



New York State
Department of Taxation and Finance

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Partnership Modernized e-file (MeF) Handbook for Software Developers

for
Tax Year 2012

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The information presented is current as of this publication's print date.
Visit our Web site at www.tax.ny.gov for up-to-date information.

**Fed/State Partnership Modernized e-Filing Software Developer's
Guidelines and Schemas for New York State**

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Introduction

Description of New York State partnership e-file program

The New York State Department of Taxation and Finance (NYS DTF) is participating in the Fed/State Modernized e-File (MeF) program, under the IRS Modernized e-File architecture. NYSDTF is supporting partnership return e-filing for tax years 2010, 2011, and 2012.

The IRS and NYSDTF require that all tax software pass a series of tests each year.

When Form IT-204-LL, *Partnership, Limited Liability Company, and Limited Liability Partnership Filing Fee Payment Form*, is e-filed, the balance due on the e-filed return **must** be paid with an ACH debit. The information necessary to initiate the debit must be included with the return data upon filing.

NYSDTF requests that you provide a copy of your software as soon as it is released to the public. We will use the software for evaluation, research, and to troubleshoot production issues. We will not use the software to prepare and/or file returns. If you support e-file via an online application, we are requesting access to that as well. You may contact Suzanne Ayer if you need additional information. Mail a copy of your software to:

NYS TAX DEPARTMENT
ATTN: SUZANNE AYER
FORMS REVIEW UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227

Email: TSS.PIT.Forms.Review@tax.ny.gov

Tax Year 2012 e-file calendar

NYSDTF Partnership e-filing program calendar

Partnership return period	January 1, 2012 through December 31, 2012
Software testing	November 5, 2012 through April 30, 2013
E-file return acceptance period	January 7, 2013 through the end of December 26, 2013

Note: NYSDTF will begin accepting submissions on January 7, 2013.

All transmitted returns received by NYSDTF will generate a submission receipt and an acknowledgement. The receipt indicates that the transmission was received by the NYSDTF. An acknowledgement indicates whether or not the return is able to be processed. An accepted acknowledgement record transmitted in XML format indicates the return was received and has successfully completed the transmission validation process. This does not mean any requested direct debit was processed successfully.

Mandate information

For information on the *e-file* mandate, visit our Web site at: [Changes to the tax preparer e-file mandate](#). For tax preparer e-file mandate information, see: [Who the tax preparer e-file mandate applies to](#).

New for Tax Year 2012

There are three forms added to the list of e-file supported forms for partnership MeF. They are Forms:

- IT-634, *Empire State Jobs Retention Program Credit*
- IT-635, *New York Youth Works Tax Credit*
- IT-636, *Beer Production Credit*

Reject codes / modifications / error codes

See the [Rules, edits, and rejects](#) section for the complete list.

New: Reject code **05959** was added for "Values present in Brownfield redevelopment tax credit field. " If a submission includes Brownfield's credits on the IT-204 in Section 11 – Partners' credit information, Part 1 – Flow-through credit bases and factors on lines 127, 128, or 129, the submission will reject and the whole return will have to be filed on paper. See the reject codes table on page 22, [Error Codes for Rejected Returns](#).

New: Reject code **05960** was added for "Values present in Excelsior jobs program tax credit fields." If a submission includes Excelsior credits on the IT-204, Section 11 page 8 on lines 136 - 139, the submission will reject and the whole return will have to be filed on paper.

New: Reject code **05961** was added for "There is an insupportable code present on Line 148."

New: Reject code **05962** was added for "There is an insupportable code present on Line 147."

The following forms (on the chart below) will result in a rejected return if there is an amount on line 147 or 148. The reject code will be **05961** (see above).

Other flow-through credits, addbacks and recaptures								
Credit Form	Line number	Code	Credit Form	Line number	Code	Credit Form	Line number	Code
IT-611	148	171	IT-611.1	148	170	IT-612	147	172
IT-612	148	172	IT-613	147	173	IT-613	148	173
IT-607	148	607	IT-605	147	165	IT-605	148	165
DTF-630	147	630	DTF-624	147	624	DTF-626	148	626
DTF-622	147	622	DTF-622	148	622	DTF-621	147	621
DTF-619	147	619	IT-631	147	631	DTF-633	148	633
DTF-633	147	633	DTF-633	147	B33	DTF-633	147	C33
DTF-633	147	D33						

Form [TR-579-PT](#), *New York State E-File Signature Authorization for Tax Year 2012 For Forms IT-204 and IT-204-LL*, has been modified. New language has been added to Form TR-579-PT in accordance with the NACHA Operation Rules and Guidelines Subsection 2.3.2, *Authorization and Notices with Respect to Consumer Accounts*, and Subsection 2.3.2.3, *Form of Authorization*. Form TR-579-PT will include revocation language that states in Part A **"I understand and agree that I may revoke this authorization for payment only by contacting the Tax Department no later than five (5) business days prior to the payment date."** The related section is found on [page 17](#).

Whole dollar amounts are required on partnership forms. For tax years 2012 and subsequent years, taxpayers may enter only whole dollar amounts on partnership tax forms as well as other schedules and credit claim forms.

Foreign account information is required on Form IT-204. There is a new check box on Form IT-204 located in section 1, letter Q. Taxpayers are required to acknowledge if they have a financial account located in a foreign country.

