



STATE OF CALIFORNIA  
**Franchise Tax Board**

# California

## Income Tax Letter of Intent

Tax Year 2024

06/27/2024

# 2024 Tax Software Provider California Franchise Tax Board Letter of Intent

Welcome to the Income Tax Letter of Intent (LOI). If your software company intends to submit electronic and/or paper returns to the California Franchise Tax Board (FTB), you will need to complete this form and submit it to [FTBLOI@ftb.ca.gov](mailto:FTBLOI@ftb.ca.gov).

By submitting this LOI to the California FTB, you agree to meet our standards for software provider registration, tax preparation software, and substitute forms. If you do not meet the standards and requirements explained in this LOI, we may deny your application, or revoke your approved software provider status and reject all electronic and/or paper returns submitted using your products.

You must complete a separate LOI for each unique product your company offers. We may reject an incomplete LOI.

**Note:** All Software Providers are required to have passed assurance testing with the IRS. Attach documentation from the IRS demonstrating that you have successfully tested with the IRS.

## Important dates

California FTB has important key dates to ensure we are ready for the filing season and taxpayers can file an accurate and timely tax return. Please note the following key dates:

- **If you support paper forms, you must complete and submit this CA LOI form by September 10, 2024.**
- **Paper forms should be submitted for review beginning in late October 2024, ending mid-February 2025.**
- **e-file Participant Acceptance Testing (PATS) begins in November 2024.**

## Amended Letter of Intent

Check this box if this is an amended Letter of Intent.

Reason(s) for amending:
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## Company information

List your company information.

Name of Company	Product Name	State Software ID (if applicable)
DBA Name	NACTP Vendor ID	State Tax Account Number (if applicable)
Address	Product URL	Company FEIN
City	State	Zip Code

**Note:** List your other product names using the same calculation engines here:

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## IRS issued electronic identification numbers

List your IRS electronic identification numbers.

	<b>EFIN(s)</b>	<b>ETIN(s)</b>
<b>Individual Tax</b>	Test EFIN(s)	Test ETIN(s)
	Production EFIN(s)	Production ETIN(s)
<b>Business Tax</b>	Test EFIN(s)	Test ETIN(s)
	Production EFIN(s)	Production ETIN(s)

If you have additional EFINS/ETINs, please list them on a separate sheet and attach it to this submission.

## Contact information

List the contact information for each area identified.

Regulatory/Compliance Contact	Phone	Email Address
Secondary Regulatory/Compliance Contact	Phone	Email Address
Primary Individual e-file Contact	Phone	Email Address
Secondary Individual e-file Contact	Phone	Email Address
Primary Business e-file Contact	Phone	Email Address
Secondary Business e-file Contact	Phone	Email Address
Primary Leads Reporting Contact	Phone	Email Address
Secondary Leads Reporting Contact	Phone	Email Address
SWIFT e-file primary Business Contact	Phone	Email Address
SWIFT e-file primary Technical Contact	Phone	Email Address

## Substitute forms registration

Complete this section if your product will provide substitute forms or requesting view only access to SES Forms folder.

State Substitute Form Vendor Number		
Primary Contact	Phone	Email Address
Secondary Contact	Phone	Email Address
SWIFT Business Contact	Phone	Email Address
SWIFT Technical Contact	Phone	Email Address

## Software products and tax types supported

Check all that apply.

### Type of software product

- DIY/Consumer (Web-Based)  
 DIY/Consumer (Desktop)

- Professional/Paid Preparer (Web-Based)  
 Professional/Paid Preparer (Desktop)

### Programs supported

- |                          |                          |                                  |
|--------------------------|--------------------------|----------------------------------|
| Forms                    | e-file                   |                                  |
| <input type="checkbox"/> | <input type="checkbox"/> | Individual Income Tax            |
| <input type="checkbox"/> | <input type="checkbox"/> | Estate/Trust/Fiduciary Tax       |
| <input type="checkbox"/> | <input type="checkbox"/> | Withholding (590/592/593 Series) |

- |                          |                          |                     |
|--------------------------|--------------------------|---------------------|
| Forms                    | e-file                   |                     |
| <input type="checkbox"/> | <input type="checkbox"/> | Corporation Tax     |
| <input type="checkbox"/> | <input type="checkbox"/> | Partnership/LLC Tax |
| <input type="checkbox"/> | <input type="checkbox"/> | Exempt Organization |

### Type of substitute forms supported

- Use CTP final PDF Forms  
 Build form in Software

## Rebranded software products

Complete this section only if your product is rebranded.

For software to be considered rebranded, changes cannot be made to the software requirements and output(s). As the Software company selling and/or licensing your product to a third-party, it is your responsibility to make sure the rebranded product reflects the current software requirements and output(s). List each of your rebranded products below.

Rebranded Product Name	ETIN (if applicable)	Contact person	Phone	Email Address
Rebranded Product Name	ETIN (if applicable)	Contact person	Phone	Email Address
Rebranded Product Name	ETIN (if applicable)	Contact person	Phone	Email Address
Rebranded Product Name	ETIN (if applicable)	Contact person	Phone	Email Address

Please attach additional sheets with rebranded software product information if necessary.

