LETTER OF INTENT

Photo credit:
ND Tourism

2022 Tax Year
2023 Processing Year

OCTOBER 2022

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2022 TAX SOFTWARE PROVIDER LETTER OF INTENT

OFFICE OF STATE TAX COMMISSIONER

SFN 28253 (9/2022)

Welcome to the Income Tax Letter of Intent (LOI). If your software company intends to submit electronic and/or paper returns to the North Dakota Office of State Tax Commissioner, you will need to complete this form and submit it to **taxmef@nd.gov**.

By submitting this LOI to the North Dakota Office of State Tax Commissioner, 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 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: If you are a new Software Provider who has not filed city/state income tax returns with any city or state agencies, you must have passed assurance testing with the IRS. Attach documentation from the IRS demonstrating you have successfully tested with the IRS.

Important dates

The North Dakota Office of State Tax Commissioner 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:

- Complete and submit this LOI by October 15, 2022.
- Assurance testing (ATS) begins on the same day as IRS testing.
- Last day we will accept initial e-file and paper tests: 12/31/2022.
- ATS tests must be completed and approved by: 1/13/2023.

Amended Letter of Intent

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

Reason for amendment:

Company information

List your company information.

Name of Company	Product Name	
DBA Name	NACTP Vendor ID	
Address	Product Address/URL	Company FEIN
City	State	ZIP Code
List your other product names using the same calculation engines here:		

IRS issued electronic identification numbers

List your IRS electronic identification numbers.

Test EFIN(s)	Test ETIN(s)
Production EFIN(s)	Production ETIN(s)

Contact information

List the contact information for each area identified.

Regulatory/Compliance Contact	Phone	Email Address
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
Secondary Leads Reporting Contact	Phone	Email Address

Substitute forms registration

Complete this section only if your product will provide substitute forms.

Agency Substitute Forms Software Number		
Primary Individual Forms Contact	Phone	Email Address
Secondary Individual Forms Contact	Phone	Email Address
Primary Business Forms Contact	Phone	Email Address
Secondary Business Forms Contact	Phone	Email Address
Note: If you have separate contacts for each business tax type, please list them by tax type on a separate sheet and attach it to this submission.		

Software products and tax types supported

Check all that apply.

Type of Software Product Supported	
DIY/Consumer (Web-Based)	☐
DIY/Consumer (Desktop)	☐
Professional/Paid Preparer (Web-Based)	☐
Professional/Paid Preparer (Desktop)	☐

Tax Types Supported		
Individual Income Tax	☐ Substituted Forms	☐ E-File
Estate/Trust/Fiduciary Tax	☐ Substituted Forms	☐ E-File
Partnership Tax	☐ Substituted Forms	☐ E-File
Corporation	☐ Substituted Forms	☐ E-File
S-Corporation Return	☐ Substituted Forms	☐ E-File

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 the rebranded products below.

Use one of the following class codes for each product:

- **Class Code 1:** Software products sold/licensed to a third-party user and the third-party user can add their own logos and/or splash screens, but they cannot modify calculations in the program.
- **Class Code 2:** Software products sold/licensed to a third-party user and the third-party user can modify calculations in the program.

Rebranded Product Name	Class Code	ETIN (if applicable)	Contact Person	Phone	Email Address
Rebranded Product Name	Class Code	ETIN (if applicable)	Contact Person	Phone	Email Address
Rebranded Product Name	Class Code	ETIN (if applicable)	Contact Person	Phone	Email Address
Rebranded Product Name	Class Code	ETIN (if applicable)	Contact Person	Phone	Email Address
Rebranded Product Name	Class Code	ETIN (if applicable)	Contact Person	Phone	Email Address
Rebranded Product Name	Class Code	ETIN (if applicable)	Contact Person	Phone	Email Address

Attach additional sheets if needed.

For Rebranded Products, the North Dakota Office of State Tax Commissioner has the following requirements for substitute forms and/or efile ATS approval.

- Rebranded Products with class code 2 are required to complete the full e-file ATS/substitute form approval process.
- Rebranded Products with class code 1 are not required to complete e-file ATS/substitute form approval.

Note: North Dakota requires completion of a full set of substitute form/ATS testing submissions for each software product submitting a separate LOI under a unique NACTP Software ID.

