December 10, 2002

Publication 1346 Part I - File Specification Changes #3

The changes are identified by two vertical bars in the right margin (||).
Deletions are identified by a hyphen followed by two vertical bars (-||).

PATS TESTING - No updated changes

Some of the following updates are editorial changes:

Highlights for Tax Year 2002
Form 8582 Passive Activity Loss Limitation - new requirement for worksheets

Comments and Suggestions Page
Revised information

Section 2 Subsection .02 - Fixed and Variable Length Options
G. STCGL/LTCGL - Fixed Format was added

Section 3 Subsection .02(3) - ACK ERR Record - Acknowledgment File Error Record
Separate ACK ERR Record for **STCGL/LTCGL ONLY** was added

Section 7 Subsection .06(2) - Employee, Recipient/Winners with Foreign...
Revised title to include 1099-G

Section 11 Validation - Specific Schedules and Forms
Subsection .08 Error Reject Codes for Forms was updated to include page footer

Section 12 Subsection .05 Validation of Fed/State e-file returns w/Foreign...
- ERC 0409 State Record was changed to 0419
- (4) State Record - Name Line (SEQ 0060), Name Line 2 (SEQ 0065), and Name Line (SEQ 0060) were deleted from description.

Section 12 Subsection .06 State-Only Filing
Note added for Foreign return addresses

Section 12 Subsection .07 Validation of State-Only Filing
- (3) Text was revised
- (5) Text was deleted
- (12) ERC 0421 was deleted

Section 12 Subsection .08 State-Only Dummy Form 1040 Page 1
Record Layout was deleted

Section 12 Subsection .14 Record Format Fixed and Variable Examples
(3) State-Only format was added

Section 12 Subsection .17 Validation of State Records
Additional information added to the Note for SEQ 0032

Section 13 Subsection .07 Jurat Language Text Selections
ERO Declaration and Form 1310 Signature/Verification was revised

Section 13 Subsection .10 Self-Select PIN Questions and Answers
New question and answer for Form 8879 added (29)

ERC 0038 was revised to include Form 1310, FEC Record and Form 8880

ERC 0039 was revised to include Form 1310 and FEC Record

Foreign Employer Compensation (FEC) Record

To ensure accurate returns and valid claims for refunds, the Internal Revenue Service continues to require that Electronic Return Originators (EROs) receive Forms W-2 from taxpayers prior to the origination of the submission of the electronic return. However, many taxpayers working overseas or domestically for a foreign company do not receive Forms W-2 because their foreign employers do not issue them. To extend the capability to file electronically to these taxpayers whose compensation is paid by a foreign entity, an electronic Foreign Employer Compensation Record will be accepted in lieu of Form W-2 information. The literal "FEC" will be indicated to enable wage amount(s) received from foreign employers to be included in the compensation total reported on Line 7, Form 1040 or 1040A, or Line 1, Form 1040EZ. Supporting information regarding the identity of the employee of the foreign employer, the location at which the employee resided, the name and address of the foreign employer, and the amount of compensation received must be provided on the Foreign Employer Compensation (FEC) Record. Returns both reporting Foreign Employer Compensation and claiming Earned Income Credit will not be accepted electronically at this time.

Form 8453

An Authorized IRS e-file provider must submit Form(s) 8453 within three business days after receipt of the acknowledgement file. An electronically submitted tax return is not considered filed until we receive a complete and signed Form 8453. Your failure to comply to this request may result in suspension from the IRS e-file program.

These instructions do not apply to tax returns filed using electronic signatures such as Self-Select PIN or Practitioner PIN.

Non-Paid Preparer

The record layouts for Forms 1040/1040A/1040EZ (SEQ 1338) has been updated to record information in the field description to include "ONLINE-PARTNR" as a new literal. This literal will be utilized to identify the returns that are transmitted as a result of a partnering effort conducted by the IRS. As a result of this partnering effort an Online Software Company may develop a partnership with another entity, i.e. a large employer, community organization, government entity, financial institution, educational institution, etc. If the Online Software Company provides their software to be utilized by the entities' employees, constituents, customers, students, etc. this literal should be included in ALL of the returns that will be transmitted. This literal should ONLY be used to identify the returns that are transmitted as a result of the IRS partnering effort.

NOTE: The Online Software Company MUST inform their users that this field MUST be input in order for the IRS to correctly capture the data.

