

2019 California Business e-file Return and Stand-Alone Payment Guide for Software Developers and Transmitters

FTB Publication 1346B



STATE OF CALIFORNIA
Franchise Tax Board
www.ftb.ca.gov

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Change Log

Date	Section	Changes
12/23/2019	Throughout publication	<ul style="list-style-type: none"> • Updated tax years • Renamed sections
12/23/2019	1.2 Business e-file Timeframes – Taxable Year 2019	Renamed section and updated calendar information
12/23/2019	1.4 What's New	Updated distribution of California e-file schemas and business rules
12/23/2019	1.5 Acceptable Forms and Occurrences for CA Individual and Fiduciary e-file	Updated and deleted forms
12/23/2019	1.8 Payment Information	Moved information not applicable to payment information to applicable sections
12/23/2019	3.1 Electronic Signature - General Information	Updated the section to remove references to digital signatures
12/23/2019	5.1 SWIFT Overview	Added information that inactive SWIFT accounts will be deleted.
03/23/2020	6.10 Standard State Abbreviations and ZIP Code Ranges	Updated the Military Addresses Overseas (APO, DPO or FPO) Zip Code ranges.

Section 1 Introduction

1.1 Welcome

Thank you for participating in the California Franchise Tax Board's (FTB) Business e-file Return and Stand-Alone Payment Program. If you are new to our program, welcome aboard and thank you for joining our team.

This publication is designed to provide Software Developers and Transmitters the technical information needed to participate in our e-file return and stand-alone payment programs. It outlines data communication procedures, transmission formats, business rules and validation procedures for e-filing California business tax returns and stand-alone electronic funds withdrawal (EFW) payments in XML format.

It also defines the format of binary attachments, provides information about receipts and acknowledgements, defines the signature options, and provides examples of manifest, return and attachment sequences. Software Developers and Transmitters must use the guidelines provided in this publication, along with XML Schemas to develop software for use with the California Business e-file program.

This is one of three publications you will need to be a successful participant in the California Business e-file Program. The other publications you will need are:

- *2019 Handbook for Authorized e-file Providers* (FTB Pub. 1345).
- *2019 Test Package for e-file of California Business, Individual, and Fiduciary Tax Returns and Stand-Alone Payments* (FTB Pub. 1436X).

Program Overview

FTB offers e-filing for Corporations, Partnerships, Limited Liability Companies, and Exempt Organizations filing Forms 100, 100S, 100W, 100X, 565, 568, or 199, plus certain accompanying forms and schedules. FTB also offers Stand-Alone Electronic Funds Withdrawal (EFW) payments using tax preparation software.

We utilize an electronic filing architecture similar to the Internal Revenue Service (IRS). This allows us to provide a more efficient e-file system with Internet batch transmission capabilities.

Following are some of the benefits of the CA Business e-file program:

- The use of Extensible Markup Language (XML) to format return data and transmissions.
- The transmission of tax returns and documents securely via the Internet.
- The transmission of binary data (non-XML documents) in PDF format.
- Business Rules that provide clear explanations of errors.
- A standardized acknowledgment file structure, which is built upon our transmission structure.
- The ability to use signature forms 8453-C, 8453-P, 8453-LLC or 8453-EO and allow the tax preparer to maintain the form or scan the form and attach it to the return as a PDF.
- Current plus 2 prior year's return filing is supported.

1.2 Business e-file Timeframes – Taxable Year 2019

January 2, 2020 is the first day to transmit live current year returns to FTB. We accept and process e-file returns year round.

Timeframes	Task
November 12, 2019	Participant Acceptance Testing System (PATS) begins
January 2, 2020	First Day to Transmit Live Current Year Returns
Original – 15 th day of the 4 th month after the taxable year end Extended – 15 th day of the 11 th month after the taxable year end	Last Day to Transmit Timely Filed for Form 100 and 100W (Excluding Farmers' Cooperative Association)
Original – 15 th day of the 3 rd month after the taxable year end Extended – 15 th day of the 9 th month after the taxable year end	Last Day to Transmit Timely Filed for Form 100S (Excluding Farmers' Cooperative Association)
Original – 15 th day of the 9 th month after the taxable year end Extended – 15 th day of the 16 th month after the taxable year end	Last Day to Transmit Timely Filed for Form 100 Farmers' Cooperative Association
Original – 15 th day of the 5 th month after the taxable year end Extended – 15 th day of the 11 th month after the taxable year end	Last Day to Transmit Timely Filed for Form 199
Original – 15 th day of the 3 rd month after the taxable year end Extended – 15 th day of the 10 th month after the taxable year end	Last Day to Transmit Timely Filed for Form 565
Original – 15 th day of the 3 rd month after the taxable year end Extended – 15 th day of the 10 th month after the taxable year end	Last Day to Transmit Timely Filed for Form 568 (LLCs classified as a partnership and single member LLCs owned by a pass-through entity)
Original – 15 th day of the 4 th month after the taxable year end Extended – the due date of the owner's return	Last Day to Transmit Timely Filed for Form 568 (Single member LLCs not owned by a pass-through entity)
Rejected timely-filed returns are given 10 calendar days past all return due dates to be retransmitted and considered timely.	Retransmitted rejected returns
December 31, 2020	Last Day for EROs and Transmitters to Retain Acknowledgment File Material for Returns e-filed in 2020

When the due date falls on a weekend or holiday, the deadline is extended to the next business day.

Retention

For each return an electronic return originator (ERO) files, the ERO must:

- Retain the business return dependent on law.

If the ERO uses any forms listed below, they must keep the form with the return for the same period.

- California e-file Return Authorization for Corporations (FTB 8453-C)
- California e-file Return Authorization for Partnerships (FTB 8453-P)
- Limited Liability Companies (8453-LLC)
- California e-file Return Authorization for Exempt Organizations (FTB 8453-EO)

Automatic Extension to File

We grant an automatic, paperless extension to file a California business tax return to business entities that are in good standing on the original due date and meet all other requirements. No filing of an extension form is required. Suspended corporations are not granted an automatic extension of time to file. An extension is for filing of the return only. Payment of Corporation and Partnership tax and LLC fee is due on the original due date.

If an original return is not filed on or before the extended due date, we will deny the extension and will assess penalties, if applicable, from the original due date. In certain circumstances, the federal government may grant extensions for short-period returns. If the federal law granting the extension is applicable to California, the federal due date will become the due date for the California return.

1.3 Where Can I Get More Information?

For Business e-file assistance and information please visit the Tax Professional's area of our website or contact e-Programs Customer Service:

Website: ftb.ca.gov

e-Programs Customer Service:

Phone: 916.845.0353
Fax: 916.855-5556
Email: e-file@ftb.ca.gov

Available Monday through Friday, between 8 a.m. and 5 p.m. PST.

Send comments or suggestions regarding the CA Business e-file Program or this Publication to:

**e-file Coordinator, MS F-284
Franchise Tax Board
PO Box 1468
Sacramento CA 95812-1468**

Email: e-file.coordinator@ftb.ca.gov

Assistance for persons with disabilities: We comply with the Americans with Disabilities Act. Persons with hearing or speech disability please call TTY/TDD 800.822.6268. For the California relay service please call 711 or 800.735.2929.

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1.4 What's New for Taxable Year 2019

Distribution of California e-file Schemas and Business Rules

Beginning Tax Year 2019, California e-file Schemas and Business Rules will be made available only on the FTA State Exchange System (SES) website. The FTB will continue to send broadcast emails informing software providers when the schema and business rule releases are available.

A California LOI must be completed annually for each unique software product, which should include information on any rebranded product you offer or support. Once the California LOI is completed and received, you will be given access to the CA SES folder to download our schemas and business rules.

If you have any questions, you can contact your account manager or the e-file Coordinator at e-file.coordinator@ftb.ca.gov.

Acceptable Tax Years

We accept the current year and two prior tax years. For example, for the processing year 2020, we will accept Form 100 returns for tax years 2019, 2018, and 2017.

1.5 Acceptable Forms and Occurrences for CA Business e-file

California Business e-file accepts most applicable federal forms that are acceptable by the IRS Modernized e-file (MeF) Program.

We do **not** require the accompanying federal submission to be accepted by the IRS prior to including it with the state submission; however we will validate the federal submission against the current applicable federal schema.

The following chart lists the acceptable forms and schedules that may be e-filed with FTB and the maximum number of each type of form or schedule allowed per return.

Form/Schedule	Max. # of Form	Title
Form 100	1	CA Corporation Franchise or Income Tax Return
Form 100S	1	CA S Corporation Franchise or Income Tax Return
Form 100W	1	CA Corporation Franchise or Income Tax Return – Water's Edge Filers
Form 100-WE	1	Water's Edge Election
Form 100X	1	Amended Corporation Franchise or Income Tax Return
Form 199	1	CA Exempt Organization Annual Information Return
Form 565	1	Partnership Return of Income
Form 568	1	Limited Liability Company Return of Income
Form 592-B	Unbounded	Resident and Nonresident Withholding Tax Statement
Form 593	Unbounded	Real Estate Withholding Tax Statement
Form 2416	1	Schedule of Included Controlled Foreign Corporations (CFC)
Form 2424	Unbounded	Water's Edge Foreign Investment Interest Offset
Form 3509	1	Political or Legislative Activities By Section 23701d Orgs
Form 3521	1	Low-Income Housing Credit
Form 3523	1	Research Credit
Form 3531	Unbounded	California Competes Tax Credit
Form 3540	1	Credit Carryover and Recapture Summary
Form 3541	Unbounded	California Motion Picture and Television Production Credit
Form 3544	Unbounded	Assignment of Credit
Form 3548	Unbounded	Disabled Access Credit for Eligible Small Businesses
Form 3554	Unbounded	New Employment Credit
Form 3592	Unbounded	College Access Tax Credit
Form 3725	Unbounded	Assets Transferred from Corporation to Insurance Company
Form 3726	Unbounded	Deferred Intercompany Stock Account (DISA) and Capital Gains Information
Form 3801	1	Passive Activity Loss Limitations
Form 3801-CR	1	Passive Activity Credit Limitations
Form 3802	1	Corporate Passive Activity Loss and Credit Limitations

