	<u>Expected Start Date</u>
TELECOMMUNICATION	_____	_____
ENTITY VALIDATION (Entity Validation for Name Control)	_____	_____
DEBIT PAYMENT	_____	_____

Note: Allow a minimum of 2 weeks testing for each subsystem



**FINANCIAL AGENT ENTITY VALIDATION PROCESS SCHEDULE**  
**(For Credit Card Transactions Initiated Directly by Taxpayers)**

**BULK PROVIDER NAME** \_\_\_\_\_

**DESCRIPTION OF VALIDATION APPROACH**

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**EXPECTED START DATE** \_\_\_\_\_

**EXPECTED END DATE** \_\_\_\_\_

**NUMBER OF TRANSMISSIONS** \_\_\_\_\_

**FREQUENCY** \_\_\_\_\_



**TFA PAYMENT LIVE DATES**

BULK PROVIDER NAME \_\_\_\_\_

The following prerequisites must be complete prior to the live date.

- Financial Agent testing completed
- Signed Letter of Agreement
- Trading Partner Registration Form

Payment Method                      Bulk Debit \_\_\_\_\_

Expected Live date                      \_\_\_\_\_

Expected Initial Volume                      \_\_\_\_\_

Expected Frequency                      \_\_\_\_\_

Expected Growth                      \_\_\_\_\_

**D. BULK PROVIDER SUPPORT**

1. The EFTPS support staff hours for Credit Card Bulk Providers are Monday morning at 12 am ET to Friday night at 11:30 pm ET. It is imperative that all calls regarding operational concerns come through the Bulk Provider Support line. The number is 1-866-684-6556.
2. The Bulk Provider procedures for inquiring about an entity validation file and/or payment are as followed
  - STEP 1. Do **not** automatically resubmit the entity validation and /or payment.
  - STEP 2. Call EFTPS Bulk Provider Support at the toll free 866 number to check on the status of the entity validation and/or payment.
  - STEP 3. The EFTPS Bulk Provider Support will be able to give status information on the entity validation and/or payment by looking to our Application Database.

## **2. SPECIFIC PROCESSING REQUIREMENTS**

### **A. EDI TRANSLATION**

1. If you are using an EDI translation software package, review where you are in the implementation process for the initial review conference call.
2. If you are doing your own EDI development, review your intended support of all EFTPS transaction sets. (NOTE: We continue to recommend that you purchase EDI translation software. Historically, in-house development of EDI translators have elongated the testing process for EDI newcomers, and complications may jeopardize your live date.)
3. Note that all data must be compliant with the 3050 version of the ANSI x12 EDI standards. To obtain a copy of the standards, visit [www.ANSI.org](http://www.ANSI.org). There is a cost.
4. Updates to new versions of the ANSI Standard will be reviewed as they become available. If EFTPS determines that the new standard will be utilized the change control procedures will be followed.
  - a. Six months notice will be given prior to implementing a new standard.
  - b. Old standards will be supported for a minimum of 6 months following the implementation of a new standard.
5. Review shared understanding of the contents of the ISA and GS segments (see attached). (e.g. - potential use of EINs or D-U-N-S numbers for Sender and Receiver IDs)
6. Bulk provider must verify that they use EFTPS EDI standards
  - A. The tilde "~" as a data element separator.
  - B. The backslash "\" as a segment separator.
  - C. The greater than sign ">" as a sub-segment separator.

**ISA SEGMENT -INTERCHANGE CONTROL SEGMENT - INCOMING TO THE TREASURY  
FINANCIAL AGENT**

Element	REF. Nbr	Name	Req. Desig	Elem. Type	Elem. Length	Comments
ISA01	I01	Authorization Information Qualif.	M	ID	2/2	00
ISA02	I02	Authorization Information	M	AN	10/10	blanks
ISA03	I03	Security Information Qualifier	M	ID	2/2	00
ISA04	I04	Security Information	M	AN	10/10	blanks
ISA05	I05	Interchange ID Qualifier	M	ID	2/2	determined by bulk provider
ISA06	I06	Interchange Sender ID	M	AN	15/15	determined by bulk provider
ISA07	I05	Interchange ID Qualifier	M	ID	2/2	to be provided by TFA
ISA08	I07	Interchange Receiver ID	M	AN	15/15	to be provided by TFA
ISA09	I08	Interchange Date	M	DT	6/6	current date
ISA10	I09	Interchange Time	M	TM	4/4	current time
ISA11	I10	Interchange Control Standards ID	M	ID	1/1	U
ISA12	I11	Interchange Control Vers. Number	M	ID	5/5	to be provided by TFA
ISA13	I12	Interchange Control Number	M	N0	9/9	determined by bulk provider*
ISA14	I13	Acknowledgment Requested	M	ID	1/1	0
ISA15	I14	Test Indicator	M	ID	1/1	'T' or 'P'
ISA16	I15	Component Element Separator	M	AN	1/1	>

\* This number will be validated in duplication checks and must be unique.

**GS SEGMENT - FUNCTIONAL GROUP HEADER - INCOMING TO THE TFA**

Element	REF. Nmbr	Name	Req. Desig	Elem. Type	Elem. Length	Comments
GS01	479	Functional Identifier Code	M	ID	2/2	838 = TD, 813 = TF
GS02	142	Application Sender's Code	M	AN	2/15	To be provided by the TFA
GS03	124	Application Receiver's Code	M	AN	2/15	To be provided by the TFA
GS04	373	Date	MIZ	DT	6/6	current date
GS05	337	Time	MIZ	TM	4/8	current time
GS06	28	Group Control Number	MIZ	N0	1/9	determined by bulk provider *
GS07	455	Response Agency Code	M	ID	½	X
GS08	480	Version/RIs/Industry ID Code	M	AN	1/12	003050

\* This number will be validated in duplication checks and must be unique.



**GE SEGMENT  
FUNCTIONAL GROUP TRAILER**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
GE01	97	Number of Transaction Sets Included	M	N0	1/6	
GE02	28	Group Control Number	MIZ	N0	1/9	(Must = GS06)

**IEA SEGMENT  
INTERCHANGE CONTROL TRAILER**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
IEA01	I16	Number of Functional Groups Included	M	N0	1/5	
IEA02	I12	Interchange Control Number	M	N0	9/9	

**B. ENTITY VALIDATION (Direct Taxpayer Contact with Credit Card Processor Only)**

Credit Card Bulk Providers are required to include taxpayer name control and zip code in the payment file sent to IRS. If the credit card transaction is initiated through an *e-file* service, the entity is validated upon receipt of the *e-file* confirmation.

Credit card processors who have been contacted directly by the taxpayer must initiate an entity validation process through the EFTPS financial agent to validate the taxpayer’s identity and obtain the name control and zip code.

1. Review the entity validation process. The taxpayer entity validation process is located in Chapter 3.

New requests needing IRS validation in order to obtain name control can be transmitted daily along with the payment files for previously validated taxpayers.

2. Review of the bulk provider entity validation error codes (see the below list).

**EFTPS BULK PROVIDER ENTITY VALIDATION ERROR CODES**

<b>Error Codes</b>	<b>Description</b>	<b>Comments</b>
0005	TIN mismatched	IRS Critical Error

**C. PAYMENTS**

All credit card payments to IRS are initiated through the bulk debit procedures.

- 1) **Transmission Schedules:**
  - a) The deadline for processing debit payments is 7:00 p.m. ET on the calendar day prior to settlement day. (Note: If a bulk provider wants to send in a file on Saturday or Sunday, they must communicate with the FA during normal business hours.)
  - b) Settlement will occur on banking days only, Monday through Friday, excluding federal holidays.
- 2) **Rejects:**
  - a) The FA will provide you with complete payment reject codes and conditions. A few possible reasons are:
    - 1) No name control
    - 2) Dollar amount over \$99,999,999.99 per transaction set (1,000 payments)
    - 3) File format error
- 3) **Returns:**

The process for handling returns of debits will start with the Receiving Depository Financial Institution (RDFI) sending EFTPS a valid return reason code such as NSF or Uncollected Funds. Note: The RDFI must adhere to NACHA rules regarding returns. Next, EFTPS will send the bulk provider a transaction set 827 that contains return reason information. EFTPS must send this transaction set 827 within 24 hours of the return settling.
- 4) **Duplicate File:**

A duplicate file is one in which the ISA & GS control numbers are not unique. If a duplicate file is received by the TFA then the EDI translator will reject it and the bulk provider will receive a negative 997 functional acknowledgment.

However, if a file has unique ISA and GS control numbers, then the file will not be rejected and any previously processed payments will be processed again. Resolution will need to come from the IRS directly. EFTPS does not have the capability to initiate a reversal of debit payment transactions.

**D. TESTING PLAN**

**Below is a general test plan which should be used only as a guide to what will be expected. The final test plan will be provided by the bulk provider.**

EDI Transmission Test

Two Files  
Valid  
Invalid

Entity Validation Test

Valid X12 Format/Entity Validation  
Invalid X12 Format  
Syntax  
Duplicate Control Numbers  
Invalid Entity Validations  
Volume - 50% of Expected Volume

Payments

Valid X12 Format/Payments  
Invalid X12 Format  
Syntax  
Duplicate Control Numbers  
Invalid Debit  
Error Codes  
Volume - 50% of Expected High Volume Day

**SAMPLE BULK PROVIDER TEST CASES**

<b>FUNCTIONALITY</b>	<b>TEST SCENARIOS</b>
File Transmission Testing	VALID: The bulk provider will send through 1 file with a valid sender listed on the ISA segment. (NOTE: This will be an entity validation file with 1 - 5 entity validation requests. This will only be used for EDI file transfer testing.)
	The TFA will return a 997 Functional Acknowledgment to the bulk provider within 1 hour of receipt of the 838 file. The TFA and the bulk provider will work together to confirm the results.
	INVALID: The bulk provider will send through 1 file with an invalid sender listed on the ISA segment. (NOTE: This will be an entity validation file with 1 - 5 entity validation requests. This will only be used for EDI file transfer testing.)
	The TFA will return a 997 Functional Acknowledgment to the bulk provider within 1 hour of receipt of the 838 file. The TFA and the bulk provider will work together to confirm the results.
"Valid" Entity Validation X12 Format (Syntax)	The bulk provider will send a file to the TFA. This file will be used to verify that the format of the entity validation file mirrors the EFTPS EDI trading partner profile standards. The TFA will check the following (but not limited to) on the 838 Entity Validation and 997 Functional Acknowledgment Files: <ul style="list-style-type: none"> <li>Proper Enveloping:               <ul style="list-style-type: none"> <li>Content format of ISA and IEA Segments</li> <li>Content format of GS and GE Segments</li> <li>Content format of ST and SE Segments</li> </ul> </li> <li>Bulk Provider TIN</li> <li>File Creation Date / Time</li> <li>Bulk Provider Name / Telephone Number</li> <li>Taxpayer Name / TIN</li> </ul>
"Invalid" Entity Validation X12 Format	The bulk provider will send a second file to the TFA. This file will contain errors with the format of the file in order for the TFA

<b>FUNCTIONALITY</b>	<b>TEST SCENARIOS</b>
(Syntax)	to send the bulk provider a REJECTED 997 Functional Acknowledgment. The TFA will check the following (but not limited to) on the 838 Entity Validation: <ul style="list-style-type: none"> <li>Improper Enveloping or X12 Format Errors:               <ul style="list-style-type: none"> <li>Content format of ISA and IEA Segments</li> <li>Content format of GS and GE Segments</li> <li>Content format of ST and SE Segments</li> </ul> </li> </ul>
"Valid" Entity Validation	The bulk provider will create an 838 Entity Validation file with 50 taxpayers. Place at least 5 Entity Validation requests containing primary/secondary names on the file.
	The TFA will return a 997 Functional Acknowledgment to the bulk provider within 24 hours of receipt of the 838.
"Valid" Entity Validation (continued)	The TFA will return an 824 Application Advice to the bulk provider within 3 days of receipt of the 838.
	The bulk provider will return a 997 Functional Acknowledgment to the TFA within 1 hour of receipt of the 824.
"Invalid" Entity Validation	The bulk provider will create an "invalid" 838 Entity Validation file with 50 taxpayers. Please be sure to include the following invalid TINs: <ul style="list-style-type: none"> <li>Blank TIN (Element N101 should be left blank)</li> <li>999999999</li> <li>345A24436</li> </ul>
	The TFA will return a 997 Functional Acknowledgment to the bulk provider within 24 hours of receipt of the 838.
	The TFA will return an 824 Application Advice to the bulk provider within 3 days of receipt of the Entity validation file.
	The bulk provider will return a 997 Functional Acknowledgment to the TFA within 1 hour of the 824.
	On DAY 2 the TFA will return an 824 (reject) Application Advice to the bulk provider. This 824 will be the rejection file containing