Form 8582 - Passive Activity Loss Limitations ||

Worksheets 1-7 on pages 2 and 3 of Form 8582 are now **required** to be e-filed ||
with the Form 8582. The Record Layouts for these worksheets have been ||
present in Part II of Publication 1346 for several years but filing them ||
was optional in previous tax years. ||

Comments and Suggestions

Please send any comments or suggestions regarding Sections 1-3 to:

Internal Revenue Service
Yudeckia Brothers, W:CAS:SP:IEF:P, NCFB C4-173
5000 Ellin Rd.
Lanham, MD 20706

Please send any comments or suggestions regarding Section 12 of Part I to:

Internal Revenue Service
Federal/State Electronic Filing Program
Joyce Colbert, W:CAS:SP:IEF:P, NCFB C4-245
5000 Ellin Rd.
Lanham, MD 20706

Please send any comments or suggestions regarding Section 13 (Sub-sections .01, .02, .03, .08 and .09) of Part I to:

Internal Revenue Service
Teara Mitchell, W:CAS:SP:IEF:P, NCFB C4**-262**
5000 Ellin Rd.
Lanham, MD 20706

Please send any comments or suggestions regarding Section 13 (Sub-sections .05, .06, .07, **.08**) of Part I to:

Internal Revenue Service
Carol Brauzer, **W:CAS:SP:IEF:R**, NCFB C5-121
5000 Ellin Road
Lanham, MD 20706

Please send any comments or suggestions regarding the Publication 1346 (except for Sections 1, 2, 3, 12, and 13) to:

Internal Revenue Service
Trena Moody, W:CAS:SP:IEF:P, NCFB C5-423
5000 Ellin Rd.
Lanham, MD 20706

.02 Fixed and Variable Length Options (continued)

g. STCGL/LTCGL – Fixed Format ||

Form 1040 return with a Form 1040 Schedule D form and 2 occurrences of Form 8865 with the first 3 pages. (Maximum STCGL = 15,000 per this example. Maximum LTCGL = 15,000 per this example.) ||

```
12345678911234567892123456789312345678941234567895123456789612345678971234 56
         0         0         0         0         0         0         0
0250****RET   1040  PG01 007018865 200212 [0007]…..
0173****RET   1040  PG02 007018865 200212 [0770]25000…..
0253****FRM   W-2   PG01 007018865 0000001[0040]871234567…..
0117****STCGL SCH  DPG01 007018865 0000001000000 1ANY COMPANY
123100000000100+00000000390+00000003450+#
0117****STCGL SCH  DPG01 007018865 0000001000000 2
123100000000100+00000000090+00000000450-#
0117****STCGL SCH  DPG01 007018865 0000001000000 3ONLY COMPANY
123100000000100+00000000090+00000000060+#
"     "           "     "           "     "
0175****SCH  D1040  PG01 007018865 0000001[0020]STCGL……
0117****STCGL 8865  PG01 007018865 00000010000001               200201012002
123100000000100+00000000090+00000000070+#
0117****STCGL 8865  PG01 007018865 00000010000002               200201012002
123100000000100+00000000090+00000000010+#
"     "           "     "           "     "
0129****LTCGL 8865  PG01 007018865 00000010000001               200201012002
123100000000050+00000000040+00000000010+           #
"     "           "     "           "     "
0129****LTCGL 8865  PG01 007018865 00000010004973               200201012002
123100000000050+00000000040+00000000010+           #
0129****LTCGL 8865  PG01 007018865 00000010004974               200201012002
123100000000050+00000000040+00000000010+           #
"     "           "     "           "     "
0098****FRM   8865  PG01 007018865 0000001[0006]200201……
0095****FRM   8865  PG02 007018865 0000001[1040]X…..
0129****FRM   8865  PG03 007018865 0000001[2480]STCGL[2490]20011015[2500]200
11031[2510]500[2520]200[2530]300[2750]300[2760]LTCGL#
0117****STCGL 8865  PG01 007018865 0000002000000 1              200201012002
123100000000100+00000000090+00000000070+#
0117****STCGL 8865  PG01 007018865 0000002000000 2              200201012002
123100000000100+00000000090+00000000010+#
"     "           "     "           "     "
0129****LTCGL 8865  PG01 007018865 0000002000000 1              200201012002
123100000000050+00000000040+00000000010+           #
0129****LTCGL 8865  PG01 007018865 0000002000000 2              200201012002
123100000000050+00000000040+00000000010+           #
"     "           "     "           "     "
0098****FRM   8865  PG01 007018865 0000002[0006]200201…..
0095****FRM   8865  PG02 007018865 0000002[1040]X…..
0129****FRM   8865  PG03 007018865 0000002[2480]STCGL[2490]20011015[2500]200
11031[2510]500[2520]200[2530]300[2750]300[2760]LTCGL#
0244****SUM              007018865        ANY CO
 169999      01002301000000000000000000400000000000065430786900000009 99.27.3
0.277                 12345678
             #
```

