Tax Year 2018
Montana Department of Revenue

Specifications for Reproducing Substitute Scannable Tax Forms And Payment Vouchers

Version 1.3 (10/17/2018)

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* **If you are submitting MT Official Tax Forms as substitute forms, only these specs are applicable.**

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Developer Specifications, Forms Change Log, and Draft Forms will be available through the FTA's SES.

Final forms are projected to be available beginning 9/21/18.

2018 Tax Season - What's New or Changed

- ***Obsolete Forms & Schedules:*** Beginning with Tax Year 2018, the following Montana schedules & forms are obsolete: 2EZ, 2EC, ESA-FID, ESW-FID, MSA
- Significant form changes to the CIT and Form 2.
- There are some data placement and/or line changes to this year's forms.
- ***Form 2 software printing configuration:*** The department requests developers/providers configure their software to default as printing only populated/applicable pages of the new MT Form 2.
- ***Telephone for the Device Number:*** The MT Department of Revenue now uses Montana Relay dial 711.
- ***Draft Forms Review & Submission:*** When draft forms are posted to the SES website, we request that developers review the forms and provide feedback to the department. After the review period (which will be approximately 15 days), the final forms will be posted to the FTA's State Exchange System (SES) and developers can start developing and submitting test forms. Submissions **will not** be accepted until the forms are posted as final on the FTA's State Exchange System (SES). Not all final forms and instructions will be posted at once.
- ***Posting Final Forms to the FTA's State Exchange System:*** The department will post final forms to the FTA's State Exchange System (SES) as the forms are completed by the department. The SES is a standardized way for Montana to securely provide files to developers re-creating substitute paper tax forms. If a software company doesn't currently have access to the SES, they need to request it by sending an email to support@taxadmin.org. If your company is already registered, you should have access.
- ***Pre-submission form validation:*** Data placement on all forms must be "box" tested and validated by the submitter using the Test Template layers *prior* to being submitted to MT DOR. "Box" testing procedures are included as Addendum 1 to this spec.

2018 Tax Season – Key Reminders

- **DO NOT** provide draft or preliminary forms to the public prior to approval. Failure by the vendor to follow the Specifications may result in completed tax forms submitted by the public being rejected by the MT Department of Revenue. Section 1
- Primary & secondary software vendors must submit a registration form. The primary vendor must be approved before a secondary vendor can begin submitting forms. Section 2
- Vendor forms must be submitted via email, in PDF format to MTDORsubstituteforms@mt.gov Section 3.1. Prior approval is required from the department if a vendor cannot submit via email.
- Limit submissions to one form type per email. **DO NOT** combine form types within one submission. We request all test scenarios for each form be submitted in one PDF file per form title. Section 3.1.
- The MT Department of Revenue will email the vendor a PDF form mark-up, listing the needed corrections. Section 3.3
- If you are using Montana's Official forms in your software package, you must submit the gridded form for approval. Turn off the text layer, and put X's or 9's in the data fields. Leave XX on the barcode and print your vendor ID near the bottom left or right target. Section 3.1 & Section 4
- Font Size & Type - Use 10pt font size in all variable data fields. If this isn't an option for the vendor, 12pt font size is acceptable. All variable data fields must use Courier or Courier New font type. Section 3.3
- The testing template layer is again added to the substitute form gridded templates and provides the developer with detailed areas where the variable data should be placed. If your variable data does not fall within the target area on the test template layer, the submission will be rejected. **DO NOT** re-produce the test template on your substitute forms. Instructions are provided for viewing the different layers on the MT Tax Substitute PDF forms. Section 5.13
- **DO NOT** print "See Attached" in the page 1 dependent section of Form 2. If there are dependents, the first three (3) must be listed on page 1. To report 4 or more dependents, create a document exactly as shown in Section 5.12

- Free formatted repeating pages with additional information are not accepted. If you need to report additional information and don't have room on the form's main pages, see Section 5.12 for detailed specifications on how to report. This is applicable to the Form 2, CLT-4S, FID-3, DER-1, MW-3, and PR-1.
- **DO NOT** allow your software to mask or encrypt IDs. If your software masks or encrypts IDs, offer the user the ability to turn off the masking/encrypting function. If an ID is masked, it may result in completed tax forms submitted by the public, being rejected by the Department. Section 6.1
- Preprinted zeroes are required on any field with any amount >0.00 where penny data fields are not provided. Section 6.2
- Special characters are not allowed in any variable data field on the form, with the exception of a hyphen in the name and address field, or a hyphen indicating a negative number. Section 6.4
- Payment vouchers - **DO NOT** alter the address.
- Checklist for submitting substitute forms. Section 8

Spec Change Log

DATE	***CHANGE***
09/25/2018	Specifications posted
10/2/2018	V1.1 Provided additional guidance in Section 5.10 on placement of vendor identification and version date for Form 2, Form CIT, and Form PR-1
10/16/2018	V1.2 Added constraints in Section 6.1 on "In Care Of" address entries.
10/17/2018	V1.3 Added requirement in Section 3.2 on pg 7 under "Vouchers -…" for one full field sample.

1. Overview *

A **substitute** tax form is a computer-generated tax form produced by a software developer or payroll provider, for use in lieu of the MT Department of Revenue's official form.

