

810-2-8-.14 Requirements for Electronic Filing Software.

(1) SCOPE - This regulation explains the requirements for software vendors to obtain approval to provide software that allows business privilege tax returns to be electronically filed through the Alabama Business Modernized E-File program.

(2) Definitions.

(a) XML Schema - A single file or collection of files that describe the structure of an XML instance document along with rules for data content and semantics such as what fields an element can contain, which sub elements it can contain and how many items can be present. It can also describe the type and values that can be placed into each element or attribute.

(b) XML instance document - The actual return data defined by the XML Schema. This document is validated against the XML schema to ensure the contents and structures are correct.

(c) Business Rules - A document that defines the criteria that needs to be met for a return to be accepted.

(d) Software Developer - A firm, organization or individual that develops software for formatting electronic tax return information according to Alabama schemas, business rules and specifications and/or transmits electronic returns directly to the Internal Revenue Service (IRS).

(e) Business Privilege Tax - The tax levied by Section 40-14A-22, Code of Alabama 1975.

(f) Alabama Business Modernized e-file Program (MeF) - A joint program with the Internal Revenue Service (IRS) that uses a web based system to allow electronic filing of corporate, partnership and business privilege tax returns through approved electronic filing software. All electronic filing software must meet the requirements of this regulation as well as any other legal requirements.

(3) XML Schemas (record layouts), specifications and business rules for a complete Alabama electronic business privilege tax return are issued annually by the Department in the Alabama Business Modernized E-file Program: Software Developers and Transmitters Guidelines and Schemas (Publication AL4164).

(4) Software developers are required to obtain prior approval from the Department by submitting for testing sample Alabama electronic business privilege tax returns prepared by and transmitted by their software products.

(5) Alabama electronic business privilege tax returns received by the Department which are prepared by software which has not completed the Department's software developer testing and which has not been approved by the Department will be rejected by the Department. Paper Alabama business privilege tax returns must then be submitted by the taxpayers.

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Authority: Sections 40-2A-7(a) (5) and 40-30-5, Code of Alabama 1975

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