<b>FUNCTIONALITY</b>	<b>TEST SCENARIOS</b>
	<p>all invalid TINs.</p> <p>The bulk provider will return a 997 Functional Acknowledgment to the TFA within 1 hour of receipt of the 824.</p>
<p>Conditional Testing</p> <p>Entity Validation Volume Testing</p>	<p>The bulk provider will send an Entity Validation file to the TFA containing at least 50% of your largest Entity Validation file.</p> <p>The TFA will return a 997 Functional Acknowledgment to the bulk provider within 24 hours of receipt of the 838.</p> <p>The TFA will return an 824 Application Advice to the bulk provider within 3 days of receipt of the 838.</p> <p>The bulk provider will return a 997 Functional Acknowledgment to the TFA within 1 hour of receipt of the 824.</p>
<p>"Valid" Bulk ACH Debit Format (Syntax)</p>	<p>The bulk provider will send 2 files to the TFA. This file will be used to verify that the format of the BULK ACH debit files mirror the EFTPS EDI trading partner profile standards. The TFA will check the following (but not limited to) on the 813 Tax Payment and 997 Functional Acknowledgment files:</p> <ul style="list-style-type: none"> <li>Proper Enveloping:           <ul style="list-style-type: none"> <li>Content format of ISA and IEA Segments</li> <li>Content format of GS and GE Segments</li> <li>Content format of ST and SE Segments</li> </ul> </li> <li>Reference Information</li> <li>File Creation Date</li> <li>Date Sent to TFA</li> <li>Dollar Amount</li> <li>Payment Method</li> <li>Payment / Account Information</li> <li>Settlement Date</li> <li>Tax Form Information</li> <li>Taxpayer TIN</li> <li>Tax Period Date</li> </ul>
<p>"Invalid" Bulk ACH Debit Format (Syntax)</p>	<p>The bulk provider will send 2 additional files to the TFA. This file will contain errors with the format of the file in order for the</p>

FUNCTIONALITY	TEST SCENARIOS
"Valid" ACH Debits	<p>TFA to send the bulk provider a REJECTED 997 Functional Acknowledgment. The TFA will check the following (but not limited to) on the 813 Entity Validation:</p> <ul style="list-style-type: none"> <li>Proper Enveloping: <ul style="list-style-type: none"> <li>Content format of ISA and IEA Segments</li> <li>Content format of GS and GE Segments</li> <li>Content format of ST and SE Segments</li> </ul> </li> <li>Reference Information</li> <li>File Creation Date</li> <li>Date Sent to the TFA</li> <li>Dollar Amount</li> <li>Payment Method</li> <li>Payment / Account Information</li> <li>Settlement Date</li> <li>Tax Form Information</li> <li>Taxpayer TIN</li> <li>Tax Period Date</li> </ul> <p>The bulk provider will send a file of 50 payments. Be sure the transaction sets range from \$.01 - \$99,999.999.99 using various dollar amounts and cents.</p> <p>The TFA will return a 997 Functional Acknowledgment to the bulk provider within 1 hour of receipt of the 813 Tax Payment.</p> <p>The TFA will return a 151 Electronic Filing of Tax Return Data Acknowledgment to the bulk provider within 3 hours of receipt of the 813 Tax Payment.</p> <p>The bulk provider will send the TFA a 997 Functional Acknowledgment within 1 hour of receipt of the 151.</p>
"Invalid" ACH Debits	<p>The bulk provider will send a file of 50 payments. Include the following TINs:</p> <ul style="list-style-type: none"> <li>000000000</li> <li>34533ABCD</li> <li>410700000</li> <li>345558219 (valid TIN but unenrolled)</li> <li>452782525, tax type 941a (invalid tax type)</li> </ul>



<b>FUNCTIONALITY</b>	<b>TEST SCENARIOS</b>
	<p>345251872 (this will be returned as NSF)</p> <p>Be sure the transaction sets range from \$.01 - \$99,999.999.99 using various dollar amounts and cents with one transaction set for \$100,000,000.00.</p> <p>The TFA will return a 997 Functional Acknowledgment to the bulk provider within 1 hour of receipt of the 813 Tax Payment.</p>
"Invalid" ACH Debits (continued)	The TFA will return a 151 Electronic Filing of Tax Return Data Acknowledgment within 3 hours of receipt of the 813 Tax Payment. This file will include the invalid TINs and the valid TIN with the invalid tax type.
	The bulk provider will send the TFA a 997 Functional Acknowledgment within 1 hour of receipt of the 151.
Payment Return - Part I	<p>The TFA will send the bulk provider an 827 Financial Return Notice for TIN 345251872 that was used in the "invalid" ACH debit test case. This will be returned as NSF. (The payment reversal will occur on DAY 2).</p> <p>The bulk provider will send a 997 Functional Acknowledgment to the TFA within 1 hour of receipt of the 827.</p>
Conditional Testing ACH "Bulk" Debit Volume Testing	<p>The bulk provider will send a debit file reflecting 50% of the expected high volume day. This file will run through as a normal ACH debit.</p> <p>The TFA will return a 997 Functional Acknowledgment to the bulk provider within 1 hour of receipt of the 813.</p> <p>The TFA will return a 151 Electronic Filing of Tax Return Data Acknowledgment within 3 hours of receipt of the 813.</p> <p>The bulk provider will send the TFA a 997 Functional Acknowledgment within 1 hour of receipt of the 151.</p>
Conditional Testing "Bulk" Debit Transaction Set Limit	The bulk provider will send the TFA a bulk debit file with at least 1 transaction set with at least 1001 transactions.

<b>FUNCTIONALITY</b>	<b>TEST SCENARIOS</b>
	The TFA will return a 997 Functional Acknowledgment to the bulk provider within 1 hour of receipt of the 813.
	The TFA will return a REJECTION 151 Electronic Filing of Tax Return Data Acknowledgment within 3 hours of receipt of the 813.
	The bulk provider will send the TFA a 997 Functional Acknowledgment within 1 hour of receipt of the 151.
Conditional Testing  File Limits	The bulk provider will send a debit file with 21 (813) transaction sets.
	The TFA will return a 997 Functional Acknowledgment to the bulk provider within 1 hour of receipt of the 813.
	The TFA will return a REJECTION 151 Electronic Filing of Tax Return Data Acknowledgment within 3 hours of receipt of the 813.
	The bulk provider will send the TFA a 997 Functional Acknowledgment within 1 hour of receipt of the 151.
Conditional Testing  Duplicate File	The bulk provider will send the debit file used in the Valid ACH debit scenario. Change ONLY the settlement date. Do not make any changes to the ISA or GS control numbers.
	The bulk provider will receive a NEGATIVE 997 Functional Acknowledgment from the TFA within 1 hour of receipt of the 813.

Be sure that the ISA15 segment is set to T (for testing).

Some of the test conditions are being tested so that the bulk provider will recognize the conditions that the rejection acknowledgment file will be returned in "production".

**Other Optional Test Scenarios:**

## Test Case #1: (Optional)

- Bulk Provider sends 813 file containing at least 1 ST with at least 2 payment records (1 payment with tax type code 10401 and another with code 10402) and a tax period end date (TFS segment, TFS07 element) other than the current year – 1.
- TFA returns an accepted 997 along with a 151 file containing rejected acknowledgement type and error code. Notice that all STs on the file (ISA) are rejected with error code 1104.
- Bulk Provider returns an accepted 997.

## Test Case #2: (Optional)

- Bulk Provider sends 813 file containing at least 1 ST and 1 payment with tax type code 10402 and the Credit Card Authorization Date (DTM segment w/in the TFS Loop, DTM02 element) after 06/30/xx. [xx = current year]
- TFA returns an accepted 997 along with a 151 file containing rejected acknowledgement type and error code. Notice that all STs on the file (ISA) are rejected with error code 1104.
- Bulk Provider returns an accepted 997.

## Telecommunications/Timing of 813 Payment Flow Test Case (Optional #3):

- Bulk Provider sends an 813 file including at least 1 ST and one payment record
- TFA processes the 813 file and sends back a 151 confirmation file to the Bulk Provider.
- Bulk Provider returns an accepted 997 in response to the 151 confirmation file.
- TFA returns an accepted 997 acknowledgment (for the 813 payment file) to the Bulk Provider.

“ONE-ON-ONE” TEST CASE # 4: Entity Validation – Confirmation – Payment flow with multiple ST’s (transaction sets):

- Bulk Provider sends 1 Entity Validation file with at least two (2) 838 transaction sets (ST’s)
- TFA returns an accepted 997 and validates Entity Validation requests with IRS (simulated)
- TFA creates two (2) confirmation files, each containing an 824 ST that confirms each 838 ST and returns to Bulk Provider (Note: Based upon the timing of the 838 transaction sets that are sent will determine if the 824 sets are on one file or multiple files.)
- Bulk Provider returns an accepted 997 in response to the 824 confirmation file.
- Bulk Provider sends an 813 file with all validated Entity Validation requests.
- TFA returns a 997 acknowledging the 813 and also a 151 confirmation file to the Bulk Provider.
- Bulk Provider returns an accepted 997 in response to the 151 confirmation file. No duplicate payment file is generated and/or sent by the Bulk Provider.

### **3. TELECOMMUNICATIONS CONCERNS**

#### **A. DATA TRANSMISSION SPECIFICATIONS**

##### **1. Communications Protocol**

File Transfer Protocol (FTP) or Connect Direct through the EFTPS wide area network (WAN) frame relay network. This network requires provisioning of appropriate telecommunication circuits and encrypted routers to connect to the EFTPS network. This provides hardware-based encryption and meets FIPS 140-2 requirements.

##### **2. Line Service**

Leased line, connection depending on capacity requirements.

##### **3. Initiation Function**

The FTP connection is always live to the TFA host.

##### **4. Common Carrier Interface**

Leased line connections will be coordinated at the time of circuit order.

##### **5. Line Type**

For a leased line connection, the TFA will coordinate the circuit order.

##### **6. Transmission Speeds**

56 KBS to 128 KBS (Leased)

##### **7. Security: Identification-Authentication-Encryption**

Encryption is required for all payment and entity validation transmissions.

Encryption router, providing router to router encryption across the EFTPS Bulk Provider WAN.

##### **8. Value Added Networks (VAN)**

VAN is not provided.



**B. TELECOMMUNICATIONS SET-UP**

Vendor Name \_\_\_\_\_

Initiation Function

Communication Protocols \_\_\_\_\_  
Line Type \_\_\_\_\_

Credit Card Bulk Provider:  
IP Address To be provided by the FA

Line Speed  
Number of Locations

Debit Payments

Transmission Frequency Daily  
Transmission Volume  
    Wednesday  
    Friday  
    15th of Month  
    Quarter End \_\_\_\_\_  
Transmission Times \_\_\_\_\_

Entity Validation Files (Only for Processors who are contacted directly by the taxpayer)

Conversion Volume  
Transmission Frequency  
Transmission Volume  
Transmission Times \_\_\_\_\_

## **C. DISASTER RECOVERY**

### **Treasury Financial Agent (TFA)**

The TFA maintains a hot backup site for all operations in case of a hardware/software failure. Every effort will be made to ensure all tax payments are received on a timely basis. Processing windows may be modified to ensure timely posting of all tax payments. If a telecommunication, data center or operations center failure occurs, the Credit Card Bulk Provider will be provided disaster recovery procedures by the TFA.

**D. BULK PROVIDER DISASTER RECOVERY PLAN**

- High level description of Disaster Recovery Plan as it impacts EFTPS
- Do you have a back-up modem at primary site?
- Is there a back-up site (Hot back-up or Cold start)?
- How long is the outage before moving to back-up site?
- How will the TFA be notified to dial the back-up site or back-up modem?
- Who is the primary contact?
- Where is the back-up site located (city, state)?
- What is the hardware/telecom setup (Is this different from the primary site)?
- If hot back-up, are the modems always active?
- What are the back-up phone numbers?
- Disaster Recovery Testing:
  - When can we schedule initial test?
  - Is periodic testing at the back-up site required? How often?



## **4. EDI RECORD FORMATS**

### **A. GENERAL**

#### **Important notes regarding the following material...**

- Chapters 3, 4, 9 and 10 are extracted from the *Implementation Guide for EFTPS Bulk Providers* and edited for credit card processors. Material from the remaining Chapters of the *Guide*, if applicable to credit card processing, is included in earlier portions of this document.
- All Electronic Data Interchange transaction set layouts in Chapters 3, 4 and 9 are in ANSI X12 version 003050.

**B. CHAPTER 3 – TAXPAYER ENTITY VALIDATION****Overview**

This chapter describes the modified enrollment process for taxpayers submitting electronic Federal tax payments through a credit card processor. File layouts for taxpayer Entity Validation requests are shown in **Attachments 3A-3C** at the end of the chapter.

**Taxpayer Entity Validation Process**

The modified enrollment process is intended to validate the Taxpayer Identification Number (social security number or employer identification number) for taxpayers who contact the credit card company directly to initiate a payment. This process is not required for taxpayers whose entity has been validated by the electronic filing system.

Credit card processors who have been contacted directly by the taxpayer must initiate a pseudo taxpayer enrollment process through the EFTPS financial agent to validate the taxpayer's identification number and obtain the name control and zip code.

**Step ①**

---

- The taxpayer authorizes the credit card processor/bulk provider to process the payment and to exchange information with the IRS necessary to process the payment.

**Step ②**

---

- The credit card processor/bulk provider transmits an entity validation file to the TFA. The format is ANSI X12 EDI **838-transaction set**. Each 838-transaction set is limited to a maximum of 1,000 Entity Validation requests.
- Within one hour after receipt of entity validation file, the TFA will send the Credit Card Bulk Provider an acknowledgment of receipt of file. The format for the acknowledgment is ANSI X12 EDI **997-transaction set**.