.02 Acknowledgment File Record Layouts (continued)

3. ACK ERR Record - Acknowledgment File Error Record (For STCGL/LTCGL ONLY) ||

Field No.	Identification	Form Ref.	Length	Field Description	
	Byte Count		4	"0120"	
	Start of Record Sentinel		4	Value "****"	
0000	Record ID		6	Value "ACKRbb"	
0010	Taxpayer Identification Number		9	N (Primary SSN) (Must match ACK Key Record)	
0020	Reserved		7	Blank	
0030	Error Record Sequence Number		2	N, 01-96	
0040	Error Form Record ID		6	**STCGL,LTCGL**	||
0050	Error Form Record Type		6	**Sch D,8865-1,** **8865-2,8865-3,** 8865-4, **8865-5**	|| || ||
0060	Error Form Page Number		5	"PG00b" (page number is 00" (zero) for all IMF ACK ERR records)	
0070	Error Form Occurrence		7	N (0000001-00**5000**)	||
0080	Error Field Sequence Number		4	N	
0090	Error Reject Code		4	N (nnn**n**)(Refer to Attachment 1)	||
0100	Filler		55	blank	
	Record Terminus Character		1	Value "#"	

.06 Foreign Employer/Payer Address on Forms W-2/W-2G/W-2GU/1099-R |

1. Employer/Payer Name Line 2: Foreign Street Address - If none, enter "NONE".

   Employer/Payer Address: Foreign city, province or postal code.

   Employer/Payer City: Foreign country name. Do not abbreviate the country name.

   Employer/Payer State: Period (.).

2. Employee, Recipient/Winners with Foreign Address on Form W-2/W-2G/**1099-G**/1099-R ||

   Employee/Recipient/Winner Street Address: Foreign Street Address. If none, enter "NONE".

   Employee/Recipient/Winner Address Continuation: Foreign city, province or postal code

   Employee/Recipient/Winner City: Foreign Country Name. Do not abbreviate country name unless absolutely necessary.

   Employee/Recipient/Winner State: Enter Period (.).

.08 Error Reject Codes for Forms (continued)

6. Form 982

0782 o When Discharge of Indebtedness in a Title 11 Case (SEQ 020) equals blank, Discharge of Indebtedness to the Extent Insolvent (SEQ 030) equals blank, Discharge of Qualified Real Prop Bus Indebtedness (SEQ 050) equals blank and Discharge of Qualified Farm Indebtedness (SEQ 040) is equal to "X", then Amt Excluded From Inc: To Reduce Basis (SEQ 150) must be blank.

0783 o When Amt Excluded From Inc: Under Section 108(b)(5) (SEQ 100) is significant, then Attach Description of Transactions (SEQ 085) must equal "STMbnn".

0784 o When Discharge of Qualified Real Prop Bus Indebtedness (SEQ 050) is significant, then Amt Excluded From Inc: Discharge of Qual Real Prop (SEQ 090) must be significant.

7. Form 1099-G

0120 o Form 1099-G – The following fields must be significant: Payer's Name Control (SEQ 0020), Payer's Name (SEQ 0030) and Payer's Federal Identification Number (SEQ 0090).

0294 o Form 1099-G – Tax Year Other Than Current Year (SEQ 0190) cannot equal the current processing year.

0295 o Form 1099-G – Withholding (SEQ 200) cannot be greater than ½ (50%) of the sum of unemployment compensation (SEQ 170), State or Local Income Tax Refunds, Credits or Offsets (SEQ 180), Taxable Grants (SEQ 220) and Agriculture Payments (SEQ 230).

0616 o When Recipient's Address Continuation (SEQ 125) is significant, then a period (.) must be present in Recipient's State (SEQ 140).

Section 12 - Federal/State Electronic Filing Specifications

.03 What's New for Federal/State Electronic-Filing in 2003?

There will be two changes implemented in January 2003; Federal/State *e-file* Returns with Foreign Addresses and State-Only Returns.

.04 Federal/State *e-file* Returns with Foreign Addresses

IRS *e-file* will be accepting Federal/State *e-file* returns with Foreign Addresses, including the U.S. possessions of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands.

