

# Virginia Department of Taxation



## Fiduciary Business Rules

Tax Year 2017



## Appendix A – Fiduciary – Schema Validation Business Rules

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

## Appendix B – Fiduciary – Business Rules

### Form 770

Rule Number	Business Rules
770-005	This is an Internal Business Rule. Will not be published to Vendors
770-010	The Federal Fiduciary Form (federal Form 1041) must exist, except when the Exempt - Charitable Remainder Trust checkbox is populated.
770-020	If the Fiscal Year checkbox is populated, Tax Period Beginning Date and Ending Date are required.
770-025	Tax Period Beginning Date cannot be greater than Tax Period Ending Date.
770-030	When the Nonresident checkbox is marked then Schedule 1, Line 1 (Federal Taxable Income) must equal Schedule 2, Line 8 (Income taxable to fiduciary).
770-040	Form 770, Schedule 1, Line 2FA must equal Schedule 3, Part I, Line 3 (Fixed Date Conformity Additions).
770-050	Form 770, Schedule 1, Line 2FS must equal Schedule 3, Part II, Line 8 (Fixed Date Conformity Subtractions).
770-060	Form 770, Schedule 1, Line 2(a) (Fiduciary Share of Virginia Modifications - net addition) must equal Schedule 3, Part II, Line 12 (Net Virginia Modifications allocated to the fiduciary) if Schedule 3, Part I, Line 5 (Total Additions) is greater than Schedule 3, Part II, Line 10 (Total Subtractions).
770-070	Form 770, Schedule 1, Line 2(b) (Fiduciary Share of Virginia Modifications - net subtraction) must equal Schedule 3, Part II, Line 12 (Net Virginia Modifications allocated to the fiduciary) if Schedule 3, Part I, Line 5 (Total Additions) is less than Schedule 3, Part II, Line 10 (Total Subtractions).
770-080	Form 770, Schedule 1, Line 3 (Virginia Taxable income of fiduciary) must equal either Schedule 1, Line 1 (Federal taxable income of estate or trust) plus Schedule 1, Line 2a (Fiduciary's share of Virginia modifications - Net Addition) or Schedule 1, Line 1 (Federal taxable income of estate or trust) minus Schedule 1, Line 2b (Fiduciary's share of Virginia modifications - Net Subtraction).
770-090	Form 770 Schedule 1, Line 4 (Compute tax on Virginia taxable income) must equal the amount of tax computed using the Tax Rate Schedule for the tax year being filed.
770-100	Form 770, Schedule 1, Line 5(d) (Credit for tax paid to another state) must equal Schedule 4, Line 7(s) (Allowable credit).
770-210	Form 770, Schedule 1, Line 5 (Total payment and credits) must equal the sum of Lines 5(a) through Line 5(m) and 5(oiii) through 5(r).
770-220	If Form 770, Schedule 1, Line 4 (Tax) is greater than Schedule 1, Line 5 (Total payments and credits) then Form 770, Schedule 1, Line 6 (Balance Due) must equal Schedule 1, Line 4 (Tax) minus Schedule 1, Line 5 (Total payments and credits).
770-230	If Form 770, Schedule 1, Line 5 (Total payment and credits) is greater than Schedule 1, Line 4 (Tax) then Form 770 Schedule 1, Line 7 (Overpayment) must equal Schedule 1, Line 5 (Total payments and credits) minus Schedule 1, Line 4 (Tax).
770-240	Form 770 Schedule 1, Line 9 (Amount to be refunded) must equal Line 7 (Overpayment) minus Line 8 (Amount of overpayment to be Credited to estimated taxes).
770-260	Form 770, Schedule 2, Line 3 Column A must equal Schedule 2, Line 1, Column A (Income from sources within Virginia) minus Schedule 2, Line 2, Column A (Federal Deductions).
770-270	Form 770, Schedule 2, Line 3 Column B must equal Schedule 2, Line 1, Column B (Income from sources within Virginia) minus Schedule 2, Line 2, Column B (Federal Deductions).
770-275	Form 770, Schedule 2, Line 8 (Income taxable to fiduciary) must equal Schedule 2, Line 6 (Fiduciary's share of VA source income) minus Schedule 2, Line 7 (Exemption from federal Form 1041).
770-280	Form 770, Schedule 3, Part I, Line 5 (Total Additions) must equal the sum of Schedule 3, Part I, Lines 1 through 4.
770-290	Form 770, Schedule 3, Part II, Line 10 (Total Subtractions) must equal the sum of Schedule 3, Part II, Lines 6 through 9.