Software developers must comply with the required specifications within this document for each form to be considered approved for use. **DO NOT** provide draft or preliminary forms to the public prior to approval. Failure to follow the specifications may result in completed tax forms submitted by the public being rejected by the MT Department of Revenue.

It is acceptable to populate data on the gridded form, leaving the barcode with XX at the end of it (see Section 3.1 & Section 4). The MT Vendor ID must be printed at the bottom of each page. The forms must be identical to the official gridded MT Department of Revenue forms, and approval by the department is required.

2. Vendor Registration Requirements *

Primary and Secondary Vendors are required to submit a MT Vendor Registration form prior to submitting forms for approval.

A **primary** vendor is defined as a vendor who is creating a substitute form.
A **secondary** vendor is defined as a company that is not creating the form, but is using another vendor's substitute form in their software package. This includes using MT's official gridded form in the software.

Identify which forms you intend to support and include in your software. Indicate which pages of the form your software does not support.

If you have a previously assigned two character MT Vendor ID, provide it on the registration so you can continue to use the same ID. If you don't have a MT Vendor ID from a previous tax year, leave the field blank and we will assign you one. The MT Vendor ID will be used within each barcode, and must be printed near the bottom left or right target (depending on the document) to identify where the form originated from. See Section 5.10 for more information.
Email your registration to MTDORsubstituteforms@mt.gov with the subject line "Vendor Registration".

- Once registered, developers will receive confirmation when forms are available on the FTA's State Exchange System (SES).
- When draft forms are posted to the FTA's State Exchange System (SES), we request that developers review the forms and provide feedback to the department. After the review period (which will be approximately 15 days), the final forms will be posted to the FTA's State Exchange System (SES) and developers can start developing and submitting test forms. Submissions will not be accepted until the form(s) is posted as final on the FTA's State Exchange System (SES). Not all final forms and instructions will be posted at once. They will be posted as they are completed by the department.

3. Approval Process *

Both primary and secondary developers/providers are required to submit test samples as defined in this section. **The primary vendor forms must be approved before the secondary vendors can begin submitting test documents.** Forms are required to be approved each year.

DO NOT develop substitute forms based on the previous tax year's forms or from the department's public website.

3.1 Submitting Forms *

- Submissions will not be accepted and testing will not begin until final forms are posted on the FTA's SES (State Exchange System). Submissions **will not** be accepted until forms are posted as final on the SES.
- Not all final forms and instructions will be posted to the SES at once. They will be posted as they are completed by the department.
- **DO NOT** encrypt or mask IDs on test forms. Test forms with masked ID's will be rejected.
- Photocopied, scanned or faxed submissions will not be accepted, because the image becomes skewed, changing the dynamic of the targets in comparison to the data. Drop out lines also become darker on photocopies, and they no longer drop out.
- Submit substitute forms as you develop them. **DO NOT** hold each test packet until all forms are developed.
- Submit all pages of the same form at the same time.
- Vendor forms must be submitted via email, in PDF format to MTDORsubstituteforms@mt.gov If a vendor cannot submit forms via email, the department can grant an exception. We request all test scenarios for each form be submitted in one PDF file per form title.
- Limit submissions to **one form type per email. DO NOT combine form types within one submission.**
  - ✓ Example: Email 1 - Form 2 submission
    Email 2 - FID-3 submission
    Email 3 - PR-1 submission, etc.
- Each test submission must include all pages of the form and be in page order. Indicate which pages of the form your software does not support. If you do not list non-supported pages, we will assume the page is missing, and your submission will be rejected.
  - ✓ Example: Full field test form pg. 1-8: Page 7 is not supported.
    Variable data test 1 – pg. 1-8
    Variable data test 2 – pg. 1-8
    Variable data test 3 – pg. 1-8
    Variable data test 4 – pg. 1-8
    Variable data test 5 – pg. 1-8
- The subject line of the email should include the MT Vendor ID, form name, and whether or not it is an initial submission or a resubmission.
  - ✓ Example: MT-P5, Form 2, Initial Submission
    MT-P5, Form 2, Re-Submission 1
    MT-P5, Form 2, Re-Submission 2
- If you are using Montana's Official forms in your software package, you must submit the gridded form for approval. Turn off the text layer, and put X's or 9's in the data fields. Leave XX on the barcode and print your vendor ID near the bottom left or right target.

3.2 Submission Requirements *

- **DO NOT** submit non-barcoded forms or form instructions. Approval is not required.
- **DO NOT** include completely blank forms in the test sample submissions. Some blank fields on variable data samples are acceptable.
- The following sample forms are required for each submission approval:

  Individual Income Tax: Form 2
  - ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field.
  - ✓ Three (3) variable data test samples.
    - ✓ Form 2 - One of the three (3) variable data test samples must include 7 dependents. List 3 dependents on page 1, and the other 4 dependents on an overflow sheet. **DO NOT** print "See Attached" in the page 1 dependent section. See Section 5.12 for reporting additional dependents.
    - ✓ Form 2 – if included as an output with your software, you must provide one of your samples with only page 1 (formerly 2EZ) and one sample with only page 1 and 9 (formerly 2EC).