**Step ③**

---

- The Treasury Financial Agent exchanges an entity file with the IRS. The entity file will include only the critical fields of data collected from the bulk provider, including the taxpayer's SSN.

**Step ④**

---

- After the TFA receives the entity validation file from the IRS, the TFA notifies the bulk provider about acceptance or rejection of taxpayer Entity Validation requests. The acceptance file will contain the name control and ZIP code (may be present) of approved taxpayers. Rejected Entity Validation requests will include a reason code. The format is ANSI the X12 EDI **824-transaction set**. Process the IRS entity validation files whether a zip code is supplied or not (where the zip is blank). If the zip code field is received blank, the FA will create the EDI 824 enrollment confirmation transaction set. The EDI 824 REF03 element will be blank and sent back to the Credit Card Processor without a zip code. For EDI 813 payments, the FA will not reject the payment transaction set if the zip code field is blank (Again, the REF03 element will be blank on the 813).
  - Within one hour after receipt of receipt of this file, the bulk provider will return the TFA an acknowledgment of receipt of file to the TFA. The format is ANSI X12 EDI **997-transaction set**.
-

**TRANSACTION SET 838**

**TRADING PARTNER PROFILE**

**VERSION 003050**

**SEND FROM BULK PROVIDER**

**REQUEST FOR ENTITY VALIDATION**

**ATTACHMENT 3A**

**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**REQUEST FOR ENTITY VALIDATION SENT FROM BULK PROVIDER**

**TABLE 3A-1**

<b>SEG. ID</b>	<b>NAME</b>	<b>REQ. DES.</b>	<b>MAX. USE</b>	<b>LOOP REPEAT</b>
ST	Transaction Set Header	M	1	
BTP	Beginning Segment for Trading Partner Profile	M	1	
PER	Administrative Communications Contact	O	1	
	LOOP ID - LX			>1
LX	Assigned Number	O	1	
	LOOP ID - N1			>1
N1	Name	O	1	
N9	Reference Number	O	>1	
SE	Transaction Set Trailer	M	1	

EFTPS will limit use of the LX loop to 1,000.

One N1 loop is used for each Entity Validation request.

The N3 and N4 segments are not used for credit card processing.

Only one N9 segment will be used.

**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**ST SEGMENT  
TRANSACTION SET HEADER**

**TABLE 3A-2**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
ST01	143	Transaction Set Identifier Code	MIZ	ID	3/3	"838"
ST02	329	Transaction Set Control Number	M	AN	4/9	

ST02 is a control number that must be unique within the functional group.  
The originator of the transaction assigns it.

Example:

ST~838~45678\

**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**BTP SEGMENT  
BEGINNING SEGMENT FOR TRADING PARTNER PROFILE**

**TABLE 3A-3**

Element	REF Number	Name	Req. Desig	Elem Type	Elem Length	Comments
BTP01	353	Transaction Set Purpose Code	MIZ	ID	2/2	“35” Request Authority
BTP02	127	Reference Number	MIZ	AN	1/30	To be provided by the TFA
BTP03	373	Date	MIZ	DT	6/6	(YYMMDD)
BTP04	337	Time	M	TM	4/8	(HHMM)
BTP05	640	Transaction Type Code	M	ID	2/2	“S4” Submission
BTP06	353	Transaction Set Purpose Code	OIZ	ID	2/2	“00” (Original)
BTP07	127	Reference Number	XIZ	AN	1/30	“CREDIT CARD”
BTP08	373	Date	XIZ	DT	6/6	Not Used
BTP09	337	Time	O	TM	4/8	Not Used
BTP10	591	Payment Method Code	O	ID	3/3	Not Used

BTP02 will contain the reference number (a 9 digit number assigned by the TFA at registration).

BTP03 will be the file creation date.

BTP04 will be the file creation Time (time expressed as 24 hour clock).

Example:

Reference ID= 999999999      File Creation Date = April 10, 2016

File Creation Time = 8:10 am

BTP~35~999999999~160410~0810~S4~00~CREDIT CARD\

**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**PER SEGMENT  
ADMINISTRATIVE COMMUNICATIONS CONTACT**

**TABLE 3A-4**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
PER01	366	Contact Function Code	M	ID	2/2	"AA" Authorized Representative
PER02	93	Name	O	AN	1/35	
PER03	365	Communication Number Qualifier	X	ID	2/2	"TE"
PER04	364	Communication Number	X	AN	1/80	

PER02 will contain the Name of the Bulk Provider.

PER04 will contain the Telephone number for the Bulk Provider.

Example:

Bulk Provider = We Pay Your Taxes

Telephone Number = (313) 889-1234

PER~AA~We Pay Your Taxes~TE~3138891234\



**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**LOOP ID - LX  
LX SEGMENT  
ASSIGNED NUMBER**

**TABLE 3A-5**

Element	REF Number	Name	Req. Desig.	Elem Type	Elem.Length	Comments
LX01	554	Assigned Number	M	NO	1/6	

Use one LX Loop for each Taxpayer (TIN) to be validated.

LX01 is a unique number per transaction set control number and is assigned sequentially from 1-1000 by the Bulk Provider. It will identify each tax Entity Validation request.

The number in the LX01 will be sent back in the 824 to notify you of acceptance or rejection of the Entity Validation request.

Maximum use of the LX loop for EFTPS is 1,000.  
Start another 838 for additional Entity Validation requests.

Example:

LX~999\

**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**LOOP ID - N1  
N1 SEGMENT  
NAME**

**TABLE 3A-6**

Element	REF. Number	Name	Req. Desig	Elem. Type	Elem. Length	Comments
N101	98	Entity Identifier Code	M	ID	2/2	"TP" Primary Taxpayer
N102	93	Name	X	AN	1/35	Space
N103	66	Identification Code	X	ID	1/2	"24" Employer Identification Number, or "34" Social Security Number
N104	67	Identification Code	X	ID	2/20	EIN or SSN
N105	706	Entity Relationship Code	O	ID	2/2	Not Used
N106	98	Entity Identifier Code	O	ID	2/2	Not Used

Use one N1 Loop for each Qualifier you would like to use in the N101

Example:

Credit card payment Entity Validation Request for an SSN

SSN = 178989292  
N1~TP~ ~34~178989292\

Credit card payment Entity Validation Request for an EIN

EIN = 68-0123456  
N1~TP~ ~24~680123456\

**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**LOOP ID - N1  
N9 SEGMENT  
REFERENCE NUMBER**

**TABLE 3A-7**

Element	REF. Number	Name	Req. Desig	Elem. Type	Elem. Length	Comments
N901	128	Reference Number Qualifier	M	ID	2/2	“VU” Preparer’s Verification Number
N902	127	Reference Number	X	AN	1/30	"8655"
N903	369	Free-Form Description	X	AN	1/45	Not Used
N904	373	Date	O	DT	6/6	Not Used
N905	337	Time	X	TM	4/8	Not Used
N906	623	Time Code	OIZ	ID	2/2	Not Used

This record confirms that the taxpayer has authorized the credit card processor/bulk provider to process the payment and to exchange information with the IRS necessary to process the payment.

Example:

N9~VU~8655\

**838 - TRADING PARTNER PROFILE  
VERSION 003050**

**SE SEGMENT  
TRANSACTION SET TRAILER**

**TABLE 3A-8**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
SE01	96	Number of Segments Included	M	NO	1/10	
SE02	329	Transaction Set Control Number	M	AN	4/9	

Example:

SE~8~45678\

Note: SE02 must be the same as the ST02.

**TRANSACTION SET 997**

**FUNCTIONAL ACKNOWLEDGMENT**

**VERSION 003050**

**ATTACHMENT 3B**

**997 - FUNCTIONAL ACKNOWLEDGMENT  
VERSION 003050**

**TABLE 3B-1**

<b>SEG. ID</b>	<b>NAME</b>	<b>REQ. DES</b>	<b>MAX. USE</b>	<b>LOOP REPEAT</b>
ST	Transaction Set Header	M	1	
AK1	Functional Group Response Header	M	1	
	LOOP - ID AK2			999999
AK2	Transaction Set Response Header	O	1	
AK5	Transaction Set Response Trailer	M	1	
AK9	Functional Group Response Trailer	M	1	
SE	Transaction Set Trailer	M	1	

**997 - FUNCTIONAL ACKNOWLEDGMENT  
VERSION 003050**

**ST SEGMENT  
TRANSACTION SET HEADER**

**TABLE 3B-2**

Element	REF Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
ST01	143	Transaction Set Identifier Code	MIZ	ID	3/3	"997"
ST02	329	Transaction Set Control Number	M	AN	4/9	

ST02 is a control number that must be unique within the functional group.  
The originator of the transaction assigns it.

Example:

ST~997~56766\

**997 - FUNCTIONAL ACKNOWLEDGMENT  
VERSION 003050**

**AK1 SEGMENT  
FUNCTIONAL GROUP RESPONSE HEADER**

**TABLE 3B-3**

Element	REF. Num.	Name	Req. Desig	Elem Type	Elem. Length	Comments
AK101	479	Functional Identifier Code	MIZ	ID	2/2	"AG" Application Advice (824) "FR" Financial Reporting (827) "TA" Elec. Filing of Tax Return Data Ack. (151) "TD" Trading Partner Profile (838) "TF" Elec. Filing of Tax Return Data (813) "TI" Tax Information Reporting (826)
AK102	28	Group Control Number	MIZ	N0	1/9	

AK101 is the functional ID found in the GS segment (GS01) in the functional group being acknowledged.

AK102 is the functional group control number found in the GS segment; element GS06 in the functional group being acknowledged.

Example:

AK1~TF~34566969\



**997 - FUNCTIONAL ACKNOWLEDGMENT  
VERSION 003050**

**LOOP ID - AK2  
AK2 SEGMENT  
TRANSACTION SET RESPONSE HEADER**

**TABLE 3B-4**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
AK201	143	Trans. Set Identifier Code	MIZ	ID	3/3	"824" Application Advice  "827" Financial Reporting "151" Elec. Filing of Tax Return Data Ack. "838" Trading Partner Profile "813" Elec. Filing of Tax Return Data "826" Tax Information Reporting
AK202	329	Trans. Set Control Number	MIZ	AN	4/9	From Trans. Set Identifier Code being acknowledged. ST segment, element ST02

Example:

AK2~813~323232\

**997 - FUNCTIONAL ACKNOWLEDGMENT  
VERSION 003050**

**LOOP ID - AK2  
AK5 SEGMENT  
TRANSACTION SET RESPONSE TRAILER**

**TABLE 3B-5**

Element	REF. Number	Name	Req. Desig	Elem. Type	Elem. Length	Comments
AK501	717	Transaction Set Ackn. Code	M	ID	1/1	"A" Accepted "R" Rejected
AK502	718	Transaction Set Syntax Error Cd	O	ID	1/3	Not Used
AK503	718	Transaction Set Syntax Error Cd	O	ID	1/3	Not Used
AK504	718	Transaction Set Syntax Error Cd	O	ID	1/3	Not Used
AK505	718	Transaction Set Syntax Error Cd	O	ID	1/3	Not Used
AK506	718	Transaction Set Syntax Error Cd	O	ID	1/3	Not Used

Example:

AK5~A\

**997 - FUNCTIONAL ACKNOWLEDGMENT  
VERSION 003050**

**AK9 SEGMENT  
FUNCTIONAL GROUP RESPONSE TRAILER**

**TABLE 3B-6**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
AK901	715	Functional Group Acknow Code	M	ID	1/1	“A” Accepted “R” Rejected
AK902	97	Number of Trans. Sets Included	M	N0	1/6	
AK903	123	Number of Trans. Sets Received	M	N0	1/6	
AK904	2	Number of Accepted Tran Sets	M	N0	1/6	
AK906	716	Functional Group Syntax Error	O	ID	1/3	Not Used
AK907	716	Functional Group Syntax Error	O	ID	1/3	Not Used
AK908	716	Functional Group Syntax Error	O	ID	1/3	Not Used
AK909	716	Functional Group Syntax Error	O	ID	1/3	Not Used

Example:

AK9~A~1~1~1\

**997 - FUNCTIONAL ACKNOWLEDGMENT  
VERSION 003050**

**SE SEGMENT  
TRANSACTION SET TRAILER**

**TABLE 3B-7**

Element	REF. Number	Name	Req. Desig	Elem. Type	Elem. Length	Comments
SE01	96	Number of Included Segments	M	No	1/10	
SE02	329	Transaction Set Control Number	M	AN	4/9	From ST Segment of "997" element ST02

Example:

SE~5~56766\

**TRANSACTION SET 824**

**APPLICATION ADVICE**

**VERSION 003050**

**SEND FROM TFA**

**CONFIRM/REJECT ENTITY REQUEST**

**ATTACHMENT 3C**

**824 - APPLICATION ADVICE  
VERSION 003050**

**TABLE 3C-1**

SEG. ID	NAME	REQ. DES.	MAX. USE	LOOP REPEAT
ST	Transaction Set Header	M	1	
BGN	Beginning Segment	M	1	

**TABLE 3C-2**

SEG. ID	NAME	REQ. DES	MAX. USE	LOOP REPEAT
	LOOP ID - OTI			>1
OTI	Original Transaction Identification	O	1	
REF	Reference Numbers	O	12	
SE	Transaction Set Trailer	M	1	

**824 - APPLICATION ADVICE  
VERSION 003050**

**ST  
TRANSACTION SET HEADER**

**TABLE 3C-3**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
ST01	143	Transaction Set Identifier Code	MIZ	ID	3/3	"824"
ST02	329	Transaction Set Control Number	M	AN	4/9	

ST02 is a control number that must be unique within the functional group.  
The originator of the transaction assigns it.