**Form 770 (con't)**

<b>Rule Number</b>	<b>Business Rules</b>
<b>770-300</b>	Form 770, Schedule 3, Part II, Line 11 (Net Virginia Modifications) must equal Schedule 3, Part I, Line 5 (Total Additions) minus Schedule 3, Part II, Line 10 (Total Subtractions).
<b>770-370</b>	When the Resident Checkbox is marked then Form 770, Schedule 4, Line 5 (Allowable percentage for credit) must equal Schedule 4, Line 1 (Taxable income reported on the other state's fiduciary income tax return) divided by Schedule 4, Line 2 (Virginia Taxable Income).
<b>770-380</b>	When the Nonresident Checkbox is marked then Form 770, Schedule 4, Line 5 (Allowable percentage for credit) must equal Schedule 4, Line 2 (Virginia Taxable Income) divided by Schedule 4, Line 1 (Taxable income reported on the other state's fiduciary income tax return).
<b>770-390</b>	When the Resident Checkbox is marked then Form 770, Schedule 4, Line 6 (% of Tax) must equal Schedule 4, Line 4 (Virginia Income Tax) times Schedule 4, Line 5 (Allowable percentage for credit).
<b>770-400</b>	When the Nonresident checkbox is marked then Form 770 Schedule 4, Line 6 (% of Tax) must equal Schedule 4, Line 3 (Total income tax paid to another state) times Schedule 4, Line 5 (Allowable percentage for credit).
<b>770-410</b>	When the Resident checkbox is marked then Form 770, Schedule 4, Line 7 (Allowable credit) must be the lesser amount of Schedule 4, Line 3 (Total income tax paid to another state) or Schedule 4, Line 6 (% of Tax).
<b>770-420</b>	When the Nonresident checkbox is marked then Form 770, Schedule 4, Line 7 (Allowable credit) must be the lesser amount of Schedule 4, Line 4 (Virginia Income Tax) or Schedule 4, Line 6 (% of Tax).
<b>770-520</b>	The total Virginia Income tax withheld on Form 770 Line 5a must be equal to or less than the sum of Virginia State Withholdings on Form W-2, Form W-2G, Form 1099-R, Schedule VK-1, Form 1099-G, Form 1099-MISC, Form 1099-INT, Form 1099-DIV, Form 1099-Oid, Form 1099-K, and Form 1099-B.
<b>770-530</b>	FEIN cannot duplicate the FEIN of a previously accepted return for the tax year being filed.
<b>770-540</b>	Vendor ID must be a valid/approved ID.
<b>770-545</b>	The Number of Beneficiaries on Form 770 must equal the number of attached Virginia Beneficiary Schedule 770-VK-1s.

**Schedule 770 VK-1**

<b>Rule Number</b>	<b>Business Rules</b>
<b>770-VK-1-005</b>	Total Additions on Virginia Beneficiary Schedule 770-VK-1 Line 7 must equal the sum of Interest on Obligations of Other States Line 3 plus State and Local Income Tax Deduction Line 4 plus Fixed Date Conformity Additions Line 5 plus Other Additions Line 6.
<b>770-VK-1-010</b>	Total Subtractions on Virginia Beneficiary Schedule 770-VK-1 Line 12 must equal the sum of Income (Int./Div./Gains) - US Obligations Line 8 plus State Income Tax Refund Line 9 plus Fixed Date Conformity Subtractions Line 10 plus Other Subtractions Line 11.

**Financials**

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