Form/Schedule	Max. # of Form	Title
Form 3805E	Unbounded	Installment Sale Income
Form 3805Q	1	Net Operating Loss (NOL) Computation and NOL and Disaster Loss Limitations - Corporations
Form 3805Z	Unbounded	Enterprise Zone Deduction and Credit Summary
Form 3806	Unbounded	Los Angeles Revitalization Zone Net Operating Loss (NOL) Carryover Deduction
Form 3807	Unbounded	Local Agency Military Base Recovery Area Deduction and Credit Summary
Form 3808	Unbounded	Manufacturing Enhancement Area Credit Summary
Form 3809	Unbounded	Targeted Tax Area Deduction and Credit Summary
Form 3814	1	New Donated Fresh Fruits or Vegetables Credit
Form 3832	1	Limited Liability Company Nonresident Members' Consent
Form 3834	1	Interest Computation Under the Look-Back Method for Completed Long-Term Contracts
Form 3840	Unbounded	California Like-Kind Exchanges
Form 3885	Unbounded	Corporation Depreciation and Amortization
Form 3885F	Unbounded	Depreciation and Amortization
Form 3885L	Unbounded	Depreciation and Amortization
Form 3885P	Unbounded	Depreciation and Amortization
Form 5806	1	Underpayment of Estimated Tax by Corporations
SCH B (100S)	Unbounded	S Corporation Depreciation and Amortization
SCH C (100S)	1	S Corporation Tax Credits
SCH D (100S)	Unbounded	S Corporation Capital Gains and Losses and Built-In Gains
SCH D (565 & 568)	Unbounded	Capital Gain or Loss
SCH D-1	1	Sales of Business Property
SCH EO (565)	1	Pass-Through Entity Ownership
SCH EO (568)	1	Pass-Through Entity Ownership
SCH H (100)	1	Dividend Income Deduction
SCH H (100S)	1	Dividend Income Deduction
SCH H (100W)	1	Dividend Income Deduction-Water's Edge Filers
SCH K-1 (100S)	Unbounded	Shareholder's Share of Income, Deductions, Credits, etc.
SCH K-1 (565)	Unbounded	Partner's Share of Income, Deductions, Credits, etc.
SCH K-1 (568)	Unbounded	Member's Share of Income, Deductions, Credits, etc.
SCH P (100)	1	Alternative Minimum Tax and Credit Limitations - Corporations
SCH P (100W)	1	Alternative Minimum Tax and Credit Limitations – Water's Edge
SCH QS	1	Qualified Subchapter S Subsidiary (QSub) Information
SCH R	1	Apportionment and Allocation of Income

1.6 Other Eligible Filing Conditions

We also allow the following filing conditions:

- Fiscal year returns
- Returns filed with foreign addresses
- Current plus two prior years of Form 100, 100S, 100W, 100X, 565, 568, and 199.
- 52 – 53 weeks filers
- Multiple short period returns within the same tax year
- The following CA forms in XML or PDF format:

Form	Title
3521	Low-Income Housing Credit
3531	California Competes Tax Credit
3548	Disabled Access Credit for Eligible Small Businesses
3592	College Access Tax Credit
3725	Assets Transferred from Parent Corporation to Insurance Company Subsidiary
3801CR	Passive Activity Credit Limitations
3802	Corporate Passive Activity Loss and Credit Limitations
3811	Donated Fresh Fruit or Vegetable Credit (tax year 2015 and 2016)
3814	New Donated Fresh Fruits or Vegetables Credit
3834	Interest Computation Under the Look-Back Method for Completed Long-Term Contracts
3885F	Depreciation and Amortization

1.7 Exclusions to Electronic Filing

We exclude the following returns from CA Business e-file:

- Returns from business taxpayers, preparers, or transmitters who have not been accepted as participants in the IRS e-file Program
- Any condition or requirement, not supported by software that requires the submission of a paper document or form
- Form 109, *California Exempt Organization Business Income Tax Return*

1.8 Payment Information

Electronic Funds Withdrawal (EFW)

Businesses may elect to pay their current year balance and schedule EFW requests for corporation estimated tax payments, and LLC annual tax payments or estimated fee payments as part of the e-file return transmission.

Business entities also have the ability to submit stand-alone EFW requests for extension, corporation quarterly estimate, LLC annual tax, and LLC estimated tax fee payments using tax preparation software. These payment requests will be accepted as “stand-alone”, and can be submitted separately from the e-file return. The return can be filed at a later date.

Corporations, Partnerships, LLCs or Exempt Organizations authorize the EFW by signing form FTB 8453-C, FTB 8453-P, FTB 8453-LLC, 8453-EO, or 8453-BE (PMT). The EFW request(s) and banking information is transmitted with the e-file submission. The entries for the dates and amounts of the EFWs are contained within the e-file submission.

Electronic Funds Transfer (EFT)

If a corporation is enrolled in Franchise Tax Board's (FTB's) EFT program, they may elect to pay their current year balance due through that system.

Note: Corporations that meet certain requirements must remit all of their payments through EFT to avoid the EFT penalty. Corporations required to remit payments by Electronic Funds Transfer, may use EFW or Web Pay and be considered in compliance with that requirement.

For more information on FTB's Electronic Funds Transfer Program, go to ftb.ca.gov and search for **EFT**.

Credit Card Payments



Business entity taxpayers may use Discover, American Express, MasterCard, or Visa to pay income tax (balance due, extension payment, estimated taxes, or amounts owed for prior years). FTB has partnered with Official Payments Corp. to offer this service. Here's how:

- Have the credit card ready.
- Go to the Official Payments Corporation Website at www.officialpayments.com.
- Select Payment Center, and enter jurisdiction code 1555.

Official Payments Corporation charges a convenience fee for this service. The fee is based on the amount of your tax payment as follows:

- 2.3% of the tax amount charged (rounded to the nearest cent)
- Minimum fee: \$1
- Example of fee:
 - Tax Payment = \$753.56
 - Convenience Fee = \$17.33

Official Payments Corporation will display the total convenience fee before you complete your credit card transaction. You can decide whether or not to complete the transaction at that time.

Web Pay for Businesses

Businesses can make payments electronically at **Franchise Tax Board's** website with Web Pay. After a one-time online registration, corporations, partnerships and Limited Liability companies (LLCs) can make an immediate payment or schedule payments up to a year in advance. Business taxpayers can also view and cancel scheduled payments and save their information for future payment requests. For more information, go to www.ftb.ca.gov/pay/bank-account/bank-account-web-pay-for-businesses.

Note: To cancel an EFW, EFT or Web Pay payment, contact e-Programs Customer Service at 916.845.0353 at least two working days before the date the withdrawal is scheduled to occur.

Paper Check (FTB Form 3586, 3587 or 3588 payment vouchers)

If a business pays by paper check, provide a completed form FTB 3586 *Payment Voucher for Corporations and Exempt Organizations e-filed Returns*, FTB 3587 *Payment Voucher for LP, LLP, and REMIC e-filed Returns* or FTB 3588 *Payment Voucher for LLC e-filed Returns*.

Instruct business taxpayers that want to pay a different amount from the amount printed on form FTB 3586, 3587 or 3588 to line through the pre-printed amount and write in the amount they are paying.

For more information on Business payment options, go to ftb.ca.gov and search for **payment options**.

Estimated Tax, Annual, or Estimated LLC Fee Tax Payments Request with e-file Return

Business e-file provides the ability to send a schedule of EFW requests for future estimated or annual tax payments, if applicable, for the return type being filed as part of the e-file return transmission. The entries for the dates and amounts of the estimate or annual tax payments will be contained in the return data payment documents (CA-EstimatePaymentType, CA-EstimatedFeePaymentType, or CA-AnnualTaxPaymentType) and will be provided to the business taxpayer on their form FTB 8453-C or FTB 8453-LLC. For more information regarding payment options and requirements refer to Section 7.

International ACH Transactions (IAT)

To comply with the new NACHA regulations regarding International ACH Transactions (IAT), FTB will not accept requests for direct deposit of refund (DDR) or electronic funds withdrawal (EFW) in association with financial institutions outside of the territorial jurisdiction of the United States. (The territorial jurisdiction of the United States includes all 50 states, U.S. territories, U.S. military bases and U.S. embassies in foreign countries.)

If a taxpayer requests a DDR or an EFW (for their balance due return, future estimated tax payments, or extension payment), the applicable following question should be presented to the taxpayer to determine if a financial transaction qualifies as an IAT:

DDR: Will the funds be received by a financial institution outside of the territorial jurisdiction of the U.S.?

EFW: Will the funds originate from a financial institution outside of the territorial jurisdiction of the U.S.?

An answer of yes will indicate an IAT transaction and therefore a DDR or EFW option should not be allowed by the software.

For taxpayers due a refund, the taxpayer will be issued a paper check in lieu of the DDR. For taxpayers who are requesting an EFW, please direct them to one of our other payment options, which are listed in the instructions of our forms FTB 8453-C, 8453-LLC, 8453-P or 8453-EO. You can also go to our website at ftb.ca.gov and search for: payment options.

Verifying Banking Information

To avoid Direct Deposit of Refund (DDRs) and Electronic Funds Withdrawal (EFWs) being returned to the taxpayer's bank, we encourage the use of double entry or other techniques that require the taxpayer to double check the entered bank account and routing number information. This will help ensure the accuracy of the information that is entered or imported from previous requests, return filings, etc.

1.9 Identifying Schema and Business Rule Changes

We utilize several tools to aid in identifying changes to our Schemas, Business Rules, and related information.

Version Name

- Each XML Schema and Business Rule document has a version number.
- The version number will change either by a whole number, to indicate a major change (change in tax year, etc.) or by a decimal number (i.e., x.5 to x.6) to indicate a minor or mid-year change.
- XML Schemas and Business Rule documents will have the same version number. This ensures that a set of rules enforce the appropriate Schema version. Therefore, if the Schema version changes, the Business Rule version will also change to correspond to it, even if the Business Rules themselves did not change.
- The “returnVersion” attribute of the “CA-Return” or “CA-PaymentRequest” element identifies the version of the state Schema being applied for XML validation.
- Concurrently, the relative path to the IRS Schema version that is used by us to validate the included IRS return’s Schema is referenced in our Schema as well.
- Like the IRS, we will accept a return or stand-alone payment composed with any published CA Schema version, as long as it validates against the latest Schema version at the time we process it.

Maturity Level

Each Schema release contains a textual description of the maturity level of the particular Schema, such as: Draft Release or Production Release.

Differences (Diffs) Document

Accompanying each Schema package is a Diffs document that highlights changes from a previous release.

Obtaining Change Information Online

Information related to our e-file Schema and Business Rule releases can be found on our website at: www.ftb.ca.gov/tax-pros/efile/efile-for-developers-transmitters.html

California e-file Schemas and Business Rules are delivered through the FTA State Exchange System (SES). To request access to the CA SES folder, contact the e-file coordinator at efile.coordinator@ftb.ca.gov.

Section 2 CA Business e-file Program Information

2.1 General Information

e-filing ensures more accurate returns and stand-alone payment requests because e-file software and FTB's e-file processes verify certain aspects of the return or stand-alone payment before we accept it for processing. Because of these checks, e-file returns and stand-alone payments have the lowest error rate of all returns and payments filed. In addition, business taxpayers and tax practitioners know that we received their return or stand-alone payment because we provide an acknowledgment for each submission we receive.

Business taxpayers and preparers must sign the returns or stand-alone extension payment request using the *California e-file Return Authorization for Corporations* (form FTB 8453-C), *California e-file Return Authorization for Partnerships* (form FTB 8453-P), *California e-file Return Authorization LLCs* (form FTB 8453-LLC), *California e-file Return Authorization for Exempt Organizations* (form FTB 8453-EO), or *California Payment for Automatic Extension Authorization for Business Entities* (form FTB 8453-BE (PMT)) before transmitting to FTB. Software must produce the appropriate forms and or jurats before transmission.

