

Montana

Department of Revenue



Modernized e-File Program
Individual Income Tax
Letter of Intent

Tax Year 2019

2019 Montana Department of Revenue Tax Software Provider Letter of Intent

This Letter of Intent (LOI) sets forth the specific questions, requirements, and standards for tax software providers (Provider) for the Montana Department of Revenue (Department). By submitting this LOI to the Department, you are agreeing to meet our standards for Provider registration, tax preparation, tax preparation software (DIY or professional), and production of substitute forms.

This LOI also incorporates by reference all the terms, requirements, and standards set forth in the Tax Software Provider National Standards Letter of Intent (National Standards) maintained by the Federation of Tax Administrators. Agreement and adherence to the National Standards, and all nationally recognized standards listed therein, are required as a prerequisite to approval.

Failure to meet any of the standards or requirements set forth in the national standards and requirements form or in this LOI will result in the denial of your application or the removal of your organization as an approved Provider, and the rejection of all electronic or paper returns submitted using your products.

Please complete a registration form for each unique product your company offers. If you submit an incomplete form, your request to participate in electronic or paper submissions may be denied.

This form must be completed and submitted to dore-services@mt.gov no later than November 1, 2019.

Name of Company	Product Name	State Software ID
DBA Name	NACTP Member Number	State Account Number (if applicable)
Address	Product Address/URL	Company FEIN
City	State	Zip Code
Regulatory/Compliance Contact		
Regulatory/Compliance Contact	Phone	Email Address
Primary Individual MeF Contact	Phone	Email Address
Secondary Individual MeF Contact	Phone	Email Address
Primary Business MeF Contact	Phone	Email Address
Secondary Business MeF Contact	Phone	Email Address
Primary Leads Reporting Contact	Phone	Email Address
Secondary Leads Reporting Contact	Phone	Email Address
Test EFIN(s)		
Test EFIN(s)	Test ETIN(s)	
Production EFIN(s)		
Production EFIN(s)	Production ETIN(s)	

Type of Software Product

DIY/Consumer (Web-Based)

DIY/Consumer (Desktop)

Submission Type

Linked Returns

Unlinked Returns

Professional/Paid Preparer (Web-Based)

Professional/Paid Preparer (Desktop)

Amended Returns

Prior Year Returns

Mandatory Forms Required to Support the Montana Individual Income Tax Return

Filing Status

- Single
- Married filing separately on same form
- Married filing separately on separate forms
- Married filing separately and spouse is not filing
- Head of Household
- Married filing Joint

Residency Status

- Resident Full Year
- Nonresident Full Year
- Resident Part Year

Montana Forms

- Montana Form 2 – Schedules on pages 1-12
- Form 2EC
- Montana K-1
- Energy – C Energy Conservation Installation credit
- NOL – Net Operating Loss
- ETM – Enrolled Tribal Member

Miscellaneous

- Direct Deposit
- Direct Debit
- IAT Transactions
- Binary Attachments
- Underpayment of Estimated taxes

Acceptable Limitations

- ETM – Enrolled Tribal Member
- Energy – C Energy Conservation Installation credit
- IAT Transactions
- Rebranded products with defined limitations (The approved tax software product calc-engine must support all Montana Individual Form requirements before limitations will be accepted.)

Federal Forms – If applicable, the following forms may be required when filing a Montana return. As a condition of product approval, you may be required to confirm your software can include these forms when required.

- 1040 plus schedules 1-6
- Schedules A, B, C, D, E, F, SE
- W2
- W2G
- 1099-B
- 1099-Div
- 1099-G
- 1099-Int
- 1099-K
- 1099-Misc
- 1099-R
- 1099-Misc
- 1116 – Foreign Tax credit
- 2555 – Foreign earned income
- 3800 – General business credits
- 461 – Excess business credits
- 4562 – Depreciation and Amortization schedule
- 4684 – Casualty and theft losses
- 4797 – Sale of business property
- 4835 – Farm Rental Income and Expenses
- 6252 – Installment Sale Income
- K-1's
- Taxable Social Security Worksheet
- 8824 – Like Kind Exchanges
- 8829 – Expenses for Business Use of Your Home
- 8839 – Adoption Schedule
- 8379 – Injured Spouse Allocation
- 8582 – Passive Activity Loss Limitations
- 8606 – Nondeductible IRAs
- 8949 – Sales and other Dispositions of Capital Assets.
- 8960 – Net Investment Income Tax Individuals, Estates, and Trusts