E-file mandates or requirements

Starting with TY2022, North Dakota House Bill 1082 requires all passthrough entities (fiduciaries, partnerships, and S corporations) with 10 or more owners to file and pay electronically. This requirement applies to both original and amended returns.

The following forms must be supported by your software to be approved for e-filing with North Dakota - also noted in table below.

Individual Income Tax: ND Schedule K-1 Received, Schedule ND-1UT (calculation), Form W-2, Form 1099-MISC.

Fiduciary Income Tax: Schedule BI, ND Schedule K-1, ND Schedule K-1 Received, Form W-2, Form 1099-MISC.

Partnership Income Tax: Schedule KP, ND Schedule K-1, ND Schedule K-1 Received, Form 1099-MISC.

S-Corporation Income Tax: Schedule KS, ND Schedule K-1, ND Schedule K-1 Received, Form 1099-MISC.

Corporate Income Tax: Form 1099-MISC.

Forms and schedules supported by tax type (check all that apply)

Check the boxes of the forms and schedules your company supports.

Forms and schedules	Substitute Forms	E-File
Individual income tax		
ND Schedule K-1 received (SchNDK1Received.xsd) (Quantity _________)	☐	■
Schedule ME	☐	☐
Schedule ND-1CR (Quantity _________)	☐	☐
Schedule ND-1FA	☐	☐
Schedule ND-1FC	☐	☐
Schedule ND-1NR	☐	☐
Schedule ND-1PG	☐	☐
Schedule ND-1PSC	☐	☐
Schedule ND-1SA	☐	☐
Schedule ND-1TC	☐	☐
Schedule ND-1QEC	☐	☐
Schedule ND-1UT	☐	■
Schedule RZ	☐	☐
ACH Debit	☐	☐
ACH Debit Estimated Payments	☐	☐
Form W-2	☐	■
Form W-2G	☐	☐
Form 1099B	☐	☐
Form 1099R	☐	☐
Form 1099DIV	☐	☐
Form 1099G	☐	☐
Form 1099INT	☐	☐
Form 1099MISC	☐	■
Form 1099NEC	☐	☐
Form 1099OID	☐	☐
Capital Gain Worksheet	☐	☐
Deceased Taxpayers	☐	☐
Direct Deposit	☐	☐
Foreign Addresses	☐	☐
Marriage Penalty Credit Worksheet	☐	☐
MN/MT Reciprocity	☐	☐
PDF Attachments	☐	☐
Amended Return: General	☐	☐
Amended Return: Federal NOL	☐	☐
Nonresident Alien Returns	☐	☐

Forms and schedules	Substitute Forms	E-File
Estate/Trust/Fiduciary Tax		
ND Schedule K-1 (SchNDK1.xsd) (Quantity _________)	☐	■
ND Schedule K-1 received (SchNDK1Received.xsd) (Quantity _________)	☐	■
Schedule 38-UT	☐	☐
Schedule BI (Quantity _________)	☐	■
Schedule CR (Quantity _________)	☐	☐
Schedule RZ	☐	☐
ACH Debit	☐	☐
ACH Debit Estimated Payments	☐	☐
Form W-2	☐	■
Form W-2G	☐	☐
Form 1099B	☐	☐
Form 1099DIV	☐	☐
Form 1099G	☐	☐
Form 1099INT	☐	☐
Form 1099MISC	☐	■
Form 1099NEC	☐	☐
Form 1099OID	☐	☐
Form 1099R	☐	☐
Foreign Address	☐	☐
Direct Deposit	☐	☐
PDF Attachments	☐	☐
Amended Returns	☐	☐
Partnership Tax		
ND Schedule K-1 (SchNDK1.xsd) (Quantity _________)	☐	■
ND Schedule K-1 received (SchNDK1Received.xsd (Quantity _________)	☐	■
Schedule KP (Quantity _________)	☐	■
Schedule RZ	☐	☐
Form 1099MISC	☐	■
Form 1099NEC	☐	☐
ACH Debit	☐	☐
ACH Debit Estimated Payments	☐	☐
Direct Deposit	☐	☐
Foreign Address	☐	☐
PDF Attachments	☐	☐
Amended Returns	☐	☐