The business taxpayer and/or preparer may retain these forms along with a copy of the return (paper or electronic copy is acceptable) or the form may be scanned and included as a .pdf attachment accompanying the e-file return. See Section 3 for more information about signing the e-file return.

CA Business e-file submissions are transmitted via the Internet using our Secure Web Internet File Transfer (SWIFT) system. For more information about transmitting returns using SWIFT, refer to Section 5.

Once we receive a transmission, our e-file program performs validation of the transmission (batch) and submission (return or stand-alone payment) information for completeness and accuracy through Transmission and Submission Manifest validation, Business Rule validation, and Schema validation. Each submission in a transmission is checked independently for both Schema validation and Business Rule validation.

In addition, we will validate the attached federal XML return submission against the appropriate current valid IRS Schema. We will **not** perform Business Rule validation on the federal return.

If the return or stand-alone payment request passes all the validation steps, we will send you an acknowledgement (ACK) showing we accepted the submission.

If the submission fails any of the checks, we will send you an ACK showing the reasons (Schema or Business Rule violation) why our e-file program rejected the submission. You must correct the errors and retransmit the failed submission(s) only. The return isn't considered filed, until we accept the return. The stand-alone payment request isn't considered accepted, until we accept the request.

Business Entity e-file Requirement

Effective January 1, 2015, for taxable years beginning on or after January 1, 2014, California law requires business entities that prepare an original or amended return using tax preparation software to electronically file (e-file) their return to us.

Any business entity required to file a tax return electronically under R&TC Section 18621.10 may annually request a waiver from their e-file requirement.

We may grant a waiver if we determine the business entity is unable to comply with the requirements due to, but not limited to, the following reasons:

- Technology constraints.
- Situations where compliance results in undue financial burden.
- Circumstances that constitute reasonable cause.

We will approve waiver requests made during the 2020 calendar year upon submission.

Subsequent year waiver requests may be subject to review prior to approval.

For more information, go to our website at www.ftb.ca.gov/tax-pros/efile/efile-for-business.

Participant Acceptance Testing System (PATS)

FTB does not require you to use a specific set of state return or stand-alone payment scenarios. Instead you are required to supply your own test submissions that reflect the forms, schedules and features your software supports. FTB provides a list of conditions that must be followed within the submissions. All required test submissions must be accepted with no rejects before the software will be considered for acceptance. For more details about our PATS process, refer to our Publication 1436X, 2019 Test Package for California e-file Program.

Software Issues

Report all software issues regardless of the volume and/or if the issue has been fixed to your Account Manager within 72 hours from date of discovery of the issue. This allows the FTB to work together with software providers to reduce impacts to taxpayers. FTB is available year round to assist you with your development and testing efforts.

2.2 Differences Between the IRS and FTB Business e-file Programs

We follow the e-file program requirements found in IRS Pubs 1345, 4163, 4164 and IRS Revenue Procedure 2007-40 to the extent that they apply to our Business e-file return and stand-alone payment programs.

Some of the major differences between our programs are as follows:

- Transmit all state tax returns and attachments, and stand-alone payments directly to FTB in Sacramento, California.
- Unlike the IRS, we allow ERO's to use a pen on paper signature method (Form FTB 8453 series).
- **Do not** send paper documents to FTB.
 - EROs must retain form FTB 8453-C, 8453-P, 8453-LLC, and 8453-EO or attach a PDF copy to the e-file return (refer to Binary Attachments in Section 4.3.2).
 - EROs must retain form 8453-BE (PMT)
 - We do not have an electronic signature option (PIN) for our Business e-file program.
- We do not utilize Web services for the transmission of returns. Refer to Section 5 and Section 6 for information about transmitting returns to FTB.

2.3 Definition of e-file Participants

A participant in California's e-file Program is an "Authorized FTB e-file Provider." The Authorized FTB e-file Provider categories are:

Electronic Return Originator (ERO): An ERO originates the electronic submission after the taxpayer authorizes the electronic filing of the return or stand-alone payment request. To be an ERO, you must be an accepted participant in the IRS's e-file Program.

Online Filing Provider: An Online Filing Provider allows taxpayers to self-prepare returns or stand-alone payments requests by entering data directly into commercially available software downloaded from an Internet site and prepared off-line, or through an online Internet site, or loaded from physical media onto a desktop computer or mobile device.

Software Developers: An Authorized FTB e-file Provider that develops software for the purpose of (a) formatting the electronic portions of tax returns and stand-alone payments according to FTB Pub. 1346B, *California Business e-file Return and Stand-Alone Payment Guide for Software Developers and Transmitters* and/or (b) transmitting the electronic portion of tax returns and stand-alone payment requests directly to the FTB.

Transmitters: An Authorized FTB e-file Provider that transmits the electronic portion of a tax return or stand-alone payment directly to FTB.

An Authorized FTB e-file Provider may serve its customers in more than one of these roles. For example, an ERO can, at the same time, be a Transmitter, or a Software Developer depending on the function(s) performed.

An Authorized FTB e-file Provider may use any tax return information provided by a taxpayer, whether in and for the current year or for prior years, for the purpose of identifying a suspicious or potentially fraudulent return from or related to that taxpayer. For these purposes, tax return information means any and all documents or materials provided by the taxpayer or required by the taxing authority that the Authorized FTB e-file Provider uses in the course of the return preparation and submission.

2.4 Consent to Disclosure

Software developers must provide the appropriate disclosure to the business taxpayer or preparer before they sign and transmit the e-file return or stand-alone EFW payment requests.

Consent to Disclosure for Corporations preparing and transmitting their own returns:

"Before you can transmit your return or payment request to the insert name of Software Company here (and then the FTB), you must read and authenticate the Franchise Tax Board (FTB) "Consent to Disclosure" on the screen. This is a legal statement authorizing insert name of company here to process your return or payment request electronically."

Consent to Disclosure

I consent to allow my ERO, Intermediate Service Provider, and/or my Transmitter to send this business return or payment request to the FTB. Additionally, I consent to allow FTB to send my ERO, Intermediate Service Provider, and/or my Transmitter an acknowledgment

of receipt of transmission and an indication of whether or not this business return or payment request is accepted, and, if rejected the reason(s) for the rejection. If the processing of the return, payment, or refund is delayed, I authorize the FTB to disclose to my Intermediate Service Provider and/or Transmitter the reason(s) for the delay, or when the refund was sent.

In addition, by using a computer system and software to prepare and transmit my return or payment request electronically, I consent to the disclosure to the FTB all information pertaining to my use of the system and software and to the transmission of my tax return or payment request electronically.

2.5 Memorandum of Agreement (MOA) Program

The purpose of the MOA Program is to establish written agreements between the FTB and those commercial authorized e-file providers who request a presence on the FTB Website. Based on eligibility and approval, the FTB will provide hyperlinks to the Websites of certain commercial authorized e-file providers from the FTB Website. The FTB Website will also include commercial authorized e-file provider information as a public service to taxpayers and tax professionals.

If you are interested in participating in the FTB's MOA Program, please contact the e-file coordinator at e-file.coordinator@ftb.ca.gov.

2.6 Privacy and Confidentiality

You must abide by the provisions of Sections 17530.5, 22251, and 22253 of the Business and Professions Code, Section 1799a of the Civil Code, and Section 18621.7 of the Revenue and Taxation Code. This requires FTB to approve only those electronic filing tax preparation forms and software that are compliant with the privacy and confidentiality provisions described in these Codes.

Section 3 California e-file Business Signature

3.1 General Information

The CA Business e-file Program requires taxpayers and Electronic Return Originators (EROs) to use the following signature option for signing electronic returns or stand-alone payment requests:

- Sign and **retain** or sign and scan as a .pdf and attach to the e-file return, one of the following California e-file Return Authorization forms for the statute of limitations period:
 - Form FTB 8453-C (Corporations)
 - Form FTB 8453-P (Partnerships)
 - Form FTB 8453-LLC (Limited Liability Companies)
 - Form FTB 8453-EO (Exempt Organizations)
 - Form FTB 8453-BE (PMT)

Electronic versions of handwritten signatures may be created by many different technologies. Examples of currently acceptable electronic signatures include:

- A handwritten signature input onto an electronic signature pad;
- A handwritten signature, mark or command input on a display screen by means of a stylus device;
- A digitized image of a handwritten signature that is attached to an electronic record

Reminder: The taxpayer must be allowed to review their completed tax return or stand-alone payment request before using any of the signature options. Also, the return or stand-alone payment request must be signed before you transmit it to FTB.

Note: FTB does not currently offer e-signature (PIN) options for Business e-file or stand-alone payment requests for exempt organizations.

To obtain copies of the Form 8453-C, 8453-P, 8453-LLC, 8453-EO or 8453-BE (PMT), go to ftb.ca.gov and enter the form number in the search window.

3.2 Bulk e-file Authorization

Beginning January 2nd, 2018, one California e-file Authorization form (Forms 8453-C, 8453-EO, 8453-LLC, or 8453-P) can be associated with multiple related tax returns.

If a signing member, signing manager, or signing officer is authorized to sign more than one return, a listing may be attached to one of the authorization forms listed above. The listing should include information requested in the form instructions. The signer must initial on the schedule next to each entity validating the entity's inclusion in the bulk e-file return authorization.

Section 4 XML Overview for CA Business e-file Program

FTB uses XML (Extensible Markup Language) Schemas (i.e., “.xsd” files) that specify the overall data structure of all forms, schedules, and other attachments pertaining to CA Business e-file tax returns and stand-alone payments. This section explains pertinent terms and FTB’s use of XML in our Business e-file Program.

4.1 XML Structure

In general, the CA business e-file XML tax return and stand-alone payment structure is modeled after the IRS MeF 1120/1065/990/7004 XML e-file structures with the use of XML documents based on paper tax forms. A complete XML tax return or stand-alone payment is defined by a Return or Payment Request schema. The Return schema contains a ReturnHeader and ReturnData. The Payment Request schema contains a PaymentRequest Header and PaymentRequestData. The ReturnHeader and PaymentRequestHeader contain general and special processing information about the return or payment request that is not stored or repeated within each document attached to ReturnData or PaymentRequestData (i.e., software, filer, preparer, direct deposit information, etc.). The ReturnData contains all of the documents (i.e., tax forms, referenced attachments, etc.) within a return. All of the documents in ReturnData or PaymentRequestData are listed in a specific and required sequence (Refer to section 4.6 for how the documents are organized for each return family).

4.2 Schemas

FTB has structured tax return and stand-alone payment request data into a series of schemas. A schema is an XML document that specifies the data element, structure and rules for each form, schedule, document and/or attachment. (Note: There are business rules in addition to the format defined by schema – see [Section 6.7](#) for more information about our business rules). Schemas have also been defined for general support of a particular form, line, or regulation when the tax forms, instructions and regulations do not provide guidance via a Binary (PDF) or General Dependency attachment.

Within the XML Schema, data elements are the building blocks of an XML document. All elements within the XML schemas have been assigned an element type: *complex or simple*. For more information on CA data types and our use of IRS data types, see [Section 4.2.6](#).

