



ALABAMA DEPARTMENT OF REVENUE  
INDIVIDUAL AND CORPORATE TAX DIVISION  
**Software Developer Letter of Intent  
and Compliance Agreement for Individual  
Modernized eFile (MeF) Returns Tax Year 2018**

Departmental Use Only

AL Assigned Software  
Developer Code: \_\_\_\_\_

This Letter of Intent (LOI) sets forth the specific questions, requirements, and standards for tax software providers for the Alabama Department of Revenue. By submitting this registration form to the department, you are agreeing to meet our standards for software provider registration, tax preparation software (DIY or professional), and substitute forms.

This LOI also incorporates all of the terms, requirements, and standards set forth in the Tax Software Provider National Standards Letter of Intent maintained by the Federation of Tax Administrators. Agreement and adherence to the national standards are required as a prerequisite to approval.

Failure to meet any of the standards or requirements set forth in the national letter of intent or in this specific LOI may result in the denial of your application or the removal of your organization as an approved software provider, and the rejection of all electronic or paper returns submitted using your products.

Please complete a registration form for each unique product your company offers.

**This form must be completed and submitted to Tavares Mathews at [Individual.efile@revenue.alabama.gov](mailto:Individual.efile@revenue.alabama.gov) no later than October 1, 2018.**

COMPANY NAME		NACTP VENDOR ID	
DBA NAME	COMPANY FEIN	STATE ACCOUNT NUMBER ( IF APPLICABLE)	
PRODUCT NAME(S)		EFINS (TEST AND PRODUCTION)	
PRODUCT WEBSITE ADDRESS		ETINS (TEST AND PRODUCTION)	
HELP DESK SUPERVISOR	HELP DESK PHONE NUMBER ( )	ESTIMATED TESTING START DATE	
ADDRESS	CITY	STATE	ZIP
PRIMARY CONTACT	PHONE NUMBER ( )	FAX NUMBER ( )	EMAIL ADDRESS
SECONDARY CONTACT	PHONE NUMBER ( )	FAX NUMBER ( )	EMAIL ADDRESS
STATE SOFTWARE ID			
PRIMARY LEADS REPORTING CONTACT**		PHONE NUMBER ( )	EMAIL ADDRESS
SECONDARY LEADS REPORTING CONTACT**		PHONE NUMBER ( )	EMAIL ADDRESS
REGULATORY/COMPLIANCE CONTACT**		PHONE NUMBER ( )	EMAIL ADDRESS

\*\*Must match FTA Master list.

**Type of Software Product**

- |   |   |
|---|---|
| <input type="checkbox"/> DIY/Consumer (Web-Based)               | <input type="checkbox"/> DIY/Consumer (Desktop)               |
| <input type="checkbox"/> Professional/Paid Preparer (Web-Based) | <input type="checkbox"/> Professional/Paid Preparer (Desktop) |

**Forms and Schedules Supported (Check All That Apply)**

**Individual Form 40 (Resident/Part-Year Return)**

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| <input type="checkbox"/> Form 40 – Individual Income Tax Return (Required) <ul style="list-style-type: none"> <li>• Schedule A – Itemized Deductions (Required)</li> <li>• Schedule B – Interest and Dividend Income (Required)</li> <li>• Schedule CR – Credits For Taxes Paid to Other States (Required)</li> <li>• Schedule DC – Donation Check-Offs (Required)</li> <li>• Schedule D – Net Profit or Loss (Required)</li> <li>• Schedule E – Supplemental Income and Loss (Required)</li> <li>• Schedule NTC – Net Tax Calculation (Required)</li> <li>• Schedule DS – Dependents Schedule (Required)</li> </ul> | <ul style="list-style-type: none"> <li>• Schedule HOF – Head of Family Schedule (Required)</li> <li>• Schedule RC – Refundable Credit (Required)</li> <li><input type="checkbox"/> Schedule OC – Other Available Credits</li> <li><input type="checkbox"/> Form 4952A – Investment Interest Expense</li> <li><input type="checkbox"/> NOL-85 – Computation of Net Operating Loss</li> <li><input type="checkbox"/> NOL-85A – Application of NOL Carryback or Carryforward</li> <li><input type="checkbox"/> Schedule AATC – Alabama Accountability Tax Credit</li> <li><input type="checkbox"/> Schedule AAC – Alabama Adoption Tax Credit</li> <li><input type="checkbox"/> Schedule AJA – Alabama Jobs Act-Investment Credit</li> </ul> |
|--|---|

