

# QuickAlerts Messages February 2013

## QuickAlerts – February 1, 2013

**Subject:** e-Filing Tax Year (TY) 2012 Business Tax Returns

Effective at 9:00 am, Eastern on Monday, February 4th, the IRS will begin accepting many of the TY 2012 calendar and fiscal-year Corporate (Form 1120 series), Partnership (Forms 1065/1065-B), and Tax Exempt Organization (Form 990 series) income tax returns with the exception of filers claiming depreciation deductions and various energy and business tax credits. The IRS plans to accept the remaining tax returns in late February or early March. In general, this means any business attaching Form 3800 (General Business Credits), Form 4562 (Depreciation and Amortization) or any of the other forms listed below, should wait to file their 2012 tax return at the later date. A specific date will be announced in the near future.

Forms on hold:

- Form 3800 General Business Credit
- Form 4136 Credit for Federal Tax Paid on Fuel
- Form 4562 Depreciation and Amortization (Including Information on Listed Property)
- Form 5471 Information Return of U.S. Persons With Respect to Certain Foreign Corporations
- Form 5735 American Samoa Economic Development Credit
- Form 5884 Work Opportunity Credit
- Form 6478 Credit for Alcohol Used as Fuel
- Form 6765 Credit for Increasing Research Activities
- Form 8820 Orphan Drug Credit
- Form 8834 Qualified Plug-in Electric and Electric Vehicle Credit
- Form 8844 Empowerment Zone and Renewal Community Employment Credit
- Form 8845 Indian Employment Credit
- Form 8864 Biodiesel and Renewable Diesel Fuels Credit
- Form 8874 New Markets Credits
- Form 8900 Qualified Railroad Track Maintenance Credit
- Form 8903 Domestic Production Activities Deduction
- Form 8908 Energy Efficient Home Credit
- Form 8909 Energy Efficient Appliance Credit
- Form 8910 Alternative Motor Vehicle Credit
- Form 8911 Alternative Fuel Vehicle Refueling Property Credit
- Form 8912 Credit to Holders of Tax Credit Bonds
- Form 8923 Mine Rescue Team Training Credit
- Form 8932 Credit for Employer Differential Wage Payments
- Form 8936 Qualified Plug-in Electric Drive Motor Vehicle Credit

Filing of two other business forms is affected by the delay, but only for electronic filers.

Businesses using Form 720 and filling out lines 13 and 14 cannot file yet electronically, but they can file on paper. Other Forms 720 are being accepted electronically. In addition, Form 8849 Schedule 3, Claim for Refund of Excise Taxes, is not currently being accepted electronically, but it can be filed on paper.

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### **QuickAlerts – February 4, 2013**

**Subject:** Opening for e-Filing Tax Year (TY) 2012 Business Tax Returns

At 9:00 am, Eastern Standard Time (February 4, 2013), the Modernized e-File (MeF) system began accepting Tax Year 2012 Business Tax Returns with the exception of the limited list of forms that can be attached to the business return.

Please refer to the QuickAlerts issued on February 1, 2013 for the list of forms still on hold that cannot be filed at this time.

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### **QuickAlerts – February 4, 2013**

**Subject:** Form 8867, Paid Preparer's Earned Income Credit Checklist

The IRS has noticed that a large number of returns with the Form 8867, Paid Preparer's Earned Income Credit Checklist, have incomplete information. Although the IRS will not reject a return if information is missing on Form 8867, these returns will be suspended causing a potential delay in refunds if the information is missing.

We are asking software developers and transmitters to communicate the Form 8867 information requirements through their software and other communication channels. Specifically, when Form 8867 is present in a return and Earned Income Credit is claimed, entries for lines 22, 23, 24, 25, both parts of 26, and 27 must be present. We recommend that the software ensures these lines on Form 8867 have entries in order to avoid processing delays that could impact refunds.

We also ask that you remind preparers that they could be assessed a penalty if they fail to comply with the due diligence requirements.