In the Schemas, most data elements for each form, schedules, and supporting data are optional. This optional declaration in the Schemas is consistent with the way paper returns are filed. The taxpayer and return preparer have the responsibility to provide information as specified by the FTB forms, instructions, and regulations.

To receive timely responses within our published timeframes, the following file size specifications should be considered:

- The maximum size of any individual file (e.g., XML, PDF) contained within a submission should not exceed 1 GB uncompressed.
- The entire submission should not exceed 1 GB compressed.
- The entire transmission should not exceed 4 GB compressed and/or contain more than 1,000 submissions.

Responses for file sizes exceeding the above specifications may take longer to process.

4.2.1 Tag Names

Each field on a tax form, document, or attachment is identified by an XML element that contains a beginning and ending tag written in camel case (see example below). XML tag names have been defined using meaningful words and phrases that describe the line, formula, or data being gathered.

For example:

On the CA Form 100 tax form, Line 1 is the first line of the State Adjustments portion of page 1 and is described as *Net income (loss) before state adjustments*.

In an XML return, the tag names and sample data would appear as follows:

```
<NetIncome>2789354</NetIncome>
```

In the XML schema the tag names and annotation describing the element appear as follows:

```
<xsd:element name="NetIncome" type="irs:USAmountType" minOccurs="0">
  <xsd:annotation>
    <xsd:documentation>
      <Description>Net income or loss before state adjustments.</Description>
      <LineNumber>Line 1</LineNumber>
    </xsd:documentation>
  </xsd:annotation>
</xsd:element>
```

Note: Usage of the XML annotation construct to document each element's description and line or part reference appears throughout all CA Business e-file XML Schemas. Please refer to these annotations to insure proper usage of the XML as it relates to the tax return forms.

4.2.2 Attributes

Attributes provide additional information or describe a feature of low-level data elements, groups of elements (i.e., parts and sections within tax forms), and document elements. Attribute names begin in lower case, and are completed in camel case. Every document, form, schedule, or supporting attachment document, has been defined with the following attributes in its root element.

documentId: A required attribute that uniquely identifies the document within the context of the whole return or stand-alone payment. Preparer's tax return software is responsible for generating a unique id of idType defined in the IRS' efileTypes.xsd file for each of the documents in a return or stand-alone payment.

documentName: An optional attribute of string type with a FIXED value. If it is used, it must have a value equal to the name of the form, schedule or a supporting document it represents as given in the Schema.

softwareId: For California purposes, this is your CTP ID issued by our substitute forms program.

softwareVersion: The version of your software that you provide.

4.2.3 Repeating Groups

A repeating group is a data element or a group of data elements that can repeat the number of times specified in the *maxOccurs* attribute. Unlike paper tax forms, which are limited by a number of rows defined on the form, repeating groups provide a consistent structure to capture all the required amount of information in one repeating grouping regardless of the limitations of the paper form.

For example, Schedule D, Part 1, Line 1, Short-Term Capital Gains and Losses, allows five entries on the paper form. The corresponding Business e-file Schema example below shows how the same group of elements repeats, to allow more occurrences than what the paper form allows. Please note: the maximum occurrences for repeating groups in some cases is "Unbounded".

```
<xsd:complexType name="CA-RoyaltiesScheduleType">
  <xsd:annotation>
    <xsd:documentation>Content model for CA Non-Business Royalties
      Schedule</xsd:documentation>
  </xsd:annotation>
  <xsd:sequence>
    <xsd:element name="RoyaltyItem" type="CA-RoyaltiesType" minOccurs="0"
      maxOccurs="unbounded"/>
  </xsd:sequence>
</xsd:complexType>

<xsd:complexType name="CA-RoyaltiesType">
  <xsd:sequence>
    <xsd:element name="Explanation" type="irs:ShortExplanationType" minOccurs="0"/>
    <xsd:element name="Amount" type="irs:USAmountType" minOccurs="0"/>
  </xsd:sequence>
</xsd:complexType>
```

4.2.4 Choice Construct

The choice construct within an XML Schema batches a data element or group of data elements between choice tags and only allows one of the data elements or groups to be provided in an instance. The following depicts a choice between a USAddress or ForeignAddress:

```
<xsd:choice>
  <xsd:element name="USAddress" type="irs:USAddressType"/>
  <xsd:element name="ForeignAddress" type="irs:ForeignAddressType"/>
</xsd:choice>
```

4.2.5 Union Construct

The union construct defines a simple data type as a collection (union) of more than one data type. The following depicts use of the union construct to define the CA-CorporationPaymentType:

```
<xsd:simpleType name="CA-CommonPaymentType">
  <xsd:annotation>
    <xsd:documentation> Defines common CA payment type used for payments with a return, as a
      union of Return and Estimate Payment Types </xsd:documentation>
    </xsd:annotation>
    <xsd:union memberTypes="CA-ReturnPaymentType CA-EstimatePaymentType"/>
  </xsd:simpleType>
```

Both of the member types above consist of enumerated values describing the allowable payment types. See illustration below:

```
<xsd:simpleType name="CA-ReturnPaymentType">
  <xsd:annotation>
    <xsd:documentation> Defines a CA return payment type </xsd:documentation>
  </xsd:annotation>
  <xsd:restriction base="irs:StringType">
    <xsd:enumeration value="Return"/>
  </xsd:restriction>
</xsd:simpleType>
<xsd:simpleType name="CA-EstimatePaymentType">
  <xsd:annotation>
    <xsd:documentation> Defines CA estimate payment periods or types </xsd:documentation>
  </xsd:annotation>
  <xsd:restriction base="irs:StringType">
    <xsd:enumeration value="1stQtrEstimate"/>
    <xsd:enumeration value="2ndQtrEstimate"/>
    <xsd:enumeration value="3rdQtrEstimate"/>
    <xsd:enumeration value="4thQtrEstimate"/>
  </xsd:restriction>
</xsd:simpleType>
```

The resulting allowable values for the union of the CA-ReturnPaymentType and CA-EstimatePaymentType into the CA-CommonPaymentType are: Return, 1stQtrEstimate, 2ndQtrEstimate, 3rdQtrEstimate, and 4thQtrEstimate.

4.2.6 e-file Types

e-file types are defined as global or base data types that can be used in more than one place. Base schema files include a wide variety of types, such as:

Short simple types (for example: **CA-SOSNType**: Type for California Secretary of State number) that define the restrictions (e.g., facets, patterns and enumerations) of acceptable data.

Large complex types composed of many elements with intricate structures. For example:

CA-SchK-1DistributiveItemsFromCAAdjType Content model for Forms 565 and 568 - Schedule K-1 - Column (c) California Adjustments - Partners or Members - share of income, deductions, credits, etc.

Global or base data type definitions also appear in document or form level schemas. These definitions only apply to elements within the structure of the document defined by that schema.

Generally, FTB has made a commitment to utilize the IRS e-fileTypes whenever possible. However, we have established our own CA Types when no comparable federal element or structure exists, and/or when CA law, forms, instructions, etc., differ from federal requirements.

4.2.7 Re-Use of Complex Types

Throughout the CA Business e-file XML schemas where information requested on various portions of the tax forms are identical, or substantially similar, we often have created only one structure to satisfy multiple requirements. This design avoids duplication and results in less physical schema structure. To accommodate this design where the structure addresses more than one tax form, but where the line number references are different, we have included additional guidance in the annotated descriptions and line number documentation.

4.2.8 Identity Constraints

Like the IRS, CA Business e-file XML schemas employ identity constraints that require a document's documentId to be unique across a return. The constraint for each return can be found at the highest or outermost element of each return family named *CA-Return*. The following depicts a sample definition of the CAReturn100's identity constraint:

```
<xsd:unique name="documentId">  
  <xsd:selector xpath="ftb:CA-ReturnData/ftb:*|ftb:CA-ReturnData/irs:*/>  
  <xsd:field xpath="@documentId"/>  
</xsd:unique>
```

4.3 Attachments to CA Business e-file Returns

Taxpayers are instructed to attach supporting information to the tax return. This includes tax forms, statements, elections, notices, schedules or other types of miscellaneous information that FTB identifies in the form instructions, regulations or publications. These “attachments” may be submitted electronically as XML documents or binary files.

4.3.1 XML Attachments

XML attachments may only be attached where specific references are noted within the XML schema. Attachments that are prepared and submitted in this fashion are identified by the referenceDocumentName attribute associated to the element or document they apply to. Each of these names refers to a supporting schema located in the default California or Federal “irs:” namespace. XML documents referenced from within an XML instance should only be the documents identified within the referenceDocumentName.

For attachments not specifically pre-identified, pointed to, or provided for within the schemas, we have provided the CA-GeneralDependency and CA-BinaryAttachment schemas. The CA-General Dependency schema includes elements that provide the:

FormLineOrInstructionReference – the form and/or line number to which the attachment belongs.

RegulationReference – the regulation and/or publication reference.

Description – provide a meaningful title or explanation for the attachment.

AttachmentInformation – additional information regarding the attachment.

4.3.2 Binary Attachments

The CA Business e-file tax return may also include non-XML documents, known as *binary attachments*, submitted in “.PDF” format. (Note: Currently, FTB only supports PDF format.) This allows taxpayers to provide information and documentation that is not provided for in a defined XML schema. These attachments are part of the Submission Archive file. This includes information such as the form FTB 8453-C, *California e-file Return Authorization for Corporations*, and other miscellaneous schedules, explanations and other information that may be provided in support of the return.

Note: All binary attachment (PDF) files within a submission .zip archive must have unique filenames. Duplicate filenames are not permitted and will be rejected. Files with the same name that differ only in capital and lowercase letters will be treated as a duplicates.

If a binary attachment is included, then an accompanying CA-BinaryAttachment XML document should be attached. The CA-Binary Attachment includes elements that provide the following:

FormLineOrInstructionReference – the form and/or line number to which the attachment belongs.

RegulationReference – the regulation and/or publication reference.

Description – provides a meaningful title or explanation for the attachment.

AttachmentLocation – Information indicating the file path name of the binary attachment (PDF).

4.4 Namespace

FTB’s use of namespaces in XML Schemas allow all the vocabulary of type definitions that occur within or under a particular namespace to remain separate and unaffected from definitions in other namespaces. XML vocabularies can co-exist within a schema if they are assigned different monikers or prefixes. We utilize three different Namespaces in CA Business e-file:

The **California namespace** (<http://www.ftb.ca.gov/efile>) that does not utilize a moniker or prefix, and is the default namespace for all schemas that are utilized in the California XML submission.

The **IRS namespace** (<http://www.irs.gov/efile>) which has the moniker/prefix “irs:” Note: within the IRS XML submission, this namespace is the default namespace and does not have or utilize a moniker or prefix.

The **W3C namespace** (<http://www.w3.org/2001/XMLSchema>), which utilizes the moniker/prefix “xsd:” This namespace contains base definitions that govern and define the use and syntax of XML.

4.5 Import and Include Statement

The Import statement allows use of the schemas from a different namespace within the default namespace. The Include statement allows use of the schemas from the same namespace within the default namespace. In order to use the federal schemas (e.g., base data types and

attachment schemas) in their unaltered state within the California XML submission, we use the XML Import statement.