Pass Through: CLT-4S, PR-1, DER-1

- ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field
- ✓ Three (3) variable data test samples
  - ✓ CLT-4S
    - ✓ One of the three (3) variable data test samples must include 20 participating shareholders on Schedule IV. Repeat page 5 as many times as needed to include all information. The page 5 barcode will remain the same on all page 5s. See section 5.12
  - ✓ PR-1
    - ✓ Electronic Filing Mandate - Since January 1, 2014, a partnership that has more than 100 partners during the tax year, is required to file the MT Form PR-1 electronically. Vendors supporting the PR-1 must enable a message to the user, stating "if you have more than 100 partners during the course of the tax year, you must file the Montana form PR-1 electronically".
    - ✓ One of the three (3) variable data test samples must include 20 participating partners on Schedule IV. Repeat page 5 as many times as needed to include all information. The page 5 barcode will remain the same on all page 5s. See section 5.12
  - ✓ DER-1 – One of the three (3) variable data test samples must include 2 owners.

Corporate: CIT

- ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field
- ✓ Three (3) variable data test samples

Fiduciary: FID-3

- ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field
- ✓ Three (3) variable data test samples
  - ✓ FID-3
    - ✓ One of the three (3) variable data test samples must include a total of 35 beneficiaries. See section 5.12.

Wage Withholding Tax Reconciliation: MW-3

- ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field
- ✓ Three (3) variable data test samples
  - ✓ One of the three (3) variable data test samples must include a total of 70 payments. Repeat page 2 as many times as needed to fulfill the 70 payment requirement. The page 2 barcode will remain the same on all page 2s. See Section 5.12 for more information.
  - ✓ Montana law requires the MW-3 be filed no later than January 31 of each year. Vendors re-producing the MW-3 will need to take the filing due date into account when submitting forms for approval. **MW-3 submissions will not be reviewed after January 15**.

Schedule K-1 for CLT-4S/PR-1, Schedule K-1 for FID-3

- ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field
- ✓ Three (3) variable data test samples

Vouchers – IT, SB, PR, CT, FID, DER, MW-1

- ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field
- ✓ Three (3) variable data test samples for each voucher type
- ✓ The MT Department of Revenue voucher instructions must be printed on the vouchers' top portion. If the instructions are not printed at the top of the voucher, the submission will be rejected.
- ✓ The cut line is located between grid rows 42 and 43

Supplemental Barcoded Forms: ETM, MHPE, MT-R, PT-AGR

- ✓ One full field sample of all pages. Populate variable data fields with X's or 9's in every field.
- ✓ Three (3) variable data test samples
- ✓ Do not alter the MT DOR bar code on form MHPE

DO NOT SUBMIT THE FOLLOWING SUPPLEMENTAL NON-BARCODED FORMS.
APPROVAL IS NOT REQUIRED.
A gridded version is provided to help vendors with data placement.

2441-M, AEPC, AFCR, BBSC, CC, CIT-UT, DCAC, ECC, ELC, ENRG –A, ENRG –B, ENRG –C, ESA, EST- I, ESW-I, EXPT, FRM, FTB, HI, IUFC, MINE-CERT, MINE-CRED, NEXUS, QEC, RCYL, RDF-CT, VT

3.3 Process After a Form is Submitted for Approval *

The entire form packet will be reviewed for the following:

- Submission includes 1 full field sample and 3 variable data samples, with all pages of form (Exception: Vendor indicated they don't support certain form pages). If all pages are not included, the form will be rejected
- Tax Year is correct
- Targets are solid black and placed correctly
- Font type is Courier or Courier New
- Font size is 10 pt. (Exception: Vendor can only reproduce 12 pt.)
- Barcode is printed correctly, has the correct vendor ID for the last two digits (or XX for vendors using MT official forms), scans correctly, and there's at least ¼ inch whitespace on all sides
- MT Vendor ID and date are on each page
- The Vendor ID and date are printed near the bottom left or right target, on each page of the form
- All variable data is within the proper grid alignment. How the forms perform in our scanning system on a field by field basis.

*** **Note:** Spelling and grammar will not be reviewed by the MT DOR***

Once the form packet is reviewed, you will receive an email notification identifying whether or not the form is approved or rejected. If rejected, the department will explain on a PDF form mark-up how the form needs to be changed. Resubmission of <u>all</u> pages – even if all pages were not rejected – is required.

3.4 Resubmission Requirements *

Resubmissions follow the same requirements as initial submissions. **<u>All</u>** pages of the form must be re-submitted, even if there was no change to certain pages. See Section 3.2 "Submission Requirements".

4. 1D Barcode Specifications

The MT Department of Revenue requires the following specifications for producing barcodes:

- 39 Format (3 of 9)
- Wide to narrow ratio of 3:1
- Barcode size must be 24 pt.
- The white area around barcodes must be at least ¼ inch on ALL sides of the barcode. If barcode is located on the bottom of the page, a ½ inch margin is required below barcode.
- Location has been identified on each form and page. See document for exact placement.
- Alpha characters must be upper case.
- If barcodes are unreadable after printing submitted PDF files, paper copies may be requested in lieu of PDFs.
- Reprint the barcode in Courier or Courier New font, 10 pt., below the 1D barcode. This can be within the ¼ inch margin white space, but cannot be touching the 1D.

17EP01XX

- The barcode should contain 10 characters as follows. Reference PDF documents for the specific barcode for each form and page. **<u>DO NOT</u>** alter the first 6 characters of the barcode.

