

Virginia Department of Taxation



Estate/Trust (Fiduciary) e-File Test Package

Tax Year 2017



Overview

This publication provides guidelines for the Software Developers and Transmitters to test their software with the Fed/State e-File program for the fiduciary income tax 770 form package.

Please refer to the 2017 Estate/Trust (Fiduciary) e-File Guide and Specifications for important details and guidance concerning certain Virginia tax computations and other information important to developing Virginia tax preparation software.

All 8 test scenarios are required to be submitted:

770 Test Scenarios

- [Test Scenario #1 – FEIN 00-0300001](#)
- [Test Scenario #2 – FEIN 00-0300002](#)
- [Test Scenario #3 – FEIN 00-0300003](#)
- [Test Scenario #4 – FEIN 00-0300004](#)
- [Test Scenario #5 – FEIN 00-0300005](#)
- [Test Scenario #6 – FEIN 00-0300006](#)
- [Test Scenario #7 – FEIN 00-0300007](#)
- [Test Scenario #8 – FEIN 00-0300008](#)

770 Test Scenarios

Test Scenario #1 – FEIN 00-0300001

File a linked Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Calendar Year
- Resident
- Grantor Trust

The taxpayer allows Virginia Tax to discuss the return with the tax preparer. The taxpayer's e-File signature PIN, contact information and preparer's phone number and information are required.

Forms to include:

- Form 770
 - Federal Form 1041
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Test Scenario #2 – FEIN 00-0300002

File an unlinked Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Calendar Year
- Resident
- Farming, fishing or being a merchant seaman accounts for at least two-thirds of the income

Wages include Virginia Withholding and some Dividend income. The return results in a refund.

The taxpayer allows Virginia Tax to discuss the return with the tax preparer. The taxpayer's e-File signature PIN, contact information and preparer's phone number and information are required.

Forms to include:

- Form 770
 - W-2
 - 1099-DIV
 - Federal Form 1041
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Test Scenario #3 – FEIN 00-0300003

File a Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Fiscal Year
- Resident
- Exempt – Charitable Remainder Trust
- Extension Payments are reported

There are Additions and Subtractions reported on Schedule 3.

- Interest on obligations of other states
- Fixed Date Conformity Additions
- Other additions to federal taxable income
- Income on obligations or securities of the U.S.
- Other subtractions from federal taxable income

Forms to include:

- Form 770
- Form 5227

770 Test Scenarios (con't)

Test Scenario #4 – FEIN 00-0300004

File a Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Calendar
- Resident
- Amended
- Virginia income tax withheld are from W-2 and Schedule VK-1
- Amount from Form 760C

There are Credits reported on Schedule 1.

- Credit for tax paid to another state

There are Credits reported on Schedule 4.

- Taxable income from New York
- Taxable income from Massachusetts
- Taxable income from Connecticut

The return results in a balance due paid by direct debit with a warehouse date (Requested Payment Date).

Forms to include:

- Form 770
- W-2
- Schedule VK-1
- Binary Attachments
 - New York's state return
 - Massachusetts' state return
 - Connecticut's state return
 - Form 760C
- Federal Form 1041

Test Scenario #5 – FEIN 00-0300005

File a Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Fiscal
- Nonresident
- Final Return
- Virginia income tax withheld is reported on Schedule VK-1

There is Virginia Taxable Income reported on Schedule 2.

- Income from sources within Virginia (Distributable)
- Federal deductions attributable to income from sources within Virginia (Distributable)
- Virginia source income allocation schedule (Beneficiaries and Fiduciary)
- Deduction for distributions to beneficiaries
- Fiduciary's share of Virginia source income
- Exemption from federal Form 1041

The return results in a balance due paid by Direct Debit; a Direct Debit warehouse date (Requested Payment Date) and banking information are provided.

Forms to include:

- Form 770
- Schedule VK-1
- Federal Form 1041

770 Test Scenarios (con't)

Test Scenario #6 – FEIN 00-0300006

File a linked Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Calendar Year
- Resident

There are Credits reported on Schedule 1.

- Neighborhood Assistance Act Tax Credit
- Major Business Facility Job

Beneficiary's Share of Current Year Income, Additions, Subtractions and Credits are reported on Schedule 770-VK-1.

