MICHIGAN
Imaged Substitute Forms

2022

Software Developer
Submission Guidelines

OVERVIEW

Substitute forms testing opens annually on October 1.

Software Developers <u>must</u> begin substitute forms testing by the following dates:

Income Tax (State & City of Detroit), Fiduciary, and Business Taxes: 11/15/2022

Sales, Use and Withholding, and City of Detroit Taxes: 12/1/2022

<u>**Imaged Forms**</u>

These guidelines outline the procedures for submitting Substitute Forms to Michigan Department of Treasury (Treasury), Forms, Documentation and E-file Services (FDES) for **annual** approval and requirements for acceptable reproduced copies of Michigan and/or City of Detroit tax forms and supporting schedules for filing. Users of developer software must have the ability to print a copy of their return for their records.

Software Developers must obtain **annual** approval from FDES before releasing software to their customers. Developers **must** submit a *Letter of Intent to Participate in E-File and Substitute Forms Programs* (Form 4430) to participate in the testing process. Completed Form 4430, all communication, and test submissions must be emailed to **MIFormsEfile@michigan.gov**.

Software Developers **must** receive approval from **both** the Substitute Forms and the E-file testing processes. Substitute Forms and E-file testing can be performed simultaneously.

All substitute forms **must** be submitted electronically.

Treasury reserves the right to require the resubmission of any form(s) that does not meet the specified requirements. Hard copies and faxes **will not be accepted**. If submitting multiple forms for approval in the same packet, separate submission by **tax type. See "Submission Sample."**

Software Developers or Tax Preparers who should verify approval before use of Michigan and/or City of Detroit forms are:

- Tax practitioners who purchase software that produces substitute tax forms

- Tax practitioners who use batch processing service bureaus that produce substitute tax forms

- Tax practitioners who support two or more software programs (must receive approval for **each** supported software program)

- Tax practitioners who purchase substitute tax forms from commercial printers or business forms companies

- Software providers who sell the products to software developers who design substitute tax forms.

Draft and **Final Draft** forms are posted on the State Exchange Site (SES) prior to public release. The SES is intended for use by software companies that produce Michigan and/or City of Detroit forms. FDES suggests checking the SES regularly for updated forms. Final forms are posted to Treasury's public site beginning in December.

Definitions	
Data Fields	Data entered by taxpayer or tax preparer.
Doc ID Code	Series of numbers on the bottom of all imaged forms that consists of developer number, tax year, form number, page number, state code, and check digit.
Form 4430	Letter of Intent to Participate in E-File and Substitute Forms Programs.
Imaged Forms	Forms with a Doc ID Code.
Software Developer	A software company, preparer, or payroll provider that develops computer-generated forms.
Substitute Form	A form that is a computer-generated tax form produced by a software developer or payroll provider for use in lieu of Michigan's and/or City of Detroit's official form.
Tax Type	City of Detroit Corporate Income Tax; City of Detroit Income Tax; City of Detroit Withholding; Corporate Income Tax; Fiduciary; Individual Income Tax; Michigan Business Tax; and Sales, Use, and Withholding Tax.

SUBMISSION GUIDELINES

Forms cannot be submitted for testing until they are in **final draft** status and the testing season is open. **Final draft** forms are generally published late September through early December as they become available. Developers may submit final draft forms for approval with the understanding that the legislature may require changes to programs and forms. Developers will be notified if there are changes to a final draft. Depending on the change, developers may need to resubmit the form for approval, or a courtesy copy will be requested noting the change.

A substitute form filed with Treasury that **has not** been approved or cannot be processed through Treasury's mainstream processing systems can delay a refund. This does not, however, delay the posting of payments arriving with a return. The developer will be contacted for an immediate fix and update of their software.

Note: It is the software developer's responsibility to ensure their software is updated annually, reflecting forms approval.

FDES communicates all form changes through the National Association of Computerized Tax Processors (NACTP) listserv and the SES.