Forms and schedules	Substitute Forms	E-File
Corporate Income Tax		
Schedule CR (required if supporting Filing Methods b1 and c1.) (Quantity of CR's ___________)	☐	☐
Schedule RZ	☐	☐
ACH Debit	☐	☐
ACH Debit Estimated Payments	☐	☐
Form 1099MISC	☐	■
Direct Deposit	☐	☐
Foreign Address	☐	☐
PDF Attachments	☐	☐
Filing Methods Supported (Check all that apply)		
a. Single Corp Entity	☐	☐
b. Combined Report Method	☐	☐
b1. Combined Report Method Consolidated Return	☐	☐
c. Water's Edge Method	☐	☐
c1. Water's Edge Method Consolidated Return	☐	☐
d. Other	☐	☐
S-Corporation Tax		
Schedule ND K-1 (SchNDK1.xsd) (Quantity _________)	☐	■
Schedule ND K-1 received (SchNDK1Received.xsd) (Quantity __________)	☐	■
Schedule KS (Quantity ___________)	☐	■
Schedule RZ	☐	☐
Form 1099MISC	☐	■
Form 1099NEC	☐	☐
ACH Debit	☐	☐
ACH Debit Estimated Payments	☐	☐
Direct Deposit	☐	☐
Foreign Address	☐	☐
PDF Attachments	☐	☐
Amended Returns	☐	☐

Instructions for MeF Testing

1. Once you have been granted access to the schemas via the State exchange system (Kiteworks) you may begin transmitting your test results. An email containing your company name, software product name, NACTP software ID, and North Dakota test submission IDs should also be sent to **taxmef@nd.gov** each time test submissions are transmitted for our review. For tracking purposes, include the company/software name and tax type in the "subject" line of your email.
2. We require the NACTP number assigned to your software to be used as the software ID in all test and live submissions. Any other number in the software ID field will cause your submission to be rejected.
3. We will correspond with you by email concerning any errors. When you complete your testing and have been approved, you will receive an email stating your software has passed for the year being tested. Note: In order to E-file prior years' returns through MeF, your software must pass such prior year's testing.
4. Please remember to update your software for the legislative changes. The Legislative Update can be found on the North Dakota Office of State Tax Commissioner's website at **www.tax.nd.gov**.
5. Your software should clearly state which forms/filing scenarios are supported. This information will also be required for posting on our website.

Electronic amended returns

North Dakota Office of State Tax Commissioner requests you support electronic amended returns for those available through MeF. Starting for TY2022 you are required to support electronic amended returns for passthrough entities having more than 10 owners.

Software limitations

List any software limitations to forms or schedules you support.

Agency requirements

This section identifies agency requirements and expectations of new and existing Software Providers and the software product.

Issue notification and resolution requirements
This section represents the North Dakota Office of State Tax Commissioner issue notification and issue resolution standards.

Notify the agency if any forms and/or payments you support are not ready when your software is available for use. Submit this information via email to **taxmef@nd.gov**.

Data breaches, security incidents, or other improper disclosures of taxpayer data that by law require reporting to the North Dakota Attorney General's Office must also be reported to the North Dakota Office of State Tax Commissioner.

Any issue found after ATS testing should be communicated to the Office of State Tax Commissioner via **taxmef@nd.gov**, providing the product name, a summary of the issue, number of taxpayers affected, and the expected resolution date.

Production return submission requirements
All returns generated from this software must be e-filed or printed from the approved software or a subsequent product update.

Product updates
Desktop product users who attempt to file 10 or more business days after a production release, must be required to download and apply the product update.

Schemas
Your software must follow the schema requirements. Find North Dakota Office of State Tax Commissioner schema information and requirements at:

- FTA State Exchange System (SES) - Schemas, Business Rules, MeF Specifications, ATS Test Scenarios
- Substitute Forms - **www.tax.nd.gov/developer**

System security requirements
The North Dakota Office of State Tax Commissioner does not prescribe 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.

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

Validation of data elements
You software must validate the following pre-populated data elements:

- Social Security Number(s)/FEIN
- Current mailing address
- State withholding IDs
- State driver’s license information
- Bank account information

Customer notices

This section identifies information North Dakota Office of State Tax Commissioner is requiring the software providers to communicate with customers.

