



2018 Virginia Tax Software Provider Letter of Intent

Due October 31, 2018

Completing this Virginia Letter of Intent (LOI) form continues the approval process to partner with the **Virginia Department of Taxation (Virginia Tax)** to support electronic and paper form filing.

Completion of this form, the National Software Provider Standards LOI and the Virginia Software Provider Registration Form means you agree to comply with all national security summit standards and requirements and state specific requirements identified in these documents.

Email the completed Virginia LOI to: Vendors@tax.virginia.gov. If your submitted form is not complete, we will deny your request.

Note: Complete a LOI form for each unique product your company offers. The details on Page 1 of the Virginia LOI and Page 1 of the Virginia Registration Form should match; these details will be used to connect the Registration Form with the corresponding LOI.

Name of Company	Primary Product Name	State Software ID
DBA Name	NACTP Member Number	State Account Number (if applicable)
Address	Website Address/URL	Company FEIN
City	State	Zip Code
Primary Individual MeF Contact	Phone	Email Address
Secondary Individual MeF Contact	Phone	Email Address
Primary Business MeF Contact	Phone	Email Address
Secondary Business MeF Contact	Phone	Email Address
Primary Fiduciary (Estate/Trust) MeF Contact	Phone	Email Address
Secondary Fiduciary (Estate/Trust) MeF Contact	Phone	Email Address
Primary Leads Reporting Contact *	Phone	Email Address
Primary Leads Feedback Contact *	Phone	Email Address

* Must match the FTA Master List

State Specifications and Communication

Virginia Tax will review the details submitted for the National Software Provider Standards LOI as part of the overall process to determine if a software provider shall be granted access to Virginia software development documents as well as participate with Virginia software provider / ATS testing.

State Documents and Materials

The Virginia Tax e-file and paper form documentation will be posted / provided at the following locations.

- ☒ FTA State Exchange System (SES)
- ☒ State Website: www.tax.virginia.gov

State Refund Expectations

To assist Taxpayers and Tax Professionals expecting refunds, Virginia Tax is providing a URL to our "Where's my Refund" online program. Industry partners should use this information to communicate and help set the appropriate expectations with external stakeholders. Providing this information will:

- Help eliminate phone calls from Taxpayers, Tax Professionals and Industry about refunds
- Ensure that Taxpayers and Tax Professionals receive the appropriate message

Virginia Tax Refund URL: <https://www.tax.virginia.gov/wheres-my-refund>

State Questions, Requirements, Standards and Recommendations

Virginia Special Statement / Notice

Virginia Tax is committed to providing secure, efficient and accurate returns processing to all who are required to file a tax return in Virginia. Virginia Tax places high standards on itself, its filers, and its software providers to deliver on this commitment to our Virginia taxpayers.

To meet this commitment, Virginia Tax utilizes tracking tools that help us to review how each software provider is performing, adhering to Virginia Tax specific requirements, and meeting the tax preparation needs of Virginia taxpayers. Software providers who actively support Virginia Tax e-File programs for Tax Year 2018 will receive feedback detailing the results at the end of the peak filing season.

Please note – beginning with Tax Year 2019 Virginia Tax may require our software partners supporting our Individual e-File program to also support the 760CG Substitute Form with the 2D Barcodes applicable to the schedules supported. If Virginia Tax elects to implement this requirement, notification will be sent to all software providers by July 15, 2019.

Virginia Tax will continue providing annual guidance as to the minimum standard requirements that a software provider must meet to be eligible to participate and support Virginia Tax's e-File programs.

Important Notice

Virginia Tax reserves the right to decline, decertify, revoke or limit approval or acceptance of any software provider's product and thereby refuse to accept any additional returns from such software product that does not adhere to the specified requirements.

Should your product be decertified by Virginia Tax, you agree to remove references asserting your product's ability to service Virginia taxes from all public materials within 48 hours' notice from Virginia Tax, and to provide immediate notice to any clients in the process of filing with Virginia Tax before ceasing Virginia services.