If a single member LLC (SMLLC) does not have an EIN and has been issued a Partnership Identification Number (“TF” number) by NYS DTF, you must use the TF number when filing Form IT-204 LL. In the alternative, the entity can obtain an EIN and use that EIN on Form IT-204-LL; it must notify NYS DTF of the EIN number.

Form IT-204-IP, *New York Partner’s Schedule K-1*, must be completed and filed for each partner who is an individual, estate or trust, or partnership, and Form IT-204-CP, *New York Corporate Partner’s Schedule K-1*, is required for each Article 9-A partner. There is no limit as to how many Forms IT-204-IP and IT-204-CP can be attached.

Common errors

The three top reasons e-filed submissions are rejected are:

1. ELF schema validation failure (04074)
2. Declaration and signature authorization is incorrect or missing (05265)
3. Incomplete bank payment data (05507)

For the tax year 2012 some forms have had changes, e.g. Form IT-604, *Claim for QEZE Tax Reduction Credit*, has had line number changes, and it is imperative that the correct schema be used. See [Tax year 2012 schema](#).

Also, new for tax year 2012, Single Member LLCs (SMLLCs) will be able to e-file multiple Forms IT-204-LL with the same taxpayer identification number. We will no longer reject if the same taxpayer identification number is used for multiple return filings when the filing is for a SMLLC. Returns will continue to be rejected if the same taxpayer identification number is used and the return is not a SMLLC.

Electronic filing and electronic payment mandate changes

For information on the mandate for business taxpayers, visit our Web site at: [E-file – mandate for business taxpayers](#). For information on the mandate for tax return preparers, visit our Web site at: [E-file mandate for tax preparers](#).

Failure to follow the e-file mandate may result in penalties, for more information, see: [E-file mandate penalties](#).

Examine the [New York State spreadsheet](#) for all other changes related to schema, and/or field descriptions, referring specifically to both tabs in the state spreadsheet – “NY State Spreadsheet TY12” and “TY12 Changes.” Column R, “Update/New for TY12” within the state spreadsheet indicates the specific change made to each field. Also note that we have added two new fields in connection with internet protocol, IP address (IP_ADR), and IP Timestamp (IP_TIMESTAMP).

Software Developers’ responsibilities

Software Developers must display the following information to self-filers during the preparation of a return or extension:

Partnership

Most taxpayers must electronically file their 2012 New York State partnership tax returns and extensions. There’s no additional charge to you for e-filing this form. For more information, visit the New York State Tax Department Web site at: [E-file – mandate for business taxpayers](#)

All participants in the NYSDTF MeF program must comply with the procedures, requirements, and specifications in IRS Publication 3112, *IRS e-File Application and Participation*, and IRS Publication 4164, *Modernized e-File Guide for Software Developers and Transmitters*, on the IRS Web site at [Modernized e-File \(MeF\) Guide for Software Developers And Transmitters](#).

NYSDTF partnership forms supported in e-file for Tax Year 2012

Schedules, attachments, and credit forms cannot be submitted separately and must be filed with Form IT-204.

The following tax forms are supported by NYSDTF Partnership MeF. If a tax filing contains a tax form that is not included in this list, the entire return and all attachments must be filed on paper. In addition, if a tax filing contains a form that is included on this list but is not supported by the taxpayer's tax software, the entire return and all attachments must be filed on paper.

e-file supported forms for Tax Year 2012	
Main forms	
IT-204	<i>Partnership Return</i> - report of income, deductions, credits, etc. (required for filing, no payment allowed)
IT-204-LL	<i>Partnership, Limited Liability Company, and Limited Liability Partnership Filing Fee Payment Form</i> (required for filing)
IT-370-PF	<i>Application for Automatic Extension of Time to File for Partnerships and Fiduciaries (Optional)</i>
Schedules, attachments, etc. for Form IT-204	
DTF-686	<i>Tax Shelter Reportable Transactions-Attachment to New York State Tax Return (Optional)</i>
IT-204-IP*	<i>New York Partner's Schedule K-1</i> (optional, can have multiple occurrences in same filing)
IT-204-CP*	<i>New York Corporate Partner's K-1</i> (optional, can have multiple occurrences in same filing)
IT-204.1	<i>New York Corporate Partners' Schedule K (Optional)</i>
IT-398	<i>New York State Depreciation Schedule for IRC Section 168(k) Property (Optional)</i>
IT-399	<i>New York State Depreciation Schedule (Optional)</i>
Y-204	<i>Yonkers Nonresident Partner Allocation (Optional)</i>

* For each Form IT-204-CP and Form IT-204-IP filed, the partner's EIN and the partner's identifying number (PRTNR_EIN_ID) need to be entered. Each partner in a partnership should have a unique identifying number (e.g., a social security or employer identification number) within the partnership.