Digit placement	Description
1	Start = *
2 – 3	Year
4– 5	Form ID (See barcode on document)
6 – 7	Page # (2 digits see barcode on document)
8 – 9	→If 01 is printed on the Final form, use 01 and print your MT Vendor Id near the bottom right target →If XX is printed on the Final form, replace the XX with your MT Vendor Id in the barcode Examples shown below.
10	End = *

- **<u>DO NOT</u>** edit barcodes ending in 01

17EP0101

- Primary vendors creating substitute forms: Leave the first 6 characters as they are and replace XX with your MT Vendor ID

17EP01XX

- **<u>Barcode Characters:</u> <u>DO NOT</u>** alter or change the first 6 characters of the barcodes on any form. The only part of the barcode that can be altered is the last two characters. Payment voucher barcodes all begin with 13, the MT-R form begins with 14, and, the MW-3 and the PT-AGR forms begin with 16. All other barcoded forms begin with 18.

- **QR Code Specifications**

The <u>https://tap.dor.mt.gov</u> QR code is .75 x .75 .jpg image located under the "Quickly pay for e-filed or paper filed returns" header. It is located approximately 2.2 inches from left margin and corresponding vertical grid space 27-28. The left margin measurement begins on vertical grid space 5.

- **<u>Primary Vendor - Re-creating & Submitting Substitute Forms:</u>**
  - If a barcode ends with XX, replace the XX with your MT Vendor ID.
    - ✓ If your forms are not used by secondary software vendors, print your MT Vendor ID, and the date the <u>page</u> was last edited or published, near the bottom left or right target.
    - ✓ If you release your forms to secondary vendors, **<u>DO NOT</u>** print your MT Vendor ID and the date at the bottom of each page, because the secondary vendor is responsible for printing their MT Vendor ID and the date.
- **<u>Secondary Vendor – Using & Submitting Primary Vendor Substitute Forms:</u>**
  - If the barcode ends with XX on the primary vendor's form, the primary vendor will replace the XX with their

MT Vendor ID. Leave the barcode as is and **DO NOT** alter it.

- ✓ Print your MT Vendor ID near the bottom left or right target, so we can identify you as a secondary vendor.
- ✓ Print the date the page was last edited or published, near the bottom left or right target.

- **Primary or Secondary Vendors - Using MT's official gridded forms:**
  - If the barcode ends with XX, leave the barcode as is and **DO NOT** alter it.
    - ✓ Print your MT Vendor ID and the date the page was last edited or published, near the bottom left or right target.

5. Formatting Requirements *

Specific formats are required on all substitute tax forms due to the conditions set forth by our scanning and data entry software. Submissions will be rejected if formatting and spacing requirements are not met.

5.1 Targets

- Each page of barcoded forms must have three targets, following the specifications below. The targets must be the same size and placed exactly as they appear on the original form.
- Square Shape, Size = 1p3 X 1p3
- There will be a total of three targets on each form, with two of those targets placed at the bottom of each form page. There are instances where the two bottom targets are located mid-page. These are exceptions to the rule and may be moved to look like the official form.
- Location of each target is defined on the grid
  - ✓ Top-left **or** top-right
  - ✓ Bottom-left
  - ✓ Bottom-right
- Targets must be solid black
- Match the margins according to the final forms; some are 1/2 inch and some are 3/8 inch.
- Clearance of 1/2 inch is not always attainable around each target.

5.2 Grid & Spacing Between Entry Lines

- ***Grid:***
  - 6 x 10 character
  - 6 rows per vertical inch (pica spacing)
  - 10 characters or columns per horizontal inch (10-pitch spacing)
  - All grids should be printed on 8 ½ x 11 paper. **When printing make sure the "shrink to fit" option is not selected and page scaling is set to "none".**
  - First vertical printable line: Column 6
  - Last vertical printable line: Column 80
  - First horizontal printable line: Row 4
  - Last horizontal printable line: Row 64
  - Data fields must comply with the grid spaces allocated. Each form is provided with a grid overlay.
  - Barcode must comply with the grid spaces allocated. **DO NOT** stretch or minimize the size of the barcode.
- ***Spacing:***
  - **Main tax forms and payment vouchers**: Fields and spacing are defined on a grid. See documents.
  - **Supplemental barcoded forms**: Fields and spacing are defined on a grid.
  - **Non-barcoded forms:** Must appear similar to the original form; be neatly organized and easy to read. **DO NOT** submit non-barcoded forms. Approval is not required. A grid is provided to help vendors with data placement.

5.3 Font Type & Size *

- **Variable Data**: We ask that all variable data fields have a **10pt** font size. If this isn't an option for the vendor, 12pt font size is acceptable. All variable data fields must use Courier or Courier New font type. Use only upper case letters.
- **Static Data** (form text): Discretion of developer, but must appear similar to original form, be neatly organized and easy to read. Recommended sizes are between 6-14 pt. Be sure static text lines don't interfere or overlap with variable data fields. Adjust the static text font size if needed.
- Ensure that end-users cannot change the font size of the data they enter on the forms.

5.4 Margin Requirements

There must be a ½ inch margin on all sides of each page of each scanned form.

5.5 Paper Size *

Reproduced or substitute forms must be the same size as the MT official forms and should be printed on 8 1/2 inch x 11 inch paper.

5.6 Grade & Color of Paper *

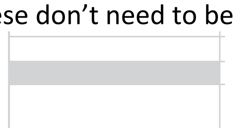
White, unlined paper. Recommended weight = 20 # (pound) paper.

5.7 Ink Color *

Static data, as well as variable data and text, should be printed in black ink.

