

Questions AND Answers FOR

Tax Professionals

1. WHAT'S NEW FOR THE IRS e-file PROGRAM?

A Global Date of Death Check will begin in Tax Year 2004. Individual e-file will check every Social Security Number (SSN) listed on a tax return against the National Account Profile (NAP) for a date of death. Returns with a date of death shown on the NAP that is prior to the current tax year will be rejected with Error Reject Codes (ERC) 0531, 0532, 0533 or 0534.

B IRS e-file expanded. Now there are 96 forms and schedules available for corporate (Forms 1120/1120S) filers. You may e-file, and at the same time, pay the balance due electronically by authorizing an electronic funds withdrawal. Additional forms will be released in early 2005 that will include the Form 7004, *Automatic Extension for Corporate Returns*.

C Electronic filing expanded to Exempt Organizations this year too. Now Forms 990/990-EZ can be filed and the electronic funds withdrawal payment option is available to organizations that e-file Form 8868, *Application for Extension of Time to File an Exempt Organization Return*. The 990-PF, *Return of Private Foundation* is coming in early 2005.

D There is a new electronic filing program for information returns. The Filing Information Returns Electronically (FIRE) system is a new Internet-based system and if you were a user of the old dial up system prior to April 2, 2004, you need only to Login at <http://fire.irs.gov> to begin using the new system. It will accept your current User ID, Password, and PIN. All new users must create a new account and it only takes a few minutes.

E The following new forms are accepted for e-filing:

Form 8833, Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)

Form 8886, Reportable Transaction Disclosure Statement

Form 8889, Health Savings Accounts (HSAs)

Form 8891, U.S. Information Return for Beneficiaries of Certain Canadian Registered Retirement Plans

Form T-, (Timber) Forest Industries Schedule

Form 970, Application to Use LIFO Inventory Method

F Starting in January 2005, IRS e-file shall provide State Acknowledgement service on its Front End Processing System, known as Electronic Management System (EMS). Participating states will send their State Acknowledgements to EMS for trading partners to pick up with their Federal Acknowledgement.

2. WHAT'S NEW FOR CREDIT CARD PAYMENTS?

Generally, all past due income taxes can be paid with a credit card beginning January 2005.

Both credit card service providers have expanded their phone and web products to accept payments that are up to 10 tax years past due. The service providers now allow taxpayers to make recurring Installment Agreements payments via a new automatic payment feature. Additionally, a Spanish credit card payment option is now available by phone. See Publication 3139SP, *Electronic Payments Poster (Spanish)* for additional information.

continued on page 2

Tax Year 2004 Important Dates

Begin transmitting live IRS e-file returns	Jan. 14, 2005
Last date for transmitting timely filed returns	April 15, 2005
Last date for transmitting timely filed Forms 4868	April 15, 2005
Last date for retransmitting rejected timely filed returns	April 20, 2005
Last date for retransmitting rejected timely filed Forms 4868	April 20, 2005
Last date IRS will accept test transmissions	No cut-off date
Submitting new application Forms 8633	No cut-off date
Transmitting timely filed Forms 4868 or 2350 to meet overseas exception	June 15, 2005
Retransmitting rejected timely filed Forms 4868 or 2350 to meet overseas exception	June 20, 2005
Last date for transmitting returns on extension from Form 4868	Aug. 15, 2005
Last date for transmitting timely filed Form 2688	Aug. 15, 2005
Last date for retransmitting rejected returns on extension from Form 4868	Aug. 20, 2005
Last date for retransmitting rejected timely filed Forms 2688	Aug. 20, 2005
Last date for transmitting late or returns on extension from Form 2688	Oct. 17, 2005
Last date for retransmitting rejected late or returns on extension from Form 2688	Oct. 22, 2005



continued from page 1

3. WHAT'S CONTINUING IN TAX YEAR 2004?

Taxpayers who are selected for the Service's EIC Residency Certification Test will receive an Indicator of "Y" on their Acknowledgement File Record SEQ 0010.

4. DO YOUR CLIENTS WANT TO KNOW THE STATUS OF THEIR REFUND?

Go to www.irs.gov/efile and click on Where's My Refund?

You filed your client's tax return and they are expecting a refund. They have just one question and they want the answer now—Where's My Refund?

They can access this secure web site to find out if the IRS received their return and whether their refund was processed and sent to them. They can get their refund status by providing the following information as shown on their return:

- Social Security Number (or IRS Individual Tax Identification Number)
- Filing Status, (Single, Married Filing Joint Return, Married Filing Separate Return, Head of Household, or Qualifying Widow(er))
- Refund amount

Okay now, *Go Get My Refund Status!*

Note: If they have trouble while using this application, advise them to check the *Requirements* to make sure they have the correct browser software for this application to function properly.

5. DID YOU KNOW THE "QUICKALERTS" MESSAGING SYSTEM IS FREE?

This online messaging system disseminates mass *e-file* messages, within seconds, to all **subscribed** Authorized IRS *e-file* Providers (Software Developers and Transmitters). See the enclosed Publication 4003, *QuickAlerts* brochure, for detailed information, and sign up today!

6. IS THE IRS *e-file* LOGO AVAILABLE ON THE INTERNET FOR DOWNLOAD?

Yes. The IRS *e-file* logo is available for download at the IRS web site, www.irs.gov/efile.

7. WHAT SOFTWARE SHOULD I USE TO PREPARE INDIVIDUAL TAX RETURNS FOR MY CLIENTS?

The IRS does not provide software but does issue specifications that commercial software developers use to write software packages that are available for purchase. Generally, there is tax preparation software and transmission software. Talk with vendors, resellers and software company representatives to find the best solution for your business. Shop around or ask other Authorized IRS *e-file* Providers what software they use to *e-file*. The software is developed specifically for tax preparers. The software that is developed for individuals to use is limited to a specific number of *e-filed* returns, generally five returns.

8. WHAT IS A PREPARER TAXPAYER IDENTIFICATION NUMBER (PTIN)? HOW DO I GET A PTIN?

The PTIN is an identification number assigned by the IRS for use as an alternative to using a Social Security Number on the tax returns prepared by tax preparers. The PTIN applies to all individual forms that have paid preparer information on them. The PTIN internet application enables a paid preparer to request electronically a PTIN, request a new PTIN card, update their PTIN records or look up a forgotten PTIN. Access through www.irs.gov and click on e-services.

9. WHAT DO I DO IF MY CLIENT'S RETURN WAS FILED APRIL 15TH, BUT IT REJECTED BECAUSE OF AN ERROR WITH THE DATE OF BIRTH THE IRS RECEIVED FROM THE SOCIAL SECURITY ADMINISTRATION?

You can file for an extension, have your client correct their records with the Social Security Administration (SSA), and resubmit the return electronically. It may take a few weeks before the SSA records are updated. If you don't want to wait for the SSA corrections, the return can be mailed.



10. CAN A NONRESIDENT ALIEN *e-file* FORM 1040 NR-EZ?

No. A paper return must be filed.

11. CAN I *e-file* A PRIOR YEAR RETURN?

No. The IRS *e-file* Program only accepts current year returns.

12. WHY SHOULD I ENCOURAGE MY CLIENTS TO *e-file* WHEN THEY ARE NOT GETTING A REFUND?

Your client's return can be *e-filed* any time during the filing season. Individual and business *e-filers* can authorize electronic funds withdrawal payments. Additionally, individual filers may delay out-of-pocket expenses by *e-filing* and electronically paying the balance due with a credit card. When a balance due return is filed late in the filing season, there may be more chance of errors in the rush to file before the deadline. Errors cost money, and in some cases additional penalties and interest. Errors can also cause lost time for you and your clients.

13. WHAT TYPES OF FEDERAL INDIVIDUAL INCOME TAXES CAN BE PAID BY AN ELECTRONIC FUNDS WITHDRAWAL?

Payments can be made for current year (1) Individual Income Tax Returns (1040 series); (2) Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*; (3) Form 2350, *Application for Extension of Time to File U.S. Individual Income Tax Return*; and (4) Tax Year 2005 Form 1040-ES, *Estimated Tax for Individuals*.

Electronic payment eliminates the need to mail a paper Form 1040-V, *Payment Voucher*, Form 4868, Form 2350, or Form 1040-ES. You receive an electronic acknowledgement once the transaction is accepted. *e-filing* a balance due return with an electronic payment is a safe, secure and convenient way to be assured of on-time receipt of both the return and payment. This reduces the chance of errors.

14. WHEN CAN ELECTRONIC FUNDS WITHDRAWAL PAYMENTS BE MADE?

Beginning January 14, 2005, payments for individual balance due returns can be scheduled for withdrawal on a future effective date up to and including April 15, 2005. One estimated tax payment can be scheduled for April 15, 2005, June 15, 2005 or September 15, 2005.

Businesses can *e-file* and pay at the same time as new *e-file* options become available. In addition to the new options listed above, employment, corporate and fiduciary tax return software include an integrated *e-file* and pay option. Electronic funds withdrawal payments must be initiated at the time the return or form is *e-filed*.

15. WHAT TYPES OF FEDERAL INDIVIDUAL INCOME TAXES CAN BE PAID BY CREDIT CARD?

Payments can be made for current year (1) Individual Tax Returns (1040 series), including Balance Due Notices, (2) Form 4868, *Application for Extension of Time to File U.S. Individual Tax Return*, (3) TY 2005 Form 1040-ES, *Estimated Tax for Individuals*, and (4) past due payments including Installment Agreement and prior tax years payments.

Check with your software provider regarding the availability of an integrated *e-file* and pay by credit card option.

Your clients can pay the above-named tax types by phone or Internet through two credit card service providers. Both service providers accept MasterCard® cards, Visa® cards, American Express® Card, and Discover® Card. The service providers charge a convenience fee. A confirmation number is provided at the end of the transaction.

Note: The IRS does not receive or store credit card numbers.

16. WHEN CAN CREDIT CARD PAYMENTS BE MADE FOR TAX YEAR 2004 BALANCE DUE RETURNS?

Beginning January 1, 2005, Form 1040 balance due payments can be made by credit card via phone or Internet. Integrated *e-file* and pay options begin on January 14, 2005.

17. IS THERE A FEE CHARGED FOR USING CREDIT CARDS?

The company that processes the credit card payments charges a convenience fee. Convenience fees may vary between service providers. Taxpayers are informed of all charges and fees before credit card payments are authorized. This fee is in addition to any charges, such as interest, that may be assessed by the credit card issuer.

18. HOW CAN I GET MORE INFORMATION ON ELECTRONIC PAYMENT OPTIONS?

More information is available on electronic payment options, the types of taxes that can be paid electronically and important dates at www.irs.gov. You may visit the IRS *e-file* Electronic Payment Options page for details. Also, you may refer to Publication 3611, *Electronic Payments* brochure.

19. HOW CAN I USE IRS *e-file* TO FILE MY CLIENT'S TAX YEAR 2004 FORM 4868, APPLICATION FOR AUTOMATIC EXTENSION OF TIME TO FILE U.S. INDIVIDUAL INCOME TAX RETURN?

Form 4868 may be *e-filed* through tax preparation software or through TeleFile by the original return due date (April 15, 2005). This form is an extension of time to file a tax return, not an extension of time to pay a balance due. Check with your software provider regarding the availability of an *e-file* option. The phone number for 4868 TeleFile is 1-888-796-1074. This system is available beginning February 7, 2005.

Filing an extension electronically is advantageous because you get a confirmation of receipt of the electronic form. Beginning January 2005, taxpayers can *e-file* a Form 4868. If there is a balance due, an electronic funds withdrawal payment can be authorized. Credit card payments can be made by phone or Internet beginning January 1, 2005. If there is a payment due and your client pays electronically, this eliminates the need to send in a paper check or money order as well as the Form 4868.

20. WHAT ARE MY CLIENT'S OPTIONS IF AN ADDITIONAL EXTENSION IS NEEDED OR THE TOTAL TAX CANNOT BE PAID BY THE RETURN DUE DATE?

Form 2688, *Application for Additional Extension of Time to File U.S. Individual Income Tax Return* can also be filed electronically.

Taxpayers are responsible for paying the tax due by April 15, 2005 or they will be subject to penalties and interest. If your client is unable to pay the total tax owed by April 15, 2005, you can electronically file Form 9465, *Installment Agreement Request*. An approved installment agreement allows your client to make a predetermined series of partial payments after the return due date.

21. DID YOU KNOW IRS HAS TWO ELECTRONIC SIGNATURE METHODS AVAILABLE FOR TAXPAYERS TO SIGN THEIR e-filed TAX RETURNS?

Self-Select PIN method and the Practitioner PIN method are the two types of electronic signatures.

The Self-Select PIN method for *e-file* is an opportunity that began in filing season 2001. The Self-Select PIN method is available for most taxpayers who file electronically using tax preparation software either by filing through an on-line filing company or through a tax professional. It allows taxpayers to electronically sign their *e-filed* return by selecting a five-digit Personal Identification Number (PIN). It eliminates the requirement for Form 8453 in most cases, making *e-filing* returns TRULY PAPERLESS for most taxpayers.

22. HOW DO I KNOW IF THE TAXPAYER'S PIN WAS ACCEPTED BY THE IRS?

Refer to the "PIN Presence Indicator" field (SEQ 0065) in the Acknowledgement File Key (ACK) Record to confirm that IRS received a taxpayer PIN with the return. The ACK file, which is sent to transmitters, also includes other essential information such as the "Date of Birth Validity Code" (SEQ 0017) and "Debt Code" (SEQ 0120).

It identifies which returns have been accepted, rejected or identified as duplicates. Corrective action may be required to satisfy the condition identified. See Publication 1346, *Electronic Return File Specifications and Record Layouts for Individual Income Tax Returns*, for additional information.

23. WHO CAN USE THE SELF-SELECT PIN METHOD?

Self-Select PIN method for *e-file* is available for most taxpayers.

The following taxpayers are eligible to use the Self-Select PIN method:

- Taxpayers who filed Form 1040A, 1040EZ, or TeleFile for Tax Year 2003.
- Taxpayers who did not file for Tax Year 2003, but have filed previously.
- First-time filers who were 16 or older on or before December 31, 2004.
- Primary taxpayers under age 16 who have filed previously.
- Secondary Taxpayers under age 16 who have filed in the immediate prior year.
- Military personnel residing overseas with APO/FPO addresses.
- Taxpayers residing in the American possessions (Virgin Islands, Puerto Rico, American Samoa, Guam and Northern Marianas) or with foreign country addresses.
- Taxpayers filing a Form 4868 (extension of time to file), Form 2688 (additional extension of time to file) or Form 2350 (extension of time to file for certain U.S. citizens living abroad).
- Those who are filing on behalf of deceased taxpayers.

Your client must furnish the following information to validate their identity when using the Self-Select PIN method:

- Name
- Social Security Number
- Date of Birth (D.O.B.) and
- Adjusted Gross Income (AGI) – from the **originally** filed Tax Year 2003 return. [This amount is not the amount from an amended tax return (Form 1040X), a corrected amount from a math error notice, or a changed amount from IRS.]

Note: If your client did not file a tax return in Tax Year 2003, the taxpayer must enter **zero** for the AGI. If taxpayer filed married filing joint for Tax Year 2003, they should both enter the same amount for AGI.

For more detailed information on qualifications and required taxpayer information, refer to www.irs.gov and your software package.

24. WHO CANNOT USE THE SELF-SELECT PIN METHOD?

The following taxpayers are not eligible to use the Self-Select PIN method:

- Primary taxpayers under age 16 who have never filed.
- Secondary taxpayers (spouse) under age 16 who did not file in the immediate prior year.
- Taxpayers who filed Forms 1040-NR or 1040-SS for Tax Year 2003.
- Taxpayers whose returns require attachments other than W-2, W-2G, or 1099-R.
- Taxpayers required to file the following forms: Form 3115, *Application for Change in Accounting Method*; Form 3468, *Computation of Investment Credit* (if attachments are required); Form 5713, *International Boycott Report*; Form 8283, *Non-Cash Charitable Contributions* (if using Part B); Form 8332, *Release of Claim to Exemption for Children of Divorced or Separated Parents*; Form 8858, *Information Return of U.S. Persons with Respect to Foreign Disregarded Entities*, and/or Form 8885, *Health Coverage Tax Credit*. All of the above listed forms must be submitted with Form 8453, *U.S. Individual Income Tax Declaration for an IRS e-file Return*.

25. ARE THERE ANY NEW CHANGES FOR THE SELF-SELECT PIN METHOD BEING IMPLEMENTED FOR FILING SEASON 2005?

No. All the requirements for the Self-Select PIN method for Filing Season 2004 will remain the same for Filing Season 2005.

IRS would like to encourage Tax Professionals to ensure that their clients are aware of the AGI requirements for using the Self-Select PIN method. Taxpayers are required to enter their originally filed TY 2003 AGI amount. This amount is **not** the amount from an amended tax return

continued on page 5

continued from page 4

(Form 1040X), a corrected amount from a math error notice, or a change amount from IRS. If filing a Married Filing Joint (MFJ) return, the same AGI amount from the prior year return should be entered for both taxpayers. The amount should not be divided between the taxpayers. The primary and spouse fields should contain the same figure. If the taxpayers are filing MFJ for the first time, they should both use the AGI amounts from each of their TY 2003 returns. In a situation like this the AGI fields may not be the same amount.

26. WHAT SHOULD I DO IF MY CLIENT IS UNABLE TO RETURN TO MY OFFICE TO INPUT HIS/HER SELF-SELECT PIN?

Your client may authorize you to input his/her Self-Select PIN by completing Form 8879, *IRS e-file Signature Authorization*. Provide this form to the taxpayer along with a copy of the completed tax return, either personally or by mail. Instruct your client to review the tax return for accuracy and complete Form 8879 by providing the requested information (a self-selected five-digit PIN, pen and ink signature, and date). If your client is unable to return the signed document to your office, he/she may return it by mail or fax. It is not necessary for both taxpayers *e-filing* a joint return to select this option.

Do not submit Form 8879 to IRS. EROs must retain Form 8879 in their file for three years from the return due date, or IRS received date, whichever is later.

27. DID YOU KNOW THAT THE PRACTITIONER PIN METHOD IS AVAILABLE TO ALL AUTHORIZED IRS e-file PROVIDERS?

The Practitioner PIN method is an *additional* electronic signature option for taxpayers who use an Authorized IRS e-file Provider (ERO) to *e-file*. Taxpayers either sign their own return electronically using a five-digit PIN, or authorize the ERO to sign the return with their (taxpayer's) five-digit PIN. The PIN can be any five numbers except ALL zeros. Here are some frequently asked questions:

A Do I need any specific forms to use the Practitioner PIN method? Taxpayers must complete Form 8879, *IRS e-file Signature Authorization*, for returns using the Practitioner PIN method. Taxpayers can either enter their own PIN or authorize the ERO to enter their (taxpayer's) PIN for them when completing Form 8879.

B Who is eligible to use the Practitioner PIN method? Taxpayers who are eligible to file Forms 1040, 1040A, 1040EZ, or TeleFile are eligible to use the Practitioner PIN method. There is no age limit on who can use the Practitioner PIN method.

C Who is ineligible to use the Practitioner PIN method? Taxpayers who are required to attach Form 3115, *Application for Change in Accounting Method*; Form 3468, *Computation of Investment Credit* (if attachments are required); Form 5713, *International Boycott Report*; Form 8283, *Non-Cash Charitable Contribution* (if using Part B); Form 8332, *Release of Claim to Exemption for Children of Divorced or Separated Parents*; Form 8855, *Election to Treat a Qualified Revocable Trust as Part of an Estate* and/or Form 8885, *Health Coverage Tax Credit* to their return are ineligible to use the Practitioner PIN method.

D How does the Practitioner PIN method benefit the ERO? The Practitioner PIN method offers an additional signature option for EROs to use in preparing and transmitting Forms 1040/A/EZ to IRS. More specifically, it eliminates the Form 8453 by providing a totally paperless *e-filed* return. The Date of Birth and Adjusted Gross Income amount are not needed for the Practitioner PIN method.

E As an ERO, do I need an agreement with IRS to use the Practitioner PIN method? No. Previously, the Practitioner PIN method was limited to EROs who had an agreement with IRS to participate in the program. However, beginning in PY 2003, the Practitioner PIN method became available to all EROs.

F What is my responsibility as an ERO using the Practitioner PIN method? EROs are required to sign Form 8879, Part III, and input their ERO EFIN/PIN for all returns using the Practitioner PIN method. The ERO EFIN/PIN consists of eleven digits (the first six positions are the EFIN and the last

five are any five numbers except ALL zeros). EROs should confirm the identity of taxpayers per Publication 1345, *Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns*, when completing Form 8879, prior to transmitting returns to IRS.

G Do I mail Form 8879, IRS e-file Signature Authorization, to the IRS? No. Do not mail Form 8879 to IRS. EROs using the Practitioner PIN method must retain Forms 8879 for three years from the return due date or IRS received date, whichever is later.

H Will I receive an Acknowledgment that the Practitioner PIN method was used? Yes. A PIN Presence Indicator of "1" will be present in the Acknowledgment File Key Record of a return when the Practitioner PIN method is used. Please be sure to check the Acknowledgment File for the PIN Presence Indicator on all returns transmitted using a PIN signature.

I Where can I find the Error Reject Codes for the Practitioner PIN method? The Error Reject Codes can be found in the Publication 1345A, *Filing Season Supplement for Authorized IRS e-file Providers*.

J Where can I find the file specifications for the Practitioner PIN method? The file specifications can be found in Publication 1346, *Electronic Return File Specifications and Record Layouts for Individual Income Tax Returns for TY 2004*.

28. HOW DOES FEDERAL/STATE e-file WORK?

Federal/State *e-file* allows *e-filing* of both Federal and state income tax returns at the same time. The *e-file* software places your client's Federal and state return data in separate packets. These packets are transmitted to the IRS all at once. The IRS functions as an electronic post office for the participating state, which receives and processes the state electronic return.

Most Federal/State *e-file* participants will allow you to file your client's return with a "dummy" State Only Form 1040 attached. You may visit the IRS web site for the names of the states participating in State Only filing.

continued on page 6

continued from page 5

29. WHAT ARE THE BENEFITS OF e-filing MY CLIENTS' FEDERAL AND STATE TAX RETURNS TOGETHER?

Federal/State e-file allows you to reduce processing costs, provide a more efficient service to your clients, increase your business opportunities and keep current on industry trends.

30. WHAT FORM AND SCHEDULES CAN SELF-EMPLOYED OR SMALL BUSINESS OWNERS USE TO FILE THEIR RETURNS ELECTRONICALLY?

You would file a Form 1040, *U.S. Individual Income Tax Return* and as a business owner or self-employed filer you'll probably attach one or more of the following most commonly used forms: Schedule C or Schedule C-EZ, *Profit or Loss From Business*; Schedule E, *Supplemental Income & Loss from Rental Real Estate & Royalties*; Schedule SE, *Self-Employment Tax*; Schedule F, *Profit or Loss from Farming*; or Form 4562, *Depreciation & Amortization*. Visit our web site at www.irs.gov where you'll find a listing of Approved IRS e-file Providers in your area, including a listing of software companies that participate in individual and business IRS e-file programs.

31. WHAT TYPES OF BUSINESS TAX RETURNS CAN I FILE ELECTRONICALLY?

There are more business forms available for electronic filing than ever. This year the Forms 1120, *U.S. Corporation Income Tax Return*, and 1120S, *U.S. Income Tax Return for an S Corporation*, and 96 of the most commonly related forms and schedules were introduced to the IRS e-file program.

The Forms 990, *Return of Organization Exempt from Income Tax*, 990-EZ, *Short Form Return of Organization Exempt from Income Tax*, 1120 POL, *U.S. Income Tax Return for Certain Political Organizations*, and 8868, *Application for Extension of Time to File an Exempt Organization* also became available.

The 1041 e-file program allows electronic filing of Form 1041, *U.S. Income Tax Return for Estates and Trusts*, including 44 forms and schedules.

The Form 1065, *U.S. Partnership Return of Income*, and 60 forms and schedules are available for electronic filing. Both the 1041 and 1065 returns can be submitted by an approved third party software developer, preparer or transmitter.

The FIRE (Filing Information Returns Electronically) system allows filing of information returns Forms 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*, 8027, *Employer's Annual Information Return of Tip Income and Allocated Tips*, W-2G, *Statement for Recipients of Certain Gambling Winnings*, *Questionable Forms W-4 (QWF)*, as well as the entire series of Forms 1098, 1099 and 5498 (Individual Retirement Arrangement). These forms are processed through Martinsburg Computing Center. Their toll free number is 1-866-455-7438 between the hours of 8:30 and 4:30 ET.

There's also employment tax electronic filing that offers an improved filing process for Forms 940, *Employers' Annual Federal Unemployment (FUTA) Tax Return* and 941, *Employer's Quarterly Federal Tax Return*, for current e-file and on-line filers. Tax professionals will now be able to file their client's 940/941 electronically using approved software providers.

Visit www.irs.gov/efile for additional information, including details on how to e-file and, at the same time, pay the balance due on returns and forms.

32. HOW DO I FIND OUT WHICH COMPANIES ARE OFFERING e-file FOR BUSINESS SOFTWARE PRODUCTS AND/OR SERVICES?

There are a number of Approved IRS e-file Providers that can help you file business returns electronically. Check our web site at www.irs.gov/efile. For your convenience, we have enclosed a copy of this listing which identifies the company name, web site, which forms the company electronically files and a phone number where they can be reached. You may want to check this site periodically since it's updated frequently as new providers are added.

33. HOW CAN I ENROLL IN THE ELECTRONIC FEDERAL TAX PAYMENT SYSTEM (EFTPS), AND HOW WILL IT BENEFIT ME?

There are four easy ways that you can make Federal tax payments through EFTPS for your clients. EFTPS is fast, easy to use, convenient, accurate and flexible. With EFTPS you can send payments or enroll 24 hours a day, seven days a week from office or home, and you can schedule payments up to 365 days in advance of the tax due date for individuals and 120 days in advance for businesses. You can make electronic payments through the following options:

EFTPS-OnLine — registration is not required for practitioners; however, taxpayers must enroll in EFTPS.

EFTPS-Phone — available to anyone who elects to make payments using the telephone.

EFTPS-Batch Provider — designed for payroll processors or others who wish to enroll their clients and submit batches of payments using Windows-based software.

EFTPS-Bulk Provider — designed for payroll processors who initiate frequent payments and desire automated enrollment through an Electronic Data Interchange (EDI)-compatible system.

For more information or to receive an EFTPS enrollment form, contact EFTPS Customer Service or visit our web site at www.eftps.gov.

1-800-555-4477

1-800-733-4829 (TDD Hearing-Impaired)

1-800-244-4829 (Español)

34. WHERE CAN I FIND MORE INFORMATION ON ELECTRONICALLY FILING MY BUSINESS RETURN?

Visit the IRS web site at www.irs.gov/efile. Access technical publications, fact sheets, and frequently asked questions relating to IRS e-file. Also, plan to attend the IRS Nationwide Tax Forums held annually during the summer. Go to www.irs.gov and type in IRS Keyword: **tax forum** for further details.