- Schedule DEC – Career Technical Dual Enrollment Credit
- Schedule HTC – Historic Tax Rehabilitation Credit
- Schedule ATC – Apprenticeship Tax Credit
- Schedule ARA – Alabama Renewal Act Credit
- Schedule IRC – Irrigation/Reservoir System Credit
- Schedule SBA – Small Business and Agribusiness Jobs Credit

- Schedule HOF – Head of Family Schedule (Required)
- Schedule RC – Refundable Credit (Required)

- Schedule OC – Other Available Credits
- Form 4952A – Investment Interest Expense Deduction
- NOL-85 – Computation Net Operating Loss
- NOL-85A – Application of NOL Carryback or Carryforward
- Schedule AATC – Alabama Accountability Tax Credit
- Schedule AAC – Alabama Adoption Tax Credit
- Schedule AJA – Alabama Jobs Act-Investment Credit
- Schedule DEC – Career Technical Dual Enrollment Credit
- Schedule HTC – Historic Tax Rehabilitation Credit
- Schedule ATC – Apprenticeship Tax Credit
- Schedule IRC – Irrigation/Reservoir System Credit
- Schedule SBA – Small Business and Agribusiness Jobs Credit
- Schedule ARA – Alabama Renewal Act Credit

**Individual Form 40NR (Nonresident Return)**

- Form 40NR – Individual Non-Resident Return
  - Schedule A – Itemized Deduction (Required)
  - Schedule B – Interest and Dividend Income (Required)
  - Schedule D – Profit From Sale of Real Estate, Stocks, Bonds, etc. (Required)
  - Schedule E – Income From Rents, Royalties, Partnerships, Estates, Trust, and S Corporation (Required)
  - Schedule NTC – Net Tax Calculation (Required)
  - Schedule DS – Dependents Schedule (Required)

**Rebranded Software Products**

**Software Companies: Use this section only if this product is rebranded with the approval of the Software Publisher, who is the original creator of the software and signer of the LOI. It is the position of the STAR Working Group under the auspices of the IRS Security Summit that:**

- Rebranding where the software publisher makes all code changes to generate the rebranded software and ensures that the rebranded software meets the applicable requirements (Trusted Customer, Generation of Authentication Elements, Generate of LEADS reports, STAR Requirements, etc.) does not pose any additional risk to the tax ecosystem.
- Rebranding where the organization who rebrands the software has the capability to make cosmetic changes including but not limited to color or font, but cannot make changes to the applicable requirements (listed above) also does not pose additional risk to the ecosystem.

REBRANDED PRODUCT NAME	CONTACT PERSON	PHONE NUMBER (    )	EMAIL ADDRESS	UNIQUE IDENTIFIER**
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\*If there are more than 5 software products that have rebranded under a different name, please list them on a separate sheet and attach with your LOI submission.

\*\*If available.

**For Rebranded Products, the Alabama Department of Revenue has the following requirements for e-file ATS approval:**

- Rebranded Products are required to complete an abbreviated e-file ATS/paper form approval process.

**Communication and Expectations**

**Documents and Materials**

Alabama Department of Revenue e-file and paper form documentation will be posted/provided at the following locations

- FTA State Exchange System (SES)

**Refund Expectations**

To assist Taxpayers and Tax Professionals expecting refunds, Alabama is providing a URL and/or a statement about refund processing. Industry partners should use this statement and/or URL to communicate and help set the appropriate expectations with external stakeholders. Providing this information will ensure everyone is communicating a consistent refund timing message.

**Statement:**

For the most up-to-date information concerning the status of your current year refund, call 1-855-894-7391 or check our website at [www.revenue.alabama.gov](http://www.revenue.alabama.gov), then click on “Where’s My Refund. Return processing times vary depending on many factors, including complexity of the return and our identity verification processes. Please allow 8 to 12 weeks to receive your refund.