5.8 Shading & Unique Logos

Many areas of the original forms (other than variable data boxes) contain grayscale shading and unique logos. These don't need to be replicated.



MONTANA e-file | File online at revenue.mt.gov

5.9 Printing Requirements *

- Software must inform taxpayer to:
  - ✓ Send the original printed form, not a photocopy, for processing. Photocopied tax forms will not be accepted by the department.
  - ✓ Use black ink only and indicate their ink cartridge should be capable of producing a solid image.
- Some printers may distort PDF files. To prevent printing problems, print settings should have "Actual Size" and "Portrait" checked. If possible, lock the print setting & do not allow user to change.
- Taxpayer should not be able to change font style or font size.
- Printed forms must not contain any vendor watermarks.
- Suggest to end users they print forms using Adobe.
- The MT Department of Revenue voucher instructions are required to be printed on the vouchers' top portion.
- To assist the Department in quickly processing paper tax forms, print the documents in order as detailed below. If your software has limitations & you are not able to follow this request, let us know. Approval is not contingent upon this request. Only print the documents marked with * if they are applicable to the client.

<u>Preferred form pages printing order (first to last printed pages)</u>

<u>Form 2</u>

1. **Voucher*
2. Page 1
3. **Additional Dependents*
4. **Page 2-9*
5. **Supplemental forms*

<u>DER-1</u>

1. **Voucher*
2. Page 1
3. Page 2
4. Page 3
5. **Supplemental Forms*

<u>MW-3</u>

1. **Voucher*
2. Page 1
3. **Page 2*
4. **Additional Page 2 info*

<u>CIT</u>

1. **Voucher*
2. Page 1
3. Page 2
4. Page 3
5. Page 4
6. **Page 5 - Schedule K*
7. **Pages 6 thru 8 - Schedule M*
8. **Page 9 - Tax Credits*
9. **Page 10 thru 12 – Schedule K-Combined*
10. **Page 13 & 14 – Schedule NOL*
11. **Page 15 – Schedule WE*

<u>CLT-4S and PR-1</u>

1. **Voucher*
2. Page 1
3. Page 2
4. **Page 3*
5. **Page 4*
6. **Page 5*
7. **Additional Page 5 info*
8. **Page 6*
9. **MT K-1(s)*
10. **Supplemental Forms*

<u>FID-3</u>

1. **Voucher*
2. Page 1
3. Page 2
4. Page 3
5. **Page 4*
6. **Page 5*
7. **Additional Page 5*
8. **Page 6*
9. **Page 7*
10. **Page 8*
11. **MT K-1s*
12. **Supplemental Forms*

5.10 Vendor Identification *

Your MT Vendor ID is emailed to you in your registration confirmation.

- Even though the barcode on forms may contain your MT Vendor ID, all forms <u>must</u> have your MT Vendor ID and date, printed near the bottom left or right target on each page of the form. <u>Exception</u> – Secondary Vendors. See Section 4
    - Update 10/2: For the MT Form 2, Form CIT, and Form PR-1, the vendor Identification and version date may be placed in the "For Office Use Only" section at the bottom of the form in 12pt or smaller font.
- Preferred date format is MMDDYYYY but other formats for Section 5.10 only are acceptable & no approval is required.

- If a form requires revisions after you print the initial form development date, only edit the date on the particular page that is revised. If you can only edit the date across all form pages, this is acceptable.
- Only edit the date when revising barcode, variable data placement or targets. Editing static text does not require the date to be edited, because it does not affect processing the return.

5.11 Department Use Only Boxes

The dimensions, configuration, and placement of the "For Department Use Only" boxes on some forms must be the same as the MT official forms.

5.12 Reporting Additional Information *

Free formatted repeating pages with additional information <u>are not</u> accepted. If the official forms don't provide enough space to encompass all data provided by the taxpayer, replicate that particular page as many times as needed.

<u>Exception: Form 2</u> - To report 4 or more dependents, you will have to create a document <u>exactly</u> as shown below.

- Column headers must be in this order:
  - ✓ First Name
  - ✓ Last Name
  - ✓ Social Security Number
  - ✓ Relationship
  - ✓ Disabled Checkbox Indicator
- Include up to a maximum of 12 lines
- Font size must be 10 pt. Courier or Courier New. If 10pt isn't an option for the vendor, 12pt font size is acceptable
- Do not include a barcode

Example: Form 2 Additional Dependent Reporting

	First Name	Last Name	SSN	Relationship	Disabled
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					

- <u>Form FID-3</u>
  - ✓ To report more than ten beneficiaries repeat Schedule D page 5, as many times as needed to include all beneficiaries. The page 5 barcode will remain the same on all page 5s.
- <u>Form PR-1</u>
  - ✓ To report more than ten participating partners for Schedule IV page 5, repeat page 5 as many times as needed to include all information. The page 5 barcode will remain the same on all page 5s.

➤ Form CLT-4S
- ✓ To report more than ten participating shareholders for Schedule IV page 5, repeat page 5 as many times as needed to include all information. The page 5 barcode will remain the same on all page 5s.

➤ Form DER-1
- ✓ There can only be a maximum of two owners on page 3. No repeating page needed.

