Modernized E-File (MeF)
Individual Income Tax
Tax Year 2013

Alabama
Modernized e-File (MeF)
Guide for Software Developers And Transmitters

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Alabama Department of Revenue
Income Tax Electronic Filing Center
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Alabama Electronic Filing Calendar – TY 2013

For Tax Period January 1, 2013 to December 31, 2013

Begin ADOR Software Testing	**November 18, 2013**
Final Date for First ADOR Test	**January 1, 2013**
Federal/State Electronic Goes Live	**January 31, 2014**
Last Day for Timely Pay Tax Due	**April 15, 2014**
Last Date to Timely File	**October 15, 2014**

Note: These dates are subject to change at any time.

The Internal Revenue Service requires the manual key entry of the Taxpayer Identification Number (TIN) as it appears on Form W-2 received from the employer for all taxpayers with Individual Taxpayer Identification Numbers (ITINs) who are reporting wages. No software package should utilize the auto-population feature regardless of the presence of an override feature to populate the TIN on the Form W-2 for these ITIN filers. Per IRS Revenue Procedure 2007-40, failure to comply with this requirement could result in a written reprimand, suspension or expulsion from the e-file program.

Consumer Use Tax information

In order to insure that taxpayers understand their financial obligations in relation to consumer use tax, please incorporate the following language in to your programs. Rather than asking if they bought something outside of Alabama, ask if they bought something ***from*** outside of Alabama.

The Consumer Use Tax (Line 19) must be complete by the taxpayer – They must enter a value.

For Consumer Use Tax you will be required to check yes or no concerning if you bought something from outside of Alabama.

Debit Card Option

2013-Check box if you WANT refund on a debit card.
2014- Check box if you WANT refund on a debit card.
2015-Refunds automatically go on debit cards
Except over $7000

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1. INTRODUCTION

The Alabama Department of Revenue, in conjunction with the Internal Revenue Service, accepts state Individual Income returns and corresponding forms and schedules using the Modernized E-File system (MeF). The transmission method is a Web Service using Simple Object Access Protocol (SOAP) with attachments messaging. The return data should be formatted using Extensible Markup Language (XML). Authorized E-File providers, also known as Electronic Return Originators (ERO's) can submit returns to the IRS MeF system for federal and state return processing. State returns can be submitted as a federal return with a state return attached, called a "linked" return, or as a state return, known as an "unlinked" submission. Each return (linked or unlinked) must be in a separate submission. Multiple submissions may be contained in a single message payload. Software developers must test with the department and receive approval prior to submitting live returns. The material in this publication will provide software developers the necessary information for capturing and formatting Alabama income tax data and the associated federal information required as part of a Alabama return. The information included in these specifications does not provide all the various tax booklet instructions and tax law detail necessary in the preparation of the Alabama return. Please refer to the Alabama Income tax booklet and the Department's website for additional forms, schedules and instructions at www.revenue.alabama.gov. This publication does not represent the requirements and procedures issued by the IRS. All IRS requirements must be adhered to, in developing the Alabama return and participating in the fed/state e-file program. See IRS Publications 4164, Modernized e-File (MeF) Guide for Software Developers and Transmitters.

General Information:

2. CHANGES FOR TAX YEAR 2013

Alabama Individual Income MeF Schema: ALIndividual2013V2.0

3. CONTACT PERSONNEL

Primary Contact: Tavares Mathews
Phone: (334) 353-9497
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Alabama Revenue's website: www.revenue.alabama.gov
E-mail Address: erohelpdesk@revenue.state.al.us

Mailing Address: Alabama Department of Revenue
Income Tax Electronic Filing Center
P.O. Box 327450
Montgomery, Al 36132

4. ACCEPTANCE AND PARTICIPATION

1. Alabama will accept returns electronically from any IRS approved software provider upon completion of testing with the Alabama Department of Revenue.