Example:

ST~824~56456\

**824 - APPLICATION ADVICE  
VERSION 003050**

**BGN  
BEGINNING SEGMENT**

**TABLE 3C-4**

Element	REF. Num.	Name	Req. Desig	Elem. Type	Elem. Length	Comments
BGN01	353	Transaction Set Purpose Code	M	ID	2/2	"00" Original
BGN02	127	Reference Number	MIZ	AN	1/30	Assigned by transaction originator. The same as element BGN06
BGN03	373	Date	MIZ	DT	6/6	YYMMDD Transaction Set Date
BGN04	337	Time	XIZ	TM	4/8	Not Used
BGN05	623	Time Code	OIZ	ID	2/2	Not Used
BGN06	127	Reference Number	OIZ	AN	1/30	Control Number from 838's ST02
BGN07	640	Transaction Type Code	O	ID	2/2	Not Used
BGN08	306	Action Code	O	ID	2	"CF" Confirm "U" Reject

BGN02 is the transaction set reference number (assigned by originator) and is the same as element BGN06. BGN06 is the transaction set reference number of a previously sent 838 transaction and is used to match the 824 to the 838.

If BGN08 is "CF", the transaction will confirm that all entity validations within the control number were accepted. IF BGN08 is "U", the transaction will confirm that some or all of the entity validations were rejected for the indicated control number. The OTI segment will provide details.

**Example:**

Reference Number for EV Confirmation = 567898, Date = November 15, 2016  
Original Control Number = 45678 (ST02 Control Number from Request for entity validation)

All Accepted:                    BGN~00~567898~161115~~~45678~~CF\  
Some TIN's rejected:        BGN~00~567898~161115~~~45678~~U\



**824 - APPLICATION ADVICE  
VERSION 003050**

**LOOP ID - OTI  
OTI SEGMENT  
ORIGINAL TRANSACTION IDENTIFICATION**

**TABLE 3C-5**

Element	REF. Num.	Name	Req. Desig	Elem Type	Elem. Length	Comments
OTI01	110	Application Acknow. Code	M	ID	2	"IA" Item Accept "IR" Item Reject
OTI02	128	Reference Number Qualifier	M	ID	2/2	"2I" Tracking Number
OTI03	127	Reference Number	M	AN	1/30	1 to 6 Digit Number from LX01 in 838
OTI04	142	Application Sender's Code	O	AN	2/15	Not Used
OTI05	124	Application Receiver's Code	O	AN	2/15	Not Used
OTI06	373	Date	OIZ	DT	6/6	Not Used
OTI07	337	Time	OIZ	TM	4/8	Not Used
OTI08	28	Group Control Number	X	N0	1/9	Not Used
OTI09	329	Transaction Set Control Number	O	AN	4/9	Not Used
OTI10	143	Transaction Set Identifier Code	O	ID	3/3	Not Used
OTI11	480	Version/Release/Industry	OIZ	AN	1/12	Not Used

OTI03 will contain the reference number from the original the LX01 838 transaction. The LX01 is a sequential number generated by EDI from 1-1000.

Examples: Enrollment Reference Number = 999  
Transaction Set Accepted: OTI01~IA~2I~999\  
One Transaction Accepted, One Rejected: OTI01~IR~2I~999\

**824 - APPLICATION ADVICE  
VERSION 003050**

**LOOP ID - OTI  
REF SEGMENT  
REFERENCE NUMBERS**

**TABLE 3C-6**

Element	REF. Num.	Name	Req. Desig	Elem Type	Elem. Length	Comments
REF01	128	Reference Number Qualifier	M	ID	2/2	"1Q" Error Identification Code "BB" Authorization Number
REF02	127	Reference Number	X	AN	1/30	Name Control for valid TIN's; Error Code for invalid TIN's
REF03	352	Description	X	AN	1/80	ZIP Code

Examples:

Enrollment Rejection Reason Code = 0005

REF~1Q~0005\

Acceptance - Name Control ABCD, ZIP Code 01234

REF~BB~ABCD~01234\

**824 - APPLICATION ADVICE  
VERSION 003050**

**SE SEGMENT  
TRANSACTION SET TRAILER**

**TABLE 3C-7**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
SE01	96	Number of Included Segments	M	No	1/10	
SE02	329	Transaction Set Control Number	M	AN	4/9	

Example:

Control Number = 56456

Number of Segments = 12

SE~ 12~56456\

## **C. CHAPTER 4 – ACH BULK DEBITS**

### **(One Debit Posted to Bulk Provider's Account)**

#### **Overview**

This chapter describes the process for submitting Federal tax payments through one debit to the bulk provider's account. File layouts for ACH Bulk Debits are provided in **Attachments 4A-B** at the end of the chapter.

#### **ACH Bulk Debit Process**

The graphic on page 65 depicts the process for submitting tax payments using the ACH Bulk Debit method.

#### **Transmission Schedules:**

The deadline for processing debit payments is 7:00 p.m. ET on the calendar day prior to settlement day. Settlement will occur on banking days only, Monday through Friday, excluding holidays.

#### **Rejects:**

Any payment rejects may result in the entire file rejecting back to the Credit Card Bulk Provider. For additional detail contact the FA.

#### **Returns:**

The process for handling returns of debits will start with the Receiving Depository Financial Institution (RDFI) sending EFTPS a valid return reason code such as NSF or Uncollected Funds. Note: The RDFI must adhere to NACHA rules regarding returns. Next, EFTPS will send the bulk provider an 827-transaction set, which contains return reason information. EFTPS must send this transaction set 827 within 24 hours of the return settling.

#### **Duplicate File**

A duplicate file is one in which the ISA & GS control numbers are not unique. If a duplicate file is received by the TFA, the EDI translator will reject it and the bulk provider will receive a negative 997 functional acknowledgment. However, if a file has unique ISA and GS control numbers, then the file will not be rejected and any previously processed payments will be processed again. Resolution will need to come from the IRS directly. EFTPS does not have the capability to initiate a reversal of debit payment transactions.

---

#### **Step ①**

- Taxpayers initiate the credit card payment through the electronic filing system or by contacting the credit card processor directly.
- As part of the credit card approval process, the taxpayer must certify that the credit card processor is authorized to process the payment and to exchange information with the IRS necessary to process the payment.

**Step ②**

---

- The credit card processor/bulk provider completes a transmission to the TFA with payment detail. To settle on the next banking date, the file must be transmitted by 7:00 pm ET. Attachment 4A shows the format for the ANSI X12 EDI **813-transaction set**.
- For each 813-transaction set, one bulk debit will be originated.
- Each 813-transaction set is limited to a maximum of 1000 transactions. There is a limit of 50 (fifty) 813-transaction sets to a file, for a maximum of 50,000 transactions per file.

**Step ③**

---

- Within one hour of receipt of the payment file, the TFA will send the bulk provider an acknowledgment file. Attachment 3B shows the format for the ANSI X12 EDI **997-transaction set**
- Upon receipt of the payment file, the TFA will begin the validation and editing process. The first level of validation is on a file level:
  - Validate that the detail totals to the header record. If the totals do not equal the TFA rejects the file.
- The second level of validation is at the transaction set level:
  - Validate for the dollar limit of \$99,999,999.99 per 813-transaction set. If the dollar amount is greater than \$99,999,999.99, the TFA rejects the transaction set.
  - Validate that the tax type for the payment is a valid IRS tax type. If a tax type is invalid, the TFA rejects the transaction set.

All rejects will have to be corrected and retransmitted the TFA.

- Within three hours of receipt of the payment file, the TFA will send the bulk provider a confirmation file that provides the detail and status of each payment record. Attachment 4B shows the format for the ANSI X12 EDI **151-transaction set**.
- Within one hour after receipt of receipt of this file, the bulk provider will return the TFA an acknowledgment of receipt of file to the TFA. Attachment B shows the format for the ANSI X12 EDI **997-transaction set**.

**Step ④** *For all files received before 8:00 PM ET step 4 will occur on same day file received.*

---

- The TFA will initiate an ACH debit to the bulk provider's account at the bulk provider's financial institution for each 813-transaction set.

**Step ⑤** *Step 5 & 6 will occur on Bulk Debit Settlement date.*

---

- The Federal Reserve Bank will deposit the bulk payment into the Treasury account.
- The Federal Reserve Bank will withdrawal the bulk payment from the Credit Card Bulk Provider's Financial Institution and the Financial Institution will withdrawal the Bulk Payment from the Credit Card Bulk Provider's account.

**Step ⑥**

---

- The TFA passes the payment detail to the IRS.

**TRANSACTION SET 813**

**ELECTRONIC FILING OF TAX RETURN DATA**

**VERSION 003050**

**SEND FROM BULK PROVIDER**

**TAX PAYMENT**

**ATTACHMENT 4A**

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**TABLE 4A-1**

<b>SEG. ID</b>	<b>NAME</b>	<b>REQ. DES.</b>	<b>MAX. USE</b>	<b>LOOP REPEAT</b>
ST	Transaction Set Header	M	1	
BTI	Beginning Tax Return	M	1	
DTM	Date/Time Reference	M	10	
TIA	Tax Information	M	1000	
REF	Reference Numbers	O	>1	
BPR	Beginning Segment for Payment Order/Remittance Adv	O	1000	

Reference Table 4A-8 to see EFTPS requirements for the REF01 and REF02 elements.  
 Reference Table 4A-9 to see EFTPS requirements for the BPR01 segment ID.



**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**TABLE 4A-2**

SEG. ID	NAME	REQ. DES.	MAX. USE	LOOP REPEAT
	LOOP ID - TFS			50000
TFS	Tax Form	O	1	
REF	Reference Numbers	O	10	
DTM	Date/Time Reference	O	10	
	LOOP ID - FGS			100000
FGS	Form Group	O	1	
	LOOP ID - TIA			10000
TIA	Tax Information and Amount	O	1	

Segment IDs required for EFTPS processing. Refer to Table 4A-9.

**TABLE 4A-3**

SEG. ID	NAME	REQ. DES.	MAX. USE	LOOP REPEAT
SE	Transaction Set Trailer	M	1	

Only one iteration of each of the segments in Table 4A-1 is expected for normal payments.

EFTPS limits the use of the TFS Loop to 1000.

The REF and DTM segments in the TFS loop are limited to one iteration.

Refer to the tables on the following pages regarding EFTPS requirements for Element values.

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**ST SEGMENT  
TRANSACTION SET HEADER**

**TABLE 4A-4**

Element	Ref. Num.	Name	Req. Design.	Elem Type	Elem. Length	Comments
ST01	143	Transaction Set Identifier Code	MIZ	ID	3/3	"813"
ST02	329	Transaction Set Control Number	M	AN	4/9	

ST02 is a control number that must be unique within the functional group.  
The transaction originator assigned the control number.

Example:

ST~813~323232\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**BTI SEGMENT  
BEGINNING TAX SEGMENT**

**TABLE 4A-5**

Element	Ref.N um.	Name	Req. Design.	Elem Type	Elem. Length	Comments
BTI01	128	Reference Number Qualifier	MIZ	ID	2/2	"T6" Tax Filing
BTI02	127	Reference Number	M	AN	1/30	"EFTPS"
BTI03	66	Identification Code Qualifier	MIZ	ID	2/2	"47" Tax Authority Identification
BTI04	67	Identification Code	M	AN	2/20	"IRS"
BTI05	373	Date	OIZ	DT	6/6	
BTI06	818	Name Control Identifier	O	AN	4/4	Not Used
BTI07	66	Identification Code Qualifier	MIZ	ID	1/2	"48" Electronic Filer Identification Number (EFIN)
BTI08	67	Identification Code	X	AN	2/20	Assigned by the TFA
BTI09	66	Identification Code Qualifier	XIZ	ID	1/2	"ZZ"
BTI10	67	Identification Code	X	AN	2/20	"CREDIT CARD"
BTI11	66	Identification Code Qualifier	X	ID	1/2	Not Used
BTI12	67	Identification Code	X	AN	2/20	Not Used

BTI01 & BTI02 define the tax exchange program or tax filing.

BTI03 & BTI04 define the tax authority

BTI05 is the creation date noted as YYMMDD.

Example: ID Code = 999999999, File Creation Date = April 10, 2016

BTI~T6~EFTPS~47~IRS~160410~~48~999999999~ZZ~CREDIT CARD\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**DTM SEGMENT  
DATE/TIME REFERENCE**

**TABLE 4A-6**

Element	Ref. Num.	Name	Req. Design.	Elem. Type	Elem. Length	Comments
DTM01	374	Date/Time Qualifier	M	ID	3/3	"009" Process Date
DTM02	373	Date	X	DT	6/6	

DTM02 should reflect the date the file is sent (YYMMDD).