For Rebranded Products, the California FTB has the following requirements for paper forms and/or e-file PATS approval.

- Rebranded Products may be required to complete an abbreviated e-file PATS/paper form approval process.

## Forms and schedules supported

The California FTB checklists for identifying the forms and schedules you support will be available on the SES website. Software providers are required to complete the checklists prior to e-file PATS and substitute forms testing.

## Agency requirements

This section identifies California FTB's requirements and expectations of new and existing Software Providers, and the software product.

### Issue notification and resolution

Production issue-related information requested by California FTB, such as submission IDs, must be provided within three weeks of the request.

You are responsible to notify California FTB of any incorrect and/or missing calculation of an e-file data element for any paper or electronic returns submitted to California FTB.

Notify California FTB if any forms and/or payments you support are not ready when your software is available for use.

Submit this information via email to your account manager.

If your company fails to comply with these requirements, FTB may suspend or terminate your company's ability to file returns.

### System security

The California FTB does not prescribe and is not responsible for the security requirements for your system. You are responsible for implementing appropriate security measures to protect taxpayers and their information in your system. You must apply security measures to protect taxpayer information in your system when it is on-line, off-line, at rest, and in transit.

### Security incident requirement

In addition to your current process, notify California FTB of any confirmed data breach reported by a taxpayer, preparer, or employer, or any discovered fraudulent behavior or suspected identity theft, by email at: [FTBDataBreach@ftb.ca.gov](mailto:FTBDataBreach@ftb.ca.gov) and [e-filecoordinator@ftb.ca.gov](mailto:e-filecoordinator@ftb.ca.gov), and also the California FTB account manager for your account by email.

### SWIFT Mailbox

Retrieve all Receipts and Acknowledgement files from your California FTB Secure Web Internet File Transfer (SWIFT) mailboxes (within 72 hours) of the files posting and continue to keep the FromFTB folder relatively clear to reduce delays or connection issues, such as sending responses and processing transmission files.

### Production submission

All returns generated from this software must be electronically filed or printed from the initially approved software or a subsequent product update. We strongly encourage you to validate CA e-file tax returns or payment submissions you create against the latest current valid production schemas prior to transmission to FTB.

FTB does not support and will not accept submissions directly from preparers or third-party transmitters. FTB will only accept submissions transmitted through an approved software provider.

### Testing and submission

All e-file PATS and substitute forms tests submitted during the approval process must be created in, and originate from, the actual software.

## Product update

You are responsible to require users/customers of desktop products who attempt to e-file 10 or more business days after a production release to download and apply the product update.

## Schemas and Business Rules

Your software must follow the schema and Business rule requirements. Direct your authorized users to the California FTB schema and Business rule requirements on the SES.

## Validation of specific data elements

This section describes California FTB's requirements for validation of specific data elements.

- State driver's license data elements.
- For personal income tax returns, the primary and secondary SSN or ITIN(s).
- For business returns, the FEIN, Secretary of State Number, or CA Corporation Number.
- Bank routing and account numbers.

## Device ID and Internet Protocol (IP) data element requirements

All electronically transmitted returns must provide the actual individual originator's Device ID and IP Address information in those fields. Do **not** default to the Electronic Return Originator's (ERO) standard common Device ID or IP Address used in bulk by the actual e-file provider.

For Security Summit industry partners, provide fraud lead-sharing information in accordance with the lead schema.

## Customer Notices

This section identifies the information California FTB requires the software providers to communicate about with their customers.

## Disclosure and use of information language expectations

California FTB's expectations regarding language to inform customers about the disclosure and use of information they provide will be available on the SES website within the following California FTB publications and related forms:

- California Business e-file Guide for Software Developers (FTB Publication 1346B)
- California Individual and Fiduciary e-file for Software Developers (FTB Publication 1346X)
- Handbook for Authorized e-file Providers (FTB Publication 1345)

## Driver's license/ID card expectations

California FTB provides the following expectations and information:

### For e-file returns:

California FTB requests to receive data elements from the DL/ID card with the tax return but won't reject the return if it's not included.

California FTB is providing a URL and a statement regarding the request for the DL/ID Card. All Do It Yourself (DIY) and Tax Professional software packages must include this information in your software. The messages are expected to be displayed within the software in a way to maximize the likelihood the message will be read.

**URL:** <https://www.ftb.ca.gov/file/ways-to-file/online/help-with-filing-online.html>

**Statement:** California driver's license or state ID card information is not required to e-file a California tax return, and tax returns will not be rejected if this information isn't provided. Providing this information will help expedite the tax return processing time, as well as combat stolen-identity tax fraud.

## **Refund expectations**

California FTB is providing a URL about refund processing. Industry partners must use this URL or other method prescribed by the agency in all products. The messages must be shown to end-users within the software in a way to maximize the likelihood the message will be read.