.05 Validation of Federal/State *e-file* returns with Foreign addresses

1. Addresses from the U.S. possessions will be formatted as U.S. addresses. Addresses from the foreign countries will be formatted using new foreign country address fields.

2. All returns with a foreign address will be transmitted where the Federal return is normally transmitted. This will be the Andover node at the Austin Submission Processing Center and acknowledged by the Andover Submission Processing Center and forwarded to the Philadelphia Submission Processing Center for final processing.

3. The state return would always be transmitted to the center where the federal return is normally sent.

4. The following IRS Error Reject Code is used exclusively for errors in the Foreign State return packet.

   04**19** STATE RECORD

   State Record - If Address Indicator (SEQ 0097) on the Tax Return is equal to "3" (indicating a foreign country), then the following fields must be present: Foreign Street Address (SEQ 0077), Foreign City, State or Province, Postal Code (SEQ 0087), and Foreign Country (SEQ 0098); and the following fields cannot be present: Street Address (SEQ 0080), City (SEQ 0085), State Abbreviation (SEQ 0095) and Zip Code (SEQ 0100).

   If Address Indicator (SEQ 0097) on the Tax Return is not equal to "3", then the following fields cannot be present: Foreign Street Address (SEQ 0077), Foreign City, State or Province, Postal Code (SEQ 0087), and Foreign Country (SEQ 0098).

.06 State-Only Filing

State-Only will be implemented in January 2003. Any Federal/State e-file participant has the option of participating in State-Only *e-filing*. Taxpayers will have the choice of filing a State Return without the standard Form 1040 attached for the following instances:

- Previously rejected state *e-file* return
- State return input separately from Federal return
- Part-year resident state return
- Multiple state returns for one taxpayer
- Non-resident state returns
- Married filing separately with state, but filing jointly with Federal return

NOTE: Foreign Return Addresses will not be accepted for State-Only Returns

.07 Validation of State-Only Returns

1. State-Only return data will contain a Form 1040, page one record, state return packet, and a Summary record. The State Abbreviation of the Form 1040 (SEQ 0087) must contain the value "SO", indicating that: (1) State-Only return data is attached, (2) State-Only processing will be performed, and (3) Form 1040, Page 2 and foreign 1040 processing will be bypassed.

2. The State-Only return should always be transmitted to the Center that supports that particular state.

3. If the State Abbreviation of the Form 1040 **Page 1** (SEQ 0087) is equal to "SO", then the highest sequence number present **can not be greater than the ZIP Code** (SEQ 0095). The Form 1040 Page 1 **record must be transmitted in Variable Format.**

4. The Primary SSN of the State-Only 1040 record (SEQ 0010) must equal the SSN of the attached State generic record and the Taxpayer Identification Number of the Summary record (SEQ 0002).

5. The Primary SSN (SEQ 0010) and Primary Name Control (SEQ 0050) of State-Only 1040 record must match data from the IRS Master File.

6. The Secondary SSN (SEQ 0030) and Secondary Name Control (SEQ 0055) of State-Only 1040 record must match data from the IRS Master File.

7. The RECAP Record will contain a new count for the total number of State-Only returns (SEQ 0130).

8. If there is an entry in the State Direct Deposit/Direct Debit Section the IRS will verify the state Routing Transit Number (RTN). If the state RTN is not listed on the current Financial Organization Master File (FOMF) an indicator will be set for the state's future use. The return will not be rejected.

.07 Validation of State-Only Returns (continued)

9. A new count of accepted State-Only returns must be provided in the RECAP record (SEQ 0135).

10. State-Only returns will be included in the YR-TO-DATE-COUNT Record (SEQ 0270) of the STCAP record.

11. The following IRS Error Reject Codes are used exclusively for errors in the State-Only return packet.

0040 FORM 1040

If the State Abbreviation (SEQ 0087) is equal to "SO", then the highest Seq number present cannot be greater than the Zip Code (SEQ 0095).

0042 STATE-ONLY RETURNS

Only the following must be present: Form 1040 Page 1, State Generic Record, at least one Unformatted Record and a Summary Record.

0399 STATE RECORD

State-Only Returns - The Primary SSN (SEQ 0010) must match the Primary SSN (SEQ 0010) of Form 1040.

0516 STATE RECORD

Primary SSN (SEQ 0010) and the Primary Name Control (SEQ 0050) of the State-Only 1040 Return must match data from the IRS Master File.

0517 STATE RECORD

Secondary SSN (SEQ 0030) and the Secondary Name Control (SEQ 0055) of the State-Only 1040 Return must match data from the IRS Master File.