2. Software providers should make the following information available to the Department for participation:

- Software developer company name
- Address
- Primary contact name
- Secondary contact name
- Primary/Secondary telephone number
- Primary/Secondary fax number
- Primary/Secondary e-mail addresses

5. DEVELOPERS RESPONSIBILITIES

1. Adhere to all requirements as specified in IRS Publication 4164, Modernized e-File Guide for Software Developers and Transmitters.

2. Successfully complete all testing.

3. Provide accurate Alabama tax returns in correct electronic format.

4. Provide data validation, verification, and error detection to prevent transmission of incomplete, inaccurate, or invalid return information.

5. Software provider should allow binary attachments sent with the Alabama tax return data. These binary attachments should be sent as PDF's (portable document format). The annotations included in the schema define which elements of the tax returns or schedules require a pdf attachment.

6. Software providers must be available to correct any software errors, which may occur after production begins, and work with the Department to follow up on any processing issues that may arise during filing season. If software providers need to re-release corrected software it should be done in a timely manner and proper notification should be made to all customers.

6. MISCELLANEOUS

1. Alabama requires all software developers to test with the Department. The test package will detail the conditions and acceptance procedures. The Department will notify the developer by e-mail as soon as possible of

acceptance or if problems exist with your test cases. Consult the Alabama Electronic Filing Test Packages AL-1436 (Individual Income) for more details and information.

2. The department will accept test returns at any time, and the testing system will be available throughout 2013/2013. The MeF testing system is subject to IRS availability and dates are subject to change. Please email Tavares Mathews when sending test returns. Include your ETIN and the Submission ID's associated with the test returns.

3. The department test package will consist of the following publications:
   - XML forms-based schema

4. Support all schedules, forms, and occurrences. It is important that customers are provided with a complete range of services. (NOTE: If not supporting all forms, schedules, and occurrences, it is important to inform the Department before the first test transmission.)

5. Edits and verification, or Business rules, are defined for each field or data element within the schema set. Developers must closely follow the requirements for each field to insure proper data formatting.

6. The department will provide test results in a timely manner, usually within 72 hours of receipt. A software provider who successfully tests will receive email verification and email approval upon completion of testing.

7. Acknowledgements will be generated on all test returns, however an "accepted" ack does not mean your software is approved for release. You must receive a software approval letter from the Department prior to releasing your software.

7. ACKNOWLEDGEMENT SYSTEM

1. The Department will generate an acknowledgement of acceptance or rejection for all returns received. The acknowledgement record will be in a format approved and agreed upon by the IRS, state agencies, transmitters, and software developers.

2. Transmitters and software developers should allow 5 days to receive the State acknowledgement before contacting the department.

3. To check on the status of a Alabama acknowledgement, contact Tavares Mathews by email with the following information:

   Transmission Date
   Submission ID

8. GENERAL INFORMATION

1. Fed/State Original - The E-File Program works best when the Federal and State returns are filed together in one transmission to the IRS (although this is not always possible). Upon receipt, the Internal Revenue Service will validate and verify the federal return data. The IRS will either accept or reject the federal return. The state return is only available to the Department after the federal return is accepted by IRS. If a Fed/State submission is rejected by IRS, the state will not receive the state return portion. The Fed/State submission must be re-submitted.

2. State-Only Electronic Return Transmissions - IRS provides the ability for an ERO or individual to transmit/retransmit a state return through the fed/state system without simultaneously transmitting a federal return. There is no difference in the transmission sequence. State-Only returns are transmitted to the IRS, validated and made available for states to download in the same fashion as with the traditional fed/state transmission. This provides a means for individuals who file multiple state returns to have each participating state's return electronically filed. However, each state return must be transmitted separately. The taxpayer's federal return must be completed, transmitted and accepted by the IRS before transmitting/re-transmitting a State-Only return.