Credit claim forms filed with Form IT-204

IT-212	<i>Investment Credit</i> (optional, can have multiple occurrences in same filing)
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IT-242	<i>Claim for Conservation Easement Tax Credit (Optional)</i>
IT-256	<i>Claim for Special Additional Mortgage Recording Tax Credit (optional, can have multiple occurrences in same filing)</i>
IT-601	<i>Claim for EZ Wage Tax Credit</i>
IT-602	<i>Claim for EZ Capital Tax Credit (Optional)</i>
IT-603	<i>Claim for EZ Investment Tax Credit and EZ Employment Incentive Credit (Optional)</i>
IT-604	<i>Claim for QEZE Tax Reduction Credit (optional)</i>
IT-606	<i>Claim for QEZE Credit for Real Property Taxes (optional)</i>
*New IT-634	<i>Empire State Jobs Retention Program Credit (Optional)</i>
*New IT-635	<i>New York Youth Works Tax Credit (Optional)</i>
*New IT-636	<i>Beer Production Credit (Optional)</i>

Forms not currently supported for e-filed returns for Tax Year 2012

DTF-619, *Claim for QETC Facilities, Operations, and Training Credit*
DTF-621, *Claim for QETC Employment Credit*
DTF-622, *Claim for QETC Capital Tax Credit*
DTF-624, *Claim for Low- Income Housing Credit*
DTF-630, *Claim for Green Building Credit*
IT-238, *Claim for Rehabilitation of Historic Properties Credit*
IT-239, *Claim for Credit For Taxicabs and Livery Service Vehicles Accessible to Persons with Disabilities (credit has expired - for carryover only)*
IT-241, *Claim for Clean Heating Fuel Credit*
IT-243, *Claim for Biofuel Production Credit*
IT-246, *Claim for Empire State Commercial Production Credit*
IT-248, *Claim for Empire State Film Production Credit*
IT-249, *Claim for Long-Term Care Insurance Credit*
IT-250, *Claim for Purchase of an Automated External Defibrillator Credit*
IT-251, *Credit for Employment of Persons with Disabilities*
IT-252, *Investment Tax Credit for the Financial Services Industry*
IT-252 ATT, *Employment Incentive Credit for the Financial Services Industry*
IT-253, *Alternative Fuels Credit (credit has expired - for recapture or carryover only)*
IT-261, *Claim for Empire State Film Post-Production Credit*
IT-605, *Claim for EZ Investment Tax Credit & EZ Employment Incentive Credit for Financial Services Industry*
IT-607, *Claim for Excelsior Jobs Program Tax Credit*
IT-611, *Claim for Brownfield Redevelopment Tax Credit*
IT-611.1, *Claim for Brownfield Redevelopment Tax Credit*
IT-612, *Remediated Brownfield Credit for Real Property Taxes*
IT-613, *Claim for Environmental Remediation Insurance Credit*
IT-631, *Claim for Security Officer Training Tax Credit*
IT-633, *Economic Transformation and Facility Redevelopment Program Tax Credit*

Contact information

Telephone numbers, fax numbers, and mailing addresses:

NYS DTF e-file Help Desk: (518) 457-6387

IRS e-file Help Desk: 1 866 255-0654

Personal Income Tax Information Center: (518) 457-5181

NYSDTF *forms and instructions*: (518) 457-5431

Fax NYSDTF e-file: (518) 435-8660

Mailing address:

NYS TAX DEPARTMENT
 PARTNERSHIP – MODERNIZED E-FILE
 PERSONAL INCOME TAX BUREAU
 W A HARRIMAN CAMPUS
 ALBANY NY 12227

Need help?



Visit our Web site at www.tax.ny.gov

- get information and manage your taxes online
- check for new online services and features



Text Telephone (TTY) Hotline (for persons with hearing and speech disabilities using a TTY): If you have access to a TTY, contact us at (518) 485-5082. If you do not own a TTY, check with independent living centers or community action programs to find out where machines are available for public use.



Telephone assistance

Automated income tax refund status: (518) 457-5149

Personal Income Tax Information Center: (518) 457-5181

To order forms and publications: (518) 457-5431



Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, call the information center.

Web sites and publications

 <p>New York State e-file www.tax.ny.gov</p>	<p><i>The New York State Department of Taxation and Finance</i></p>
NYSDTF e-file Web site	<i>E-file information for tax professionals</i>
NYSDTF forms and instructions	<i>Forms and instructions</i>
NYSDTF Partnership e-filing Software Developer Testing Package	<i>Partnership/LLC e-file information for software developers</i>
Frequently asked questions (Taxpayer Answer Center)	<i>Frequently asked questions (Taxpayer Answer Center)</i>
Publication 16 (LLC and LLP information)	<i>New York Tax Status of Limited Liability Companies and Limited Liability Partnerships</i>
Publication 20, NYS Tax Guide for New Businesses	<i>Publication 20</i>

Publication 910, NAICS codes	NAICS Codes for Principal Business Activity for New York State Tax Purposes
Internal Revenue Service (IRS)	IRS

IRS MeF Fed/State program

MeF will accept two kinds of submissions: 1) IRS (federal) submissions, and 2) NYSDTF submissions. Each return must be enclosed in a separate submission, but multiple submissions may be contained in a single message.

NYSDTF will support *linked* and *unlinked* state returns. A state submission can be *linked* to the IRS submission by including the Submission ID of the federal return in the state manifest. If the state submission is *linked* to an IRS submission (also referred to as a *Fed/state return*), the IRS will check to see if there is an accepted IRS submission under that Submission ID. If there is not an accepted federal return, the IRS will deny the state submission and a denial acknowledgement will be sent from the IRS. If there is an accepted federal return under that Submission ID, then IRS MeF will validate certain elements on the state submission and provide the submission to the participating state.

If the NYS return is *unlinked* to a previously accepted federal return (also referred to as a *State Stand-Alone Return*), then IRS MeF will validate certain elements of the submission, and, if IRS does not deny the state return, it will provide the state submission to the participating state regardless of the federal return.