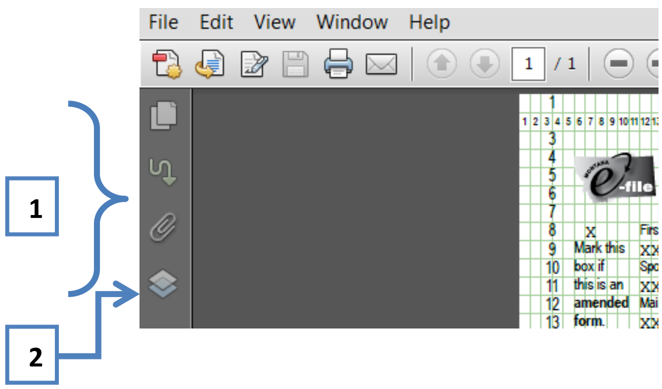
➤ Form MW-3
- ✓ To report more than 12 withholding payments, repeat page 2 as many times as needed. There must be no more than 24 payment lines per page 2. The page 2 barcode will remain the same on all page 2s. DO NOT repeat page 1.

5.13 Viewing Layers in Adobe

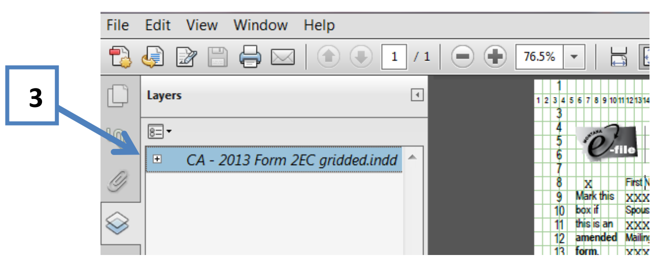
Information is stored on different layers of the MT Tax PDF forms. You can examine the layers, and show or hide the content associated with each layer. Items on locked layers cannot be hidden.

1. The Navigation Pane and Buttons on the left side of the screen must be present for you to view layers. If the buttons are not visible, right click on the image & select "Show Navigation Pane Buttons".

2. Select the Layers button. If not shown, right click on the Navigation bar & select the Layer option to display it.

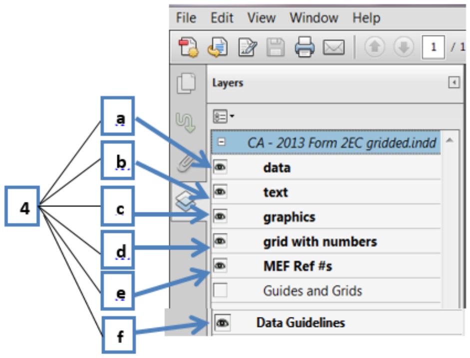


3. Select the + button next to the form name



4. You may now select which layers you want visible by selecting the "eye" next to the applicable layer.
   a. The Data layer contains the X's and information that we will be capturing off the return.
   b. The Text layer contains line information, barcode, targets & hard coded zeroes.
   c. The Graphics layer contains graphics that are optional for you to reproduce.
   d. The Grid with Numbers layer will remove the green grid & numbers.
   e. The MeF Ref #'s ties back to the MeF specs & schemas. This layer does not get reproduced on substitute paper forms, but can be referenced when developing the software product.
   f. **BACK FOR ANOTHER YEAR:** The layer consisting of box templates, titled **"Test templates"**, has once again been added to the substitute form templates, and provides the vendor with detail as to where the variable data should

be placed. In general, if data falls outside of the box the submission will be rejected.



6. Form Line Entry Requirements *

6.1 Name, SSN/FEIN/PTIN, Address & Phone Information Requirements *

- Use upper case letters in ALL fields that contain alpha entries. **DO NOT** use periods, commas or special characters (with the exception of a hyphen in the name field). See Section 6.4 for special characters
- **DO NOT** stack names on top of each other in one entry box.
- Social Security Numbers, FEINs/PTINs must be formatted with no spaces or dashes. **DO NOT** mask or encrypt IDs.
  - ✓ SSN: 999999999 FEIN: 888888888 PTIN: P77777777
- Zip codes can be just 5 digits. If the zip extension is used, **DO NOT** include a dash or spaces
  - ✓ Example: 12345 or 123456789
- Phone Number should be formatted as 999 999 9999, with spaces only. **DO NOT** use parentheses or dashes.
- Address must contain the taxpayer current mailing address. If an address has changed, the Change Address box should be checked. **DO NOT allow the software user to enter an "In Care Of" address or characters. e.g. %, C/O, CO as the first characters of an address field. Returns with "In Care Of" cannot be processed by our system** and will be rejected.

6.2 Amount Entry Field Requirements *

- **DO NOT** use or allow commas in amount fields.
- Negative numbers must be indicated by a hyphen "- ", before the amount. **DO NOT** use parentheses or brackets as negative indicators.
- **DO NOT** replicate the % sign at the end of a percentage amount within the data field.
- Preprinted zeroes are required on any field with any amount >0.00 where penny data fields are not provided.
- Forms are formatted with a space between the dollar amount and the cents amount with the exception of where space is limited.
- Use whole numbers only (except Form MW-3 and MW-1 voucher. See *****Additional Amount Entry Field Requirements***** below.)
- All amounts filled in on forms and vouchers (except Form MW-3 and MW-1 voucher) should be rounded to the nearest dollar. Drop amounts under 50¢ and increase amounts that are 50¢ or more to the next dollar.
  - ✓ Rounding Example: $203.49 becomes $203.00
$203.51 becomes $204.00
- Use a blank space to separate the dollars and cents.
  - ✓ Example: $125.00 becomes 125 00
- **DO NOT** use dollar or cent symbols, commas or decimals, in dollar amount fields.
  - ✓ Example: $2,033.00 becomes 2033 00

Payment vouchers

- Dollar amounts should be rounded to the nearest dollar.