4.6 Return Data Organization

The ReturnData schema files have been organized so that they are easy to locate and appear in the order of their relative importance/significance. First, the documents within ReturnData appear by the general context to which they apply. Within each contextual area, documents are then ordered in alphabetical and numerical sequence.

- Required Forms
- CA Schedules/Forms
- IRS Forms
- CA Referenced Attachments
- IRS Referenced Attachments
- Non-Referenced and Backward Referencing Attachments

4.7 Schema Validation

One of the most significant benefits of using XML and schemas for e-file tax returns and stand-alone payments is that the XML instance documents (i.e., returns, payment requests) can be validated against the schemas that define the structure and data types, prior to transmitting the submission. This provides the advantage of checking for errors as early as possible. FTB recommends each return (both state and attached federal submissions) and stand-alone payment requests be run against a validating parser prior to being submitted to FTB.

We strongly encourage you to validate CA Business e-file return or payment submissions you create against the latest current valid production schemas prior to transmission to the FTB. Schema validation errors are the most common reason we reject Business e-file returns or stand-alone payments that are submitted in XML in our e-file program.

FTB performs schema validation on attached federal return submissions to ensure the submission is well formed according to the latest published IRS schema (FTB does not perform business rule validation on the federal submission).

IRS schema validation for returns is applied according to the return type [FederalSubmissionType] listed in the IRS Submission Manifest. If the IRS Submission Manifest is not present, FTB will validate an attached federal submission against the IRS 1120, 1065 or 990 schema based on the state return type being submitted.

Once the transmission file passes initial validation, the e-file system validates the submissions contained in the file. Submission validation consists of two parts: schema validation (state and federal return and state stand-alone payment request) and business rule validation (state return and stand-alone payment only).

We allow the state return to be transmitted independent of the federal return and we do not require the federal return be accepted prior to the state return being transmitted. If the federal return is rejected and the state return is accepted, **DO NOT** retransmit the state return to us.

Validating Schema Versions

Throughout the year, multiple versions of XML schemas and business rules are posted to www.ftb.ca.gov. Depending on if the schema change is major or minor; we may not require the schema version found in the return data or payment request data to match the schema version used by during validation. In general, there is always one active validating schema version for each return type or stand-alone payment in a Tax Year.

Minor Schema Changes

When we revise schemas and change the increment for the minor number, we will continue to accept submissions composed using previous schema versions. When the minor number is changed, we allow software developers to decide for themselves, whether they need to use the new version or not based on what is included in their tax preparation software and what changes were made to the schemas.

For example:

If the change affects a form or field you do not support, then you may elect not to use the newest version. Returns or stand-alone payments may be composed using previous published schema versions but we will only validate against the “active validating schema version.” when the return or payment is processed.

If the current schema version is 2019v1.0 and the schema change is minor, we will assign the new number 2019v1.1. The active validating schema version is 2019v1.1. We will continue to accept returns composed using version 2019v1.0. However, all submissions (whether composed with version 2019v1.0 or 2019v1.1) will be validated with the new version, 2019v1.1.

Major Schema Change

When we issue revised schemas and change the increment for the major number, all submissions must be composed using the new version number. If returns or stand-alone payments are composed using previously published schema versions, they will not validate against the active validating schema version when the return or payment is processed.

For example:

If the current version is 2019v1.1 and we decide we can no longer accept returns composed using schema version 2019v1.1 (or 2019v1.0), we will assign the new number 2019v2.0. The active validating schema version is 2019v2.0. Returns submitted with 2019v1.1 (or 2019v1.0) will be rejected for using an unsupported schema version.

4.8 Business Rule Validation

Not all requirements for CA Business e-file returns and stand-alone payments can be satisfied by schema definitions and schema validation. If an XML submission passes schema validation, it is then processed against our business rules. Business rules enforce the business requirements as prescribed by our forms, instructions, laws, and regulations. Returns and stand-alone payments failing business rule validation are rejected and are considered not filed. Please refer to [Section 6.7](#) for more information about our business rules and business rule validation.

4.9 Derivation by Restriction and Extension

Derivation by restriction is used to create a derived complex type that is a subset of the base type's content model. It can also be used to remove an element from the derived type, change an element from required to optional, or to change the occurrence range of an element.

Derivation by extension is used to create a derived complex type that is a superset of its base type's content model. It can also be used to add extra elements or attributes to the content models of a base type.

Section 5 Secure Web Internet File Transfer (SWIFT)

SWIFT is our secure, Internet-based method for the receipt of e-file transmissions and the return of receipts and acknowledgements. SWIFT is the standard communication method for business e-file. This section provides information about the required data structures for transmitting business e-file transmissions using the Secure Web Internet Transfer (SWIFT) system. General information about SWIFT is available at our website at: <https://www.ftb.ca.gov/help/swift/index.html>

5.1 SWIFT Overview

SWIFT allows batch transfer of submission files quickly and securely via the internet using HTTPS or FTPS. SWIFT utilizes secure mailboxes (“FromFTB” and “ToFTB”) that are accessed by you using your unique SWIFT User ID and Password. With SWIFT the structure and format of the e-file returns, stand-alone payments, and acknowledgements remain the same and conform to the specifications and record layouts contained in this publication.

Use of SWIFT requires you to register for a User ID and password. If you have a SWIFT User ID and password for transmitting individual and fiduciary e-file returns and stand-alone payments, you must obtain a separate user ID and password to transmit business e-file returns and stand-alone payments.

To obtain a SWIFT User ID and password or to get more information about accessing SWIFT for e-file, contact e-Programs Customer Service at 916.845.0353.

The following are some aspects of the SWIFT system:

- Transmitting via SWIFT requires use of a unique SWIFT User ID and password. You **do not** use your ETIN to access SWIFT
- Transmission files sent via SWIFT are compressed (in a ZIP-archive structure) and the ZIP file is uniquely named. Refer to Section 6.2 and Section 6.3 for more information on data compression and file naming conventions.
- You must have separate SWIFT mailboxes for Individual e-file and Business e-file.
- In addition to standard acknowledgements (ACKs), SWIFT also issues receipts to your “FromFTB” mailbox, verifying our successful receipt of each transmission.
- SWIFT does not require you to retrieve your receipts or ACKs prior to transmitting new files; however, we encourage you to regularly download your receipts and acknowledgements. Files that have not been downloaded will be purged after 90 days.

If there has not been any activity with your SWIFT account in the past two years, your account will be considered inactive and it will be deleted. Email e-file.coordinator@ftb.ca.gov if a new SWIFT account is needed.

5.2 Planned System Maintenance

We are reserving Tuesday mornings from 5:00 a.m. – 7:00 a.m. PST for scheduled system maintenance. We plan to consolidate all non-critical maintenance activity into this window. If you receive a transmission error during this time, please try again after 7:00 a.m., PST. We will notify you via email whenever our system is down, or plans to be down outside the normal maintenance window for longer than one hour.

5.3 SWIFT Mailbox and Maintenance Schedule

Transmitters are reminded to empty their (FromFTB) SWIFT mailbox daily. FTB will automatically purge any files that are downloaded by the Software Developer from your (FromFTB) mailbox once you have logged out of SWIFT.

Additionally, any files that have not been downloaded will be purged after 90 days.

Section 6 Business e-file Transmission and Response Overview

6.1 Transmission File Overview

This section provides an overview and description of the method prescribed for assembling business return and stand-alone payment files for electronic transmission. It also provides details about responses to transmissions, receipts and acknowledgements. Like the Internal Revenue Service, we have defined the component data structures for electronic filing.

Where appropriate, we have incorporated; by reference or emulation, structures and mechanisms already defined by the IRS for its business e-file return and stand-alone payment programs in *MeF*. We often use the same terminology as well. The most prominent similarities between the state and federal programs are the layout of *Submissions* (returns or payments) and the use of XML and Schemas to define data structures.

A notable difference between FTB and the IRS is that we use SWIFT to quickly and securely exchange files over the Internet *via HTTPS or FTPS*, instead of the *web services* method used by the IRS. Since the California Business e-file Program does not use *web services*, our transmission structure does not require, nor will it support MTOM-, SwA, and/or DIME-formatted messages.

6.2 Data and File Compression

FTB uses a nested, ZIP-archive file structure for transmissions. The *outer* transmission, as well as its *inner* attachments (a.k.a., submissions), are compressed using the DEFLATE (#8) method with the *Normal* (default) algorithm setting. With a simple, internal directory layout, these *inner* zipped attachments are contained within a single, *outer* ZIP transmission file. Business e-file transmissions, as well as any data compressed and included therein as an attachment, must conform to the ZLIB Compressed Data Format Specification v3.3 (RFC 1950) and the DEFLATE Compressed Data Format Specification v1.3 (RFC 1951). The internal data structure of compressed data must conform to operation-specific definitions as defined within this section.

Also included in the Business e-file transmission file is a “Transmission Manifest” to preserve the data elements contained within the IRS’s SOAP portion. The “Transmission Manifest” has only one layer of compression (while attachments have two).

The following is an example of a typical transmission scenario:

1. A state return and its attachments, including a copy of the federal return, and a manifest of contents are compressed into a single *Submission* file (a ZIP archive).
2. One or more Submission files/archives and a manifest of contents are compressed into a single *Transmission* file (a ZIP archive) and uploaded to the SWIFT system by a transmitter.
3. FTB responds to each successfully received transmission by creating an *XML – formatted Receipt* response containing a unique, FTB-generated identifier known as the “Transmission Serial Number”. This receipt is made available to the appropriate transmitter for retrieval from within their SWIFT “FromFTB” mailbox. A “Receipt” is **not** compressed since it is a single file that doesn’t require a manifest and is already very small in size.

4. After processing a successfully received transmission, FTB creates an *Acknowledgement (ACK)* response that references the specific transmission, all of the Submissions within, and their acceptances/rejections/specific errors/etc. This acknowledgement is made available only to the appropriate transmitter for retrieval from within their SWIFT “FromFTB” mailbox. “ACKs” have only one layer of compression and no manifest.

Generally FTB creates ACK Files every 30 minutes. If you do not receive your ACK Files within two days or if you receive acknowledgments for submissions that you did not transmit in the designated transmission, immediately contact the e-Programs Customer Service Unit at 916.845.0353 for assistance.

To receive timely responses within our published timeframes, the following file size specifications should be considered:

- The maximum size of any individual file (e.g., XML, PDF) contained within a submission should not exceed 1 GB uncompressed.
- The entire submission should not exceed 1 GB compressed.
- The entire transmission should not exceed 4 GB compressed and/or contain more than 1,000 submissions.

Responses for file sizes exceeding the above specifications may take longer to process.

Once you receive the ACK File, match it to the original file transmitted. Any electronically transmitted submission, which is not acknowledged by FTB, has NOT been accepted for processing, and must be resubmitted and acknowledged as accepted before it is considered a filed return or stand-alone payment request.

If we reject the same submission to you three times, please contact the e-Programs Customer Service Unit.

Refer to Section 6.6 for acknowledgement file specifications.