Software Limitations

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Rebranded Software Products

Provider: Use this section only if this product is rebranded with the approval of the Software Publisher, who is the original creator of the software and signer of the LOI. It is the position of the STAR Working Group under the auspices of the IRS Security Summit that:

- *Rebranding where the software publisher makes all code changes to generate the rebranded software and ensures that the rebranded software meets the applicable requirements (Trusted Customer, Generation of Authentication Elements, Generation of LEADS reports, STAR Requirements, etc.) does not pose any additional risk to the tax ecosystem.*
- *Rebranding where the organization who rebrands the software has the capability to make cosmetic changes including but not limited to color or font but cannot make changes to the application requirements (listed above) does not pose additional risk to the ecosystem.*

Rebranded Product Name	Contact Person	Phone	Email Address	Unique Identifier **
Rebranded Product Name	Contact Person	Phone	Email Address	Unique Identifier **
Rebranded Product Name	Contact Person	Phone	Email Address	Unique Identifier **
Rebranded Product Name	Contact Person	Phone	Email Address	Unique Identifier **
Rebranded Product Name	Contact Person	Phone	Email Address	Unique Identifier **

*If there are more than 5 software products that have rebranded under a different name, please list them on a separate sheet and attach with your LOI submission.

**If available.

Rebranded Products Defined Limitations

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Rebranded Products are not required to complete the e-file ATS testing for Montana MeF approval.

Communication and Expectations

Documents and Materials

The Department e-file documentation will be posted at the FTA State Exchange System (SES).

Refund Expectations

To assist taxpayers and tax professionals expecting refunds, the Department is providing a URL about refund processing. Industry partners should use this URL to communicate and help set the appropriate expectations with external stakeholders. Providing this information will:

- help eliminate phone calls from taxpayers, tax professionals and industry partners about refunds.
- ensure that taxpayers and tax professionals receive the appropriate message.

It can take up to 90 days to issue a refund and the Department may need to ask you to verify information prior to sending the refund. Find more information about our refund process and check your refund status on Montana's website at – <http://mtrevenue.gov/taxes/individuals-income-tax/individual-refunds/>

State Driver's License/ID Card Expectations

To help taxpayers, tax professionals, and industry partners understand the requirements for State driver's licenses or ID cards, the Department is providing the following expectations:

For e-file returns:

The Department wants to receive the DL/ID card information with the tax return.

For printed/paper forms requesting the DL/ID Information:

The Department does not require the DL/ID card information on the form(s).

E-File Statement: To combat stolen-identity tax fraud and protect you and your refund, the Department is requesting additional information from your Montana driver's license or ID card. You aren't required to give us this information, however it will help process your taxes faster.

Requirements and Standards

Montana MeF Program Requirements & Timeline

Provider must complete acceptance or assurance testing with the Department in accordance with the applicable requirements for each type of return. Montana recommends scheduling your development and testing when the November ATS testing window opens. If any testing windows are scheduled after the filing season begins they are subject to the limited availability of Department resources.

- Draft schema, business rules, specifications and ATS testing scenarios will be published on the FTA State Exchange System by September 18, 2019.
- Final schema, business rules, specifications and ATS testing scenarios will be published on the FTA State Exchange System by November 1, 2019.

- Department will typically begin ATS testing with the opening of the IRS ATS testing window in early November.
 - Initial test submissions are typically returned within 5-7 business days of receipt.
 - Subsequent retest transmissions are typically tested within 5-7 business days.
 - Retests will be limited to 5 submissions.
- Initial test submissions must be received by January 15, 2020.
- All testing must be completed by February 14, 2020.