Example:

DTM~009~060411\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**TIA SEGMENT  
TAX INFORMATION AND AMOUNT**

**TABLE 4A-7**

Element	Ref. Num.	Name	Req. Design	Elem Type	Elem. Length	Comments
TIA01	817	Tax Information Identification Number	M	AN	1/30	"EFTPS"
TIA02	782	Monetary Amount	X	R	1/15	(Element length limit is 10)
TIA03	449	Fixed Format Information	XIZ	AN	1/80	Not Used
TIA04	380	Quantity	X	R	1/15	Not Used
TIA05	355	Unit or Basis for Measurement Code	X	ID	2/2	Not Used
TIA06	954	Percent	X	R	1/10	Not Used
TIA07	782	Monetary Amount	XIZ	R	1/15	Not Used

The amount in the TIA02 is limited to 10 digits, including cents due to ACH constraints.

The Monetary Amount limit is \$99,999,999.99

Total Value of tax transactions within this 813 = \$900.00

Bank of America Example:

TIA~EFTPS~90000\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**REF SEGMENT  
REFERENCE NUMBERS**

**TABLE 4A-8**

Element	Ref. Num.	Name	Req. Design	Elem Type	Elem. Length	Comments
REF01	128	Reference Number Qualifier	M	ID	2/2	"VU" Preparer's Verification Number
REF02	127	Reference Number	X	AN	1/30	"8655" (REF01 of VU)

A REF segment with an REF01 of "VU" and an REF02 of "8655" is required for each 813.

The "VU" is a confirmation that the taxpayer has authorized the payment and has authorized disclosure to the credit card vendor/bulk provider of tax information needed to process the payment

Example:

REF~VU~8655\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**BPR SEGMENT  
BEGINNING SEGMENT FOR PAYMENT ORDER/REMITTANCE ADVICE**

**TABLE 4A-9**

Element	Ref. Num	Name	Req. Design	Elem Type	Elem. Length	Comments
BPR01	305	Transaction Handling Code	M	ID	1/2	"Z" Bulk Debit
BPR02	782	Monetary Amount	MIZ	R	1/15	(Element length limit is 10)
BPR03	478	Credit/Debit Flag	M	ID	1/1	"D" Debit
BPR04	591	Payment Method Code	M	ID	3/3	"ACH" Automated Clearing House
BPR05	812	Payment Format Code	O	ID	1/10	Not Used
BPR06	506	(DFI) ID Number Qualifier	XIZ	ID	2/2	Not Used
BPR07	507	(DFI) Identification Number	X	AN	3/12	Not Used
BPR08	569	Account Number Qualifier	OIZ	ID	1/3	Not Used
BPR09	508	Account Number	X	AN	1/35	Not Used
BPR10	509	Originating Company Identifier	O	AN	10/10	Not Used
BPR11	510	Originating Co. Supplemental Code	O	AN	9/9	Not Used
BPR12	506	(DFI) ID Number Qualifier	XIZ	ID	2/2	"01" ABA Transit Routing # with Check Digits(9)
BPR13	507	(DFI) Identification Number	X	AN	3/12	(9 digit RTN Number)
BPR14	569	Account Number Qualifier	OIZ	ID	1/3	"03" Checking Account "SG" Savings
BPR15	508	Account Number	XIZ	AN	1/35	(Account Number)



**2016 Credit Card Bulk Provider Requirements**

BPR16	373	Date	OIZ	DT	6/6	Settlement Date(YYMMDD)
BPR17	1048	Business Function Code	OIZ	ID	1/3	Not Used
BPR18	506	(DFI) ID Number Qualifier	XIZ	ID	2/2	Not Used
BPR19	507	(DFI) Identification Number	X	AN	3/12	Not Used
BPR20	569	Account Number Qualifier	OIZ	ID	1/3	Not Used
BPR21	508	Account Number	XIZ	AN	1/35	Not Used

**TABLE 4A-9 NOTES:**

BPR02 cannot be more than 10 positions including cents due to ACH constraints.  
All amounts must be dollars and cents.

Example: Total payment = \$9000.00

1. For Debit Payments:  
RTN = 987654789      Checking Account Number = 8989898989  
Expected Settlement Date (Date of funds transfer to Treasury) = April 12, 2016

Bank of America Example:      BPR~Z~900000~D~ACH~~~~~~01~987654789~03~8989898989~160412\



**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**LOOP ID - TFS  
TFS SEGMENT  
TAX FORM**

**TABLE 4A-10**

Element	Ref. Num.	Name	Req. Design.	Elem Type	Elem. Length	Comments
TFS01	128	Reference Number Qualifier	M	ID	2/2	"T6" Tax Filing
TFS02	127	Reference Number	M	AN	1/30	5 Digit Tax Type Code
TFS03	128	Reference Number Qualifier	X	ID	2/2	"T9"
TFS04	127	Reference Number	X	AN	1/30	Maximum 18 digit Bulk Provider Reference Number
TFS05	66	Identification Code Qualifier	X	ID	2/2	"24" Employer Identification Number "34" Social Security Number (Taxpayer TIN)
TFS06	67	Identification Code	X	AN	2/20	9 Digit TIN
TFS07	373	Date	O	DT	6/6	Tax Period Ending Date
TFS08	818	Name Control Identifier	O	AN	4/4	IRS Name Control

Regarding 5 Digit Tax Type Code – see Notes for Table 4A-10 on Page 74.

Regarding TFS02 - X12 standard allows a maximum of 30 (AN), however EFTPS Application only allows maximum of 5 (AN)

Regarding TFS04 – X12 standard allows a maximum of 30 (AN), however EFTPS Application only allows maximum of 18 (AN)

Regarding TFS06 – X12 standard allows a maximum of 20 (AN), however EFTPS Application only allows maximum of 9 (AN)

If any element is populated with more than the EFTPS Application maximum characters, the process will abend.

**Notes for TABLE 4A-10:**

**IMF**

Stand-Alone only

10400 for payment with an amended return, Form 1040X  
10402 for payment for an extension, Form 4868  
10404 for Form 1040 advance payment of a determined deficiency (audit adjustment or underreporter notice)  
10406 for payment of estimated tax, Form 1040ES  
10407 for payment due for an individual taxpayer in response to an IRS balance due notice  
84887 for Trust Fund Recovery Penalty (TFRP) – subsequent/balance due/IA payment  
53297 for payment due for individual retirement arrangement taxes  
50000 for Shared Responsibility Payment (SRP) – with an amended return, Form 1040X  
50004 for Shared Responsibility Payment (SRP) – Form 1040, advance payment of a determined deficiency (audit adjustment or underreporter notice)  
50007 for Shared Responsibility Payment (SRP) – due for an individual taxpayer in response to an IRS balance due notice

Integrated efile and pay only

10401 for payment of amount due on a Form 1040 (series) tax return  
10402 for payment for an extension, Form 4868

**BMF**

Stand-Alone only

09407 for Form 940 subsequent/balance due/IA payment  
09400 for Form 940 amended or adjusted return payment  
94100 for Form 941 amended or adjusted return payment  
94107 for Form 941 subsequent/balance due/IA payment  
09430 for Form 943 amended or adjusted return payment  
09437 for Form 943 subsequent/balance due/IA payment  
94400 for Form 944 amended or adjusted return payment  
94407 for Form 944 subsequent/balance due/IA payment  
09450 for Form 945 amended or adjusted return payment  
09457 for Form 945 subsequent/ balance due/IA payment  
10417 for Form 1041 subsequent/balance due payment  
10657 for Form 1065 subsequent/balance due payment

Integrated e-file and pay only

09401 for payment of amount due on a Form 940 (series) employment tax return  
94101 for payment of amount due on a Form 941 (series) employment tax return  
94401 for payment of amount due on a Form 944 (series) employment tax return

**Credit Card Processors Validations:**

Tax Types:

- Valid tax types shown above
- Individual payments (1040) and business payments (94X and 1041) no longer need to be on separate transaction files.



Payment amount limitation for **integrated file and pay**:

- 1040s - no limitation
- 941s - <\$2,500.00
- 940s - <\$500.00
- 944s - <\$2,500.00

Payment amount limitation for **stand-alone processors**:

- 1040s - no limitation
- TFRP - no limitation
- 94X - no limitation
- 1041s - no limitation
- 1065s - no limitation
- 5000s – no limitation

The Bulk Provider Reference Number should be the Declaration Control Number (DCN) assigned by electronic filing if using the Legacy platform, or the Credit Card Authorization Number given to the taxpayer by the credit card processor if using the Modernized e-File (MeF) platform.

Tax Period Ending Date is in YYMMDD format.

- a. Must be formatted YYMMDD
- b. Must be 6-digit numeric. Spaces are invalid
- c. When building posting file use windowing for the century >79 =19

The integrated file and pay bulk provider should use the tax period ending date from the accepted e-file return.

**For stand-alone processors ONLY - does not apply to integrated file and pay applications** - the Name control is received from financial agent in Transaction Set 824, element REF02, or validated by electronic filing. Do not enter name control unless IRS has validated the TIN.

**For Integrated file and pay**, the name control should be taken from the accepted return submitted to IRS.

Use of the TFS Loop is limited to 1,000.

For additional tax transactions, use another 813.

Examples: Tax Form = 1040A, SSN = 787878787, Name Control = ABCD, DCN = 00123456123019, Authorization Number B2012001

Direct call from taxpayer: TFS~T6~10401~T9~B2012001~34~787878787~161231~ABCD\

Payment initiated through e-file: TFS~T6~10401~T9~00123456123019~34~787878787~161231~ABCD\

**Treasury Financial Agent File Edits:**

10402 payments can be accepted through **06/30/16**.

No payment amount limitation edit will be performed (except normal ACH amount limitations and as noted above).

Tax Types:

- Shown above
- Each processor will have valid tax types assigned - valid tax types not assigned to a bulk provider are invalid and will cause the file to reject. (for BoA only - reject the transaction not the file)

Tax Period Ending Date is in YYMMDD format.

- a. Must be formatted YYMMDD
- b. Must be 6-digit numeric. Spaces are invalid
- c. When building posting file use windowing for the century >79 =19
- d. If an invalid condition is detected, reject the file (BofA only - reject the transaction).

**For Individual Tax Types:**

**NOTE: Credit Card Processors must use the Processing Period Chart.**

10401 - Balance due payment

During January 1 - 31 of the current year

Month = 12;

Year = previous year or previous year minus one year;

Day = no edit.

During February 1 through end of current year

Month = 12;

Year = previous year;

Day = no edit.

10400 – Amended or adjusted balance due payment

Month = 12

Year = current year minus 1 through current year minus 20 (For example - On 1/10/2016 - the previous year is 2015 and is valid back to 1996)

Day = no edit

10402 - 4868 Extension

Month = 12

Year = previous year

Day = no edit

10404 – Form 1040 advance payment of a determined deficiency (audit adjustment or underreporter notice)

Month = 12

Year = previous year or previous year minus one or two years

Day = no edit

10406 – ES payment

Month = 12

Year = Previous year, if current month is "01/January OR 02/February"

Otherwise Year = current year

Day = no edit

10407 – Balance due notice payment

Month = 12

Year = current year minus 1 through current year minus 20 (For example - On 1/10/2016 - the previous year is 2015 and is valid back to 1996)

Day = no edit

84887 – Balance due payment (TFRP)

Month = 03, 06, 09, or 12

Year = prior year through prior year minus 19 (2015 through 1996)

53297 – Balance due notice payment

Month = 12

Year = current year minus 1 through current year minus 20 (For example - On 1/10/2016 - the previous year is 2015 and is valid back to 1996)

Day = no edit

50000 – Shared Responsibility Payment (SRP) – Amended or adjusted balance due payment

Month = 12

Year = 2015 and is valid back to 2014

Day = no edit

50004 – Shared Responsibility Payment (SRP) – Form 1040 advance payment of a determined deficiency (audit adjustment or underreporter notice)

Month = 12

Year = 2015 and is valid back to 2014

Day = no edit

50007 – Shared Responsibility Payment (SRP) – Balance due notice payment

Month = 12

Year = 2015 (valid only for current tax year processing – For example, in calendar year 2016, the tax year being processed is 2015)

Day = no edit

**For Business Tax Types:**

**NOTE: Credit Card Processors must use the Processing Period Chart.**

**09401** - Balance with return (IFP ONLY)

Month = 12  
 Year = prior year  
 Day = 31

**09407** – Balance due payment (STAND ALONE ONLY)

Month = 12  
 Year = prior year through prior year minus 19 (2015 through 1996)  
 Day = 31

**09400** – Amended or adjusted return payment (STAND ALONE ONLY)

Month = 12  
 Year = prior year through prior year minus 19 (2015 through 1996)  
 Day = 31

**94100** – Amended or adjusted return payment (STAND ALONE ONLY)

Month = 03, 06, 09, or 12  
 Year = current year through current year minus 3 (2016 through 2013)  
 Use the following table to determine the valid tax period:

TFA ONLY: Form 941 Processing Table

	Jan, Feb, March	Apr, May, June	July, Aug, Sept	Oct, Nov, Dec
Tax 03	CY-1 thru CY-3	CY thru CY-3	CY thru CY-3	CY thru CY-3
Quarter 06	CY-1 thru CY-3	CY-1 thru CY-3	CY thru CY-3	CY thru CY-3
Ending 09	CY-1 thru CY-3	CY-1 thru CY-3	CY-1 thru CY-3	CY thru CY-3
Months 12	CY-1 thru CY-3	CY-1 thru CY-3	CY-1 thru CY-3	CY-1 thru CY-3

**94101** - Balance with return (IFP ONLY)

Month = 03, 06, 09, or 12  
 Year = current year through current year minus 1

Use the following table to determine the valid tax period:

TFA ONLY: Form 941 Processing Table

	Jan, Feb, March	Apr, May, June	July, Aug, Sept	Oct, Nov, Dec
Tax 03	N/A	CY	N/A	N/A
Quarter 06	N/A	N/A	CY	N/A
Ending 09	N/A	N/A	N/A	CY
Months 12	CY-1	N/A	N/A	N/A

**94107** – Balance due payment (STAND ALONE ONLY)  
 Month = 03, 06, 09, or 12  
 Year = current year through current year minus 20 (2016 through 1996)  
 Use the following table to determine the valid tax period:

TFA ONLY: Form 941 Processing Table

	Jan, Feb, March	Apr, May, June	July, Aug, Sept	Oct, Nov, Dec
Tax 03	CY-1 thru CY-11	CY thru CY-11	CY thru CY-11	CY thru CY-11
Quarter 06	CY-1 thru CY-11	CY-1 thru CY-11	CY thru CY-11	CY thru CY-11
Ending 09	CY-1 thru CY-11	CY-1 thru CY-11	CY-1 thru CY-11	CY thru CY-11
Months 12	CY-1 thru CY-11	CY-1 thru CY-11	CY-1 thru CY-11	CY-1 thru CY-11

**09430** – Amended or adjusted return payment (STAND ALONE ONLY)  
 Month = 12  
 Year = prior year through prior year minus 2 (2015 through 2013)  
 Day = 31

**09437** – Balance due payment (STAND ALONE ONLY)  
 Month = 12  
 Year = prior year through prior year minus 19 (2015 through 1996)  
 Day = 31

**94400** – Amended or adjusted return payment (STAND ALONE ONLY)  
 Month = 12  
 Year = prior year through prior year minus 2 (2015 through 2013)  
 Day = 31

**94401** - Balance with return (IFP ONLY)  
 Month = 12  
 Year = prior year  
 Day = 31

**94407** – Balance due payment (STAND ALONE ONLY)  
 Month = 12  
 Year = prior year through prior year minus 2 (2015 through 2013)  
 Day = 31

**09450** – Amended or adjusted return payment (STAND ALONE ONLY)  
 Month = 12  
 Year = prior year through prior year minus 2 (2015 through 2013)  
 Day = 31



- 09457** – Balance due payment (STAND ALONE ONLY)  
Month = 12  
Year = prior year through prior year minus 19 (2015 through 1996)  
Day = 31
- 10417** - Balance due payment (STAND ALONE ONLY)  
Month = 12  
Year = prior year through prior year minus 19 (2015 through 1996)  
Day = 31
- 10657** - Balance due payment (STAND ALONE ONLY)  
Month = 12  
Year = prior year through prior year minus 19 (2015 through 1996)  
Day = 31

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**LOOP ID - TFS  
REF SEGMENT  
REFERENCE NUMBERS**

**TABLE 4A-11**

Element	Ref. Num.	Name	Req. Design.	Elem. Type	Elem. Length	Comments
REF01	128	Reference Number Qualifier	M	ID	2/2	"F8" Original Reference Number
REF02	127	Reference Number	M	AN	1/30	
REF03	352	Description	X	AN	1/80	ZIP Code

REF02 is an 8-digit number assigned by the sender of the transmission.

REF02 is a unique number for each TFS Loop.

This number will be communicated back to the sender in the 151, along with the payment acknowledgment number for each tax transaction.

REF03 is the 5-digit ZIP Code of the taxpayer, obtained in the following priority:

- 1 - Input by the taxpayer during credit card validation or electronic filing
- 2 - Obtained from IRS during E-file validation
- 3 - Obtained from EFTPS during TIN validation

Example:

REF~F8~98765432~01234\

REF03 ZIP Code is Optional for EFTPS processing.

Regarding REF02 – X12 standard allows a maximum of 30 (AN), however EFTPS Application only allows maximum of 8 (AN)

Regarding REF03 – X12 standard allows a maximum of 80 (AN), however EFTPS Application only allows maximum of 5 (AN)

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**LOOP ID - TFS  
DTM SEGMENT  
DATE/TIME REFERENCE**

**TABLE 4A-12**

Element	Ref. Num.	Name	Req. Design.	Elem. Type	Elem Length	Comments
DTM01	374	Date/Time Qualifier	M	ID	3/3	"009" Process Date
DTM02	373	Date	X	DT	6/6	Credit Card Authorization Date

Example:

Authorization Date: April 10, 2016  
DTM~009~160410\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**LOOP ID - FGS  
FGS SEGMENT  
FORM GROUP**

**TABLE 4A-13**

Element	Ref. Num.	Name	Req. Design.	Elem. Type	Elem.L ength	Comments
FGS01	350	Assigned Identification	M	AN	1/11	Sequential number assigned by sender

Example:

FGS~1\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**LOOP ID - TIA  
TIA SEGMENT  
TAX INFORMATION AND AMOUNT**

**TABLE 4A-14**

Element	Ref. Num.	Name	Req. Design	Elem Type	Elem. Length	Comments
TIA01	817	Tax Information Identification Number	M	AN	1/30	Tax Type Code
TIA02	782	Monetary Amount	X	R	1/15	Element length limit is 10
TIA03	449	Fixed Format Information	XIZ	AN	1/80	Not Used
TIA04	380	Quantity	X	R	1/15	Not Used
TIA05	355	Unit or Basis for Measurement Code	X	ID	2/2	Not Used
TIA06	954	Percent	X	R	1/10	Not Used
TIA07	782	Monetary Amount	XIZ	R	1/15	Not Used

TIA04 can not exceed 10 positions, including cents due to ACH constraints.

One TIA loop is required for each taxpayer payment.

Example:

Reporting on a Form 1040 payment for an amount of \$250.00 due with return.

Bank of America Example: TIA~10401~250.00\

**813 - ELECTRONIC FILING OF TAX RETURN DATA  
VERSION 003050**

**SE SEGMENT  
TRANSACTION SET TRAILER**

**TABLE 4A-15**

Element	Ref. Num.	Name	Req. Design.	Elem. Type	Elem. Length	Comments
SE01	96	Number of Included Segments	M	NO	1/10	
SE02	329	Transaction Set Control Number	M	AN	4/9	

Example:

SE~233~323232\

**TRANSACTION SET 151**

**ELECTRONIC FILING OF TAX RETURN DATA  
ACKNOWLEDGMENT**

**VERSION 003050**

**SEND TO BULK PROVIDER**

**CONFIRM/REJECT TAX PAYMENT**

**ATTACHMENT 4B**

**151 - ELECTRONIC FILING OF TAX RETURN DATA ACKNOWLEDGMENT  
VERSION 003050**

**TABLE 4B-1**

SEG. ID	NAME	REQ. DES.	MAX. USE	LOOP REPEAT
ST	Transaction Set Header	M	1	
BTA	Beginning Tax Acknowledgment	M	1	
BTI	Beginning Tax Information	M	1	

**TABLE 4B-2**

SEG. ID	NAME	REQ. DES.	MAX. USE	LOOP REPEAT
	LOOP ID - TFS			50000
TFS	Tax Form	O	1	

**TABLE 4B-3**

SEG. ID	NAME	REQ. DES.	MAX. USE	LOOP REPEAT
SE	Transaction Set Trailer	M	1	

EFTPS will allow a maximum loop repeat of 1000 for the TFS Loop versus the standard of 100,000.  
All other segments used as noted on tables.



**151 - ELECTRONIC FILING OF TAX RETURN DATA ACKNOWLEDGMENT  
VERSION 003050**

**ST SEGMENT  
TRANSACTION SET HEADER**

**TABLE 4B-4**

Element	REF. Number	Name	Req. Desig	Elem. Type	Elem. Length	Comments
ST01	143	Transaction Set Identifier Code	MIZ	ID	3/3	"151"
ST02	329	Transaction Set Control Number	M	AN	4/9	

ST02 is a control number that must be unique within the functional group.  
The originator assigns the control number.

Example:

ST~151~765468\

**151 - ELECTRONIC FILING OF TAX RETURN DATA ACKNOWLEDGMENT  
VERSION 003050**

**BTA SEGMENT  
BEGINNING TAX ACKNOWLEDGMENT**

**TABLE 4B-5**

Element	REF. Number	Name	Req. Desig	Elem Type	Elem Length	Comments
BTA01	587	Acknowledgment Type	M	ID	2/2	"AD" Acknowledge - With Detail, No Change "AC" Acknowledge- With Detail and Change "RD" Reject with Detail "RJ" Rejected - No Detail
BTA02	373	Date	O	DT	6/6	Acknowledgment Date YYMMDD
BTA03	522	Amount Qualifier	X	ID	1/2	"AB" Adjusted Collected Balance
BTA04	782	Monetary Amount	X	R	1/15	Element limit length of 10

BTA01: AD - used to acknowledge 813 as processed. Will receive one EFT Number per Tax Transaction  
 AC - used to ID that the 813 were accepted but one or more transactions were rejected.  
 Will see EFT number or error number for each tax transaction.  
 RD - used to identify rejection of single debit transactions.  
 RJ - used to identify that the entire 813 was rejected.

BTA03 is "AB" when the Debit processed is different from the original 813 debit amount.  
 The BTA04 contains the amount reflecting accepted tax transactions.

BTA03 & BTA04 are not used when the debit is processed per the original 813.

Examples:

All tax transactions processed as received: BTA~AD~161125\

Some Tax transactions rejected, Debit adjusted accordingly:

**Bank of America Example:**

Entire 813 rejected

**BTA~AC~161125~AB~450.00\**

**BTA~RJ~161125\**

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VERSION 003050**

**BTI SEGMENT  
BEGINNING TAX INFORMATION**

**TABLE 4B-6**

Element	REF Num	Req. Name	Elem. Desig.	Elem Type	Length	Comments
BTI01	128	Reference Number Qualifier	MIZ	ID	2/2	"BT" Batch Number
BTI02	127	Reference Number	M	AN	1/30	Original Transaction Control Number (ST02)
BTI03	66	Identification Code Qualifier	MIZ	ID	1/2	"SV" Service Provider Number
BTI04	67	Identification Code	M	AN	2/20	Assigned by the TFA
BTI05	373	Date	OIZ	DT	6/6	Not Used
BTI06	818	Name Control Identifier	O	AN	4/4	Not Used
BTI07	66	Identification Code Qualifier	XIZ	ID	1/2	"93" Code Assigned by Originator of Transaction
BTI08	67	Identification Code	X	AN	2/20	Confirmation Number
BTI09	66	Identification Code Qualifier	XIZ	ID	1/2	Not Used
BTI10	67	Identification Code	X	AN	2/20	Not Used
BTI11	66	Identification Code Qualifier	X	ID	1/2	Not Used
BTI12	67	Identification Code	X	AN	2/20	Not Used

BTI04 will contain a number assigned by the TFA

BTI08 will contain the 15-digit EFT number.

Example: Control Number from 813 = 323232, ID code = 999999999

Confirmation Number for Debit = 485954349484944

BTI~BT~323232~SV~999999999~~~93~485954349484944\

Regarding BTI02 – X12 standard allows a maximum of 30 (AN), however EFTPS Application only allows maximum of 9 (AN)

Regarding BTI04 – X12 standard allows a maximum of 20 (AN), however EFTPS Application only allows maximum of 9 (AN)

Regarding BTI08 – X12 standard allows a maximum of 20 (AN), however EFTPS Application only allows maximum of 15 (AN)

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VERSION 003050**

**LOOP ID - TFS  
TFS SEGMENT  
TAX FORM**

**TABLE 4B-7**

Element	REF. Number	Name	Req. Desig.	Elem Type	Elem. Length	Comments
TFS01	128	Reference Number Qualifier	M	ID	2/2	"F8" Original Reference Number
TFS02	127	Reference Number	M	AN	1/30	(REF02 FROM TFS LOOP)
TFS03	128	Reference Number Qualifier	X	ID	2/2	"93" Funds Authorization "1Q" Error Identification Code
TFS04	127	Reference Number	X	AN	1/30	Acknowledgment EFT Number or Error Code
TFS05*	66	Identification Code Qualifier	X	ID	1/2	"ZZ"
TFS06*	67	Identification Code	X	AN	2/20	Bulk Provider Reference Number
TFS07	373	Date	O	DT	6/6	Not Used
TFS08	818	Name Control Identifier	O	AN	4/4	Not Used

\*The qualifier of 'ZZ' and the Bulk Provider Reference Number are valid EDI codes, however, these two fields are not being used. The TFS05 and TFS06 fields are 'Not Used'.