6.3 Business e-file Transmission

Initial “inbound” Business e-file SWIFT Transmission files use the naming convention: <TransmissionID> + “.zip”

TransmissionID - The transmission ID uniquely identifies a transmission and must be exactly 20 characters long. To ensure the global uniqueness of a transmission ID, the following format is required (see Table 1-1):

Table 1-1: Transmission ID Format

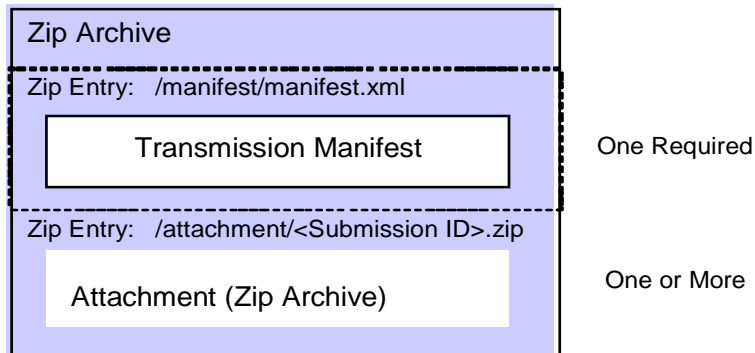
Element	Description
First 5 digits	ETIN
Next 4 digits	Current year
Next 3 digits	Julian date
Next 8 digits	Sequence number that uniquely identifies transmissions sent within a day for that ETIN.

For example, with a *Transmission ID* of “00130202007312345678”:

- “00130” = ETIN;
- “2020” = Current year;
- “073” = Julian date;
- “12345678” = Daily unique ETIN Sequence number.

Figure 1-1 shows the logical structure of transmissions supported by the SWIFT system. This transmission type has an “outer” ZIP file that contains a manifest and one or more “inner” ZIP file attachments.

Figure 1-1: Structure of California Business e-file Transmission



Transmission Manifest - An XML document containing metadata about the transmission (see Table 1-2 and Exhibit 1-1).

Attachment(s) - Operation-specific data containers (currently, only *Submissions*). Attachments are compressed and converted to a binary, ZIP-archive file format.

Table 1-2: Transmission Manifest Elements

Element	Description
Transmission ID	A globally unique ID provided by the transmitter that must be unique for the transmitter for the tax year. (See Table 1-1).
ETIN	Electronic Transmitter Identification Number of the transmitter sending the transmission.
Transmission Category	Type of transmission - [T]est or [P]roduction.
Transmission Timestamp	(Optional) The transmitter's time of transmission to FTB.
Submission Data List	The Submission Data List contains: <ul style="list-style-type: none"> • Count - A count of the number of items in the list (submissions within this transmission). • Submission Data that consists of: <ul style="list-style-type: none"> ○ Submission ID - Each Submission ID will match up with a corresponding Submission ID in the manifest of one of the attached submissions. ○ Electronic Postmark - (Optional) The time and date that the return or stand-alone payment was created.

Exhibit 1-1: Transmission Manifest

```

<?xml version="1.0" encoding="UTF-8"?>
<CA-TransmissionManifest xmlns="http://www.ftb.ca.gov/efile"
  xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance"
  transmissionManifestVersion="2019v1.0"
  importedIrsSchemaVersion="2019v1.0">

  <TransmissionId>001302020007312345678</TransmissionId>
  <ETIN>00130</ETIN>
  <TransmissionCategory>T</TransmissionCategory>
  <TransmissionTimestamp>2020-03-14T15:20:23-08:00</TransmissionTimestamp>

  <SubmissionDataList>
    <Count>5</Count>

    <SubmissionData>
      <SubmissionId>0034972020073123456a</SubmissionId>
      <ElectronicPostmark>2020-03-14T15:15:57-08:00</ElectronicPostmark>
    </SubmissionData>

    <SubmissionData>
      <SubmissionId>0034972020073123456b</SubmissionId>
      <ElectronicPostmark>2020-03-14T15:15:57-08:00</ElectronicPostmark>
    </SubmissionData>

    <SubmissionData>
      <SubmissionId>0034972020073123456c</SubmissionId>
      <ElectronicPostmark>2020-03-14T15:15:57-08:00</ElectronicPostmark>
    </SubmissionData>

    <SubmissionData>
      <SubmissionId>0034972020073123456d</SubmissionId>
      <ElectronicPostmark>2020-03-14T15:15:57-08:00</ElectronicPostmark>
    </SubmissionData>

    <SubmissionData>
      <SubmissionId>0034972020073123456e</SubmissionId>
      <ElectronicPostmark>2020-03-14T15:15:57-08:00</ElectronicPostmark>
    </SubmissionData>
  </SubmissionDataList>
</CA-TransmissionManifest>

```

</SubmissionDataList>
</CA-TransmissionManifest>

6.4 Submission Attachments

Submission attachments use the naming convention: <SubmissionID> + “.zip”

SubmissionID - The submission ID uniquely identifies a submission and must be 20 characters in length. To ensure the global uniqueness of a submission ID, the following format is required (see Table 1-3):

Table 1-3: Submission ID Format

Element	Description
First 6 digits	EFIN
Next 4 digits	Current year
Next 3 digits	Julian date
Last 7 digits	Sequence number that uniquely identifies submissions sent within a day for that EFIN.

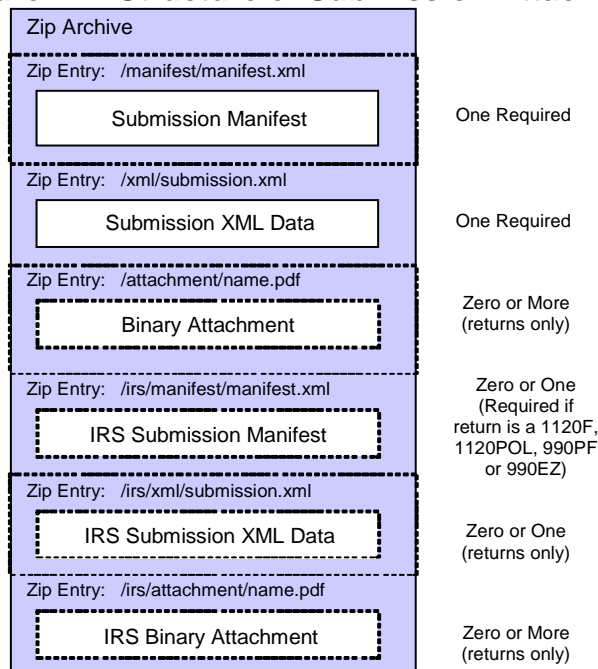
For example, with a SubmissionID of “0034972020073123456a”:

- “003497” = EFIN;
- “2020” = Current year;
- “073” = Julian date;
- “123456a” = Daily unique EFIN Sequence number.

A Submission is a single business entity’s tax return data or a stand-alone payment request data. Created by an ERO, these attachments (see Figure 1-2) are sent one or more at a time from transmitters to (SWIFT) via Transmissions (“outer” ZIP files).

Note: For stand-alone payments, the only submission attachments allowed are the state Submission Manifest and state Submission XML Data.

Figure 1-2: Structure of Submission Attachment



Submission Manifest - An XML document containing metadata about the submission (see Table 1-4 and Exhibit 1-2).

Submission XML Data - An XML document that conforms to its indicated submission type's CA FTB XML Schema.

Binary Attachment - A PDF file containing any taxpayer business documents associated with the submission with content as allowed by rules defined by CA Business e-file Program. Information describing the binary file is included in the Submission XML Data

(*CA-BinaryAttachment.xsd*).

IRS Submission Manifest- An XML document containing metadata about the IRS submission. Required if submitting an IRS Form 1120F, 1120POL, 990PF or 990EZ.

IRS Submission XML Data- An XML document that conforms to its indicated submission type's IRS XML Schema.

IRS Binary Attachment - A PDF file containing any taxpayer business documents associated with the IRS submission with content as allowed by rules defined by the IRS. Information describing the binary file is included in the Submission XML Data, according to IRS XML Schema definitions.

Table 1-4: Submission Manifest Elements

Element	Description
Submission ID	A globally unique identifier for the received submission created by the originator. (See Table 1-3).
EFIN	IRS-provided Electronic Filer Identification Number of the originator of the submission.
Government Code	Identifies the government entity where the submission is to be filed - IRS, state, or other jurisdiction codes (always "CAST" for State of California).
Submission Type	Identifies the type of document being filed, using State form numbers or identifiers.
Tax Year	The tax year the submission applies to.
Submission Category	Identifies the submission category: <ul style="list-style-type: none"> ▪ "CORP" (Corporation) ▪ "EO" (Exempt Organization), or ▪ "PART" (Partnership)
CA Business Entity ID	(Optional) The filers' unique California BE identifier (depending on form-type filed): <ul style="list-style-type: none"> ▪ Corporation # [7 digits] ▪ FEIN (Federal Employment ID #) [9 digits] ▪ SOS# (Secretary of State LLC #) [12 digits], or ▪ TEMP (temporary #) [7 digits]
Name Control	(Optional) Business Name Control of the filer (Legal Characters: A-Z, 0-9, "-", and "&"; Illegal Characters: spaces and symbols).
IRS Submission ID	(Optional) The submission ID of an IRS submission that the processing of this state return submission depends on.

Exhibit 1-2: Submission Manifest

```
<?xml version="1.0" encoding="UTF-8"?>
<CA-SubmissionManifest xmlns="http://www.ftb.ca.gov/efile"
  xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance"
  submissionManifestVersion="2019v1.0"
  importedIrsSchemaVersion="2019v1.0">

  <SubmissionId>0034972020073123456a</SubmissionId>
  <EFIN>003497</EFIN>
  <GovernmentCode>CAST</GovernmentCode>
  <SubmissionType>100</SubmissionType>
  <TaxYear>2019</TaxYear>
  <SubmissionCategory>CORP</SubmissionCategory>
  <CA-BusinessEntityId>1234567</CA-BusinessEntityId>
  <NameControl>NB3C</NameControl>
  <IRSSubmissionId>0034972020073123456z</IRSSubmissionId>
</CA-SubmissionManifest>
```

6.5 Receipt Response

The corresponding “outbound” Business e-file SWIFT Response file (Receipt) uses the naming convention:

<TransmissionID> + “.” + <Transmission Serial #> + “R.xml”

ReceiptID - The receipt ID uniquely identifies a transmission’s receipt and must be 30 characters long. To ensure the global uniqueness of a receipt ID, the following format will be used (see Table 1-5):

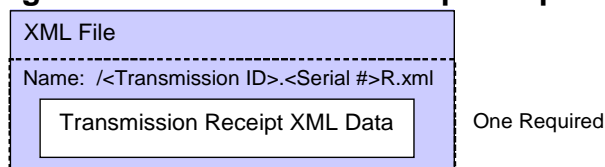
Table 1-5: Receipt ID Format

Element	Description
First 20 digits	Transmission ID (see Table 1-1).
Next character	Value separator - “.”
Next 8 digits	Transmission Serial Number (FTB generated unique ID sent to the transmitter as a receipt).
Last 1 alpha character	Response Type - “R” (Receipt).