Contact Information

Send inquiries, completed Form 4430, and substitute form sample submissions to **MIFormsEfile@michigan.gov**.
Approval for Substitute Forms

Approvals are granted for **one year only**.

New software developers will be assigned a software developer ID by FDES at the time Form 4430 is received. This ID **must appear** in the lower-left corner (first four numbers of the Doc ID Code) on each page of every form produced by the developer's software.

See **"Document Identification Code Specifications"** under each Tax Type for more information and submission standards for all taxes.

Worksheets and instructions are not tested. **Do not** send sample attachments, worksheets, or additional calculations sheets.

If unacceptable substitute forms are used, Treasury may contact **the taxpayer** directly, advising them that their return was not filed properly. Treasury will also contact the **preparer** of the unacceptable substitute form and direct them to stop filing this form **immediately**. If the form **was not** approved by FDES, the form must be removed from the developer's software and submitted for approval before taxpayers are able to use the developer's software again, and could result in tax preparers' customers being unable to e-file.

If the form was approved by FDES, the approved version should be the version uploaded to the developer's software. If a form contains errors, software developers must:

- Remove the form(s) from their software
- Fix the error
- Retest, if applicable
- Notify FDES when the issue is resolved
- Communicate with customers of the issue and the fix.

FDES may request a courtesy copy or a copy of the communication to customers to verify the fix has been made.

Tax Types

The available Tax Types include:

- City of Detroit Corporate Income Tax
- City of Detroit Income Tax
- City of Detroit Withholding
- Corporate Income Tax (CIT)
- Fiduciary (FID)
- Individual Income Tax (IIT)
- Michigan Business Tax (MBT)
- Sales, Use, and Withholding Tax (SUW)

IMAGED FORMS

Imaged forms are defined as any forms that have a Doc ID Code.

+5432 2022 05 01 27 4

Dev. ID

- The **first** four-digits of this code are the software developer ID. Each software developer is assigned a software developer ID. The software developer ID **must** appear in the lower-left corner in **12-point Courier** on **each** page of every form produced by the developer's software.

- The **second** set of numbers is the tax year.

- The **third** set of numbers is the form number.

- The **fourth** set of numbers is the page number of the form (should always be two digits).

- The **fifth** set of numbers is Treasury's internal use code (State Code), which is always "27."

- The last number is the check digit routine number (see "Doc ID Calculation Spreadsheet").

Forms will be **immediately** rejected if the Doc ID Code is:

- Entered incorrectly (including incorrect page number code)
- Placed in an incorrect location
- In an incorrect font
- Not listed on every page of the form.

Software developers must submit tests for each software product they support. Each software product must be assigned a different developer ID.

When form samples are submitted, these forms must be submitted in PDFs separated by tax, in numeric order (see Form 4430 for order).

Submission Format

All imaged forms submissions must be sent to **MIFormsEfile@michigan.gov** with a cover letter attached. The cover letter must include:

- A list of enclosed forms
- Company/Software name
- Contact Name
- Tax Type
- Software Developer code.

Submission samples must be in the following order:

1. One blank sample
2. One full-field sample (all 9s in numeric fields and all "Xs" in alpha fields)
3. One sample with a variety of data fields filled in.

Treasury's requirements as stated, must be met for all preparation, submission, and approval of imaged forms. FDES reserves the right to require the resubmission of any form that does not meet requirements.

Before submitting forms for approval, verify the following:

- There is no punctuation, such as periods and cents (if cents are not on State forms), in number fields.

- Field labels are identified in all field boxes.

- Doc ID Codes or any field boxes, such as Social Security number (SSN), must be displayed on all samples submitted and not masked.

- Company website is not displayed.

- Field lengths must be the same amount of space as published on Treasury's tax form samples.