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### **QuickAlerts – February 5, 2013**

**Subject:** 1040 Legacy e-file - Tax Year 2012 Publication 1346 Record Layout Nature of Changes # 2

Please be advised the Tax Year 2012 Publication 1346, Record Layout Nature of Changes # 2, has been uploaded to IRS.gov. You may access this information using the following link:

[Tax Year 2012 Publication 1346](#)

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### **QuickAlerts – February 5, 2013**

**Subject:** Tax Year 2012v2.0 Form 1120 Family Business Rules update

The Business Rules for Form Family 1120 [TY2012v2.0](#) have been updated on IRS.gov. Questions or comments may be directed to the e-help Desk at 1-866-255-0654.

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**QuickAlerts – February 6, 2013****Subject:** MeF Form 8849 for Tax Year 2013

Form 8849 and its schedules for tax year 2013 cannot be electronically filed until programming is complete. Paper claims may be filed.

Once updates are made, a new QuickAlerts will be issued.

Thank you for your patience. We apologize for any inconvenience you may have incurred as a result of this matter.

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**QuickAlerts – February 7, 2013****Subject:** Extended Sunday Maintenance Build Window for the Modernized e-File (MeF) Assurance Testing System (ATS) and the Production System

The 2/10/13 Sunday build window has been extended from 1:00 am until 9:00 am, Eastern. The extended build window is needed to implement system enhancements impacting the filing season. Please refrain from sending any service request during this time.

We apologize for any inconvenience this may cause. Thank you in advance for refraining from accessing the MeF ATS and Production environments during this period.

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**QuickAlerts – February 8, 2013****Subject:** Ability to e-file Tax Returns Containing Form 4562 and/or Form 8863

Effective Sunday, Feb. 10, 2013, the IRS will start processing Tax Year 2012 returns that contain Form 4562, Depreciation and Amortization. After completing the 9:00 am, Eastern maintenance build window, the various business rules used to reject returns with Form 4562 attached will be disabled. That includes the Form 1040-family tax returns, Form 1065/1065-B, Form 1120-family tax returns and Form 990-family tax returns.

On Thursday, Feb. 14, 2013, the IRS plans to start processing Tax Year 2012 returns that contain Form 8863, Education Credits.

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**QuickAlerts – February 8, 2013****Subject:** 1040 Legacy e-file - Tax Year 2012 Publication 1346 Record Layout Nature of Changes #3

Please be advised the Tax Year 2012 Publication 1346, Record Layout Nature of Changes #3, has been uploaded to IRS.gov. You may access this information using the following link:

[Tax Year 2012 Publication 1346](#)

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### QuickAlerts – February 8, 2013

**Subject:** Tax Year 2012 Modernized e-file (MeF)- Form Family 1120 updates

The following updates have been posted on IRS.gov.

Tax Year 2012:

[Known e-file issues and solutions](#) on the 2012 Valid XML Schemas and Business Rules for 1120, 1120S, 1120-F, and 7004 Modernized e-File (MeF) web page.

The Business Rules for Form Family 1120 [TY2012v2.0](#) have been updated on IRS.gov.

Changes effective **February 11, 2013**.

Questions or comments may be directed to the e-help Desk at 1-866-255-0654.

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### QuickAlerts – February 11, 2013

**Subject:** Update For Form 1065/1065B Schema Versions

The 2012v2.1 package contains significant changes that should have been released as a major (required) schema update affecting all software vendors. However, to minimize external impact, we previously published both the 2012v2.0 and the 2012v2.1 packages.

After additional analysis and testing, the IRS has decided to support only the 2012v2.1 schema package. This action will prevent a number of schema validation errors and potential processing delays that may be encountered when using the 2012v2.0 package.

Although we strongly encourage software companies to retest using the 2012v2.1 schemas, you will not be required to do so if your Software ID has already passed in Production status.

We apologize for this inconvenience.

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### QuickAlerts – February 11, 2013

**Subject:** Reminder to review and update your IRS *e-file* Application

Reminder: review your IRS *e-file* application to ensure that the information on the application is current.

The IRS can inactivate your Authorized IRS *e-file* Provider status if we receive undeliverable mail or are unable to contact you. [Publication 3112](#) states that you must revise your e-file application within 30 days of any change.