0832 RECAP RECORD

Total State-Only Return Count (SEQ 0130) does not equal program computed count. Total State-Only Return Count is a count of State-Only Returns transmitted and is incremented each time the Primary SSN within a Record ID changes.

STATE ONLY - DUMMY FORM 1040 PAGE 1 U.S. Individual Income Tax Return ||

Field No.	Identification	Form Ref.	Length	Field Description
0055	Spouse's name Control		4	First 4 significant characters of spouse's last name, no leading or embedded spaces; allowable characters are alpha, hyphen or space (see special instructions)
0060	Name Line 1		35	AN Taxpayer's name Allowable special characters are: space, less-than (<), hyphen (-) and ampersand (&)
0062	Foreign Street Address		35	AN, Allowable special characters are space, slash, and hyphen
0064	Foreign City, State or Province, Postal Code		35	AN, Allowable special characters are space, slash, and hyphen
0066	Foreign Country		22	A, Allowable special characters is space
0070	Name Line 2		35	AN, in care of Addresses, or address continuation. Allowable special characters are space, ampersand, slash, hyphen and percent (%)
0080	Street Address		35	AN, Allowable special characters are space, slash, hyphen and Literal "NONE"
0083	City		22	A, Allowable special character is space
0087	State Abbreviation		2	A, (Standard Postal State Abbreviations) or "SO" (State-Only return data attached)
0095	Zip Code		12	N (left-justified)
	Record Terminus Character		1	Value "#"

.14 Record Format Fixed and Variable Examples

There are **three** different electronic state records, the "generic", "unformatted" and **"State-Only"**. A combination of these records make up the state packet.

1. Example of a variable Generic Record:

```
---------1---------2---------3---------4---------5---------6
123456789012345678901234567890123456789012345678901234567890

0276****ST    0001  PG01 123456789 0000001[0010]SC[0020]00570321
000116[0060]JANE TEST  DOE NOW 35 CHARACTERS R[0075]3440
LITTLE RANC H RD    NOW 35 CHAR[085]LADSON  NOW 22 CHAR
AC[0095]SC[0100]294566666666[0110]00018[0150]1[0155]01[0195]411
2[0200]3400[0310]10308V[0525]185[0550]185[0580]185[0650]B#
```

2. Example of a variable Unformatted Record that contains a "variable" federal record:

```
---------1---------2---------3---------4---------5---------6
123456789012345678901234567890123456789012345678901234567890

1004****ST    0002  PG02 123456789 0000001[0010]SC[0020]00570321
117551[0050]0318!!!!FRM   W2   PG01 123456789 0000001{0030}PAT
RICKCHILDS DBA LOW COUNTRY{0040}100 LIBERTY HALL R[00
55]D SUITE 102{0050}GOOSE CREEK SC 29445{0060}400006745{00
70}400002047{0090}400005100{0200}490{0210}36[0060]54{0220}227
{0230}3654{0245}3654{0255}53{0310}DOE   JANETEST {0320}3440
LITTLE RAN[0065]CH RD{0330}LADSON SC 29456{0380}171{0390}
3654{0400}SC{0500}S$02[0070]82[0105]S$#
```

3. **Example of State-Only Return - Form 1040 Page 1**
   Must be transmitted in Variable Format

```
---------1---------2---------3---------4---------5---------6
0187****RET   1040  PG01 111001111 200212 [007]509280136201
0001[008]00510070001003[010]111001111[030]111002222[050]DIV
E[060]DEEPE C<DIVER[080]3333 QUACK BLVD[083]SEAPORT[087]SO[
095]90012#
```

.17 Validation of State Records (continued)

7. The State Direct Deposit/Direct Debit Section should be blank if there is no direct deposit or direct debit at the state level. There is no connection between the federal and state direct deposit or direct debit fields since these can differ. Taxpayers may elect to have the federal and state direct deposit or direct debits in the same account, or they can chose different accounts.

8. If there is an entry in the State Direct Deposit/Direct Debit Section the IRS will verify the state Routing Transit Number (RTN). If the state RTN is not listed on the current Financial Organization Master File (FOMF) an indicator will be set for the state's future use. The return will not be rejected.

9. The following Entity Section fields of the generic record must be significant or the returns will be rejected by the IRS: Name Line 1 (SEQ 060), Address Line 1 (SEQ 075), City (SEQ 085), State Abbreviation (SEQ 095), and Zip Code (SEQ 100).