Both federal and state returns must be in XML format. The federal returns must conform to the IRS valid schema versions. New York State returns must conform to the PIT MeF New York State schema

Acceptance and participation

Requirements for Transmitters participating in the partnership e-file program

A Tax Preparer must be an authorized IRS e-file provider. An authorized IRS e-file provider may be an Electronic Return Originator (ERO), Intermediate Service Provider, Transmitter, Software Developer, or Reporting Agent. You must apply and be accepted by the IRS as an authorized IRS e-file provider. A separate partnership e-file application is not required for New York State.

For more information on the application process, refer to Publication 3112, *IRS e-file Application and Participation*, at [IRS e-file Application and Participation](#).

IRS e-services information can be found at: [IRS e-services - Online Tools for Tax Professionals](#).

Software vendor ID characteristics include the following:

- a separate vendor ID must be provided for each tax software product
- the ID is self-selected by the developer
- defined as a string allowing alpha characters and digits
- limited to 10 characters
- stored in an element called <SOFT_VNDR_ID>

- a required element
- each unique vendor ID will test separately for approval
- alpha characters may relate to the name of the software company

Compliance requirements

Software Developers must:

- Immediately correct software errors identified by the IRS/NYS DTF and distribute updates of their software packages to their clients. Failure to correct any errors or issue timely releases may result in suspension from the program.
- Notify NYSDTF of any software errors identified during the filing season. Software Developers must ensure that their software enables the printing of Form TR-579-PT.
- Ensure that their software supports electronic payment options and any electronic funds withdrawal information (payment effective date, routing and account numbers, as well as account type).
- Ensure their software supports the printing of the tax return and all supporting forms so that if the return cannot be e-filed, the partnership can mail the printed return to NYSDTF. If there are questions or concerns about this please contact:

NYS TAX DEPARTMENT
ATTN: SUZANNE AYER
FORMS REVIEW UNIT
W A HARRIMAN CAMPUS
ALBANY NY 12227

Email: TSS.PIT.Forms.Review@tax.ny.gov

NYSDTF reserves the right to not approve your electronic software packages until your paper packages have been reviewed and approved as well.

Who can participate in e-file?

Transmitters can e-file New York State partnership returns and extensions when they are authorized to e-file federal partnership returns and are using e-file software approved by the IRS and the NYSDTF. Visit our Web site at [E-file - partnership/LLC tax information](#).

Software development

Schema version number

The schema version number includes the tax year, the version initial and numeric for which the schema and business rule document applies. The version initial is case sensitive. The version number of MeF business rules that are invoked for the MeF XML schemas will always have the same version number as the schema version, thereby providing a mechanism that aligns the various versions of schemas with their applicable business rules.

Schemas and specifications

IRS has structured tax return data into a series of schemas. A schema is an XML document that specifies the data elements, structure, and rules for each form, schedule, document, and/or attachment. Note: There are business rules in addition to rules defined by schema (see *Error categories/ business rules* for more information about business rules). Unless otherwise noted, XML schemas must be used as defined by the IRS.

Most of the required elements are in the return header schema. The header schema contains the identifying information for the entity filing the return, the name of the officer signing the return, preparer information, and the preparing firm's information.

For a complete list, refer to the New York State e-file Web site for partnership software developers and download our schemas and edits file at: [Partnership/LLC e-file information for software developers](#).

Software acceptance, testing, and approval

The following information must be provided to NYSDTF prior to submitting test transmissions:

- Software Developer company name
- Address
- Primary contact person – name, telephone number, email address
- Secondary contact person – name, telephone number, email address
- EFINs/ETINs (test and production) assigned by IRS
- Tax Year 2012 New York State forms supported for partnership e-file
- Software ID
- Other information as required

The information should be emailed to: partnershipmef@nystax.gov

New York State software testing will begin November 2012 for Tax Year 2012

All software must be tested using the New York State test package posted on our Web site. Returns submitted under software vendor ID's that have not been approved for NYSDTF partnership processing will be rejected. A separate software vendor ID must be provided for each product. A software vendor ID will be approved at the primary form level. This will provide for forms with an earlier due date to be tested, approved, and released prior to other form types.

The partnership e-file test package and all other testing documents and schemas are available on our Web site at [Partnership/LLC e-file information for software developers](#).

What you will need for testing:

- Current year [test package](#) with PDF copies of NYSDTF returns
- Publication 97
- NYSDTF specific current year [XML schema](#) (must use the latest version)
- State spreadsheet of required data elements and edits
- Chart of current year schema business objects (BO) to be included by form
- Sample forms displaying XML tags

Developers must validate the New York State return data (XML) against the New York State Schema, and include edits and verifications based on the business rules provided for each element.

The New York State spreadsheet will include definitions and information for each field including: type, format, length, allowable values, allowable occurrences, and business/validation rules.

Software Developers will be given a confirmation by email from the NYSDTF e-file section, when the software has been successfully tested and approved. Only approved, software may be released and distributed by the developer. A copy of the released software must be sent to NYSDTF.

Accepted software will be listed by New York State based on number of forms supported from highest to lowest. See e-file approved [Software Developers for Partnership e-file Tax Year 2012](#).

Acknowledgement system

IRS MeF receipt

IRS MeF will create a *receipt* for transmitters for every state submission received. This receipt only indicates that the submission was received, and does not indicate that it has passed validation or that the state return has been provided to the participating state.