Virginia Tax shall:

- Review the Virginia Tax Software Provider Registration form, review the National Letter of Intent, perform a suitability review and notify the Tax Software Provider of the results of the review within 10 business days.
- Publish on the Virginia Tax's website Virginia forms in early release by August 15th to ensure that software providers have adequate time to develop their programs and complete all required testing and approvals through Virginia Tax.
- Due to the federal tax reform, instructions will be published as soon as Virginia Tax Policy makes them available.
- Publish substitute forms guidelines/documents on the FTA Secure State Exchange System (SES) by the 2nd Friday in September.
 - Virginia Substitute Forms Guidelines and Standards for Formatting, Content and Approval
 - 760CG Documents: Form Package, Test Package, and Exact Positioning Specifications
 - 1D Barcode Detail Documents
 - Spec Tables for all Substitute Forms
 - Check Digit Calculator
- Publish the preliminary schemas and business rules on the SES by the 2nd Friday in September or within 7 business days of the E-Standards final approval of the annual states' schema set, whichever occurs later.
- Publish final e-File Guides and special specifications and a scenario based testing regimen within the e-File Software Test Packages on the SES by the 2nd Friday in September.
- Publish final schemas and business rules on the SES by the 2nd Friday in October.
- Virginia Tax will provide timely guidance for any tax reform related legislation that may be passed by the General Assembly and signed by the Governor during the 2019 legislative session that impacts tax year 2018 filings.
- Make available to the Electronic Return Originator (ERO) acknowledgement of acceptance or rejection of taxpayer returns within 2 business days of the return being made available from the IRS.
- Begin ATS e-File testing with the opening of the IRS' ATS testing in early November 2018.
 - Initial test submissions will be acknowledged within 3-5 business days of receipt.
 - Subsequent re-test transmissions will be reviewed, acknowledged and feedback will be provided within 5 business days.
 - Virginia Tax requests that by February 15, 2019 – software providers reach a testing status of "Ready For Review" (passed all Schema /Business Rules) for their e-File submissions.
- Virginia Tax will commence annual paper forms testing October 1st, with the exception of the 760CG package of forms which will commence November 1st through February 1st. All other business forms, sales, withholding, and miscellaneous forms will be performed on a continuous cycle.
 - Initial test submissions will be reviewed and acknowledged with feedback within 5 days of receipt.
 - Subsequent re-test submission will be reviewed and acknowledged with feedback 7-10 business days.
- Notify the software provider immediately when errors within their software are adversely affecting the processing of Virginia returns.
- Classify software errors as critical or non-critical. This applies to both errors found by Virginia Tax and errors identified by the software provider.

Software Provider agrees to:

- Notify Virginia Tax immediately when errors in their software affect Virginia taxpayers.
 - Critical errors will be resolved within 3 to 5 business days.
 - Non-critical errors will be resolved within 5 to 10 business days.
 - Notify Virginia Tax when the problem is resolved.
 - Provide timely software updates and technical support to their Virginia customers.
 - If software provider is unable to resolve a critical error within specified timeframe, Virginia Tax may temporarily suspend accepting and processing returns until the error is resolved.
- To the extent that a critical error is found that negatively impacts Virginia taxpayers and is directly and solely caused by the tax preparation software, the software provider will work with Virginia Tax and affected taxpayers to find appropriate solutions and mitigate the impact of the error.
- Notify customers of minimum computer and print settings needed when submitting forms and payments either electronically or on paper for processing purposes.

Software Provider agrees to:

- Abide by the following testing standards.
 - Prior to the opening of IRS' e-File for the 2018 Filing Season, the software provider will provide Virginia Tax with either a "beta" version (ex. CD), access to their online tax preparation program, provide a specified list of screenshots, or provide a demonstration of the product that allows Virginia Tax to review:
 - user screens,
 - interview questions,
 - messaging,
 - final submission screens, and
 - printing substitute forms (as applicable to the product).
 - Work directly with Virginia Tax staff to satisfy testing requirements in a timely manner.
 - Submit ATS and paper forms test returns within the test timeframes detailed in the section above. Exceptions may be considered on a case by case basis.
 - Create tax returns that incorporate all the criteria detailed within each test scenario provided by Virginia Tax.
 - The software provider will not be allowed to submit returns before successfully completing all required testing and approval has been issued by Virginia Tax.
 - Software providers with previous history of issues with their products in Virginia may be required to perform a more rigorous testing methodology to validate the adequacy of their product.
 - While every effort will be made to be flexible during the testing window, Virginia Tax reserves the right to decertify the participation of a software provider if testing is inadequate, not completed timely or continues to be a strain on Virginia Tax testing resources.
- Develop substitute tax forms in accordance with the Virginia Substitute Forms Guidelines and Standards for Formatting, Content and Approval and the 760CG Exact Positioning Specifications issued by Virginia Tax and agrees to:
 - Submit all required computer generated Virginia forms to Virginia Tax for testing and approval.
 - Not allow the forms to be printed from their software until fully approved by Virginia Tax.
- Adhere to all specifications in Virginia Publications.
 - Virginia e-File Guides
 - Virginia Substitute Forms Guidelines and Standards for Formatting, Content and Approval
 - 760CG Exact Positioning Specifications
 - Virginia Tax Form Instructions
- Withhold advertising Virginia's acceptance of their software, and will not accept Virginia returns, until Virginia Tax's certification is complete.
- Appropriately and timely respond to changes requested by Virginia Tax throughout the filing season to include providing a projected implementation date for agreed upon changes.
- Not use any branding logo or trademarks of Virginia Tax without the expressed written consent.
- Retrieve the acknowledgements within 2 business days of Virginia Tax's transmission of those acknowledgements and will send to the taxpayer within one business day.