9. Entries in the Consistency Section of the generic record, when not blank, must correspond to the same entries on the federal return. If an entry is significant (i.e., not blank), it will be compared to the federal return. If a Consistency Section entry does not match the corresponding federal entry, the return will be rejected.

To the extent possible, the Sequence Numbers for Forms 1040, 1040A, and 1040EZ are the same for the equivalent fields. If no Sequence Number is given, the field does not exist for that form.

Generic Record Consistency Section	1040	1040A	1040EZ
	----Sequence Number----		
150 Federal Filing Status----------	130	130	(See note)
155 Total Federal Exemptions----------	360	360	(See note)
160 Wages, Salaries, Tips----------	375	375	375
165 Taxable Interest----------	380	380	380
170 Tax Exempt Interest----------	385	385	385
175 Dividends----------	39**4**	39**4**	
180 State/Local Income Tax Refund--------	420		
185 Taxable Social Security Benefits-----	557	557	
190 Keogh Plan and SEP Deductions--------	650		
195 Adjusted Gross Income----------	750	750	750
200 Standard/Itemized Deductions---------	789	789	
205 Earned Income Credit----------	1180	1180	1180

Note: The Generic Record Federal Filing Status (SEQ 150) and the Total Federal Exemptions (SEQ 155) can contain an entry when the corresponding federal form is a Form 1040EZ and IRS will not reject the Federal/State return.

SEQ 0032 of the Generic Record is for IRS Use Only. IRS will populate this field.

.07 Jurat Language Text Selections (continued)

Consent to Disclosure Selections

A Consent to Disclosure is to be included on the screen for all electronically filed returns and documents.

Selection C1
Consent to Disclosure - use this selection for electronically file Form 1040 Series returns

Consent to Disclosure
I consent to allow my Intermediate Service Provider, transmitter, or Electronic Return Originator (ERO) to send my return/form to IRS and to receive the following information from IRS: 1) acknowledgment of receipt or reason for rejection of transmission; 2) refund offset; 3) reason for any delay in processing or refund; and, 4) date of any refund.

Selection C2 (ETD only) See Part III of this document

ERO Declaration

Selection E1
ERO Declaration and Signature - use this selection and ERO PIN entry when return is transmitted by an Electronic Return Originator (ERO). For use with Self-Select and Practitioner PIN methods.

ERO Declaration
I declare that the information contained in this electronic tax return is the information furnished to me by the taxpayer. If the taxpayer furnished me a completed tax return, I declare that the information contained in this electronic tax return is identical to that contained in the return **provided by the taxpayer.**||
If the furnished return was signed by a paid preparer, I declare I have entered ||
the paid preparer's identifying information in the appropriate portion of this electronic return. If I am the paid preparer, under the penalties of perjury I declare that I have examined this electronic return, and to the best of my knowledge and belief, it is true, correct, and complete. This declaration is based on all information of which I have any knowledge.

ERO Signature
I am signing this Tax Return by entering my PIN below.

ERO's PIN _ _ _ _ _ _ _ _ _ _ _
(enter EFIN plus 5 Self-Selected numerics)

.07 Jurat Language Text Selections (continued)

Selection T5 (ETD only) See Part III of this document
Reserved – not available for Tax Year 2002

Selection T6
Use this signature selection for returns filed using the Practitioner PIN method. ERO is required to retain Form 8879, IRS e-file Signature Authorization, that has been signed by the taxpayer(s)

I am signing this Tax Return and Electronic Funds Withdrawal Consent, if applicable, by entering my Self-Select PIN below.

Taxpayer's PIN:_ _ _ _ _ Date_ _ _ _ _ _ _ _
Spouse's PIN: _ _ _ _ _

Selection T7 (ETD only) See Part III of this document

Selection T8 – Decedent Returns only with Form 1310 attached
Use this selection only for Form 1040/1040A/1040EZ Decedent returns that are filed with a Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer. If both taxpayers are shown as decedents on this return, two Forms 1310 are required, and T8 information must be completed for each decedent.

Form 1310 Signature and Verification
Completion of this section indicates that I am requesting a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined **this** Form 1310 claim, and to the best of my knowledge and belief, it is true, correct, and complete.

_____ _ _ _ _ _ _ _ _
Signature of person claiming refund (35 character limit) Date

.08 *e-file* Jurat/Disclosure Text – Codes A-D (continued)

Tax Year 2002 Jurat/Disclosure – Code C Text
Self-Select PIN by ERO Form 1040/A/EZ

ERO Declaration
I declare that the information contained in this electronic tax return is the information furnished to me by the taxpayer. If the taxpayer furnished me a completed tax return, I declare that the information contained in this electronic -|| tax return is identical to that contained in the return **provided by the taxpayer.** || **If the furnished return was signed by a paid preparer, I declare** I have entered || the paid preparer's identifying information in the appropriate portion of this electronic return. If I am the paid preparer, under the penalties of perjury I declare that I have examined this electronic return, and to the best of my knowledge and belief, it is true, correct, and complete. This declaration is based on all information of which I have any knowledge.