The Department is once again converting some tax refunds to a paper check that were requested to be delivered by direct deposit. Making this change is intended to prevent criminals from easily diverting fraudulently filed refunds to their own accounts. Avoiding potential refund fraud by sending paper checks outweighs taking the risk of sending a refund electronically to the wrong party.

## State Driver's License/ID Card Expectations

To help Taxpayers, Tax Professionals and Industry partners understand the jurisdiction requirements for State Driver's Licenses or ID Cards, Alabama Department of Revenue is providing the following expectations:

For e-file returns:

- Alabama wants to receive the DL/ID Card Information with the tax return
- Alabama will reject e-file returns if the DL/ID Card Information is not included with the tax return

### Statement:

To assist Taxpayers and Tax Professionals filing returns, Alabama is providing a URL and/or a statement regarding expectations for the DL/ID Card. Industry partners will use this statement or URL to communicate and help set the appropriate expectations with external stakeholders.

The Alabama Department of Revenue is committed to fighting stolen identity refund fraud. To that end, the Department request that taxpayer's driver license number or State Issued ID number, as well as the state that issued it, the issue date and expiration date be submitted with the return. Omitting any of this information will cause your return to be rejected and a paper return must be filed.

## Questions, Requirements, Standards and Recommendations

### Standards and Requirements for Confirmation of Specific Data Elements

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 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), please provide the names and bank routing numbers (RTNs) of each company. Attach a separate sheet if necessary.

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### I agree to the following rules and regulations for participation in the Alabama Individual Modernized eFile Program:

#### Software Partner Requirements and Responsibilities

1. You must be an approved IRS vendor to participate in the Alabama Individual Modernized eFile Program.

2. Serving as agents of the Alabama Department of Revenue, all vendors must comply with requirements as stated in Publication 4164 (Alabama Individual Modernized eFile Program: Software Developers and Transmitters Guidelines).

3. Development should be in compliance with the electronic schemas and business rule documents.

4. The department must be informed prior to a vendor testing of all software limitations. All main schedules on a return must be supported. Individual income tax products must provide the ability for their taxpayers to produce the following forms and schedules: Form 40, Schedules A, B, CR, DC, D, E and NTC Form 40NR, Schedules A, B, D, E and NTC

5. All schedules needed to file a particular form must be supported in the format required by the ADOR.

6. The software vendor must support the printing of tax returns and all supporting forms to allow the user to mail their return if the return cannot be e-filed. The printed returns must be approved by the ADOR for form content and barcode approval prior to final MeF forms approval. The paper forms approval process and MeF testing may be completed simultaneously.

7. The software vendor agrees to transmit only LINKED returns for Individual FORM 40 returns.

8. If any changes (not requested by ADOR) are made to approved software you must notify the department of the changes. If necessary, testing of the new product release may be required.

9. Notify/copy ADOR of any/all messages conveyed publically to Alabama taxpayers via your product.

10. It is the taxpayer's responsibility to timely file the appropriate ADOR tax return. A vendor should not turn off the schemas or business rules to allow a return to be filed without being parsed during production. The perfection period is not an extension to file, it is a period to correct a mistake on a previously e-filed tax return.

11. All confidential taxpayer information should be secure.

12. Submit taxpayer submissions in a timely manner. Submissions should not be held unless the client and ADOR has been notified of the delay.

13. The software vendor must provide an adequate help desk to assist taxpayers or practitioners with software issues or any other problems filing their electronic return.

14. The vendor is responsible for notifying the ADOR of any errors found during production that affect the correct filing of any Individual MeF returns. An update should be provided to the customers as soon as possible and the department notified once the issue has been resolved.

15. All software products must provide the taxpayer a method to attach any and all required documentation to the electronic return when filed. For

any eFile mandated tax type the software vendor does not have the authority to authorize a taxpayer to paper file a return. The software vendor must contact the ADOR for paper filing approval for any eFile mandated form type.