<u>Formatting Guidelines</u>

Abbreviations	Always spell out words.
Boxes (fields)	Boxes (fields) cannot be replaced with lines. Developers **must** complete the full four lines to complete the box (field).
Cents	Cent boxes must be entered with "00" if displayed on the State form.
Checkboxes	It is preferred that checkboxes be a minimum of 1/10 inch wide x 1/6 inch high, based on NACTP standards. In all cases, boxes should be uniform in size throughout each form, and they cannot touch the line above or below.
Date, Account Numbers (FEINs), Phone Numbers, and Social Security Numbers	Use a dash (-) to separate the series of numbers. ***Do not use parentheses***. Dates must be formatted MM-DD-YYYY unless otherwise specified on a form.
Decimals	Include decimals in percentage fields **only**. Data entered must be four spaces past the decimal on City of Detroit Corporate Income Tax, Corporate Income Tax, and Michigan Business Tax substitute forms. Decimals cannot be entered in the dollar/cents fields.

Formatting Guidelines (cont.)

Design	Each substitute form must follow the design of the official form as to font, style and size, arrangement and format, form number, item captions, line numbers, line references, dot leaders, and sequence. ***The form year on the second and following pages must always be listed in the top-left corner.***
Fields	The size and length of fields must match the design of Treasury's official form, including spacing between the boxes/lines. ***Vertical and horizontal lines should be consistent with Treasury's official form***.
Ink Color	Black ink must be used.
Legibility	All forms must be legible. Treasury reserves the right to reject illegible forms. Always spell out words unless otherwise noted. Do not submit copies of forms.
Line Weight	Line weight must be a minimum of one point, including checkboxes. Do not make lines thicker than what appears on Treasury's official forms.
Logos	***Do not*** reproduce logos on any Michigan tax form.
Margins	All margins should be half-inch. If the software program prints extraneous taxpayer information, place in the upper-left corner below the form number and title. ***Do not*** print variable data in the top or bottom margins of the form.
Multiple-Page Forms	When organizing multiple-page forms, include the entire form with all its pages. Assemble the forms in the correct page number order with all **three** samples together (i.e., MI-1040CR has three pages, so the sample order is: Blank page 1, 2, and 3; full-field page 1, 2, and 3; variable page 1, 2, and 3). More than one form sample group of the same tax type should be combined into one PDF.
Numeric Fields	Right justify all numeric fields.
Size	Substitute forms must be the same size as Treasury's official forms.
[For Individual Income Tax Only] Taxpayer Identification Area	Fields in this area generally include First Name, Middle Initial, Last Name, Address, and SSN.
Variable Data Font	The preferred fonts/sizes are Arial, Helvetica, or Courier, but must not be smaller than 12-point in size. Characters must not touch each other and must not touch vertical or horizontal lines. ***For internal tables (business forms) font may be reduced to 11 point and no lower than 10-point for fit.***
Zero Entries	If a line does not apply to a taxpayer, the line should be left blank; however, an entry must be made on all total lines. If the amount to be reported on a particular total line is zero, enter "0." ***For blank form submissions, if the Treasury official form does not have cents included, do not include.***

DOCUMENT IDENTIFICATION CODE SPECIFICATIONS
2022 Individual Income Tax

A **Document Identification Code** (Doc ID Code) must be printed on all pages of the *Imaged* tax forms. See below for correct format placement on each form.

Form Name	1	Software Developer Code				6	Tax Year				11	Form Number		14	Page Number		17	State Code		20	Check Digit
		o	e	o	e		o	e	o	e		o	e		o	e		o	e		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
MI-1040CR	+	5	4	3	2		2	0	2	2		2	5		0	1		2	7		2
MI-1040CR	+	5	4	3	2		2	0	2	2		2	5		0	2		2	7		0

Doc ID Code Example

+5432 **2022** 25 **01** 27 2

+5432 **2022** 25 **02** 27 0

Position 1:   **Target Mark.** The Doc ID Code (Positions 1-21) is preceded by a target mark, which is a "+" (plus sign) at **16 pt.** bold.