The state of Alabama allows a **10 Calendar** day period to re-transmit the corrected return. **The perfection period starts from the date the State of Alabama rejects the original submission.**

Alabama Forms:

Form 40 - Individual Income Tax Return
Form 40NR – Individual Income Tax Return Nonresidents Only
Schedule A - Itemized Deductions
Schedule B - Interest and Dividend Income
Schedule CR - Credit for Taxes Paid to Other States
Schedule CR Worksheet – Schedule CR Worksheet
Schedule D - Profit from Sale of Real Estate, Stocks, etc.
Schedule DC – Donation Check-Offs
Schedule E - Supplemental Income and Loss (Rental Property, Partnerships, S Corporations, Estates and Trusts)
Schedule OC – Other Available Credits
Form 4952A – Investment Interest Expense Deduction
Form NOL-85 – Computation of Net Operating Loss
Form NOL- 85A – Application of Net Operating Loss Carryback or Carryforward

Federal Forms:

Schedule C	Form 2106-EZ
Schedule C-EZ	Form W-2
Schedule F	Form 1099-R
Form 2106	Form W-2G

9. SCHEMAS AND SPECIFICATIONS

• The Alabama forms-based schema has been developed to match all tax forms and schedules included in our e-file program.

• Software developers should apply the data element restrictions documented in the schema to the corresponding data elements in their software.

• All XML data must be well formed.

• Packaging of data and transmission payload must be in the proper format.

• Returns filed in XML format with SOAP attachments allow for binary attachments to the submission. These attachments could consist of credit schedules, statement records, or other types of documentation. The allowed file type for an attachment is file extension .PDF. The file order of attachments and procedures must follow the IRS requirements for binary attachments as found in IRS publication 4163. The Department will allow for binary attachments to the state return.

• A submission should contain a Alabama state return and copy of the federal return including wage and income statements.

• Each submission must be a separate file.

• Submission Return Types & Category accepted values:

Individual Income:
Submission Return Types: 1040, 40
Submission Category: IND

• Each state return must be submitted in the XML format specified and agreed upon by IRS, state agencies, transmitters, and software developers.

• Each linked state return should include a copy of the federal return as submitted to the IRS and any attachments associated with that federal return.

• If the IRS rejects a Fed/State submission, the state will not receive the state return portion. The Fed/State submission must be re-submitted.

• Each submission (state return, federal return, manifest and attachments) must be in Zip archive format. The zip file name should be 99999999999999999999.zip. Where the 9's are the submission id. The state submission should be named 99999999999999999999.xml

• The manifest schema is controlled by TIGERS and the IRS.

• PDF attachment names may contain letters and numbers. The name should reference the Form/Schedule and Line number when possible. The PDF should only have one file extension '.pdf' The LinkToAttachment element in the XML state return must match the actual file name of the pdf.

• No nesting of Zip archive files or returns will be allowed. (i.e. one submission, one zip.)

• The SOAP message itself must not be compressed or zipped.

• The message must contain a header, a body, and an attachment. See Modernized E-File Logical ICD Model for message layout and message technical specifications.

• ERO's and transmitters must be approved with the IRS in order to transmit MeF returns.

• The Department will produce an acknowledgement of acceptance or rejection for each state submission. The transmitter may then retrieve the Department's acknowledgement from the IRS.

FORM & SCHEDULE OCCURRENCES

Attachments can be e-filed, but are not required

Form 40 will allow for 1 occurrence

Schedule A will allow for 1 occurrence

Schedule B will allow for 50 interest and 50 dividend items

Schedule CR will allow for 20 other states occurrences

Schedule D will allow for 50 (1000 transactions) for each return transmitted.

Schedule DC will allow for 1 occurrence

Schedule E will allow 50 occurrences of Schedules E to be transmitted

Schedule NTC (new form) will allow for 1 occurrence

Schedule AATC (new form) will allow for 1 occurrence

Schedule C will allow for 7 occurrences

Schedule C-EZ will allow for 2 occurrences

Schedule F will allow for 5 occurrences

Form 2106 will allow for 2 occurrences

Form 2106-EZ will allow for 2 occurrences

Form 4864 will allow for 1 occurrence

Form NOL85 will allow for 1 occurrence

Form NOL85-A will allow for 15 occurrences

Form 4952A will allow for 1 occurrence

Schedule OC will allow for 1 occurrence

Form W-2 will allow for 50 occurrences

Form W-2G will allow for 30 occurrences

Form 1099R will allow for 20 occurrences