New York State Specifications for Electronic Bulk Payments of Fiduciary Income and Estimated Tax

Tax Year 2012

Tale of   Contents

Note:

For **software developers** – File Format and Record Layouts are available in separate documents on our website

1. Form IT-2106 Estimated Tax and IT-205 Balance Due Payment Record Layout

Introduction

The New York State (NYS) Department of Taxation and Finance offers the following program for fiduciary return payments and estimated tax payments:

Electronic payment voucher through NYS's program for:
    A. Form IT-205 balance due
    B. Form IT-2106, *Estimated Income Tax Payment Voucher for Fiduciaries*

This payment option enables a large Fiduciary filer, such as a financial institution, to make one payment covering many accounts. Individual Fiduciary filer should use the Electronic Funds Withdrawal (ACH debit) option to pay the balance due on an *e-filed* IT-205.

Note: e-filers may participate in the program above.

Changes for Tax Year 2012

Mailing address for check payments has been updated. Please see new transmittal form at the end of this publication.

Program Participation

All preparers, software developers and e-service providers may participate in NYS's fiduciary Bulk Filer program. NYS will accept Bulk Files only from approved software providers or transmitters.

New applicants

New applicants (fiduciaries, software providers, and transmitters) to the electronic payment voucher program should contact the *e-file* Help desk at 518-457-6387.   The *e-file* unit will send new applicants a form to obtain the necessary applicant contact, e-file program and electronic payment program information.

Current participants

Current participants in the electronic payment voucher program should notify the *e-file* Help desk at 518-457-6387 when there is a change to the contact and program information initially provided.

Testing and Certification

Electronic payment voucher program: All new software developers and transmitters are required to test with NYS. New filers, filing through approved software providers, are not required to test.

Contact the *e-file* Help Desk at 518-457-6387 for information about testing and certification.

Filing Estimated Tax (IT-2106) and IT-205 balance due payments

This payment option enables a Fiduciary filer to make one payment covering multiple trust/estate accounts. This process has a data transmission component (account information, tax period, amount, etc.) and a payment component (fedwire or paper check remittance). A fedwire must conform to the format specified in the appendix. A payment by a check *must* be accompanied by a *Check Transmittal Form* (see appendix) to insure that it is applied correctly.

Electronic IT-2106 estimated tax payments and electronic IT-205 balance due payments use the same record layout and methodology for processing payment voucher data and payments. Fiduciary filers should follow their software provider's instructions. The payment due dates are the same for filing electronically or on paper.

Software developers should refer to IT-2106 Estimated Tax and IT-205 Balance Due Payment Record. The field **Quarter/Due Date** on the record layout indicates whether the payment is for estimated tax or for IT-205 balance due.

When filing IT-205 payment data, the New York City amount and Yonkers amount fields should be blank, and the NYS amount should be equal to the *Total Amount* field.

Each transmission contains trust/estate accounts data for the same tax period. A filer can create multiple transmissions for the same tax period (e.g., to add more payments). However, do not mix different tax periods in the same transmission. There is no limit on the number of accounts for which a program participant can file. Voucher records can be sorted in any order on the voucher file.

Payment processing center

Payment voucher data is transmitted to NYS's payment processing center, JPMorgan Chase. Payment (by fedwire or a bank check) is also sent to NYS's payment processing center.

NYS's payment processing center is responsible for receiving filings directly from filers and processing the data in accordance with the NYS requirements, including validating and reconciling the data, and providing acknowledgment of successful processing. NYS's payment processing center will work with program participants to establish data communications, and operationally will be responsible for communicating with a fiduciary filer's designated contact(s) for resolving problems directly related to the transmission of voucher data and the associated payment.

NYS retains direct responsibility for all processing of the tax data subsequent to payment processing center involvement, including maintaining and reconciling taxpayer accounts, and

protest and exception resolution.

Filing and processing procedures

A. **Setting up and testing a new bulk filer account -** To set up a new bulk filer, DTF notifies processing center JPMC that there is a new filer who wishes to test connectivity.

1. A representative from JPMC will contact the filer and direct them to provide the following information for testing purposes:

   - Filer ID and name
   - Date voucher data and payment will be sent
   - Number of voucher records and total amount
   - Payment method (fedwire or check) and amount

2. JPMC will provide transmission protocol to the filers.

3. If the file doesn't pass the edits and validations, JPMC will contact the filer to resolve the problem. The filer may need to correct errors in the file and re-transmit.

4. If the file passes the edits and validations, JPMC will acknowledge the receipt by e-mail to the filer.

B. **Filing and making payments** - Once testing is complete, filers must use the following procedures to send voucher data files and payments to JPMC:

1. Filer transmits voucher data to JPMC via the internet using transmission protocol provided by JPMC.

2. If there is any transmission problem, filers should contact the *e-file* help desk (see Appendix Contact Information).

3. Filer initiates wire transfer to JPMC or mails single check with C*heck transmittal form* to JPMC.

4. Filer should ensure that voucher date and matching payment are both received at JPMC on the same day.

5. JPMC will contact DTF if the matching payment for a voucher data file is not received (or payment received without matching data file) within three business days. DTF will contact the filer to send the amount due.

C. **Confirming and validating files**

1. JPMC validates the file received

2. If the file fails the edits and validations, JPMC will contact DTF to resolve the issue. The filer may need to correct errors in the file and re-transmit.

3. If the file passes the edits and validations, JPMC will acknowledge receipt of the file by e-mail to the filer.

D. **Reconciling voucher data and payment**

1. JPMC reconciles the voucher data and the payment received.

2. If the payment reconciles with the data file, JPMC will send the filer a reconciliation e-mail stating the number of voucher records and total payment received.