Regarding TFS02 – X12 standard allows a maximum of 30 (AN), however EFTPS Application only allows maximum of 8 (AN)

Regarding TFS04 – X12 standard allows a maximum of 30 (AN), however EFTPS Application only allows maximum of 15 (AN)



**151 - ELECTRONIC FILING OF TAX RETURN DATA ACKNOWLEDGMENT  
VERSION 003050****SE SEGMENT  
TRANSACTION SET TRAILER****TABLE 4B-8**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
SE01	96	Number of Segments Included	M	NO	1/10	
SE02	329	Transaction Set Control Number	M	AN	4/9	

Example:

ST~23~765468\

**EDI 151 Payment Response Confirmation Error Codes  
(EDI TRS Segment: TFS04 value when TFS is '1Q')**

<b>EDI Error Code</b>	<b>EDI Message</b>
1123	Name control required; cannot be blank
1125	Invalid TIN
1126	File cannot contain business and individual payments
1127	Bulkfiler is set up for business processing and individual payments were received
1128	Bulkfiler is set up for individual processing and business payments were received

## **D. CHAPTER 9 – RETURN AND EXCEPTION ITEM REPORTING**

### **Overview**

This chapter describes processing and times frames for bulk transactions that do not meet edit criteria. The following items are discussed:

- Single ACH Debit Posted to the Bulk Provider’s Account
- ACH Return Transactions
- Record Layouts
- **Attachment 9, ANSI X12 EDI Transaction Set 827: Financial Return Notice** shows the file layout for ACH return items.

### **Single ACH Debit Posted to the Bulk Provider’s Account**

- Within 3 hours of receipt of the bulk provider’s transmission of an ACH debit file, the TFA validates that the batch totals equal the sum of the detail; otherwise, the TFA rejects the 813 (see **Chapter 4, Attachment 4A**).
- No 813 for an ACH transmission may exceed \$99,999,999.99 (the amount field limit for ACH) or the 813 will be rejected.
- If an individual transaction within an 813 transaction set fails the enrollment edit (no name control), that transaction will be rejected with the appropriate reject reason code. The total amount of the debit to be created will be recalculated by the TFA based on the sum of the valid transactions contained within the 813.
- If the TFA rejects any item, the bulk provider must fix the problem transaction and resubmit it by 8:00 p.m. ET.
- The TFA subsequently sends the bulk provider a confirmation file using the ANSI EDI standard 151 acknowledgment format (see **Chapter 4, Attachment 4B** and **ACH Return Transactions**).



### ACH Return Transactions

- An ACH transaction may be returned to the TFA by the Receiving Financial Institution (RDFI), for a valid reason such as **Insufficient or Uncollected Funds**.
- The TFA will initiate an ANSI X12 EDI Transaction Set 827 Financial Return Notice to the bulk provider (see **Attachment 9** at the end of this chapter). The 827 will contain:
  - Return reason
  - Dollar amount
  - Transaction type (credit or debit)
  - Original transaction confirmation number (see **Record Layouts**, below).
- The 827 transaction set will be transmitted to the bulk provider no later than 24 hours after the return settles.
- Once the 827 is received, the bulk provider will initiate a 997 Functional Acknowledgment (see **Chapter 3, Attachment 3B**) to the TFA indicating receipt of the returned transaction(s).
- The 997 will include an acceptance code as well as the functional group number being acknowledged.
- The bulk provider is expected to send the 997 immediately upon receipt of the 827 to ensure timely processing.

### Record Layouts

Record layouts for the transactions sets used for return and exception item reporting (in the order referenced in this chapter) and their location in this document are shown in **Table 9-1**.

**Table 9-1 EDI Transaction Sets Used for Return and Exception Item Reporting**

Transaction Set Number and Name	Chapter	Attachment
827 Financial Return Notice	9	9
151 Electronic Filing of Tax Return Data Acknowledgment	4	4B
997 Functional Acknowledgment	3	3B

**TRANSACTION SET 827**

**FINANCIAL RETURN NOTICE**

**VERSION 003050**

**SEND TO BULK PROVIDERS**

**NOTIFICATION OF FINANCIAL RETURNS**

**ATTACHMENT 9**

**827 - FINANCIAL RETURN NOTICE  
VERSION 003050****TABLE 9-1**

<b>SEG. ID</b>	<b>NAME</b>	<b>REQ. DES.</b>	<b>MAX. USE</b>	<b>LOOP REPEAT</b>
ST	Transaction Set Header	M	1	
RIC	Financial Return	M	1	
REF	Reference Numbers	O	10	
SE	Transaction Set Trailer	M	1	

**827 - FINANCIAL RETURN NOTICE  
VERSION 003050**

**ST SEGMENT  
TRANSACTION SET HEADER**

**TABLE 9-2**

Element	REF. Number	Name	Req. Desig	Elem. Type	Elem. Length	Comments
ST01	143	Transaction Set Identifier Code	MIZ	D	3/3	"827"
ST02	329	Transaction Set Control Number	M	AN	4/9	

ST02 is a control number that must be unique within the functional group.  
It is assigned by the originator of the transaction.

Example:

ST~827~785468\

**827 - FINANCIAL RETURN NOTICE  
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**RIC SEGMENT  
FINANCIAL RETURN**

**TABLE 9-3**

Element	REF. Number	Name	Req. Desig	Elem. Type	Elem. Length	Comments
RIC01	647	Application Error Condition Code	M	ID	1/3	"830" Refused "011" Not Matching
RIC02	782	Monetary Amount	M	R	1/15	
RIC03	478	Credit/Debit Flag	M	ID	1/1	C = Credit D = Debit
RIC0 4	508	Account Number	X	AN	1/35	Not Used
RIC05	569	Account Number Qualifier	OIZ	ID	1/3	Not Used
RIC06	506	(DFI) ID Number Qualifier	X	ID	2/2	Not Used
RIC07	507	(DFI) Identification Number	X	AN	3/12	Not Used

RIC02 is amount of Returned Transaction

Example:

Transaction Rejected from Financial Institution = \$350.00

RIC~830~35000~D\

If RIC01 = 011, then the transaction is a notification of a change.

Payment was processed, but data needs to be updated prior to next payment.

If RIC01 = 830, then the transaction is notification of a return/refusal.

Payment has been backed out. Tax is still due.

**827 - FINANCIAL RETURN NOTICE  
VERSION 003050**

**REF SEGMENT  
REFERENCE NUMBERS**

**TABLE 9-4**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
REF01	128	Reference Number Qualifier	M	ID	2/2	"93" Funds Authorization "1Q" Error Code "ZZ" Mutually Defined
REF02	127	Reference Number	X	AN	1/30	

Examples:

Return for insufficient Funds:

REF~93~484849501234512\  
REF~1Q~R01\  
REF~ZZ~123456666\  
REF~1Q~C02\  
REF~93~484849501234512\  
REF~1Q~R01\  
REF~ZZ~123456666\  
REF~1Q~C02\  
REF~ZZ~123456666\  
REF~1Q~R01\  
REF~ZZ~123456666\  
REF~1Q~C02

NOC - Incorrect Routing Number

REF~93~484849501234512\  
REF~1Q~C02\  
REF~ZZ~123456666\  
REF~1Q~R01\  
REF~ZZ~123456666\  
REF~1Q~C02

First REF segment identifies the original EFT Number

Second REF identifies the ACH reason code

Third REF used to identify corrected data if second REF identified a Notification of Change

Regarding REF02 – X12 standard allows a maximum of 30 (AN), however EFTPS Application only allows maximum of 15 (AN)

**827 - FINANCIAL RETURN NOTICE  
VERSION 003050**

**SE SEGMENT  
TRANSACTION SET TRAILER**

**TABLE 9-5**

Element	REF. Number	Name	Req. Desig.	Elem. Type	Elem. Length	Comments
SE01	96	Number of Segments Included	M	NO	1/10	
SE02	329	Transaction Set Control Number	M	AN	4/9	

Example:

SE~6~785468\

## **E. CHAPTER 10 – DAILY OPERATIONS PROCEDURES**

### **Overview**

The operating procedures described in this chapter provide an overview of tax payment processing by the Treasury Financial Agent (TFA). Questions about these procedures or requests for assistance may be directed to the TFA's Bulk Provider Support area.

This chapter contains the following information:

- Federal Reserve Bank Holidays
- Input File Delivery/Verification
- Inquiries
- EFTPS Bulk Provider Tax Payment Processing Deadlines

### **Federal Reserve Bank Holidays**

Tax transactions will *not* be processed through FedACH or Fedwire Funds Transfer on Federal Reserve Bank holidays. A listing of Federal Reserve Bank holidays is provided.

### **Input File Delivery/Verification**

#### **1. ACH Debits (Single Debit Posted to the Bulk Providers) Account**

- ACH Debit files transmitted directly to a TFA must be completely received by the TFA between the hours of 7:00 am ET and 7:00 pm ET on the banking day prior to the settlement date.
- Within three (3) hours after receipt of the bulk provider's transmission, the TFA validates that the batch totals equal the sum of the detail and the amount for an individual 813 and that the total amount is not greater than \$99,999,999.99 in accordance with NACHA rules. Otherwise, the TFA rejects the 813.
- If any items are rejected by the TFA, the bulk provider must fix the problem transactions and resubmit them by 7:00 pm ET.

For further information, see also **Chapter 4, ACH Bulk Debits**.



**Return Item Handling**

ACH debit entries may be returned for a variety of reasons. Return entries are rejected by the receiving depository financial institution and sent, via the ACH, back to the TFA. The bulk provider will be notified via a file transmission no later than 24 hours after the return settles. The ANSI X12 827 format will be utilized for this purpose.

**Inquiries**

If you have any questions regarding a file or item that you have sent to the TFA, contact a TFA Bulk Provider Support Line for assistance at 1-866-684-6556. The hours are Monday morning at 12 am ET to Friday night at 11:30 pm ET. Inquiries made outside of this time are handled through on-call support. Leave a detailed message and your call will be returned within 1 hour.

**EFTPS Bulk Provider Tax Payment Processing Deadlines**

Table 10-1 EFTPS Bulk Provider Tax Payment Processing Deadlines

Process	Deadline
Bulk provider transmits <b>ACH single debit</b> file to TFA	7:00 a.m. - 7:00 p.m. ET on the banking day prior to the settlement date
Bulk provider retransmits previously rejected <b>ACH single debits</b> to TFA	7:00 p.m. ET on the banking day prior to the settlement date

<b>Standard Federal Reserve Holidays</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>New Year's Day</b>	January 1	January 1	January 2	January 1	January 1
<b>Birthday of Martin Luther King, Jr.</b>	January 19	January 18	January 16	January 15	January 21
<b>Washington's Birthday</b>	February 16	February 15	February 20	February 19	February 18
<b>Memorial Day</b>	May 25	May 30	May 29	May 28	May 27
<b>Independence Day</b>	July 4*	July 4	July 4	July 4	July 4
<b>Labor Day</b>	September 7	September 5	September 4	September 3	September 2
<b>Columbus Day</b>	October 12	October 10	October 9	October 8	October 14
<b>Veterans Day</b>	November 11	November 11	November 11*	November 12	November 11
<b>Thanksgiving Day</b>	November 26	November 24	November 23	November 22	November 28
<b>Christmas Day</b>	December 25	December 26	December 25	December 25	December 25

\* Saturday/Sunday

For holidays falling on Saturday, Federal Reserve Banks and Branches will be open the preceding Friday.

For holidays falling on Sunday, all Federal Reserve offices will be closed the following Monday.

## 5. IRS Requirements for Integrated File and Pay Credit Card Processors

### A. Registration

Each Credit Card Bulk Provider must annually complete the IRS Credit Card Bulk Provider Registration form below and send (email, mail or fax) to the IRS. The form should be submitted prior to **June 30** to meet the filing deadline for registration. If not received timely, the IRS is not obligated to honor the form. The mailing address is:

Internal Revenue Service Attn: Rich Kris C5-143 SE:W:CAS:SP:ATP:EP 5000 Ellin Road Lanham, MD 20706	Email address: <a href="mailto:richard.b.kris@irs.gov">richard.b.kris@irs.gov</a>  Fax Number: (240) 613-9577
---	---

B. The Credit Card Bulk Provider must sign an agreement stating they will adhere to the following requirements (Note: The requirements apply to the credit card bulk provider and any sub-contractors):

- 1) Convenience Fees: Taxpayers must be notified of the dollar amounts of all fees to be charged to their credit or debit card in relation to the federal tax payment including convenience fees and surcharges imposed by software developers. An acknowledgment or acceptance by the taxpayer of the fees must be obtained prior to initiating credit authorizations. The Government must be notified of the method of obtaining taxpayers' acknowledgement before the program commences. The software or instructions should note that the convenience fee is not charged or received by the IRS. **NOTE:** The Credit Card Bulk Provider must adhere to government banking regulations regarding debit and credit card rate fees. The Bulk Provider must provide a privacy policy notice on their system to protect the taxpayer's personally identifiable information.
- 2) General Information: Taxpayers will be provided, upon request, IRS general information in an easily accessible, readable and print ready form through the return transaction software used by participating tax practitioners/taxpayers.
- 3) Confirmation Number: All taxpayers must be provided an electronic confirmation of payment transactions through the return transmission software used by participating electronic return originators, tax practitioners or taxpayers. Taxpayers must be notified electronically through the return transmission software

if the card authorization is denied.