Positions 2-5:   **Software Developer Code.** Forms, Documentation and E-file Services (FDES) assigns a numeric code to each developer to be used from year to year. If the numeric code is less than 4 digits, add a zero (zeroes) to the front of the numeric code to equal 4 digits.

Position 6:   *Blank space*

Positions 7-10:   **Tax Year.** 4-digit tax year to which the form applies.

Position 11:   *Blank space*

Positions 12-13:   **Form Number.** 2-digit form number (included on each Michigan form in the Doc ID Code).

Position 14:   *Blank space*

Positions 15-16:   **Page Number.** 2-digit page number. Add a zero to the front of single-digit numbers to equal 2 digits (e.g., page 1 = 01). Maintain page number order for each of the **3** samples submitted.

Position 17:   *Blank space*

Positions 18-19:   **State Code.** Enter "27."

Position 20:   *Blank space*

Position 21:   **Check Digit.** Add the value of the digits in the odd positions and twice the value of the digits in the even positions (ignore spaces), subtract the second digit of the sum from 10 and the result will equal the check digit. If the result is **10**, use **0** as the check digit.

DOCUMENT IDENTIFICATION CODE SPECIFICATIONS
2022 City Income Tax
(Detroit)

- City Income Tax forms differ in that the form number in the Doc ID Code is **three digits**.

A **Document Identification Code** (Doc ID Code) must be printed on all pages of the *imaged* tax forms. See below for correct format placement on each form.

		Software Developer Code					Tax Year					Form Number				Page Number			State Code			Check Digit
		o	e	o	e		o	e	o	e		o	e	o		e	o		e	o		
Form Name	1	2	3	4	5		6	7	8	9		10	11	12		13	14		15	16		17
5118	+	5	4	3	2		2	0	2	2		1	0	1		0	1		2	7		8
5118	+	5	4	3	2		2	0	2	2		1	0	1		0	2		2	7		7

Doc ID Code Example

+5432 **2022** 101 **01** 27 8

+5432 **2022** 101 **02** 27 7

Position 1:	**Target Mark.** The Doc ID Code (Positions 1-17) is preceded by a target mark, which is a "+" (plus sign) at **16 pt.** bold.
Positions 2-5:	**Software Developer Code.** Forms, Documentation and E-file Services (FDES) assigns a numeric code to each developer to be used from year to year. If the numeric code is less than 4 digits, add a zero (zeroes) to the front of the numeric code to equal 4 digits. *Blank space*
Position 6-9:	**Tax Year.** 4-digit tax year to which the form applies. *Blank space*
Positions 10-12:	**Form Number.** 3-digit form number (included on each City of Detroit form in the Doc ID Code). *Blank space*
Positions 13-14:	**Page Number.** 2-digit page number. Add a zero to the front of single-digit numbers to equal 2 digits (e.g., page 1 = 01). Maintain page number order for each of the **3** samples submitted. *Blank space*
Positions 15-16:	**State Code.** Enter "27." *Blank space*
Position 17:	**Check Digit.** Add the value of the digits in the odd positions and twice the value of the digits in the even positions (ignore spaces), subtract the second digit of the sum from 10 and the result will equal the check digit. If the result is **10**, use **0** as the check digit.

DOCUMENT IDENTIFICATION CODE SPECIFICATIONS
2022 Corporate Income Tax and Michigan Business Tax

A **Document Identification Code** (Doc ID Code) must be printed on all pages of the *imaged* tax forms. See below for correct format placement on each form (CIT and MBT forms).