State submission denied by IRS MeF

If the state submission (linked or unlinked) is “*denied*” by IRS MeF, then IRS MeF will create an acknowledgement for the transmitter indicating that the state submission was denied and will not be available for the state. In this case, the state will not know that the transmitter sent a state submission to IRS MeF and that it was not accepted.

State receipt and acknowledgment

If the state submission is not “*denied*” by IRS MeF then IRS MeF will return a receipt to the software provider (not an acknowledgement) and provide the state submission for the state to retrieve. The IRS MeF does not create an acknowledgement for state submissions.

NYSDTF will retrieve the state submission from IRS MeF, and send a “*receipt*” back to the transmitter via IRS MeF. NYSDTF will then validate that the return can be processed. An acknowledgment acceptance or rejection will be sent back to the software provider via IRS MeF within 72 hours, an Accepted acknowledgement record transmitted in XML schema format indicates the return and payment (if applicable) was received and has successfully completed the transmission validation process. **Note:** Acceptance does not indicate that an ACH debit authorized in the submission was approved and processed. The IRS will accept filings with an ‘*EXT_TP_ID*’ (new State ID-choice of Temporary ID) containing alpha characters and will allow the acknowledgements to be returned by NYSDTF with an ID containing alpha characters in the EIN field within the acknowledgement.

Resubmission of state rejected return

If a state return is rejected by NYSDTF, correct the error and resubmit the return to IRS MeF. The corrected, resubmitted return **must** contain the ‘*original*’ submission ID of the rejected return. There will be a field in the header BO in the schema labeled *ORIG_SBMSN_ID*.

Perfection period for rejected submissions

When a transmitted electronic return is received by NYSDTF and subsequently rejected, there is a seven calendar day perfection period to correct that return for electronic retransmission. When a previously rejected electronic return is accepted by NYSDTF within the seven day perfection period, it will be deemed to have been received on the date of the first rejection that occurred within that seven day period.

The e-filed perfection period is initiated:

- If the original submission was timely
- If the original submission was rejected,
- If the original submission ID# is present on the resubmission, and
- If the original submission contained the Postmark Date (PSTMRK_DT).

Note: If the submission is rejected by the IRS, NYSDTF will not receive the original submission and the perfection period will not initiate. The perfection period is not an extension of time to file.

Postmark received date

Even though the postmark received date (PSTMRK_DT) is not a required field, it needs to be populated to take full advantage of the perfection period.

Processing delays

NYSDTF will make every effort to process an e-filed return once it is receipted and/or acknowledged. However, if the e-filed return contains an error(s), identified after the return is receipted/acknowledged; the return may require manual review or manual rejection.

Payment handling and acceptance

Paying a balance due

The balance due on an electronically filed Form IT-204-LL must be paid electronically with an ACH debit. The information necessary to initiate the ACH debit must be included with the submission when the return is filed. Partially paid or unpaid liabilities on an e-filed return will be billed when the return is processed. There is no paper voucher option for e-filed Form IT-204-LL returns.

Preparers and EROs must stress to taxpayers the importance of supplying correct information because the routing transit number and bank account number may not be changed once a return has been transmitted and accepted. They should also stress that their clients follow up to ensure the debit is processed at their financial institution. We do not reject or notify the filer if the ACH payment is returned dishonored or if the bank could not debit the account. If no follow up is done, the filers may receive a bill at a later date, which will include applicable penalties and interest.

Pay by electronic funds withdrawal (direct debit)

The following information must be provided with the electronic return data Form IT-204-LL is e-filed:

- the ownership type of account (business or individual) to be debited
- the bank account number
- and the bank routing number
- the requested withdrawal date, and
- the payment amount to be debited.

Returns can be resubmitted with full payment, partial payment or no payment. If there is a balance due, the taxpayer will receive a bill which may include penalty and interest.

When bank account information (account number and routing number) is being entered for the first time, NYSDTF requires that the information be entered **twice** within the tax software. This improves accuracy by requiring the taxpayer to double check their account information. This also reduces the number of direct deposit refunds (DDRs) and electronic funds withdrawal (EFWs) being returned by the taxpayer's bank.

Software must not allow an ACH electronic fund withdrawal to be requested where the funds would be coming from an account outside the U.S. This is due to banking rules from NACHA (National Automated Clearing House Association) regarding the processing of international transactions.

The authorization date for the payment is the earliest date that the electronic funds withdrawal will be debited from the specified account. The filer can specify a payment date up to and including the due date of the return, **without** regard to extensions. If the payment date falls on a weekend or bank holiday, the payment will be withdrawn the next business day. If the filer e-files a return before the due date, the money will be withdrawn from the account on the date specified. A return received prior to the due date that has no requested withdrawal date will be rejected because it does not conform to NACHA rules. For a return e-filed after the due

date, the withdrawal will be processed on the date the e-file return is accepted. This payment option is available through the end of the e-file season. Please note that partially paid or unpaid returns will be accepted in e-file and the balance due will be billed at a later date, once the return is fully processed.

A charge of a \$50 fee may be issued when a check, money order, or electronic payment is returned by a bank for nonpayment. However, if an electronic payment is returned as a result of an error by the bank or NYSDTF, then NYSDTF will not charge the \$50 fee. If a payment is returned, we will send a separate bill for \$50 for each payment that is dishonored.