Standards and Requirements for Transferring Data Year over Year

Transferring data year-over-year that is not initially entered accurately causes issues with processing tax returns. The following items should not be transferred year over year:

- State driver's license data elements;
- State withholding account numbers;
- State identity PINs;
- Locality codes; and
- Direct deposit and direct debit bank routing and transit number and account number.

State Specific Questions

1. What refund products or payment vehicles do you offer your customers? If you partner with an entity to provide refunds (e.g. Amazon.com or other pre-paid cards), provide the names and bank routing numbers (RTNs) of each company. Attach a separate sheet if necessary.
2. Do you require your users/customers to download and apply product updates to continue to electronically file and/or print tax returns with your software? Explain the timeline and process for this once an update is available for your product.

Data Breach Reporting

All software providers executing this agreement are subject to the data breach security laws of Virginia Code Section 18.2 – 186.6 and/or regulations of the Virginia Office of the Attorney General including but not limited to provisions regarding who must comply with the law, definitions of “personally identifiable information”, what constitutes a breach, requirements for notice, and any exemptions.

For more information see [Virginia Data Breach Notification](#). In addition to the provisions above, you are also required to notify Virginia Tax of any unauthorized disclosure or data breach involving Virginia taxpayers.

State Driver's License / ID Card Data Expectations

At this time, Virginia taxpayers are not required to provide their Driver's License/State ID information when completing their Virginia income tax returns; however, they are strongly encouraged to provide it. When the information is provided, Virginia Tax requires the software provider to pass the information to Virginia via the return.

- **For e-File returns** – always pass the Driver's License / State ID information in the appropriate schema element. Refer to the Individual e-File Guidelines for details.
- **For printed/paper returns** – always print the full Driver's License / State ID information on the paper return. Do not mask or truncate the information.

Communication:

To assist Taxpayers and Tax Professionals filing returns, Virginia Tax is providing a URL regarding expectations for the Driver's License/ID Card information. Industry partners will use this information to communicate and help set the appropriate expectations with external stakeholders. Providing this information will:

- Help eliminate phone calls from Taxpayers, Tax Professionals and Industry about Driver's License/ID Card data Collection and Reporting
- Ensure that Taxpayers and Tax Professionals receive the appropriate message

Virginia Tax Driver's License URL: <https://www.tax.virginia.gov/refund-fraud-prevention>

Signature

- The signed and completed agreement must be received by Virginia Tax by **October 31, 2018**.
- Email the completed Virginia LOI to: Vendors@tax.virginia.gov

Mark the applicable checkboxes to acknowledge compliance as indicated by the type of software you provide.

I acknowledge that all e-file ATS tests and/or Substitute Forms test documents submitted during the approval process are created in and originate from the actual software.

I acknowledge that all electronic returns received by Virginia Tax generated from this software will be electronically filed from the initially approved product version, or a subsequent product update.

I acknowledge that all paper returns received by Virginia Tax generated from this software will be printed from the approved product version.

I acknowledge that Virginia Tax will be notified of any incorrect and/or missing calculation or e-file data element for any paper or electronically returns submitted to Virginia Tax.

I acknowledge that users / customers of this product who attempt to e-file 10 or more business days after a production release will be required to download and apply the product update.

As the representative of the above named organization, I agree, on behalf of the organization, to comply with all requirements listed above for my software provider type. Furthermore, by signing this agreement, my organization is agreeing to all of the requirements listed above for my software provider type. Virginia Tax reserves the right to revoke approval acceptance of any company and thereby refuse to accept any additional returns from such software company that does not adhere to above stated requirements.

As an approved Virginia Tax provider, I agree to provide true, accurate, current, and complete information about my company. I understand that if I provide any information that is untrue, inaccurate, obsolete, or incomplete, Virginia Tax has the right to deny, suspend, or terminate my account.

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