Update your application with new information such as:

- Principals
- Responsible Officials
- Addresses
- Phone numbers
- [URL information](#).

Please add a valid e-mail address to your e-file application so e-services can contact you when your password expires.

Providers may review and update their IRS *e-file application* information electronically via [e-services](#).

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### QuickAlerts – February 11, 2013

**Subject:** Schedule 8812, Child Tax Credit Attached to Form 1040 or Form 1040A

We have observed instances in which the Schedule 8812 is attached to form 1040 and 1040A and is not filled out correctly. These instances are causing downstream processing delays. We have experienced the following two conditions:

- (1) The Schedule 8812 Part 1 checkboxes A, B, C, and D are checked when taxpayers list a dependent child with an SSN qualifying for child tax credit and
- (2) The Schedule 8812 Part 1 checkboxes A, B, C, and D not being checked when taxpayers have a child with an ITIN (Individual Taxpayer Identification Number) on Form 1040 and 1040A line 6c identified as qualifying for the child tax credit in column 4.

The Schedule 8812 instructions direct the taxpayer to:

*"Use Part I of Schedule 8812 to document that any child for whom you entered an ITIN on Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c; and for whom you also checked the box in column 4 of that line, is a resident of the United States because the child meets the substantial presence test and is not otherwise treated as a nonresident alien."*

We are working to implement Business Rules to reject these incorrectly completed returns with a date to be determined.

In the interim, we request that software packages include an alert to help preparers identify inconsistencies when completing the Schedule 8812 and that communication be provided to the practitioner community to avoid delays in processing returns.

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### QuickAlerts – February 12, 2013

**Subject:** Unscheduled Modernized e-File (MeF) Wednesday Maintenance Build

The Modernized e-File Production system will be unavailable from 1:00 am - 5:00 am, Eastern on Wednesday, February 13, 2013. To ensure that MeF performance is optimized, the IRS will be performing some additional maintenance as a preventative measure in anticipation of increased daily volume beginning Thursday, February 14th. The Assurance Testing System (ATS) environment will not be impacted. We apologize in advance for any inconvenience.

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### QuickAlerts – February 12, 2013

**Subject:** 1040 Legacy e-File - Tax Year 2012 Publication 1346 Record Layout Nature of Changes # 4

Please be advised the Tax Year 2012 Publication 1346, Record Layout Nature of Changes # 4, has been uploaded to IRS.gov. You may access this information using the following link:

[Tax Year 2012 Publication 1346](#)

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### QuickAlerts – February 13, 2013

**Subject:** Ability to e-file Tax Returns Containing Form 8863

Effective Thursday, Feb. 14, 2013, at 8:00 am, Eastern the IRS will start processing Tax Year 2012 returns that contain Form 8863, Education Credits. Business Rules F1040-419 and F1040A-419 are being disabled prior to the start up.

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### QuickAlerts – February 14, 2013

**Subject:** e-Filing Form 1040 Tax Year 2012 return for taxpayers who live in Puerto Rico

The IRS determined that certain taxpayers who are attempting to file a Form 1040 tax return using an address in Puerto Rico are currently unable to electronically file. These taxpayers with U.S Form W-2 income include federal employees and military, who live in Puerto Rico. That problem will be fixed during the Sunday maintenance build window on February 17, 2013. This issue did not affect filers who are bona fide residents of Puerto Rico who filed using Form 1040PR or Form 1040-SS.

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### QuickAlerts – February 15, 2013

**Subject:** Tax Year 2012 Modernized e-file (MeF) - Form Family 1120 updates

The following updates have been posted on IRS.gov:

Tax Year 2012

[Modernized e-File \(MeF\) Stylesheets](#)

[1120/1120F/1120S XML Schemas and Business Rules 2012v2.1](#)

[Forms and Attachments Listing 2012](#)

Questions or comments may be directed to the e-help Desk at 1-866-255-0654.