- Federal Distribution Percentage
- Federal Net Income
- Interest on Obligations of Other States
- State and Local Income Tax Deduction
- Fixed Date Conformity Additions
- Other Additions
- Income (Int. /Div. /Gains) – US Obligations
- State Income Tax Refund
- Fixed Date Conformity Subtractions
- Other Subtractions
- Neighborhood Assistance Act Tax
- Land Preservation Tax

The return results in no overpayment or amount due.

Forms to include:

- Form 770
- Schedule 770-VK-1 (4 beneficiaries)
- W-2
- 1099-OID
- Federal Form 1041

770 Test Scenarios (con't)

Test Scenario #7 – FEIN 00-0300007

File a Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Fiscal Year
- Resident
- Estimated Tax Payments are reported
- Virginia income tax withheld are from various sources

There are Credits reported on Schedule 1.

- Credit for tax paid to another state
- Neighborhood Assistance Act Tax Credit
- Enterprise Zone Act Tax Credit
- Major Business Facility Job Tax Credit
- Historic Rehabilitation Tax Credit
- Barge and Rail Usage Tax Credit
- Worker Retraining Tax Credit
- Qualified Equity and Subordinated Debt Investments Tax Credit
- 100% Coalfield Employment Enhancement Credit
- Full Credit
- 85% credit
- Land Preservation Tax Credit
- Coal Employment and Production Incentive Tax Credit

There are Additions and Subtractions reported on Schedule 3.

- Interest on obligations of other states
- Income taxes of this state or any other taxing jurisdiction
- Fixed Date Conformity Additions
- Other additions to federal taxable income
- Any state income tax refund or credit that was reported as “other income” on federal Form 1041
- Other subtractions from federal taxable income

There are Credits reported on Schedule 4.

- Taxable income from Massachusetts
- Taxable income from Connecticut

Beneficiary's Share of Current Year Income, Additions, Subtractions and Credits are reported on Schedule 770-VK-1.

- Fixed Date Conformity Additions
- Other Subtractions
- Major Business Facility Job Tax
- Worker Retraining Tax

The return results in a balance due and the banking information is provided for Direct Debit and is filed within the automatic extension period.

The taxpayer allows Virginia Tax to discuss the return with the tax preparer. The taxpayer's e-File signature PIN, contact information and preparer's phone number and information are required.

Forms to include:

- Form 770
- W-2, W-2G, 1099-R, 1099-MISC, 1099-INT, 1099-DIV, 1099-G, 1099-OID, 1099-B, 1099-K, Schedule VK-1
- Schedule 770-VK-1 (2 beneficiaries)
- Binary Attachments
 - Massachusetts state return
 - Connecticut's state return
 - Form 301
 - Form 306B
- Federal Form 1041

770 Test Scenarios (con't)

Test Scenario #8 – FEIN 00-0300008

File a Virginia Fiduciary Income Tax Return, Form 770.

Conditions

- Calendar Year
- Nonresident
- Estimated Tax Payments are reported
- Virginia income tax withheld are from various sources

There are Credits reported on Schedule 1.

- Credit for tax paid to another state
- Enterprise Zone Act Tax Credit
- Land Preservation Tax Credit

There is Virginia Taxable Income reported on Schedule 2.

- Income from sources within Virginia (Distributable and Nondistributable)
- Federal deductions attributable to income from sources within Virginia (Distributable and Nondistributable)
- Virginia source income allocation schedule (Beneficiaries and Fiduciary)
- Exemption from federal Form 1041

There are Additions and Subtractions reported on Schedule 3.

- Interest on obligations of other states
- Income taxes of this state or any other taxing jurisdiction
- Fixed Date Conformity Additions
- Other additions to federal taxable income
- Any state income tax refund or credit that was reported as “other income” on federal Form 1041
- Other subtractions from federal taxable income

There are Credits reported on Schedule 4.

- Taxable income from Arizona
- Taxable income from California

Beneficiary's Share of Current Year Income, Additions, Subtractions and Credits are reported on Schedule 770-VK-1.

- Interest on Obligations of Other States
- State Income Tax Refund
- Qualified Equity & Subordinated Debt Investments Tax

The return results in an overpayment. 50% of the overpayment is applied to next year's estimated taxes.

The taxpayer allows Virginia Tax to discuss the return with the tax preparer. The taxpayer's e-File signature PIN, contact information and preparer's phone number and information are required.

Forms to include:

- Form 770
- Schedule 770-VK-1 (3 beneficiaries)
- W-2
- 1099-K
- Binary Attachments
 - Arizona's state return
 - California's state return
 - Form 301
- Federal Form 1041