Disclosure and use of information language expectations
You must include the following consent language with electronic filing software.

For Do-It-Yourself software:
By using a computer system and software to prepare and file my tax return(s) electronically, I consent to the transmission of my tax return(s) and to the disclosure of all information about my use of the system and software to the North Dakota Office of State Tax Commissioner.

For Tax Professional software:
By using a computer system and software to prepare and file my client's return(s), I consent to the transmission of my client's return(s) and to the disclosure of all information about my use of the system and software to the North Dakota Office of State Tax Commissioner.

For Business software:
By using a computer system and software to prepare and file this business tax return(s), I consent to the transmission of the return(s) and to the disclosure of all information about the use of the system and software to the North Dakota Office of State Tax Commissioner.

Driver's license/ID card expectations for income tax
North Dakota Office of State Tax Commissioner is providing the following expectations and information:

North Dakota Office of State Tax Commissioner requests the DL/ID card be included with the return but won't reject the return if it's not included.

While not required, including the DL/ID card information with the return can help to reduce fraud and ID theft. North Dakota Office of State Tax Commissioner is providing a URL and/or a statement for fraud/ID theft. All Do It Yourself (DIY) and Tax Professional software packages must include this information in your software. The message is expected to be displayed within the software in a way to maximize the likelihood the message is read.

URL: tax.nd.gov/idtheftandfraud

Statement: If you feel you've been a victim of identity theft, please visit our website for details regarding your specific situation.

Refund expectations
North Dakota Office of State Tax Commissioner is providing a URL and/or a statement for refund processing. All Do It Yourself (DIY) and Tax Professional software packages must include this information in your software. The message is expected to be displayed within the software in a way to maximize the likelihood the message is read.

URL: tax.nd.gov/refund

Statement: Sign up for text or email alerts that provide you updates on the status of your refund! Refund statuses are updated daily. Choose **direct deposit** for the quickest turn-around time.

Taxes due expectations
North Dakota Office of State Tax Commissioner is providing a URL and/or a statement about taxes due, such as due dates and payment methods. All Do It Yourself (DIY) and Tax Professional software packages must include this information in your software. The message is expected to be displayed within the software in a way to maximize the likelihood the message is read.

URL: tax.nd.gov/payment

Statement: It is preferred that payment is submitted along with your electronic return. Doing so allows you to submit your return but schedule the payment to be withdrawn on a date of your choosing, up to the filing deadline. We also have other electronic options available on our website (credit card, electronic check, etc). If you prefer to submit a paper check, please wait until you receive notification that your return was accepted by our office so you can pay the proper amount.

Form ND-1V should accompany your return payment. A prepopulated version of Form ND-1V is available from within your software.

Agency questions

This section represents questions North Dakota Office of State Tax Commissioner has for the software provider about their product.

1. Do you support unlinked North Dakota returns?
   - ☐ Yes
   - ☐ No

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

____

____

3. North Dakota wants to receive Taxes Paid to Other States (TPOS) data when applicable and will provide a cross walk for the software provider when schemes are released.

   Will your company support the TPOS schema for this filing season?

   ☐ Yes

   ☐ No

Acknowledgments and signature

☐ By checking this box, I agree to provide true, accurate, current, and complete information and my company agrees to all the requirements listed in this document.

The North Dakota Office of State Tax Commissioner reserves the right to deny, suspend or terminate my company's ability to submit returns.

Authorized Representative Printed Name	Authorized Representative Email Address
Authorized Representative Telephone Number	Date

Authorized access to the State Exchange System

Access to the State Exchange System should be limited to those with a business need.

Provide information for each employee you are authorizing for access to the State Exchange System. The tax type box should include all the tax types individuals are authorized to access. (IIT, EST, BUS)

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

First and Last Name	Phone Number	Tax Types
	Email Address	
First and Last Name	Phone Number	Tax Types
	Email Address	
First and Last Name	Phone Number	Tax Types
	Email Address	
First and Last Name	Phone Number	Tax Types
	Email Address	
First and Last Name	Phone Number	Tax Types
	Email Address	
First and Last Name	Phone Number	Tax Types
	Email Address	
First and Last Name	Phone Number	Tax Types
	Email Address	