When submitting a modified return where an original return has already been processed and had a payment that was already processed, be sure to remove any ACH data that was previously submitted or adjust it if an additional payment should be debited. If the ACH data is exactly the same on the subsequent filing and the *Amended* box is not marked, the filing will reject. If an amended return is submitted with the same ACH information as the original return, the debit request will be processed as a new request.

Signature requirements for partnership e-file returns

Signature requirements for returns e-filed by paid preparer through your tax preparation professional software package

The taxpayer(s) and the ERO / Preparer must sign **Form TR-579-PT, *New York State E-File Signature Authorization for Tax Year 2012 (or appropriate year) for Forms IT-204 and IT-204-LL***. Form TR-579-PT establishes that the taxpayer has reviewed his or her return, and authorizes the e-filing of the return, and if an electronic funds withdrawal (for payment of the amount owed on the return) has been requested, it verifies that the taxpayer has authorized the electronic funds withdrawal.

The ERO / Preparer must retain Form TR-579-PT for 3 years (do not mail it to NYSDTF). The ERO / Preparer must also sign the return electronically by checking a box that indicates that they have read and agreed to our declaration certification language. See return declaration below.

Returns e-filed by taxpayers themselves (self-filers) using commercial software

Taxpayers are required to sign the return electronically by checking a box that indicates that they have read and agreed to our declaration certification language. See return declaration below. Form TR-579-PT and ERO / Preparer declaration check box are not required.

Declaration certification language for e-file returns

NYS e-file software intended for tax professionals must present the following applicable declaration on the screen(s) for the tax preparer to complete.

Declaration of self-filer to be included on approved NYS e-file products for partnership return or filing fee payment form (filers of NYS Forms IT-204 and IT-204-LL)

NYS e-file software intended for partnership online (self) filer must present the following applicable declaration on the screen(s) for the taxpayer(s) to complete.

Self-Filer Declaration and Signature

I declare, under penalty of perjury, that I have examined the information on this 2012 New York State electronic partnership return or filing fee payment form (hereafter, "return"), including any accompanying schedules, attachments, and statements, and certify that this electronic return is true, correct, and complete.

If an amount owed on this return is being paid by electronic funds withdrawal, I authorize the New York State Tax Department and its designated financial agents to initiate an electronic funds withdrawal from the indicated account, and I authorize the financial institution to debit the entry to the account. I understand and agree that I

may revoke this authorization for payment only by contacting the Tax Department no later than five (5) business days prior to the payment date.

By entering my name and checking the box shown below, I declare that I am an authorized member or general partner in this partnership, LLP or LLC (hereafter, collectively, "partnership"), that I am authorized to sign and file this electronic return on behalf of the partnership, and am in fact signing and filing this return.

Enter Name

I have read the certification above and agree

Certification of ERO or tax preparer to be included on approved NYS partnership return (NYS Forms IT-204 and IT-204-LL) e-file products for tax professionals

NYS e-file software intended for tax professionals must present the following applicable declaration on the screen(s) for the tax preparer to complete.

ERO/ Preparer Certification and Signature

I certify that I have a valid New York State E-File Signature Authorization for Tax Year 2012 (Form TR-579-PT), authorizing me to sign and file this return on behalf of the partnership, LLP, or LLC (hereafter, collectively, "partnership").

I further certify that all information provided on the return is true, correct and complete to the best of my knowledge and belief, and that I have provided a copy of this return to the partnership. If financial institution account information has been provided on the return, I certify that the partnership has agreed to payment of the amount indicated as due by electronic funds withdrawal, that the partnership has authorized the New York State Tax Department and its designated financial agents to initiate an electronic funds withdrawal from the indicated account, and that the designated financial institution is authorized to debit the entry to the partnership's account. By checking the box shown below, I understand and agree that I am electronically signing and filing this return.

I have read the certification above and agree

Handling of attachments

Attaching non-XML documents

All *binary attachments* must be in PDF format. This includes: pages with additional information from forms, letters of explanation, etc. A separate *binary attachment XML document* must be created for each PDF and included in the submission data. The PDF must be included in the attachment folder of the submission ZIP file.

Each individual PDF file cannot exceed 64 megabytes uncompressed. For the accuracy of a document image, whether an attachment is in a PDF file or an image file format, the resolution should be no more than 200 dpi.

Do not password protect, or encrypt, or in any way *document protect* PDF attachments submitted through MeF.

Refer to IRS Publication 4164, *Modernized e-File (MeF) Guide for Software Developers And Transmitters*. See page 31, section 2.2 on the IRS Web site (at [Modernized e-File \(MeF\) Guide for Software Developers And Transmitters](#)).