ERO Signature
I am signing this Tax Return by entering my PIN below.

ERO's PIN _ _ _ _ _ _ _ _ _ _ _ _
(enter EFIN plus 5 Self-Selected numerics)

Perjury Statement
Under penalties of perjury, I declare that I have examined this return, including any accompanying statements and schedules and, to the best of my knowledge and belief, it is true, correct, and complete.

Consent to Disclosure
I consent to allow my Intermediate Service Provider, transmitter, or Electronic Return Originator (ERO) to send my return/form to IRS and to receive the following information from IRS: 1) acknowledgment of receipt or reason for rejection of transmission; 2) refund offset 3) reason for any delay in processing or refund; and, 4) date of any refund.

Additional Statements may be required. See Optional Text Selections for Jurat/Disclosure Codes A – D in this section.

Electronic Funds Withdrawal Consent - returns with Electronic Funds Withdrawal only.

Form 1310 Signature and Verification – Decedent returns with Form 1310 only.

I am signing this Tax Return and Electronic Funds Withdrawal Consent, if applicable, by entering my Self-Select PIN below.

Taxpayer's PIN:_ _ _ _ _ Date:_ _ _ _ _ _ _ _
Taxpayer's Date of Birth: _ _ _ _ _ _ _ _
Taxpayer's Prior Year Adjusted Gross Income:_ _ _ _ _ _ _ _ _ _ _ _
Spouse's PIN: _ _ _ _ _
Spouse's Date of Birth: _ _ _ _ _ _ _ _
Spouse's Prior Year Adjusted Gross Income: _ _ _ _ _ _ _ _ _ _ _

.08 *e-file* Jurat/Disclosure Text – Code A–D (continued)

Tax Year 2002 Jurat/Disclosure – Code D Text
Practitioner PIN Method Form 1040/A/EZ
Form 8879, IRS *e-file* Signature Authorization required

ERO Declaration
I declare that the information contained in this electronic tax return is the information furnished to me by the taxpayer. If the taxpayer furnished me a completed tax return, I declare that the information contained in this electronic -|| tax return is identical to that contained in the return **provided by the taxpayer.** || **If the furnished return was signed by a paid preparer, I declare** I have entered || the paid preparer's identifying information in the appropriate portion of this electronic return. If I am the paid preparer, under the penalties of perjury I declare that I have examined this electronic return, and to the best of my knowledge and belief, it is true, correct, and complete. This declaration is based on all information of which I have any knowledge.

ERO Signature
I am signing this Tax Return by entering my PIN below.

ERO's PIN _ _ _ _ _ _ _ _ _ _ _ _
(enter EFIN plus 5 Self-Selected numerics)

Perjury Statement
Under penalties of perjury, I declare that I have examined this return, including any accompanying statements and schedules and, to the best of my knowledge and belief, it is true, correct, and complete.

Consent to Disclosure
I consent to allow my Intermediate Service Provider, transmitter, or Electronic Return Originator (ERO) to send my return/form to IRS and to receive the following information from IRS: 1) acknowledgment of receipt or reason for rejection of transmission; 2) refund offset; 3) reason for any delay in processing or refund; and, 4) date of any refund.

Additional Statements may be required. See Optional Text Selections for Jurat/Disclosure Codes A – D in this section.

Electronic Funds Withdrawal Consent - returns with Electronic Funds Withdrawal only.

Form 1310 Signature and Verification – Decedent returns with Form 1310 only.

I am signing this Tax Return and Electronic Funds Withdrawal Consent, if applicable, by entering my Self-Select PIN below.

