

# Virginia Department of Taxation



## Pass-Through Entity Business Rules – Preliminary

**Tax Year 2018**



## Appendix A – PTE – Schema Validation Business Rules

Rule Number	Business Rules
<b>VAFForms – 001</b>	The total count PDF files does not equal to the total count provided in schema header.
<b>VAFForms – 002</b>	The PDF Files cannot be found in the submission.
<b>VAFForms – 003</b>	The document ID could not be found in the submission.
<b>VAFForms – 004</b>	Document does not pass the schema validation.

## Appendix B – PTE – Business Rules

### Form 502

Rule Number	Business Rules
<b>502-010</b>	The Federal PTE Form (federal Form 1120S or federal Form 1065 or federal Form 1065B) must exist.
<b>502-020</b>	If the Change in Fiscal Year check box is populated, Fiscal or Short Year Filer Beginning Date and Ending Date are required.
<b>502-025</b>	Tax Period Beginning Date cannot be greater than Tax Period Ending Date.
<b>502-030</b>	Schedule 502A must exist when Line 7 (Virginia apportionment percentage) is populated with a value less than 100 %.
<b>502-031</b>	Schedule 500AP XML must be present when Certified Company Apportionment - checkbox is populated.
<b>502-050</b>	Form 502, Line 1 (Total of taxable income amounts) must equal Schedule 502A, Section C, Line 1 (Total of Taxable Income Amounts).
<b>502-060</b>	Form 502, Line 4 (Income allocated to Virginia) must equal Schedule 502A, Section C, Line 2 (Commercial domicile is in Virginia).
<b>502-070</b>	Form 502, Line 5 (Income allocated outside of Virginia) must equal Schedule 502A Section C Line 3e (Allocable income).
<b>502-080</b>	Form 502 Line 6 (Apportionable income) must equal Schedule 502A Section C Line 4 (Apportionable income).
<b>502-090</b>	Form 502, Line 12 (Total additions) must be equal to the sum of Schedule 502ADJ, Section A (Total Additions).
<b>502-100</b>	Form 502, Line 13 (Total additions) must equal the sum of Line 8 (Fixed-date conformity-depreciation), Line 9 (Fixed-date conformity-other), Line 10 (Net Income or other tax used as a deduction in determining taxable income), Line 11 (Interest on municipal or state obligations other than from Virginia) and Line 12 (Total additions).
<b>502-110</b>	Form 502, Line 17 (Total subtractions) must be equal to the sum of Schedule 502ADJ, Section B (Total Subtractions).
<b>502-120</b>	Form 502, Line 18 (Total subtractions) must equal the sum of Line 14 (Fixed-date conformity-depreciation), Line 15 (Fixed date conformity-other, Line 16 (Income from obligations of the United States, Line 17 (Total subtractions).
<b>502-130</b>	Form 502, Line 19 (Total nonrefundable credits) must equal Schedule 502ADJ, Section C, Line 38 (Total Nonrefundable Credits).
<b>502-140</b>	Form 502, Line 20 (Total refundable credits) must equal Schedule 502ADJ, Section C Line 46 (Total Refundable Credits).
<b>502-150</b>	Form 502, Section 4, Line 12 (Amount of withholding overpayment to be refunded), must equal the difference of Form 502, Section 4, Line 10 (Net Overpayment) and Form 502, Section 4, Line 11 (Amount of withholding overpayment to be credited to next year).
<b>502-160</b>	Vendor ID must be valid/approved.
<b>502-170</b>	FEIN cannot duplicate the FEIN of a previously accepted return for the tax year being filed.

### Schedule 502A

Rule Number	Business Rules
502A-040	If Schedule 502A Section A, Motor Carrier Line 1 Exception 1 checkbox or Exception 2 checkbox is populated, an amount must be in Section B, Line 1 Columns 1, 2 and 3.

### Schedule 502ADJ

Rule Number	Business Rules
502ADJ-010	Schedule 502ADJ, Section A, Line 5 (Total Additions) must equal the sum of all Additions Amounts.
502ADJ-020	Explanation must be provided for Addition Code 99.
502ADJ-030	Schedule 502ADJ, Section B, Line 5 (Total Subtractions) must equal the sum of all Subtractions Amounts.
502ADJ-040	Explanation must be provided for Subtraction Code 99.
502ADJ-050	Schedule 502ADJ, Section C, Line 46 (Total Refundable Credits) must equal the total of Lines 39, 42, 44 and 45.
502ADJ-060	Total Nonrefundable Credits on Schedule 502ADJ Line 38 must equal the sum of all Nonrefundable Credits on Schedule 502ADJ Section C Lines 1 -19 plus Lines 22 - 37.

### Financials

Rule Number	Business Rules
FIN-011	State Payment identified as International ACH Transaction (IAT) is not eligible for e-File.
FIN-034	For timely filed returns, the Requested Payment Date must be on or before the original Return Due Date.
FIN-035	You cannot request a payment date for returns submitted after the original due date. The Payment Date must be blank. Your payment will be processed within a day or two of processing your return.
FIN-100	The Requested Payment Amount cannot exceed the amount owed and must be greater than zero.
FIN-105	The Requested Payment Date cannot be before the Return Submit Date.