Some federal forms that should be attached as PDFs include, but are not limited to:

Federal attachment

Schedule M-3
Form 4562
Form 4797
Form 8825
Schedule F (Form 1040)
Form 970
Schedule D

State form reference

IT-204, Section 5
IT-204, Section 2, Part 2, Line 18 & Section 7, Line 98
IT-204, Section 2, Part 1, Line 8 & Section 7, Line 96
IT-204, Section 7, and Line 87
IT-204, Section 2, Part 1, Line 7
IT-204, Section 3, and Line 37
IT-204, Section 7, Lines 94 & 95

Attaching non-XML documents (PDF files) is different than attaching XML documents. To attach a PDF file, the following steps must be performed:

- Create the PDF file
- Create a Binary Attachment XML document in the submission data that describes the PDF file
- Create references, if any, from the element(s) to which the PDF file is attached to the Binary Attachment XML document
- If the PDF file is to be attached to an element for a line, form, or schedule, create a reference from the element to the Binary Attachment XML document
- If the PDF is to be attached to a *GeneralDependency* or *GeneralDependencyElection* (i.e., Plans of Merger, Plans of Reorganization) create a reference from the element to the Binary Attachment XML document
- **Do not password protect, or encrypt, or in any way *document protect* PDF attachments submitted through MeF.**

It is important to note that the reference is created from the element to the Binary Attachment XML document, not to the PDF file. If no reference is created to the Binary Attachment XML document, then the PDF file is considered to be *attached* to the submission. It is important to note that creating reference(s) to PDF files is needed only when the IRS specifies the conditions under which the reference must be created, and the reference locations within return data where the reference must exist.

- Include the number of binary attachments in the submission in the *BinaryAttachmentCount* attribute, which is used to indicate the number of binary attachments in the return, of element *ReturnHeader*.
- Include the PDF file in the submission ZIP file that constitutes the submission.

Note: The ERO or taxpayer can create the PDF file with any tool available. Follow your e-file software provider instructions.

To create the Binary Attachment XML document, the ERO needs to know the name of the PDF file and a brief description of the file's contents. The ERO creates one Binary Attachment XML document for each PDF file included in the submission. There is one-to-one relationship between the PDF file and the Binary Attachment XML document that describes it.

The ERO or taxpayer provides the name of the PDF file, including the extension, in the *AttachmentLocation* element and provides a brief description in the *Description* element of the Binary Attachment XML document. The schema for the Binary Attachment document is defined in the file named *BinaryAttachment.xsd*.

Exclusions from NYSDTF partnership e-filing program

NYSDTF follows the IRS guidelines for MeF exclusions (refer to IRS Publication 4164).

In addition to the IRS guidelines, NYSDTF returns meeting any of the following criteria may not be e-filed with New York State:

- Returns filed with Hurricane Irene or Tropical Storm Lee written on them, or with the D3 special conditions indicator. For additional information visit our Web site (at www.tax.ny.gov/bus/multi/irene_relief.htm and at www.tax.ny.gov/bus/multi/lee_relief.htm).
- Returns filed with a liability period begin date prior to January 1, 2010. The tax year is determined by the year of the liability period begin date.
- Returns filed with a liability period begin date on or after December 3, 2012.
- Returns that include New York State tax forms that are not currently supported by e-file. Refer to the chart in this publication (at [e-file supported forms](#)).
- Returns requesting an electronic funds withdrawal payment where the funds for the payment would come from an account outside the U.S.

See NYSDTF e-file mandate on our Web site (at [E-file mandate for tax preparers](#)).

Rules, edits and rejects

Error codes for rejected returns

New: Reject code 05959 was added for "Values present in Brownfield redevelopment tax credit field. " If a submission includes Brownfield's credits on the IT-204 in Section 11 – Partners' credit information, Part 1 – Flow-through credit bases and factors on lines 127, 128, or 129, the submission will reject and the form will have to be filed on paper. See the reject codes table on page 22, [Error Codes for Rejected Returns](#).

New: Reject code 05960 was added for "Values present in Excelsior jobs program tax credit fields." If a submission includes Excelsior credits on the IT-204, Section 11 page 8 on lines 136 - 139, the submission will reject and the form will have to be filed on paper.

New: Reject code 05961 was added for "There is an insupportable code present on Line 147 or Line 148."

Edits and acknowledgement reject codes

Please refer to the NYSDTF e-file Web site for Partnership /Software Developers and download our schema file. For the tax year 2012 some forms have had changes, e.g. the Form IT-604 has had line number changes, and it is imperative that the correct schema be used. See [2012 Partnership Schema](#).

The table below provides a listing of the error codes used by NYSDTF. Please review the table to ensure you are sending the correct error text with the correct error code because the codes used by NYSDTF are different from those used by the IRS and other states.

Error codes for rejected returns, Tax Year 2012		
Reject code	Reject condition	Description
1000	Invalid Field	Schema validation detail error
1001	Field Missing	Schema validation detail error
1002	Invalid Data Value	Schema validation detail error
02707	Liability period end date is before the liability period begin date	Liability Period end date cannot be prior to the Liability Period begin date
02708	Document received date is before Postmark date	Document received date is before Postmark date
04012	Filing Composition Error	The combination of forms in the filing is not valid