URL: <https://www.ftb.ca.gov/refund/index.asp>

## **Publication 1098 Expectations**

Our company agrees to comply with FTB Pub. 1098, Part I, Annual Requirements and Specifications for the Development and Use of Substitute, Scannable, Absolute Positioning, and Reproduced Tax Forms, and Part II, Annual Requirements and Specifications for the Development of 2D Barcodes. Specifically, our company agrees to:

1. Request review and approval of substitute/scannable/2D and absolute positioning tax forms based on final FTB forms posted on the SES and release only those FTB approved tax forms to our customers and clients.
2. When notified by FTB, promptly correct errors in our company's substitute/scannable/2D and absolute positioning tax forms and substantiate to FTB that our company corrected the errors and notified customers or clients of the corrections. Continue to educate customers to prevent problem tax returns from being generated.
3. Notify customers or clients of the computer hardware requirements, including printers, printer fonts and settings, font cartridges, etc., necessary to produce our company's substitute/scannable/2D and absolute positioning tax forms approved by FTB.
4. Identify to FTB all substitute/scannable/2D and absolute positioning tax forms and tax software programs that use our company's three-digit identification code.
5. Notify FTB of any critical software problems identified after we release products to customers.
6. Abide by the provisions of Senate Bill 1724, signed into law on September 30, 2000 (amending Sections 17530.5, 22251, and 22253 of the Business and Professions Code and adding Sections 1799.1a to the Civil Code and 18621.7 to the Revenue and Taxation Code). This law requires FTB to approve only those commercially developed tax preparation forms and software that comply with the privacy and confidentiality provisions described in these codes.
7. Authorize FTB to include our company name in various public information material designed to inform tax practitioners and the public about vendors who have agreed, complied, or failed to comply with FTB's policies, procedures, guidelines, and specifications.
8. Vendor acknowledges that upon approval of this agreement and prior to any access to proprietary information of the FTB, that each vendor and each of the vendor's employees who may have access to the information will not reproduce, publish, sell, or release the proprietary information in original or in any other form for any reason.

I am authorized to agree to these terms on behalf of our company. Upon processing of this form, FTB will issue my company access to the SES to access Publication 1098, Part I and Part II.

## Specific questions

1. Does your software require the acceptance of the Federal return with the IRS prior to sending the CA State return? If yes, list the program types supported and provide any conditions where your software does support unlinked jurisdictions returns.

- a.  Yes  
b.  No

2. Do you offer your customers refund products or payment vehicles? If yes, and you partner with an entity to provide refunds, please provide the names and bank routing numbers of each company. Attach a separate sheet if necessary.

- a.  Yes  
b.  No

3. Schema validation errors are the most common reason we reject e-file returns or stand-alone payments that are submitted in XML in our e-file program. Do you validate the e-file tax return or payment submissions you create against the latest valid production schemas prior to transmitting to FTB? If you do not, provide an explanation.

- a.  Yes  
b.  No



4. We expect software providers to report any issue that directly affects a tax return or payment filed with the State of California. When a software error is identified, it is the responsibility of the software vendor to immediately notify their customers, correct the problem, and expeditiously distribute the appropriate software revision (correction) to their clients with a “required” update. Additionally, FTB is to be advised when the corrections are made and supplied with the related version number, release date and the volume of impacted customers. What is your criteria for reporting software issues to FTB?

5. If your software product supports both e-file and paper filing, do you prevent taxpayers from e-filing their return if Substitute Form approval is pending? If “Yes”, provide an explanation. Indicate “N/A” if question is not applicable to your software product.

- a.  Yes  
b.  No

6. Does your software product allow user to override the software and elect to change the calculated value on a field or line? If “Yes”, please list the product(s) name and ETIN below.

- a.  Yes  
b.  No

7. Provide any additional information.

## Acknowledgments and signature

I agree to provide true, accurate, current, and complete information. I certify that I am authorized to sign this agreement on behalf of my company. I acknowledge and understand that the California Franchise Tax Board reserves the right to deny, suspend or terminate my company's ability to submit returns. By my signing this agreement, my company agrees to all of the requirements listed in this agreement. If I use my electronic signature on this agreement, I also agree that my electronic signature is the legally binding equivalent to my handwritten signature.

AUTHORIZED REPRESENTATIVE PRINTED NAME	AUTHORIZED REPRESENTATIVE EMAIL ADDRESS	
AUTHORIZED REPRESENTATIVE SIGNATURE	AUTHORIZED REPRESENTATIVE PHONE NUMBER	DATE

## Authorized access to the SES

Access to the SES should be limited to those with a business need. You are allowed up to 2 users for each program type supported. Please provide information for the employees you are authorizing to have access to the SES.

**Note:** Include all authorized individuals, even if listed previously on this form.

First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC
First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC
First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC
First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC
First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC
First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC
First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC
First and last name	Phone number
Email address (No group ID or personal email allowed)	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file <input type="checkbox"/> EITC

### Purpose for authorized access

Complete the following if you are requesting view only access to the Forms folder.

- Reproduce official California Franchise Tax Board forms for training purposes only.
- Support e-file only.

**Note:** If you checked the Earned Income Tax Credit (EITC) checkbox, the substitute forms group will contact you to request additional required information.