- Populate cents with 00
- Use a blank space to separate the dollars and cents.
  - ✓ Example: $125.00 becomes 125 00
- **DO NOT** use dollar or cent symbols, commas or decimals, in dollar amount fields.
  - ✓ Example: $2,033.00 becomes 2033 00

***** Additional Amount Entry Field Requirements*****

MW-3 form and MW-1 voucher

- **DO NOT** round the dollar amounts on the MW-3 form and MW-1 voucher.
- **DO NOT** use dollar or cent symbols, commas or decimals, in dollar amount fields.
  - ✓ Example: $203.39 becomes 203 39

6.3 Date Entry Formatting Requirements *

- All date entry formats must be MMDDYYYY
- Do not use slashes, dashes or spaces in the date
- Correct Format: 01012018
- Incorrect Formats: 01/01/2018 and 01-01-2018 and 01 01 2018

6.4 Special Characters *

- Special characters are not allowed in any variable data field on the form, **except** a hyphen in the name and address field, or a hyphen indicating a negative number. Special characters include:

,	#	$	¢	%	( )	/	.	-
Comma, number sign, dollar sign, cent sign, percentage, brackets, slashes, decimal, and hyphen (with the exception of a hyphen in the name and address field, or a hyphen indicating a negative number)								

6.5 Form Instructions *

- Vendors must provide and include Montana tax form instructions in their software, for their clients. **DO NOT** submit instructions to the department for approval.

7. Voucher Tax Form Specifications *

The MT Department of Revenue voucher instructions are required to be printed on the vouchers' top portion. Submissions without the instructions will be rejected.

7.1 Guidelines *

- Voucher submissions follow the same guidelines as all other bar-coded forms.
- Test Submissions – Section 3.1 and 3.2
- Approval Process – Section 3.3
- Barcode Specs – Section 4
- Formatting Requirements – Section 5
- Form Line Entry Requirements – Section 6
- Submissions must have – Barcode, targets, document header, text fields and data
- Cut line on payment vouchers is located between rows 42 and 43.

Important:

- **<u>DO NOT</u>** alter the size of vouchers
- **<u>DO NOT</u>** print the due date in the period ending date field. This causes payments to stop for manual review.
- IT, CT, SB, PR, DER –Annual filers use the last day of the year, and fiscal filers use the last day of the fiscal year, i.e.; the last day of the month the fiscal year ends in
- MW-1 – accelerated filers use the payroll pay date, monthly filers use the last day of the month, annual filers use the last day of the year.
- Vouchers are not interchangeable between forms.

MW-1 voucher corresponds with MW-3	SB voucher corresponds with form CLT-4S
IT voucher corresponds with Form 2 and 2EZ	PR voucher corresponds with form PR-1
CT voucher corresponds with form CIT	DER voucher corresponds with form DER-1
FID voucher corresponds with form FID-3	

7.2 Grid Coordinates & Layers

See voucher template for layout of each voucher.

8. Checklist for Submitting Substitute Forms

- ☐ Submissions include:
  - one full field sample
  - three variable data samples
  - all pages of the form
  - list of any pages of the form that aren't supported
  - only one tax type per submission – Examples: **<u>DO NOT</u>** submit a Form 2 and a 2EZ together in the same email, or a PR-1 and CLT-4S together, etc.
- ☐ Targets are solid black and placed correctly
- ☐ Correct Tax Year is printed on each tax form
- ☐ Font size is 10 pt. (Can be 12 pt. if vendor can't use 10 pt.)
- ☐ Font type is Courier or Courier New
- ☐ Formatting is correct and special characters are not placed within SSNs/FEINs, zip codes, dates, percentage fields and dollar amount fields
- ☐ SSNs/FEINs are not masked
- ☐ All fields have correct data placement
- ☐ There is a ½ inch margin on all sides of each page
- ☐ Your MT Vendor ID and date the page was last updated, are printed on <u>each</u> form page (near bottom left or right target)
- ☐ Barcode is printed and scans correctly. There is at least ¼ inch whitespace on all sides
- ☐ Form has been pre-tested with "box template" validation

Addendum 1 – Test Template "Box" Validation Procedures

Prior to submitting tax forms for review, the department requires all vendors to test their forms using our "box" test template layers. The test template layers will be made available on the State Exchange System (SES); to test your forms, you will apply the template as a layer over your form to ensure the barcode, data fields, and targets on your tax form are aligned correctly. Data element characters must fall within the target area shown by the boxes on the test templates. If your form's data elements are not completely within the boxes on the template, you will need to make the necessary corrections prior to submission. Please note, not all data fields will be included in the box template layers.

For your convenience, we have provided instructions below on how to import a layer using Adobe. If you have questions regarding template layer testing, please email us at MTDORsubstituteforms@mt.gov.