Taxpayer's PIN:_ _ _ _ _ Date: _ _ _ _ _ _ _ _
Spouse's PIN: _ _ _ _ _

.08 *e-file* Jurat/Disclosure Text – Code A–D (continued)

Optional Text Selections

Jurat/Disclosure Codes A – D

Tax Year 2002

The following selections are optional for use with Jurat/Disclosure Codes A – D. These statements are only required in situations specified below:

Selection D1

Electronic Funds Withdrawal Consent for Forms 1040/A/EZ (Include statement only with Electronic Funds Withdrawal returns)

Electronic Funds Withdrawal Consent
I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH Electronic Funds Withdrawal (Direct Debit) entry to the financial institution account indicated for payment of my Federal taxes owed on this return and/or a payment of estimated tax. I further understand that this authorization may apply to subsequent Federal tax payments that I direct to be debited through the Electronic Federal Tax Payment System (EFTPS). In order for me to initiate subsequent payments, I request that the IRS send me a personal identification number (PIN) to access EFTPS. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

Selection T8 – Decedent Returns only with Form 1310 attached

Use this selection only for Form 1040/1040A/1040EZ Decedent returns that are filed with a Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer. If both taxpayers are shown as decedents on the return, two Forms 1310 are required, and T8 must be completed for each decedent.

Form 1310 Signature and Verification
Completion of this section indicates that I am requesting a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined **this** Form 1310 claim, and to the best of my knowledge and belief, it is true, correct, and complete. ||

_____ _ _ _ _ _ _ _ _

Signature of person claiming refund (35 character limit) Date

.10 Self-Select PIN Questions and Answers (continued)

22. What is my responsibility as a return preparer using the Form 8879, IRS *e-file* Signature Authorization?

As a return preparer, your responsibility will be to provide the taxpayer with Form 8879 along with their return for review. You are required to generate or enter the header information, all 5 line items in Part I, and your name in Part II.

23. What is my responsibility as a Transmitter (ERO) using Form 8879, IRS *e-file* Signature Authorization?

As a Transmitter, your responsibility will be to complete Form 8879 based on the return information you received from the taxpayer.

25. When does the taxpayer sign Form 8879, IRS *e-file* Signature Authorization?

If you prepared the return, the taxpayer will sign the Form 8879 and select a PIN after they have reviewed the prepared return. If the taxpayer provided a completed return for transmittal, the Form 8879 and PIN selection can be completed without reviewing the electronic return.

26. What if one or both taxpayers cannot sign Form 8879, IRS *e-file* Signature Authorization in the ERO's office? Can the form be faxed?

Yes. Form 8879 can be signed and returned to the ERO via a fax transmission transmission. However, the ERO must retain Form 8879 in their file for three years from the Return Due Date or IRS Received Date, whichever is later.

27. Do I provide a copy of the completed Form 8879 to the taxpayer for their records?

You may provide a copy of the completed Form 8879 upon the taxpayer's request, but you are not required to do so for all taxpayers.

28. Do I have to mail Form 8879 to the IRS?

No. Retain the completed copy in your file for 3 years from the Return Due Date or IRS Received Date, whichever is later.

29. May an electronic return originator (ERO) electronically image and store Form 8879, IRS *e-file* Signature Authorization, and Form 8878, IRS *e-file* Signature Authorization for Application for Extension of Time to File, and meet its document retention requirement? ||

Yes, an ERO may electronically image and store Forms 8879 and 8878 if the ERO's storage system satisfies the requirements of Rev. Proc. 97-22, Retention of Books and Records. In brief, Rev. Proc. 97-22 requires that the electronic storage system must ensure an accurate and complete transfer of the hard copy or computerized records to an electronic storage media. In addition, all records reproduced by the electronic storage system must exhibit a high degree of legibility and readability (including the taxpayer's signature) when displayed on a video display terminal and when reproduced in hard copy. ||

0038 o Form 1040A - Taxable Income (SEQ 0820) must be less than $50000 and only the following can be present: Schedule 1, Schedule 2, Schedule 3, Schedule EIC, Form W-2, **W-2GU**, **Form 1099-G**, Form 1099-R, **Form 1310**, Form 2120, Form 2210, Form 8379, Form 8606, Form 8615, Form 8812, Form 8815, Form 8839, Form 8862, Form 8863, **Form 8880**, Form 9465, **FEC Record**, Authentication Record, Preparer Note Record, Election Explanation Record, Regulatory Explanation Record and Form Payment. Pg 118

0039 o Form 1040EZ - Primary taxpayer (and secondary taxpayer when Secondary SSN (SEQ 0030) is significant) must be under age 65, Taxable Interest (SEQ 0380) cannot exceed $**1500**, Taxable Income (SEQ 0820) must be less than $50000, and only the following can be present: Form W-2, **W-2GU**, **Form 1099-G**, **Form 1310**, Form 8379, Form 8862, Form 9465, **FEC Record**, Authentication Record, Preparer Note Record, Election Explanation Record, Regulatory Explanation Record and Form Payment. Pg 118