Indiana Department of Revenue

Electronic Funds Transfer

EFT
Program Information Guide And Registration Packet

www.in.gov/dor/

State Form 268
(R7 / 2-09)

INTRODUCTION

What is Electronic Funds Transfer (EFT)?

EFT is an electronic method for instructing financial institutions to debit or credit customer accounts and thereby effect a transfer of funds from one account to another. EFT methods are faster and more secure for moving funds than paper checks. This packet contains the instructions and registration form (EFT-1) for the traditional EFT program related to the tax types listed below. For a complete list of electronic options visit our Web site:
www.in.gov/dor/

Is EFT Required or Voluntary?

Certain taxpayers are required to remit by EFT. However, we receive thousands of voluntary tax payments by EFT. We encourage everyone to participate in the EFT program. Below are the available tax types. Note: Any of the tax types listed in the required tax type columns may be remitted voluntarily by EFT.

Required Tax Types and the criteria which requires payments by EFT

Retail Sales & Use Tax (RST) - Average monthly tax liability exceeds $5000

Tire Fee (TIF) - Taxpayers who remit RST by EFT are required to make TIF payments by EFT using the same method and payment schedule

State & County Withholding (WTH) - Average monthly tax liability exceeds $5000

Prepaid Sales Tax on Gasoline (PPD) - All taxpayers remitting this tax type must remit by EFT

Gasoline Distributors Tax (MFT) - Average monthly tax liability exceeds $5000

Special Fuel Tax (SFT) - All Special Fuel Tax payments by suppliers or permissive suppliers

Corporate Income Tax (COR) - Average estimated quarterly liability of $5000 or more

Financial Institutions Tax (FIT) - Average estimated quarterly liability of $5000 or more

Utility Receipts Tax (URT) - Average estimated quarterly liability of $5000 or more

Streamlined Sales Tax (SST) - Annual SST due exceeds $30,000 Note: For information about Streamlined Sales Tax, visit our web site: www.in.gov/dor/3341.htm

Cigarette Tax (CIG) – Distributors who buy cigarette stamps on credit are required to make payments by EFT. For questions about this tax type, contact the Cigarette Tax Section by calling 317-615-2557.

Type II Gaming (TTG) – Entities that distribute pull-tabs, tip boards or punchboards to taverns are subject to an excise tax, which is 10% of the price paid by the retailer who purchases the games. Payments must be made electronically.

What Methods of EFT does Indiana Accept?
If you are required (or wish to voluntarily) remit by EFT the following methods are available.

- ACH (Automated Clearing House) Debit – Touch tone telephone method – You make a call to initiate a request for debit to your account.
- ACH Credit – At your request, your bank transfers a payment into the state's account together with a required addenda record of identifying information.
- ACH Debit, INtax – You initiate a request for debit to your account using the Department's online filing/payment program.
- Fed Wire- Federal Wire Transfers are reserved for emergency circumstances only. Federal Wire Transfers must be requested and approved by the EFT Section (317-232-5500) before the payment is made.

Do not attempt to deposit funds directly into any bank account listed in this packet. You must register for EFT, ACH Credit, and submit payments using the CCD+ TXP format. ACH Credit payments received without an addenda record will be rejected by the state's bank.

What Steps are Necessary to Become an EFT Taxpayer?
You must submit an EFT Authorization Agreement Form (EFT-1) to the Department. An EFT-1 is contained in this packet and is available on our Web site, www.in.gov/dor/3516.htm Please read the instructions on the back of the EFT-1 and ensure the form is completed in its entirety. After the EFT-1 has completed processing, an EFT registration confirmation letter will be issued.

ACH Debit - Taxpayers who select the ACH Debit method will receive further instructions under separate cover within two weeks of receiving the notification that the EFT registration has been completed.

ACH Credit - Taxpayers who select the ACH Credit option will not receive additional instructions but must adhere to the required addenda record format contained on Page 8 of this packet. Page 8 also contains the state's bank information so that ACH credit payments may be submitted to the correct receiving account associated with the tax type being remitted.