04015	Form Not Valid for Tax Year	Only 2010, 2011 and 2012 tax year forms are valid, or a main form is required but was not included in the tax return
04074	ELF Schema Validation Failure	Refers to Software Developer's schema validation
04075	Invalid Bank Routing Number	Bank Routing number is invalid
04079	Submission does not contain a main form	A Main Form must be included- see <i>Tax forms supported</i> in this publication
04676	ACH Debit > Payment Enclosed	The payment amount is greater than the balance due amount
04882	Payment not allowed with IT-204 or IT-370-PF	Payment is only allowed with Form IT-204-LL for partnerships
04883	Software vendor is not approved	The Software ID has not been approved by NYS for partnership e-file
04919	Prior tax year of submission is not Accepted	Tax year is before partnership returns were being accepted electronically. The first year partnership was accepted was 2008.
04924	Payment amount Conflicts with ACH Indicator	ACH indicator is selected but no payment amount information is entered
05025	Invalid liability period	Liability period is either > 12months or not within the MeF tax years accepted*
05046	Future Year Returns are not Accepted	Tax year 2013 and later are not accepted
05107	State/province is required if country code is US or Canada (CA)	The state is required if country code is United States (US) and Province is required if country code is Canada (CA)**
05108	Duplicate Submission	Duplicate filing criteria met – filing contains all the same information, forms and ACH data
05110	International ACH Transactions (IAT) not Accepted.	If the International ACH Transactions (IAT) is selected then no direct debit (ACH) information is allowed.
05111	Account number cannot equal routing number.	Account number cannot be the same as routing number.
05118	Either LLC/LLP Filing Fee or LLC Disregarded Entity Filing Fee can be > 0 not both.	Both the LLC/LLP Filing Fee and the LLC Disregarded Entity Filing Fee cannot be > 0.
05134	"PREPARER" is not a valid entry for Paid Prep.name or Third Party name.	"PREPARER" is not a valid entry for paid preparer name or third party designee name
05135	Submission contains Invalid XML.	Submission contains invalid XML.
05264	ELC_AUTH_EFCTV_DT is blank.	If the ACH information is blank and it is prior to the due date the ELC_AUTH_EFCTV_DT must be entered.
05265	Declaration and signature authorization is incorrect or missing.	Based on the preparer signature or both declaration indicators are missing.

05266	ACH_IND conflicts with RFND_OWE_IND.	Payment information complete and/or the ACH IND conflicts with the RFND_OWE_IND.
05267	Invalid Identification Number.	The identification #, social security #, EIN# is an invalid: DSRGRD_ENT_ID (204LL) PREP_SSN_NMBR (Header, 204, 204LL) EXT_TP_ID (FilingKeys, Header) EXT_TP_PSHIP_ID (TIPartnership) PAID_PREPARER_ID (Header, 204, 204LL) WTHLD_TAX_ID (204).
05276	IT-370-PF received with IT-205 box checked.	IT-205 extension not accepted via Modernized e-File
05376	State address should not be populated when Cntry Cd Not = 'US' or 'CA.'	If MAIL_COUNTRY_CD not = US or CA, MAIL_STATE_ADR should not be populated.
05442	Payment amount for Partnership cannot exceed \$4,500.00.	State "Payment Amount exceeds ACH limit or other NY State Limitations" for any ACH Payment amount > \$4500.
05507	Incomplete bank payment data.	When incomplete bank account type is sent, i.e. ACH_IND is selected and account type (personal or business) is not selected
05959 <i>New</i>	Values present in Brownfield redevelopment tax credit field.	Values present in Brownfield redevelopment tax credit fields.
05960 <i>New</i>	Values present in Excelsior jobs program tax credit fields	Values present in Excelsior jobs program tax credit fields
05961 <i>New</i>	There is an insupportable code present in addbacks of CR(s) and recaptures.	There is an insupportable code present on Line 148.
05962 <i>New</i>	There is an insupportable code present in Other pass-through credits.	There is an insupportable code present on Line 147.

Calendar year

* If the return is for the calendar year 2012, the beginning and ending dates must be 01/01/12 and 12/31/12 respectively. The liability period reported on your filing must not be greater than twelve months; however, you can elect to use a 52/53-week tax year if you keep your books and report your income and expenses on that basis. To make the election, attach a statement with the following information to your tax return for the 52/53-week tax year and ensure you set the beginning and ending dates to 01/01/2012 and 12/31/2012 respectively.

1. The month in which the new 52-53-week tax year ends.
2. The day of the week on which the tax year always ends.
3. The date the tax year ends. It can be either of the following dates on which the chosen day:
 - last occurs in the month in 1., above, or
 - occurs nearest to the last day of the month in 1., above.

**How to enter foreign addresses for the partnership address:

Address – With the exception of Canadian addresses, foreign ZIP code should be entered at the end of the address field.

City – Enter city/town as applicable.

State – For Canadian addresses enter province; for all other foreign addresses, state must be blank.

Country Code – Enter appropriate foreign country code, see [Appendix](#) for list.

ZIP Code and ZIP Code Extension – For Canadian addresses, enter the first 3 characters of the ZIP (postal) code in the ZIP Code field and enter characters 4-6 of the postal code in the ZIP Code Extension field. For all other foreign addresses ZIP Code and ZIP Code Extension must be blank.

Appendix

Foreign country codes as defined by the IRS

Visit IRS Web site (at [Foreign Country Code Listing for Modernized](#)). NYSDTF will use the foreign country codes as defined by IRS.

NAICS codes

A principal business activity and the associated code are designed to classify an enterprise by the type of activity in which it is engaged to facilitate the administration of the Internal Revenue Code. These principal business activity codes are based on the North American Industry Classification System (NAICS).

Links to NYSDTF publications:

www.tax.ny.gov/pdf/publications/general/pub910.pdf

www.tax.ny.gov/pubs_and_bulls/general.htm

Revisions

Date	Description	Page Number
11/26/201	Initial Publication	
1/10/2013	Fax number changed	8
1/16/2013	Added information regarding Single Member LLCs (SMLLCs)	5
1/16/2013	Updated reject code 05961 and 05962 verbiage	4