16. The Alabama Department of Revenue will conduct random review of all software products to verify that the requirements of the Alabama Individual eFile Program are being met. The results will be sent to the programmers for further investigation and any necessary corrections made in a timely manner.

#### Testing and Approval Process

1. Test submissions should be submitted to the department within the specified testing dates provided on a yearly basis to all software vendors. The testing time period might vary depending on the form type.

2. Test returns must be parsed before they are submitted to the ADOR. If test returns come in that are not parsed the ADOR has the right to refuse review until the issues are fixed by the vendor.

3. If any changes are made after the software has been approved, the department should be notified and a test return with the changes made needs to be resubmitted.

4. Software vendor agrees to withhold advertising Alabama's acceptance of software, and will not accept Alabama returns, until Alabama software approval has been granted.

5. The software vendor grants the ADOR the right to display the company name and website link on the approved vendor list on the ADOR website once the vendor has been approved

#### Noncompliance to Agreement and Revocation of Acceptance

*Please initial each of the following:*

- \_\_\_\_\_ 1. The Alabama Department of Revenue reserves the right to revoke the acceptance of a software vendor and thereby refuse any additional returns from such software vendor. Should your product's acceptance become revoked by Alabama, you agree to remove references from all public materials asserting your product's ability to service Alabama taxes after 48 hours' notice from Alabama, and to provide immediate notice to any clients in the process of filing with Alabama before ceasing Alabama services.
- \_\_\_\_\_ 2. The ADOR reserves the right to revoke the acceptance of an electronic originator or transmitter for just cause. Failure to comply with the guidelines set forth in Publication AL4164 is just cause. Furthermore, failure to implement and abide by the National Security Standards and Requirements is just cause.
- \_\_\_\_\_ 3. Any of the following can result in the revocation of an electronic return originator or transmitter acceptance into the program: (1) Conviction of a criminal offense under the revenue laws of any state or of any offense involving dishonest or breach of trust. (2) Failure to file timely and accurate tax returns, both personal and business. (3) Failure to pay personal tax liabilities or business liabilities. (4) Failure or refusal to effect corrective action as required by the Alabama Department of Revenue. (5) Other facts or conduct of a disreputable nature that would reflect adversely on the Alabama Individual MeF Program. (6) Unethical practices in return preparation. (7) Suspension by the IRS.
- \_\_\_\_\_ 4. All software errors which impact the correct filing of an Alabama tax return identified by the IRS, ADOR or clients must be immediately corrected and an update should be distributed to the software clients within five business days. Failure to correct any errors or issues within the time prescribed by the ADOR will result in suspension from the program.

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#### Data Breach Reporting

The Alabama Department of Revenue is committed to fighting stolen identity refund fraud.

You must adhere to the IRS e-File Security, Privacy and Business Standards Mandated as of January 1, 2010. This mandate requires reporting security incidents as soon as possible, but no later than the next business day after the confirmation of the incident.

The Alabama Department of Revenue must be notified within 48 hours if at any time it is discovered that your system (or any third party system holding or with access to your taxpayer data) has been breached or compromised exposing taxpayer personal information and/or user id information – including but not limited to SSNs, user names, and passwords. You are hereby obligated to notify the Alabama Department of Revenue within 48 hours of the discovery of the breach. Notice must be made directly to the e-File Coordinator in addition to submitting the affected accounts through the leads reporting process. Failure to notify the Department could result in your software being blocked from the electronic filing of Alabama returns.

#### Signature:

- I acknowledge that all e-file ATS tests submitted during the approval process are created in and originate from the actual software.
- I acknowledge that all electronic returns received by Alabama Department of Revenue 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 Alabama Department of Revenue generated from this software will be printed from the initially approved product version, or a subsequent product update.
- I acknowledge that Alabama Department of Revenue will be notified of any incorrect and/or missing calculation or e-file data element for any paper or electronically returns submitted to Alabama Department of Revenue.
- I acknowledge 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. Furthermore, by signing this agreement, my organization is agreeing to all of the requirements listed above. The **Alabama Department of Revenue** 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 **Alabama Department of Revenue** 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, the **Alabama Department of Revenue** has the right to deny, suspend, or terminate my account.