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### QuickAlerts – February 19, 2013

**Subject:** MeF Form 8849 for Tax Year 2012 and 2013; MeF Form 720 for 4th quarter 2012, 1st and 2nd quarter 2013

Updates to the schemas and business rules are now posted to IRS.gov for Form 8849 2013v2.0 and 2012v2.0; Form 720 Q4v3.0 for 2012, Q1v2.0 and Q2v2.0 for 2013. They will be available for ATS and Production on March 4, 2013.

We are aware of an issue with the Schedule 3 (Form 8849) in testing. The Schedule 3 (Form 8849) will not be available for testing until March 4, 2013.

Thank you for your patience. We apologize for any inconvenience you may have incurred because of this matter.

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### QuickAlerts – February 19, 2013

**Subject:** Form 1065/1065B Updates

The following updates have been posted on IRS.gov:

- 1065/1065B Schema and Business Rules 2012v2.2
- Business Rule Updates: 2010v3.5, 2011v2.2 and 2012v2.1

Questions or comments may be directed to the e-help Desk at 1-866-255-0654.

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### **QuickAlerts – February 20, 2013**

**Subject:** E-filing Form 8863, Education Credits

We have observed instances in which the Form 8863, Education Credits, attached to the Form 1040 and 1040A is not completed correctly. These instances are causing downstream processing delays. We have experienced the following two conditions:

1. The Form 8863 Part III Line 25 Yes or No checkboxes are not completed when required and
2. The Form 8863 Part III Line 26 Yes or No checkboxes are not completed when required.

The Form 8863 instructions state: If you checked “Yes” on Line 24 go to line 25.

#### **Line 25**

Check “Yes” if the student completed the first 4 years of postsecondary education before 2012. Otherwise, check “No.” If you checked “No,” go to line 26. If you checked “Yes,” the student is not eligible for the American Opportunity Credit; skip lines 26 through 30 and go to line 31.

#### **Line 26**

Check “Yes” if the student was convicted, before the end of 2012, of a federal or state felony for possession or distribution of a controlled substance. If you checked “No,” complete either lines 27 through 30 or line 31 for this student. If you checked “Yes,” the student is not eligible for the American Opportunity Credit; skip lines.

We are working to implement Business Rules to reject these incorrectly completed returns and have not determined the date for these new Business Rules.

In the interim, we request that software packages be modified to require completion of the correct boxes on lines 25 and 26 when appropriate. Additionally the appropriate checkboxes should be completed for lines 23 and 24. Also please communicate this information to the practitioner community to avoid delays in processing returns.

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### **QuickAlerts – February 21, 2013**

**Subject:** IRS Extends the Comment Period on Acceptable e-signature Standards

Due to Industry requests for additional time, the IRS has extended the deadline until May 1, 2013 to receive recommendations and comments on [Internal Revenue Bulletin 2013-4, Announcement No. 2013-8](#).

E-signature standards will promote efficiency, reduce burden and improve identity proofing methods to confirm the identity of the signer. Announcement 2013-8 provides details on the request and proposed standards. Submit recommendations and comments electronically to <mailto:e-signature@irs.gov> by May 1, 2013.

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### **QuickAlerts – February 21, 2013**

**Subject:** Unscheduled Downtime - Modernized e-File (MeF) Production System

The Modernized e-File system is experiencing delays in generating acknowledgements that requires the IRS to bring the production system down for a period. Effective at 7:00 pm, Eastern tonight, please refrain from accessing the MeF production system to transmit submissions, get

acknowledgements, retrieve state submissions, send state acknowledgements or submit any other service requests.

We will issue a QuickAlerts when the MeF production system is operational again and we apologize in advance for any inconvenience caused.

Please contact the [MEF Mailbox](#) if you have any questions.

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### **QuickAlerts – February 21, 2013**

**Subject:** Form 1040 Series 2012v4.2 Schemas and Business Rules

#### **XML Schemas**

The TY2012v4.2 Schemas and Business Rules will be available for the Modernized e-File (MeF) ATS System on 03/03/2013. These Schemas and Business Rules will be available for the MeF Production System the 1st week of March.

The "Diff" Files for the Form 1040 Series identify the changes from the TY2012v4.1 Schema package to the TY2012v4.2 Schema package.