CIT

Form Name	1	Software Developer Code o	e	o	e	6	Tax Year o	e	o	e	11	Form Number o	e	14	Page Number o	e	17	State Code o	e	20	Check Digit
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
4891	+	5	4	3	2		2	0	2	2		1	2		0	1		2	7		9
4891	+	5	4	3	2		2	0	2	2		1	2		0	2		2	7		7

Doc ID Code Example

+5432 **2022** 12 **01** 27 9

+5432 **2022** 12 **02** 27 7

MBT

Form Name	1	Software Developer Code o	e	o	e	6	Tax Year o	e	o	e	11	Form Number o	e	14	Page Number o	e	17	State Code o	e	20	Check Digit
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
4568	+	5	4	3	2		2	0	2	2		1	5		0	1		2	7		3
4568	+	5	4	3	2		2	0	2	2		1	5		0	2		2	7		1

Doc ID Code Example

+5432 **2022** 15 **01** 27 3

+5432 **2022** 15 **02** 27 1

Position 1:	**Target Mark.** The Doc ID Code (Positions 1-21) is preceded by a target mark, which is a "+" (plus sign) at **16 pt.** bold.
Positions 2-5:	**Software Developer Code.** Forms, Documentation and E-file Services (FDES) assigns a numeric code to each developer to be used from year to year. If the numeric code is less than 4 digits, add a zero (zeroes) to the front of the numeric code to equal 4 digits.
Position 6:	*Blank space*
Positions 7-10:	**Tax Year.** 4-digit tax year to which the form applies.
Position 11:	*Blank space*
Positions 12-13:	**Form Number.** 2-digit form number (included on each Michigan form in the Doc ID Code).
Position 14:	*Blank space*
Positions 15-16:	**Page Number.** 2-digit page number. Add a zero to the front of single-digit numbers to equal 2 digits (e.g., page 1 = 01). Maintain page number order for each of the **3** samples submitted.
Position 17:	*Blank space*
Positions 18-19:	**State Code.** Enter "27."
Position 20:	*Blank space*
Position 21:	**Check Digit.** Add the value of the digits in the odd positions and twice the value of the digits in the even positions (ignore spaces), subtract the second digit of the sum from 10 and the result will equal the check digit. If the result is **10**, use **0** as the check digit.

DOCUMENT IDENTIFICATION CODE SPECIFICATIONS
2023 Sales, Use, and Withholding Tax Forms

A **Document Identification Code** (Doc ID Code) must be printed on all pages of the *imaged* tax forms. See below for correct format placement on each form.

Form Name	1	Software Developer Code					Tax Year					Form Number			Page Number			State Code			Check Digit
		o	e	o	e		o	e	o	e		o	e		o	e		o	e		
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
5080	+	5	4	3	2		2	0	2	3		6	6		0	1		2	7		4
5080	+	5	4	3	2		2	0	2	3		6	6		0	2		2	7		2

Doc ID Code Example

+5432 **2023** 66 **01** 27 4

+5432 **2023** 66 **02** 27 2

Position 1:	**Target Mark.** The Doc ID Code (Positions 1-21) is preceded by a target mark, which is a "+" (plus sign) at **16 pt**. bold.
Positions 2-5:	**Software Developer Code.** Forms, Documentation and E-file Services (FDES) assigns a numeric code to each developer to be used from year to year. If the numeric code is less than 4 digits, add a zero (zeroes) to the front of the numeric code to equal 4 digits.
Position 6:	*Blank space*
Positions 7-10:	**Tax Year.** 4-digit tax year to which the form applies.
Position 11:	*Blank space*
Positions 12-13:	**Form Number.** 2-digit form number (included on each Michigan form in the Doc ID Code).
Position 14:	*Blank space*
Positions 15-16:	**Page Number.** 2-digit page number. Add a zero to the front of single-digit numbers to equal 2 digits (e.g., page 1 = 01). Maintain page number order for each of the **3** samples submitted.
Position 17:	*Blank space*
Positions 18-19:	**State Code.** Enter "27."
Position 20:	*Blank space*
Position 21:	**Check Digit.** Add the value of the digits in the odd positions and twice the value of the digits in the even positions (ignore spaces), subtract the unit digit of the sum from 10 and the result will equal the check digit. If the result is **10**, use **0** as the check digit.