- 4) Reporting Requirements: **Documentation formatting and content are subject to inspection, verification and approval by the IRS Point of Contact (POC). All reports are to be submitted to the IRS POC via email.**
- A) Schedule of Performance - This includes a Project Plan Work Breakdown Schedule (WBS) for system and application development, functional application testing, and implementation critical milestones with beginning and ending dates for each milestone. The COR and the authorized IRS representative will work with the Credit Card Bulk Provider on a weekly basis to get the WBS baselined. The schedule's anticipated due dates may be modified annually under the COR's direction as contract option years are exercised.
- B) Monthly Development Status Reports - Upon commencement of initial requirements meeting through implementation date, the Credit Card Bulk Provider must provide monthly development reports by the 5<sup>th</sup> day of each month. The report must be provided to the COR. The last monthly status report is due in the month following implementation. The report must contain the following information:
1. Date of report,
  2. Project manager name,
  3. Project manager telephone number, fax number and e-mail address,
  4. A brief description of the work accomplished, emphasizing the progress made since the last reporting period,
  5. A description of any unresolved and/or anticipated problems, if any (include schedule impacts),
  6. An estimate of the percent of work accomplished to date, and
  7. A statement on the status of the program as it relates to the Project Plan Work Breakdown Schedule, either confirming that milestones are on schedule or explaining the nature and extent of the pending delay.
- C) Weekly and Monthly Transaction Reports - The Credit Card Bulk Provider must provide weekly and cumulative monthly transaction reports. The reports must cover the post-implementation progress of the program. Weekly reports must include all required transactions and cumulative data from Sunday through Saturday. The reports must be provided no later than 9:00 am Eastern Time on the following Monday. Monthly reports must be provided by the 5<sup>th</sup> day of each month and include all prior month

transactions cumulative data and reconcile any adjustments made during that month. The Bulk Provider must submit all reports in Microsoft Excel format. After contract award the Government will provide the Bulk Provider(s) with a template of the report format. The reports must contain aggregate payment volumes by payment type and dollar amount broken down by the categories listed below. Historical data must also be provided (if applicable) to compare changes in volumes from the prior year. All reports must be provided to the COR. The report must contain the following information:

1. Date of report,
2. Period covered,
3. Total volume and total dollar amount of transactions by:
  - Web-PC, Web-Mobile/Tablet and IVR
  - Point-of-Sale and Integrated File & Pay, if applicable
  - IRS Form tax type
  - Card Issuer for debit and credit card
4. Total number and total dollar amount of successful (authenticated) attempts,
5. Average payment amount,
6. Largest dollar payment amount,
7. Total number of failed (unauthenticated) attempts,
8. Reasons for failed (unauthenticated) attempts,
9. Total number of abandoned or incomplete transactions,
10. Customer service activity,
11. Report of entity rejects, where the user has provided invalid entity information.

- D) **Process and Data Flow Schematic** – A detailed description of the functional work processes and data flow from payment initiation through confirmation, authorization/denial and taxpayer notification must be provided to the Government before the program commences. The Credit Card Bulk Provider must provide detailed description of the taxpayer’s process when interacting with the e-payment application(s) from beginning to end (acceptance of payment). Describe activities in each step.
- E) **Funds Settlement Timeline** – The Credit Card Bulk Provider must provide a funds settlement timeline which details the path of funds from authorization to ACH debit from bulk account.
- F) **Certification of Test Results** – Once the Credit Card Bulk Provider has

successfully completed an annual full-circle integrated readiness test (internally and with external trading partners), the Bulk Provider must be certified in writing of their readiness for use to the IRS before commencing production.

- G) Ad Hoc and Incident Reports - The Credit Card Bulk Provider must provide ad hoc reports as necessary. Ad hoc reports may include but are not limited to reporting information that supports or further defines incident reports where payment transactions are delayed or otherwise impacted. The Bulk Provider must submit an incident report of any material network outages, work stoppages, or other payment processing problems. **The Bulk Provider will notify the IRS of all incidents within 24 hours of occurrence or awareness. The incident report is due within 5 business days of occurrence or awareness of the incident.** Documentation should include a description of the incident, the cause, number of taxpayers impacted and dollars involved, duration and actions taken to rectify the situation. The reports must be provided to the COR.
- H) Findings Report - The Credit Card Bulk Provider must provide an *initial* and *supplemental* findings report. A copy of this report must be provided to the COR and the IRS Senior Manager or his/her designee. The Bulk Provider must report web site statistics, i.e., number of unique visits to its web site by way of a hyperlink from IRS.gov or hyperlink connections to IRS.gov. The report must also describe:
1. The Credit Card Program features,
  2. Conduct and findings of the program as they relate to the Bulk Provider and any subcontractor's performance (including a summary of all payment transactions, special features such as Spanish language, recurring payments and payment reminders, any problems, changes made during the filing season and lessons learned),
  3. Recommendations for improvement including changes to the Bulk Provider and/or IRS processes,
  4. Practitioner and/or client feedback including customer satisfaction survey results,
  5. Customer service activity based on automated and live assistance provided, and
  6. Summary of trends or patterns of suspicious activity.

The *initial* report must include activity occurring from January 1 through April 30 (each year). The *supplemental* report must be submitted which includes a summary of the *initial* report's findings and activity from May 1 through December 31 (each year).

- I) Weekly Credit Card Chargeback Reports (If Applicable) – The Credit Card Bulk Provider must provide weekly reports of all credit card chargeback actions identifying the transaction date, dollar amount, action request date, and reason for action. These actions must be in conformance with chargeback procedures issued by the IRS and meet the definition of chargeback provided by the Bulk Provider and agreed to by the IRS. These reports must be sent to the designated IRS point of contact (POC) and the COR and are due by close of business each Friday. Additionally, the Bulk Provider is responsible for monitoring for trends or patterns of suspicious activity and reporting this information to the COR.
- 5) The Credit Card Bulk Provider must provide a merchant descriptor on the taxpayer's card statement describing the tax payment amount as a unique line item entitled "U S Treasury Tax Payment." The Bulk Provider must also provide a merchant descriptor on the taxpayer's card statement describing the transaction fee amount (convenience fee) as a unique line item and include the card authorization number.
- 6) The Credit Card Bulk Provider must ensure that Automated Clearing House (ACH) Debit authorizations are initiated only upon acceptance of the e-filed tax return. The Bulk Provider must convert payment transactions to ACH debit authorizations and settle funds through the TFA. The Bulk Provider must also submit daily, payment detail records or settlement files using the American National Standards Institute (ANSI) X12 Electronic Data Interchange (EDI) 813 transaction set. The TFA will initiate one bulk debit each business day from the Bulk Provider's account, which must be established for this purpose.
- 7) The Credit Card Bulk Provider must ensure that credit card payment transactions are settled within 48 hours of acceptance of the e-file return. If unable to comply with the settlement timeframe, an exception must be requested. The exception must outline why the settlement timeframe cannot be met. Fiscal Service charges interest on any funds held overnight from one business day to the next and must be reported to Fiscal Service. IRS/Fiscal Service must approve an exception process before funds are held overnight.

- 8) **Settlement files must be forwarded to the Treasury Financial Agent each business day.** The Credit Card Bulk Provider must provide settled funds where the payment transaction date is less than 11 days prior to the settlement date (cards only). In the event that funds settlement is delayed beyond this period due to a reject condition, such as invalid entity, the payment must be re-initiated and the new payment date submitted for posting. **NOTE:** The Bulk Provider must ensure that settled card payments are forwarded to the Treasury Financial Agent (TFA).
- 9) The Credit Card Bulk Provider must retain transaction logs (i.e., card authorization logs) for 72 months from the date of each transaction. The information in such logs must include transaction type, date and time, credit card number (if applicable), amount of transaction, and approval/confirmation number. This requirement must survive the life of this contract, and the Government will have the right to inspect such logs at its discretion. Upon contract expiration or termination, the Bulk Provider must submit to the Government the transaction logs within three business days in an accessible, readable and usable Microsoft Excel format.
- 10) The Credit Card Bulk Provider must provide an accuracy rate of 99% or higher for all transmitted transaction data as provided by the taxpayer. This includes accuracy of electronic payment data forwarded to the Service by the Bulk Provider that may be impacted by intermediate actions taken by the Bulk Provider necessary for coding, applying, and transmitting payment data. Any adjustments to transaction files resulting from failure to correctly verify and validate payment information will be the responsibility of the Bulk Provider.
- 11) The Credit Card Bulk Provider must provide only guaranteed payments to the Government for federal taxes owed.
- 12) **The Credit Card Bulk Provider must forward settlement files to the TFA one business day prior to settlement.**
- 13) Funds must be available in the Credit Card Bulk Provider's designated bank account one business day after the settlement file is submitted.
- 14) The Credit Card Bulk Provider must schedule testing with the TFA and provide documentation to the Government before the program commences, of application test plans, test cases, test results and certification. **NOTE: The Bulk Provider**



**must adhere to their contract Schedule of Performance.** Once testing is completed, certification will be provided from the TFA to the IRS no later than December 31.

- 15) The Credit Card Bulk Provider must ensure that all credit and debit card discount fees and other transaction fees are paid.
- 16) The Credit Card Bulk Provider must provide a Marketing Plan and deliverables that support and facilitate public awareness of IRS *e-file* and electronic payments. The Marketing Plan must describe planned marketing products and/or tools, targeted audience and the distribution timeline. The Plan must also describe (1) any planned use of IRS *e-file* key messages and/or logo on marketing products; (2) defined measures for success; and (3) method for tracking then number of unique taxpayers that pay electronically as a result of marketing products/tools. All marketing products/tools must be provided to the Government in draft for review and approval at least 3 business days prior to the contract Schedule of Performance anticipated due dates.
- 17) The Credit Card Bulk Provider must maintain the confidentiality of any information relating to Federal credit and debit card payments completed in a single transaction. This includes absolutely no disclosure or use of information collected during this transaction for any purpose other than processing the transaction to the U.S. Treasury. Information collected during the transaction shall not be disclosed or used for any purpose prohibited by law and the Internal Revenue Code. All Federal Tax Information must be segregated, logically and physically from any other work being handled or processed by the Bulk Provider.
- 18) The Credit Card Bulk Provider and its subcontractors are subject to comply with Section 6311 of the Internal Revenue Code or Treasury Regulation 301.6311-2 regarding credit and debit card payments.
- 19) Chargeback Procedures – The Credit Card Bulk Provider must process credit card chargeback actions in accordance with the provided IRS Chargeback Procedures. This must include reimbursing the Bulk Provider for unauthorized or erroneous charges that are substantiated by the cardholder and approved by the Bulk Provider’s duly authorized management representative. The Bulk Provider must have completed and delivered the appropriate IRS chargeback form and supporting documentation to the IRS as described in the procedures. Such chargeback requests must be processed based on the Bulk Provider’s

determination of the appropriateness of this action as signified by its authorized claimant's signature. In the event the IRS notifies the Bulk Provider of duplicate payments that may be subject to chargeback action, it is incumbent upon the Bulk Provider to research the nature of the duplicate payment and timely initiate the appropriate action.

Chargebacks have no effect on the zero dollar contract as the chargeback reimbursement process has to do when the cardholder has established an erroneous or unauthorized charge, and not merely because the taxpayer has made an overpayment and is entitled to a refund. Chargeback requests received within 150 days of the contract end date will be processed in accordance with the previously established procedures. The Bulk Provider must adhere to IRM 21.4.4. **IRS reserves the right to deny any chargeback request that does not conform to the requirements.**

NOTE: The Credit Card Bulk Provider must notify the COR of all and any communications.

C. The IRS will provide the following items:

- 1) An electronic copy of General Information for Taxpayers which is required to be included in the software.
- 2) A hyperlink from the IRS web site to the Credit Card Bulk Provider's web site. The link will be established within the electronic services page of [www.irs.gov](http://www.irs.gov).
- 3) Credit Card Chargeback Procedures for handling unauthorized or erroneous credit card charges.

D. The IRS in conjunction with Fiscal Service has determined the Treasury Financial Agent (TFA) that the Credit Card Bulk Provider will be assigned is Bank of America.

E. Non-compliance with any of the requirements may result in the termination of the agreement and the termination of acceptance of card payments.



## IRS Annual Credit Card Bulk Provider Registration

Company Name	Employer Identification Number	
Name of Parent Company (if applicable)		
Address		
City	State	Zip
Type of Credit/Debit Cards to be Accepted (AMEX, DISC, MC, VISA)		
Tax Types Accepted (1040, 4868, 940s etc.)	Type /Brand Name of Software to be Used	
Orientation of software (desktop, web based, taxpayers online, practitioners, etc)		
Convenience Fees Charged to Taxpayers (all fees need to be presented)		
Projected Volumes	CC Application Implementation Date	Ending date
Name of Subcontractors		
Project Manager's Name	Telephone #	e-mail address



## IRS Credit Card Bulk Provider Agreement

In accordance with the specifications and requirements of the 2016 Credit Card Bulk Provider Requirements and the related Registration, the undersigned (Credit Card Bulk Provider) hereby acknowledge, in agreement with the IRS, to the following:

- (1) All requirements listed in the Credit Card Bulk Provider Requirements will be complied with.
- (2) Any non-compliance with the requirements may result in termination of this agreement and ability to participate in the credit card bulk provider application.

\_\_\_\_\_  
Name of the Bulk Provider

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED AS OF \_\_\_\_ (date) \_\_\_\_\_,

Internal Revenue Service

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_