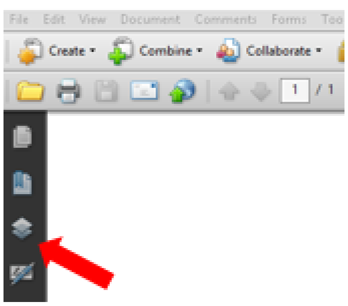
Importing a layer in Adobe Acrobat Pro 9

(instructions may vary based on version of Adobe)

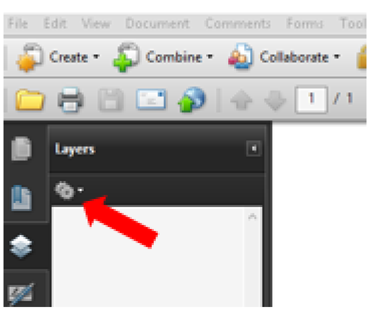
1. Save a copy of the test template for the tax form you're testing to your computer

2. Open your tax form file you're testing in Adobe Acrobat Pro 9

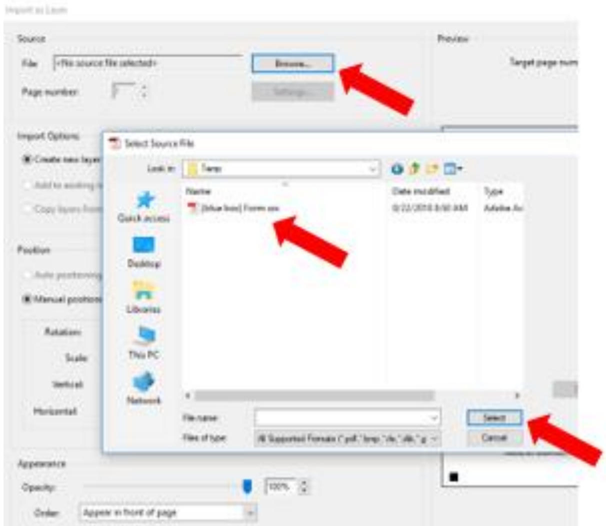
3. Left-click the "layers" icon on the left side bar to open the Layers side bar



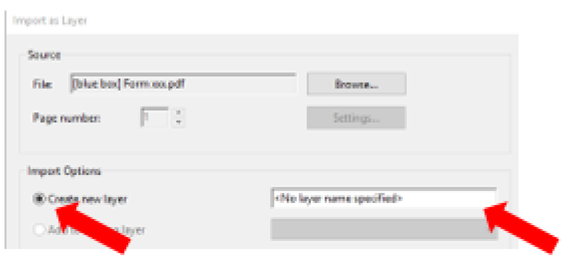
4. Click on the "Options" icon in the Layers side bar to open the submenu and select "Import as layer…" to open the Import as Layer box



5. In the Import as Layer box, click on the Browse button, navigate to your saved box template, and click “Select”

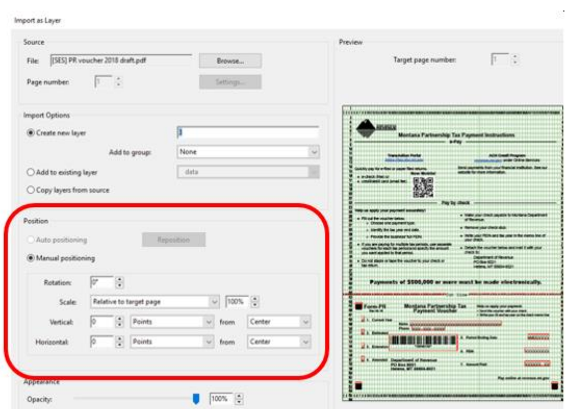


6. In the Import as Layer box, select “Create new layer” in the Import Options menu and input a name for your layer.



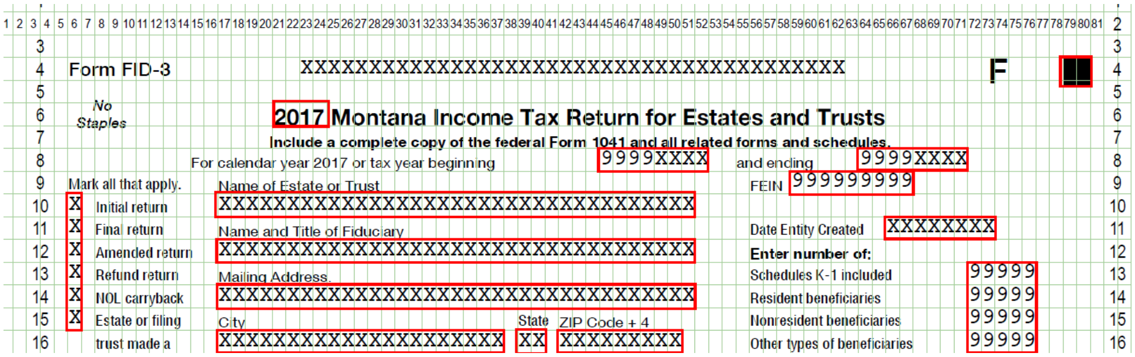
7. **If the three square reference boxes on the test template do not align with the reference boxes on your form, you may have to adjust the layer using the vertical and horizontal Manual Positioning until all three targets are aligned correctly.**

Misaligned target boxes



Manual positioning options

8. In the Import as Layer box, select “OK” in the bottom right. You should now see the box template and grid overlaid on your test form.



9. Data element characters must fall within the target area shown by the boxes on the test templates.

10. Remove any test template layers prior to sending your forms to MT DOR.