While every effort will be made to be flexible during the ATS testing window, the Department reserves the right to not approve the participation of a Provider if testing is inadequate, not completed in a timely manner, or continued testing exceeds the ability of the Department to test after the production filing window opens.

The Provider will not submit production returns before successfully completing all required testing and approval has been issued. Software products released for production must adhere to all return specifications, business rules and Montana publications. The Provider will not advertise Montana's acceptance of software until testing approval is provided. Montana will not accept returns prior to approval.

Once approval has been issued, the Provider must continue to adhere to all requirements and standards in this LOI. Failure to continuously adhere to these standards will result in termination of this agreement and removal of your organization as an approved Provider until your company is retested and reapproved. The Department will notify the Provider of any issues with the software and may request that Provider hold returns until the issue is resolved. The Provider is expected to deploy the software updates within 7 business days.

Standards

The Department may need to review a specific section of the software. The Provider shall provide the requested software upon request. Final approval of the software will depend upon Department review of the section.

Prior to the opening of IRS e-File for the 2019 Filing Season, provide the Department with either a beta version (ex. CD) or temporary access to an online tax preparation program that allows the Department to confidentially review:

- User screens
- Interview questions
- Messaging
- The final submission screens
- The printing of substitute forms (as applicable to the product).

Specific Questions

1. What refund products or payment vehicles do you offer your customer? If you partner with an entity to provide refunds (e.g. Amazon.com or other pre-paid cards), please provide the names and bank routing numbers (RTNs) of each company. Attach a separate sheet if necessary.
Refund payments must be deposited with a bank. The Department will not accept any payments using cryptocurrency or cyber currency (such as Bitcoin, Litecoin, Ethereum, etc.)
2. The Department prefers receiving e-filed amended returns. If you have not developed the ability to send amended returns, please explain why this is not a service you are offering.

Data Breach Reporting

All Providers executing this agreement are subject to Federal and State data breach security laws and/or regulations noted below, including but not limited to provisions regarding who must comply with the law, definitions of “personally identifiable information”, what constitutes a breach, requirements for notice, and any exemptions.

Internal Revenue Code, 26 U.S.C §§ 6103, 7213, 7213A, 7431
Internal Revenue Service Publication No. 1075

Section 15-30-2618, Montana Code Annotated (MCA)
Section 15-31-511, MCA

Provider Guarantees

Provider guarantees:

- all e-file ATS tests submitted during the approval process are created in and originate from the actual software.
- all electronic returns received by the Department generated from this software will be electronically filed from the initially approved product version, or a subsequent product update.
- all paper returns received by the Department generated from this software will be printed from the initially approved product version, or a subsequent product update.
- the Department will be notified of any incorrect and/or missing calculation or e-file data element for any paper or electronically returns submitted to the Department.
- that failure of Provider to adhere continuously to standards and requirements of this LOI will result in Provider being removed as an approved software provider until the software is retested and reapproved.
- that users/customers of this software who attempt to e-file 10 or more business days after a production release will be required to download and apply the product update.

Signatures

As a representative of the Provider, I agree to comply with all requirements listed above. Furthermore, by signing this agreement, the Provider is agreeing to all the requirements above. The Department reserves the right to revoke approval acceptance of any Provider and thereby refuse to accept any additional returns from such Provider that does not adhere to above stated requirements.

As an approved Department provider, I agree to provide true, accurate, current, and complete information about my company. I understand that if I provide any information that is untrue, inaccurate, obsolete, or incomplete, the Department has the right to deny, suspend, or terminate my account.

Provider:

(AUTHORIZED REPRESENTATIVE) PRINTED NAME	TITLE	EMAIL ADDRESS
(AUTHORIZED REPRESENTATIVE) SIGNATURE	DATE	PHONE NUMBER

Department:

NAME Gene Walborn	TITLE Director
SIGNATURE	DATE
NAME Daniel J. Whyte	TITLE Chief Legal Counsel
SIGNATURE	DATE

CLEAR FORM

SUBMIT FORM