Receipts are XML documents created (see Figure 1-3) for each transmission that is successfully received by the SWIFT system. Once the receipt is generated it is made available only to the appropriate transmitter for retrieval from within their SWIFT “FromFTB” mailbox.

Reminder: A receipt acknowledges only the successful receipt of the transmission file by SWIFT. It is not an acknowledgement that the file was successfully processed or accepted by the e-file system.

Figure 1-3: Structure of Receipt Response



Receipt XML Data – An XML document that contains one Business e-file SWIFT Transmission Receipt (see Table 1-6).

Table 1-6: Transmission Receipt Elements

Element	Description
Transmission ID	A globally unique ID provided by the transmitter that must be unique for the transmitter for the tax year (see Table 1-1).
Receipt Timestamp	The date and time the transmission was received by the CA FTB.
Transmission Serial Number	A unique FTB-generated ID sent to the transmitter as a receipt.

Exhibit 1-3: Transmission Receipt

```
<?xml version="1.0" encoding="UTF-8"?>
<CA-TransmissionReceipt xmlns="http://www.ftb.ca.gov/efile"
  xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance"
  transmissionReceiptVersion="2019v1.0"
  importedIrsSchemaVersion="2019v1.0">

  <TransmissionId>00130202007312345678</TransmissionId>
  <ReceiptTimestamp>2020-03-14T15:25:36-08:00</ReceiptTimestamp>
  <TransmissionSerialNumber>12345678</TransmissionSerialNumber>
</CA-TransmissionReceipt>
```

6.6 Acknowledgement Response

The corresponding “outbound” Business e-file SWIFT acknowledgement response file uses the naming convention:

<TransmissionID> + “. ” + <Transmission Serial #> + “A.zip”

AcknowledgementsID - The acknowledgements ID uniquely identifies a transmission’s acknowledgements and must be 30 characters long. To ensure the global uniqueness of an acknowledgements ID, the following format will be used (see Table 1-7):

Table 1-7: Acknowledgements ID Format

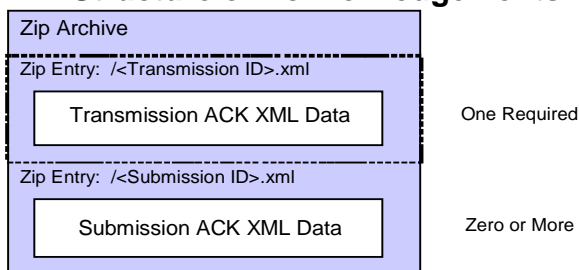
Element	Description
First 20 digits	Transmission ID (see Table 1-1).
Next character	Value separator - “. ”
Next 8 digits	Transmission Serial Number (FTB generated unique ID sent to the transmitter as a receipt).
Last 1 alpha character	Response Type - “A” (Acknowledgements).

Depending on the documents contained therein, use the following naming conventions:

<TransmissionID> + “A.xml” for the *Transmission* Acknowledgements;
<SubmissionID> + “A.xml” for every *Submission* Acknowledgements.

Acknowledgements are XML documents created for each transmission and submission processed by the SWIFT system. They are then “ZIP”-ed into an archive (see Figure 1-4) and made available only to the appropriate transmitter for retrieval from within their SWIFT “FromFTB” mailbox.

Figure 1-4: Structure of Acknowledgements Response



Transmission ACK XML Data – An XML document that contains one Transmission Acknowledgement (see Table 1-8).

Submission ACK XML Data – An XML document that contains one Submission Acknowledgement (see Table 1-9).

Table 1-8: Transmission Acknowledgement Elements

Element	Description
Transmission ID	A globally unique ID provided by the transmitter that must be unique for the transmitter for the tax year. (See table 1-1)
ETIN	Electronic Transmitter Identification Number of the transmitter sending the transmission.
Transmission Category	Type of transmission - [T]est or [P]roduction.
Transmission Timestamp	(Optional) The transmitter's time of transmission to FTB.
Receipt Timestamp	The date and time transmission was received by the CA FTB.
Status Timestamp	The date and time this acknowledgement was created.
Transmission Serial Number	A unique FTB-generated ID sent to the transmitter as a receipt.
Transmission Status	Indicator whether the transmission is [A]ccepted or [R]ejected.
Error List	(Optional) List of errors (see Table 1-10) for a rejected transmission.

Exhibit 1-4: Transmission Acknowledgement

```
<?xml version="1.0" encoding="UTF-8"?>
<CA-TransmissionAcknowledgement xmlns="http://www.ftb.ca.gov/efile"
  xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance"
  transmissionAcknowledgementVersion="2019v1.0"
  importedIrsSchemaVersion="2019v1.0">

  <TransmissionId>00130202007312345678</TransmissionId>
  <ETIN>00130</ETIN>
  <TransmissionCategory>T</TransmissionCategory>
  <TransmissionTimestamp>2020-03-14T15:20:23-08:00</TransmissionTimestamp>
  <ReceiptTimestamp>2020-03-14T15:25:36-08:00</ReceiptTimestamp>
  <StatusTimestamp>2020-03-14T15:30:16-08:00</StatusTimestamp>
  <TransmissionSerialNumber>12345678</TransmissionSerialNumber>
  <TransmissionStatus>R</TransmissionStatus>

  <ErrorList errorCount="1">
    <Error errorId="1">
      <DocumentID>-</DocumentID>
      <XPath>CA-TransmissionManifest/SubmissionDataList/Count</XPath>
      <ErrorCategory>Noncorrectable</ErrorCategory>
      <ErrorMessage>
        The "Count" of submissions in the [SubmissionDataList] does not
        equal the actual number of submission ZIP archives/files attached.
      </ErrorMessage>
      <RuleNumber>T0000-010</RuleNumber>
      <Severity>S</Severity>
      <DataValue>Count value:100</DataValue>
    </Error>
  </ErrorList>
</CA-TransmissionAcknowledgement>
```

Table 1-9: Submission Acknowledgement Elements

Element	Description
Submission ID	A globally unique identifier for the received submission created by the originator.(See Table 1-3)
EFIN	IRS-provided Electronic Filer Identification Number of the originator of the submission.
Government Code	Identifies the government entity where the submission is to be filed - IRS, state, or other jurisdiction codes (always "CAST" for State of California).
Submission Type	Identifies the type of document being filed, using State form numbers or identifiers.
Tax Year	The tax year the submission applies to.
Timestamp	The date and time when the submission was created (from CA-ReturnHeader or CA-PaymentRequestHeader)
Electronic Postmark	(Optional) The time stamp indicating when the transmitter received the originated submission before sending it on to the CA FTB.
Status Timestamp	The date and time the submission's filing status was acknowledged.
Submission Category	Identifies the submission category: <ul style="list-style-type: none"> ▪ "CORP" (Corporation) ▪ "EO" (Exempt Organization), or ▪ "PART" (Partnership)
Acceptance Status	[A]ccepted or [R]ejected filing status of the submission.

IRS Submission ID	(Optional) The submission ID of an IRS submission that the processing of this state return submission depends on.
CA Business Entity ID	(Optional) The filers' unique California BE identifier (depending on form-type filed): <ul style="list-style-type: none"> ▪ Corporation # [7 digits] ▪ FEIN (Federal Employment ID #) [9 digits] ▪ SOS# (Secretary of State LLC #) [12 digits], or ▪ TEMP (Temporary #) [7 digits].
Tax Period End Date	(Optional) The tax period end date of the submission.
Completed Validation	Indicates whether the submission went through all possible validation processing ('true') or not ('false').
Embedded CRC32	(Optional) Embedded ZIP CRC32 checksum ("0x" + 8-digit Hexadecimal value).
Computed CRC32	(Optional) CA FTB computed CRC32 checksum ("0x" + 8-digit Hexadecimal value).
Taxable Income	(Optional) Taxable income.
Total Tax	(Optional) Total tax.
Error List	(Optional) List of errors (see Table 1-10) for a rejected submission.

Exhibit 1-5: Submission Acknowledgement

```
<?xml version="1.0" encoding="UTF-8"?>
<CA-SubmissionAcknowledgement xmlns="http://www.ftb.ca.gov/efile"
  xmlns:xsi="http://www.w3.org/2001/XMLSchema-instance"
  submissionAcknowledgementVersion="2019v1.0"
  importedIrsSchemaVersion="2019v1.0">

  <SubmissionId>0034972020073123456a</SubmissionId>
  <EFIN>003497</EFIN>
  <GovernmentCode>CAST</GovernmentCode>
  <SubmissionType>100</SubmissionType>
  <TaxYear>2019</TaxYear>
  <Timestamp>2020-03-14T15:10:42-08:00</Timestamp>
  <ElectronicPostmark>2020-03-14T15:15:57-08:00</ElectronicPostmark>
  <StatusTimestamp>2020-03-14T15:35:23-08:00</StatusTimestamp>
  <SubmissionCategory>CORP</SubmissionCategory>
  <AcceptanceStatus>R</AcceptanceStatus>
  <IRSSubmissionId>0034972020073123456z</IRSSubmissionId>
  <CA-BusinessEntityId>1234567</CA-BusinessEntityId>
  <TaxPeriodEndDate>2020-04-15</TaxPeriodEndDate>
  <CompletedValidation>>false</CompletedValidation>
  <EmbeddedCRC32>0xd87d7c97</EmbeddedCRC32>
  <ComputedCRC32>0xd87d7c97</ComputedCRC32>
  <TaxableIncome>-999999999999999</TaxableIncome>
  <TotalTax>999999999999999</TotalTax>

  <ErrorList errorCount="1">
    <Error errorId="1">
      <DocumentID></DocumentID>
      <XPath>CA-Return/CA-ReturnHeader/TaxPeriodEndDate</XPath>
      <ErrorCategory>Correctable</ErrorCategory>
      <ErrorMessage>
        Form 100, APB/APE, [TaxPeriodBeginDate], or
        [TaxPeriodEndDate] cannot be set to a date of 12-31-9999.
      </ErrorMessage>
      <RuleNumber>F100-010</RuleNumber>
      <Severity>R</Severity>
      <DataValue>TaxPeriodEndDate value: 9999-12-31</DataValue>
    </Error>
  </ErrorList>
</CA-SubmissionAcknowledgement>
```

```

        </Error>
    </ErrorList>
</CA-SubmissionAcknowledgement>

```

Table 1-10: Validation Error Elements

Note: The following elements are optional for all acknowledgements and will be included (as a repeating group) for each error found during the validation of a rejected transmission or submission, when applicable.	
Element	Description
Document ID	The document ID of the form containing the error. (Legal Characters: A-Z, a-z, 0-9, colon, period, and hyphen).
XPath	(Optional) The XPath expression of the location of an error in XML data with its full path from the root to the error element or attribute.
Error Category	The FTB-defined category for the reported error.
Error Message	Text describing the error, usually the rule text.
Rule Number	The FTB-assigned number for the rule creating the error.
Severity	([R]eject/RejectAnd[S]top) “Reject and Stop” errors cause validation of the transmission or submission to stop before any remaining validation rules are executed.
Data Value	(Optional) The value provided in the transmission or submission data for the element used in the validation rule.