3. If the payment doesn't reconcile with the voucher data file, either JPMC or DTF will contact the filer.

   - If the payment is correct but the data is incorrect, JPMC will delete the data file and the filer must transmit a corrected file as soon as possible.

   - If the payment (fedwire) is incorrect and it is greater than the total amount specified in the data file, DTF will require that the filer send a corrected data file to match the fedwire amount.

   - If the payment (fedwire) is incorrect and it is less than the total amount specified in the data file, the filer must send an additional fedwire for the difference.

   - If the payment (check) is incorrect and it is greater than the total amount specified in the data file, JPMC will return the check to the filer and have the filer send a new check for the correct amount with a *Check transmittal form*.

   - Additional payments (if initial payment is short) and replacement payments must be received within two business days of notification or they will be considered late.

Appendix

Contact Information

<u>Department of Taxation and Finance</u>

Return inquiries : *e-file* Help Desk: 518-457-6387

Mail checks for electronic IT-2106 estimated tax/IT-205 balance due payments with *Check transmittal from* to:

JPMORGAN CHASE
BULK FILER – MAG PROCESSING
33 LEWIS RD
BINGHAMTON, NY 13905-1040

Field description	Line	Field	Field input	Footnote
Primary Information Area				
Priority code	1	1	02	Used by the Federal Reserve. Input is mandatory and is always *02*.
Receiving bank identifier	2	2	071000013	Specifies the RDFI or Receiving Bank's Transit Routing. Input is mandatory and is always *071000013*.
Fedwire type/subtype	2	3	1000	Used by the Federal Reserve to describe certain characteristics of the transaction. Input is mandatory and is always *1000*.
Sending bank identifier	3	4	Numeric	Specifies sending bank's transit routing number. Input is mandatory.
Fedwire class code	3	5	Numeric	For optional use by sending bank.
Sending bank Reference	3	6	Numeric	A reference number assigned by the sending bank.
Fedwire dollar amount	3	7	Numeric	Specifies the dollar amount of the Fedwire. This is the payment that will be remitted to New York State.
Sending bank name	4	8	Alpha-numeric	Abbreviation of sending bank. Input is mandatory.

Order party	4	9	Alpha-numeric	Specifies the legal name of the company remitting payment. This field is mandatory and should be structured as follows: ORG = your company's legal name; For example, O RG = ABC Corporation.
Third-party information				
Receiving bank	5	10	JPMorganChase	Abbreviation of the receiving bank's name. Input is mandatory and is always ***JPMorganChase***.
Product code	5	11	CTR	Describes the transaction type. Input is mandatory and is always ***CTR*** (customer transfer).
Third party/beneficiary	5	12	BNF=NYS DTF	Specifies the receiving party. Input is mandatory and is always ***BNF = NYS DTF*** (New York State Department of Taxation and Finance).
Beneficiary account number	5	13	658562574	Specifies account number of the Department of Taxation and

				Finance. Input is mandatory and is always *658562574*.
Originator to beneficiary information	6 & 7	14	Numeric	See the *Originator to beneficiary format* (field 14) table below.

Fedwire specifications

Originator to beneficiary format (field 14)

This table shows the format for the *Originator to beneficiary information* (field 14). This field is made up of several sub-fields and is where specific tax filing information is reported.

Sub position description	Position	Field size	Field input	Comments
Segment identifier	1 - 4	4	OBI=	Indicates the beginning of your company's tax identifying information. Input is mandatory and is always ***OBI=***.
Separator	5		1	*
Tax type code	6 - 7	2	ET	Identifies the tax payment type. Input is always ***ET***.
Separator	8		1	*
Account name	9 - 25	17	"NYS ESTIMATED TAX"	Identifies the tax account name. Input is always ***NYS ESTIMATED TAX***.
Separator	26		1	*
Filer ID	27 - 30	4	Numeric	4-digit number assigned by NYS Tax Department.
Separator	31		1	*
Tax period/payment type	32 - 33	2	Alpha-numeric	No longer required
Separator	34		1	*
Number of voucher data records	35 - 40	6	Numeric	Specifies the number of voucher records included in the file which corresponds to this payment. Right justified

				with unused spaces filled with zeroes.
Separator	41	1	*	
Total payment amount	42 - 53	12	Numeric	Specifies the amount of the payment. Right justified, dollars and no cents, unused spaces. Filled with zeroes. Must = sum of *Total amount filed* from all voucher records on the voucher data file.

Check transmittal form

New York State Department of Taxation and Finance Estimated Tax Payments (IT-2106) and IT-205 Balance Due Payments	
Section A --- To be completed by fiduciary filer	
1. Firm's name:	
2. Firm's Address:	
3. NYS assigned Filer ID: (4 digits)	
4. Voucher filing information: (The information in items 4a through 4e below must correspond to the voucher filing associated with this payment) Tax period (e.g. 2011 IT-205 balance due; 2012 IT-2106 Quarter 1):	
b. Date voucher file transmitted:	
c. Number of voucher records:	
d. Total payment amount (check amount): \$_____.00	
Enclose with this form a check made payable to *NYS Income Tax*. Indicate on the check your 4-digit Filer ID, *IT-2106,* or IT-205 balance due, and tax year Send to: JPMorganChase Bulk Filer – Mag Processing 33 Lewis Road Binghamton NY 13905-1040	SECTION B FOR DTF USE ONLY ---------------------------------- Date received: