

## Additional Resources and Links

- [www.irs.gov/efile](http://www.irs.gov/efile) go to the Tax Professionals Page and click on e-Services.
- [www.aboutefile.com](http://www.aboutefile.com) for additional information about IRS e-file.
- IRS e-Help Desk—1-866-255-0654 (toll-free)
- Information on estates and trusts, visit: [www.irs.gov/efile](http://www.irs.gov/efile), search word: 1041 e-file program.

*Still filing your clients' fiduciary returns the old-fashioned, paper way? Step outside the box with 1041 e-file!*

## U.S. INCOME TAX RETURN FOR ESTATES AND TRUSTS

# FORM 1041

[www.irs.gov/efile](http://www.irs.gov/efile)



consider it done

## IRS e-file for Form 1041

# E S T A T E S

**N**early 97 percent of business forms can be e-filed, meaning nearly all businesses can benefit from working electronically with the IRS, either directly or through their tax preparer.

Form 1041 can be filed electronically through the 1041 e-file program rather than filing the old-fashioned way, on paper. IRS e-file is an accurate, fast, convenient and secure way to file fiduciary returns using Form 1041 and the related forms and schedules. If you're a tax preparer, you're strongly encouraged to sign up to participate in the 1041 e-file program today. Step outside the box!

# A N D T R U S T S

## Introduction

Form 1041, *U.S. Income Tax Return for Estates and Trusts* is used to report yearly income, deductions, gains, losses, and the income tax liability of estates and trusts. It is also used to report the income that is either accumulated or held for future distribution or distributed currently to the beneficiaries of an estate or trust.

## What are the Benefits?

Since filing Form 1041 can be paper intensive, filing electronically:

- Saves time;
- Reduces filing errors;
- Reduces storage space and cost;
- Provides proof the IRS has received the return;
- Has a multi-signature option (one signature for up to 5,000 returns);
- Has electronic payment options; and
- Tax information is secure.





## ■ New for 2005

Four (4) additional forms can now be filed electronically with the Form 1041:

- **Form 8082**, *Notice of Inconsistent Treatment or Administrative Adjustment Request (AAR)*
- **Form 8275**, *Disclosure Statement*, **Form 8275-R**, *Regulation Disclosure Statement*
- **Form 8582**, *Passive Activity Loss Limitations*
- **Form 8886**, *Reportable Transaction Disclosure Statement*

## ■ Who can Participate?

- **Paid Preparer:** A firm, organization or individual who:
  - Deals directly with the estate or trust from which the return is due, or
  - Prepares a return or collects return data for purposes of having electronic records of the Form 1041, Schedules K-1 and related forms and schedules produced; or
  - Collects a prepared return for purposes of having electronic records of Forms 1041, Schedules K-1 and related forms and schedules prepared.
- **Fiduciary:** A trustee of a trust; or an executor, administrator, personal representative, or person in possession of property of a decedent's estate. If filed electronically, it is the responsibility of the fiduciary to ensure the return is transmitted to the Internal Revenue Service, and the required signature document (Form 8453-F) is completed and filed.
- **Transmitter:** Receives Form 1041 data from clients and transmits the data to the IRS electronically, in a format IRS can process.

- **Software Developer:** Individual or company that designs or produces software used to prepare returns or who formats the Form 1041 return, Schedules K-1 and related forms and schedules according to IRS specifications for electronic filing or who transmits the Form 1041 data directly to the IRS.
- **Electronic Return Originator (ERO):** Originates the electronic submission of tax returns to the IRS. Refer to Publication 3112, *IRS e-file Application and Participation* and Publication 1345, *Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns* for additional information pertaining to ERO's.

## ■ How to Participate

Participants who either develop software or transmit returns must complete the IRS *e-file* application by logging on to e-Services to use the electronic application feature. Applicants who currently have an application on file for other IRS *e-file* programs can check their application as revised and indicate the type(s) of returns they intend to e-file. To ensure the IRS *e-file* application is processed timely, it should be submitted at least 45 calendar days before the entity transmits live returns electronically.

If you or your organization participate in more than one of the IRS *e-file* for Business programs, we recommend that a single e-file application be submitted electronically, which includes all of the return types you intend to file electronically.

## ■ Related Publications

Refer to Publication 3112, *IRS e-file Application and Participation* for additional information on procedures for submitting a new or revised e-file application.

- Publication 1437, *Procedures for the 1041 e-file Program; U.S. Income Tax Return for Estates and Trusts*
- Publication 1438, *File Specifications, Validation Criteria and Record Layouts for the Form 1041, e-file Program; U.S. Income Tax Return for Estates and Trusts*
- Publication 1438-A, *(Supplement) for the 1041 e-file Program; U.S. Income Tax Return for Estates and Trusts*

**Note:** Publication 1438A contains exhibits of the forms and schedules that can be e-filed with Form 1041.

The latest version of these publications can be found on the Forms and Publications section of [www.irs.gov](http://www.irs.gov).

## ■ Convenient Electronic Payment Options

**1. Electronic Funds Withdrawal (EFW)** is a free tax payment system that allows participants who file electronically to e-file and pay in a single step by authorizing an electronic funds withdrawal. For additional information, refer to Publication 1437, *Procedures for the 1041 e-file Program; U.S. Income Tax Return for Estates & Trusts*.

**2. Electronic Federal Tax Payment System (EFTPS)** Pay all of your taxes electronically using EFTPS. Once you are enrolled, you can pay all types of taxes year round. EFTPS is a free electronic payment option available to pay all Federal taxes electronically. Log on to [www.eftps.gov](http://www.eftps.gov) or call 1-800-555-4477.



# ■ SPECIAL Incentives

for participants in the IRS *e-file* Program

## e-Services

### What is e-Services?

e-Services is a suite of Web-based products that will allow tax professionals and financial institutions electronic choices for conducting business with the IRS. The service is available 24 hours a day, 7 days a week from any computer with an Internet connection.

### Who can use e-Services?

e-Services is geared toward Tax Practitioners, Payers, State Tax Administrations and State Unemployment Insurance Administrations. If you are already an Electronic Return Originator (ERO), you must register for e-Services to update or revise your e-file application to use the e-Services products.

### What are the e-Services Products?

- Registration
- Preparer Tax Identification Number (PTIN) Application
- Electronic IRS *e-file* Application
- Taxpayer Identification Number (TIN) Matching

The following **e-Services premium products** are available to tax practitioners who are active participants in the IRS *e-file* program and meet the eligibility requirements:

- Disclosure Authorization (DA)
- Electronic Account Resolution (EAR)
- Transcript Delivery System (TDS)

### How do I sign-up for e-Services?

To register for e-Services go to [www.irs.gov](http://www.irs.gov), IRS Keyword: e-Services, and go to the e-Services registration page. You can also view the e-Services page for additional requirements.