6.7 Validating Submissions

Once the Transmission file passes validation, the Business e-file system validates the Submission file (tax return(s) or stand-alone payment(s)). Tax return and stand-alone payment validation consists of two parts: Schema validation and Business Rule validation.

Schema Validation

FTB recommends each return (federal and state) or stand-alone payment be run against a validating parser prior to being submitted to us. This pre-validation is intended to identify the majority of potential error conditions and minimize the chance of receiving errors from us later. A parser compares the XML document to the defined elements and attributes of the Schemas to ensure a well-formed document is received. Schemas provide the basic definition for an element – what is required, field length, data type, allowable values, etc. Data integrity depends on each data element complying with the data format specifications.

If the tax preparation software uses the FTB-defined XML Schemas to create the XML tax return or stand-alone payment, there should be no data format errors. The Business e-file systems verify this by validating each return or stand-alone payment submission in the transmission file against the Schemas including validating the federal return against the current valid federal Schema. If a data format error is encountered in either the state or federal return submission, the return will be rejected.

Note: When an error is found during Schema validation, processing is stopped at the point of the error. Consequently, there may be additional errors in the file that have not been identified.

Business Rule Validation

We validate all incoming business state tax returns and stand-alone payments against our list of Business Rules that are published with our Schemas. We do not apply business rule validation to accompanying federal submissions. When a return or stand-alone payment violates a Business Rule, our system will reject the submission and include a message as well as the x-path describing the error in the acknowledgement record.

Each Business Rule has a severity of either “Reject and Continue” or “Reject and Stop”:

- When a Rule with the severity of “Reject and Continue” is violated, our system will continue validating the rest of the submission, and provide a list of the first 100 errors found.
- When a Rule with the severity of “Reject and Stop” is violated, our system will stop validating the return or stand-alone payment. Only errors found before that point will be listed in the acknowledgement record. (Note: If there are multiple errors for a specific error type (such as, Transmission or Submission error) the system will stop validation at the completion of those errors.

The submission acknowledgement contains an element called “CompletedValidation”. If a rule with severity “Reject and stop” is violated, and the value in this field of the acknowledgement is “true” then all business rules have been applied. However, if the value is “false”, full validation wasn’t completed. Additional errors may exist in the return or stand-alone payment, but our system will not identify them until the return or stand-alone payment is resubmitted. The latest updates to the Business Rules associated with the validation of the submission, can be found in your Schema SWIFT mailbox.

6.8 Entity Entry Instructions

Use these guidelines for programming your software and assisting your clients in entering name and address information for California Business e-file returns and stand-alone payment requests. In some instances, our guidelines differ from those used by the IRS. They also vary slightly from our substitute forms (scannable return) guidelines.

General Instructions

- Do not use punctuation or symbols, unless specifically allowed.
Note: The only symbols allowed in the entity portion of the submission are a slash and a hyphen (dash). If a fraction is part of the street address, enter a forward slash (/).

Corporation Name Control Field

- Always use the word “AND” for the ampersand (&) symbol
- Never use the word “**THE**” when **PRECEDING** the Corporation or Partnership.
- Never space when a space, punctuation, symbols, or special characters are shown.
- Corporation Control [Header][NameControl] consists of the first FOUR (4) characters of the Corporation Name. For example:

Example: 10 Eleven Inc. **Key:** 10EL
Example: Ten Eleven Inc. **Key:** TENE

Example:	The Bunny Patch, Inc.	Key:	BUNN
Example:	Joe The Baker	Key:	JOET
Example:	TJ's	Key:	TJS
Example:	M & V Enterprises, Inc.	Key:	MAND

Name Fields

- Never include spaces in the following fields:
 - Name Control [NameControl]
 - Corporation Name [CorporationName]

Address Fields

- Use Standard Abbreviations, as shown in Section 6.9, for the suffix of the street name.
- Enter the suite number in the [StreetAddress] field or [StreetAddress2] field. Include the identifier (Suite, Ste., BLDG, UN, etc.).
- Use the standard two-digit abbreviation for the state or U.S. possession in the [State] field (Refer to Section 6.10).
- Apply standard abbreviations if the address exceeds the allowable length.
- If the taxpayer has a Personal Mail Box, enter the PMB number in the PMB field. Never truncate PMB information.

Foreign Addresses

- Use specific foreign address rules:
 - For Hong Kong, enter "Hong Kong" in the City field and "China" in the Country field.
 - For Singapore, enter "Singapore" in both the City and Country fields.
 - For Baja California, enter "Mexico" in the Country field.

6.9 Standard Abbreviations

Use the following abbreviations for the singular or plural form of these words.

<u>Name</u>	<u>ABBR</u>	<u>Name</u>	<u>ABBR</u>	<u>Name</u>	<u>ABBR</u>
Air Force Base	AFB	Garden	GDN	Point	PT
America (n)	AMER	Gateway	GTWY	Post Office Box	PO Box
And/&	/	General Delivery	GEN DEL	Presidio	PRES
Annex	ANX	Grove	GRV	Private Mail Box	PMB
Apartment/Apartamento	APT	Headquarters	HQ	Ranch/Rancho	RNCH
Associates/Association	ASSOC	Heights	HTS	River	RIV
Avenue/Avenida	AVE	Highland	HGLD	Road	RD
Bank	BK	Highway	HWY	Room	RM
Battalion	BTN	Hospital	HOSP	Route, Rte	RT
Battery	BTRY	Hotel	HTL	R.D., Rural Delivery, RFD, R.F.D., R.R., or	RR
Beach	BCH	Incorporated	INC	Rural Route	
Boulevard	BLVD	Industry	IND		
Box	BX	International	INTL		
Branch	BR	Island/Isle	IS	Saint/Sainte	ST
Broadway	BRDWY	Junction	JCT	San/Santo	SN
Building	BLDG	Lake	LK	School	SCH
California	CALIF	Lane	LN	Service	SERV
Caminita	CMNTA	Lodge	LDG	South *	S
Caminito	CMNTO	Loop	LP	Southeast *	SE
Camino	CMNO	Lower	LWR	Southwest *	SW
Canyon	CYN	Management	MGMT	Space	SP
Care of, or In Care Of	%	Manor	MNR	Space Flight Center	SFC
Causeway	CSWY	Martin Luther King (JR)	M L KING	Spring	SPG
Center	CTR	Marine Corps Air Station	MCAS	Squadron	SQD
Central	CTL	Medical	MED	Square	SQ
Circle	CIR	Memorial	MEM	Station	STA
City	CY	Mission	MSN	Street	ST
Coast	CST	Mobile	MBL	Suite	STE
College	CLG	Motel	MTL	Taxpayer Unknown	TAXPAY
Community	COMM	Mount	MT	Terminal	TERM
Commonwealth	CMNWL	Mountain	MTN	Terrace	TER
Company	CO	National	NAT	Track	TRAK
Convalescent	CONV	Naval	NAV	Trail	TRL
Corporation	CORP	Naval Air Base	NAB	Trailer	TRLR
Country	CNTRY	Naval Air Station	NAS	Trust	TR
County	CNTY	North *	N	Union	UN
Court	CT	Northeast *	NE	University	UNIV
Crossing	XING	Northwest*	NW	Upper	UPR
Department	DEPT	Number/#	NO	Valley	VLY
Division/Divide	DV	One-fourth, or One-quarter	¼	Verdes	VRD
Drive	DR	One-half	½	View	VW
East *	E	Pacific	PAC	Villa/Ville	VL
Estate	EST	Park	PK	Village	VLG
Expressway	EXPY	Parkway	PKY	Vista	VIS
Flat	FLT	Place	PL	Walk	WK
Floor	FL	Plaza	PLZ	Walkway	WKWY
Fort	FT			Way	WY
Freeway	FWY			West *	W

6.10 Standard State Abbreviations and ZIP Code Ranges

The latest published ZIP Code Ranges below applies to Current, Previous, and Prior Year tax returns.

Note: “nn” = 01-99

<u>State</u>	<u>ABBR</u>	<u>ZIP Code</u>	<u>State</u>	<u>ABBR</u>	<u>ZIP Code</u>
Alabama	AL	350-369	Montana	MT	590-599
Alaska	AK	995-999	Nebraska	NE	680-693
Arizona	AZ	850-865	Nevada	NV	889-898
Arkansas	AR	716-729	New Hampshire	NH	030-038
California	CA	900-961	New Jersey	NJ	070-089
Colorado	CO	800-816	New Mexico	NM	870-884
Connecticut	CT	060-069	New York	NY	004nn, 005nn 06390, 100-149
Delaware	DE	197-199	North Carolina	NC	270-289
District of Columbia	DC	200-205nn, 20799, 56901-56972	North Dakota	ND	580-588
			Ohio	OH	430-459
			Oklahoma	OK	730-732, 734-749
Florida	FL	320-349	Oregon	OR	970-979
Georgia	GA	300-319, 398-399,	Pennsylvania	PA	150-196
Hawaii	HI	967-968	Rhode Island	RI	028-029
Idaho	ID	832-838	South Carolina	SC	290-299
Illinois	IL	600-629	South Dakota	SD	570-577
Indiana	IN	460-479	Tennessee	TN	370-385
Iowa	IA	500-528	Texas	TX	733nn, 750-799, 885nn
Kansas	KS	660-679	Utah	UT	840-847
Kentucky	KY	400-427	Vermont	VT	050-054, 056-059
Louisiana	LA	700-714	Virginia	VA	200-201nn, 20598, 220-246
Maine	ME	039-049	Washington	WA	980-994
Maryland	MD	20588, 206-219nn	West Virginia	WV	247-268
Massachusetts	MA	010-027, 05501-05544	Wisconsin	WI	530-549
Michigan	MI	480-499	Wyoming	WY	820-834nn
Minnesota	MN	550-567			
Mississippi	MS	386-397			
Missouri	MO	630-658			

Military Addresses Overseas (APO, DPO or FPO)

<u>State</u>	<u>ABBR</u>	<u>Zip Code</u>
Europe, Middle East, Africa, and Canada	AE	090-099
Americas (other than Canada)	AA	340nn
Pacific	AP	962nn-96699 & 987nn

United States Possessions Abbreviations

<u>State</u>	<u>ABBR</u>	<u>ZIP Code</u>
American Samoa	AS	96799
Federated States of Micronesia	FM	969nn
Guam	GU	969nn
Marshall Islands	MH	969nn
Northern Mariana Is.	MP	969nn
Palau	PW	969nn
Puerto Rico	PR	006-007, 009nn
Virgin Islands	VI	008nn

Canadian Province Abbreviations

Alberta	AB	Northwest Territories	NT	Quebec	QC
British Columbia	BC	Nova Scotia	NS	Saskatchewan	SK
Manitoba	MB	Nunavat	NU	Yukon Territories	YT
New Brunswick	NB	Ontario	ON		
Newfoundland	NF	Prince Edward Island	PE		