Please note that while this is a minor version there are schema changes that may require you to update your software.

#### **Business Rules**

The Form 1040 Series 2012v4.2 Business Rules have been posted in two (2) formats that contain identical information: Adobe (.pdf) and Comma Separated Values (.csv).

The Business Rules that were included in the Form 1040 Series Business Rule Change Page are included in the 2012v4.2 Business Rules package.

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### **QuickAlerts – February 21, 2013**

**Subject:** Modernized e-File Production System is Operational

Modernized e-File (MeF) was successfully brought back online at 11:00 pm, Eastern on February 21, 2013 and is now operational for all service requests. Please resume sending federal and state submissions, sending state acknowledgements and retrieving federal and state acknowledgements.

We thank you for your patience and we apologize for any inconvenience caused.

Please continue to monitor the [MeF Status Page](#) for any updates.

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### **QuickAlerts – February 25, 2013**

**Subject:** Tax Year 2012 Modernized e-file (MeF) Known Issues and Stylesheet Updates

The following updates have been posted on IRS.gov.

Tax Year 2012:

- [Known e-file issues and solutions](#)
- [Stylesheet](#)
- [TY2012v2.1](#) Form family 1120 schema revised to correct Form 8909

Questions or comments may be directed to the e-help Desk at 1-866-255-0654.

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## QuickAlerts – February 27, 2013

**Subject:** e-filing Tax Year (TY) 2012 Tax Returns

Due to late legislation, the IRS delayed startup for the tax forms listed below until the first week in March. To ensure there are no issues accepting the forms for downstream processing, the IRS requests software developers and transmitters to adhere to the following plan:

1. The schemas and business rules will be deployed in the Production environment during the March 3, 2013 Sunday maintenance window.
2. When Production is operational at 7:00 am, Eastern, transmitters should only send their stockpiled inventory, evenly spread throughout the day on Sunday, This will allow the Modernized e-File team to quickly review reject trends to ensure the schemas and business rules work as intended. Please do not enable online filing for the forms until the IRS officially announces the processing of these forms targeted for the first week of March.
3. Barring any problems, the IRS will issue a QuickAlerts early in the week announcing the official opening. At that time, please enable online filing for these forms.

As we have communicated throughout the filing season, we appreciate your continued partnership and support to ensure a successful startup!

### TY 2012 Tax Forms Scheduled for Startup:

- Form 3800 General Business Credit
- Form 4136 Credit for Federal Tax Paid on Fuels
- Form 5074 Allocation of Individual Income Tax to Guam or the Commonwealth of the Northern Mariana Islands
- Form 5471 Information Return of U.S. Persons With Respect to Certain Foreign Corporations
- Form 5695 Residential Energy Credits
- Form 5735 American Samoa Economic Development Credit
- Form 5884 Work Opportunity Credit
- Form 6478 Credit for Alcohol Used as Fuel
- Form 6765 Credit for Increasing Research Activities
- Form 8396 Mortgage Interest Credit
- Form 8582 Passive Activity Loss Limitations
- Form 8820 Orphan Drug Credit
- Form 8834 Qualified Plug-in Electric and Electric Vehicle Credit
- Form 8839 Qualified Adoption Expenses
- Form 8844 Empowerment Zone and Renewal Community Employment Credit
- Form 8845 Indian Employment Credit
- Form 8859 District of Columbia First-Time Homebuyer Credit
- Form 8864 Biodiesel and Renewable Diesel Fuels Credit
- Form 8874 New Markets Credits
- Form 8900 Qualified Railroad Track Maintenance Credit
- Form 8903 Domestic Production Activities Deduction
- Form 8908 Energy Efficient Home Credit
- Form 8909 Energy Efficient Appliance Credit
- Form 8910 Alternative Motor Vehicle Credit
- Form 8911 Alternative Fuel Vehicle Refueling Property Credit
- Form 8912 Credit to Holders of Tax Credit Bonds
- Form 8923 Mine Rescue Team Training Credit

- Form 8932 Credit for Employer Differential Wage Payments
  - Form 8936 Qualified Plug-in Electric Drive Motor Vehicle Credit
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