INtax ACH Debit - The Department's online program, INtax, allows you to file and/or pay certain tax types. The available tax types currently include: sales/use tax, tire fee, withholding tax, prepaid sales tax on gasoline, motor fuel tax, and special fuel tax. If you decide to become an INtax user, you may remit your payments by ACH Debit in INtax. You'll register for ACH Debit online in INtax. (Registering for EFT using the form in this packet is not required if you will be using INtax to make your payments.) For further information about the INtax program visit our Web site:
http://www.intax.in.gov

What if I have a Tax Service Provider?
If a service provider remits taxes on your behalf, it is your responsibility to notify them if you are required to remit by EFT. We do not notify service providers. An EFT Authorization Agreement Form, EFT-1, must be submitted. The EFT-1 may be submitted by you or the service provider. Ultimately, it is your responsibility to ensure the EFT-1 is submitted and payments are made by EFT. You must check with your service provider to make sure they are remitting your required EFT tax types electronically. Please do not assume that because you have a service provider your payments are being remitted electronically.

What about Failure to Comply?
If you are required by law to remit by EFT but remit by check or credit card, your payment could be subject to a penalty assessment equal to 10 percent of the tax paid.

What Constitutes Timeliness?
Your payment is considered timely if you initiate the request for payment on or before the due date and funds are received in the state's account the next legal business day. The tax payment funds must be in the state's account no later than the business day after the due date.

Overview of Indiana's ACH Debit Option

After the EFT Authorization Agreement Form (EFT-1) is processed:

- The bank information is stored in a secure data base to be retrieved when you call to request a transfer of funds.
- The Department issues an EFT registration confirmation letter.
- The Department's service provider* mails a calling instruction card together with a Q&A sheet.
  **All service providers must sign agreements stating they will operate under the same strict confidentially guidelines as outlined in Indiana Code for Indiana Department of Revenue employees.*

The prompts for information during the telephone call are the same for all tax types. However, each tax type has a unique tax type code to be entered during the call. It is important to read the Q&A sheet before you make your first payment. The Q&A sheet:

- Explains how to change your access code,
- Provides the formula to calculate a verification code which you must enter during the call,
- Provides the verification code for a zero dollar payment*, and
  **If the tax type account should remain open, but you don't have any tax to report and pay for a particular tax period, you should file a zero dollar transaction. This action will indicate you are aware of your responsibility to file/pay, but have nothing to report. It will "clear the tax period" so that you will not receive estimated liability notices from the Department.*

Warehousing Capabilities - The system has a 30 day warehousing capability. You may call in the tax payment up to 30 days in advance of the due date, but request that the funds not be debited from your bank account until the due date.

Bank Changes - If your bank information changes, you must submit a Bank Information Change Form, EFT-BIC. The form is available on our Web site www.in.gov/dor/3516.htm

Cost - There is no charge to you for this payment option.

Timeliness - Your EFT payment is considered timely if you initiate the request for payment on or before the due date and funds are received in the state's account the next legal business day. The tax payment funds must be in the state's account no later than the business day after the due date.

Reference Number - You will receive a reference number at the end of the call. You should record that number as well as the amount of the payment and the date you requested the funds to be debited from your account. You will be asked to provide that information if there is ever a question about your payment.

Prompt #9 - At prompt #9 be sure to enter the tax period end date of the payment you are making. Example: If you are remitting a payment for January 2009 which is due in February, enter 013109 at prompt #9.

ACH Credit

If you select the ACH credit option, you will request a funds transfer from your bank account into one of the Department's receiving bank accounts.

Overview of ACH Credit Option

- You are responsible for making the arrangements for ACH Credit payments with your financial institution.
- Any costs associated with the initiation of the payment are your responsibility.
- Tax payments must be accompanied with identifying information in an addenda record using the CCD+TXP format. The required format and banking information are included in this packet. CTX transactions are not allowed.
- Payments received by the state's bank into Department of Revenue accounts not accompanied with an addenda record in the CCD+ TXP format will be rejected and returned to the initiating bank.
- Payments that must be re-initiated to include the addenda record that are received after the due date will be subject to late payment penalty and interest assessments.
- We strongly urge you to initiate a one cent transaction to verify the addenda record is accurate before you begin remitting tax payments. Failure to provide accurate data in the addenda record will result in payments not being properly/timely credited to your tax account and could result in a 10% penalty.
- Each tax type has a separate receiving bank account number. It is imperative that the correct bank account number for the tax type your are remitting is used to ensure proper credit is given.
- If you have no tax due for a period, you should initiate a zero dollar transaction to "clear the tax period" and prevent estimated liabilities from being created. If your bank does not initiate zero dollar ACH Credit transactions, contact the EFT Section by calling (317) 232-5500 for further instructions.
- You are responsible for meeting your bank's deadlines for timely payments.
- Please see Pages 8 and 9 for the required addenda record format and the state's bank information.

Important Information for All EFT Taxpayers

Before registering for EFT you must be registered with the Department for the tax type you wish to remit electronically. We are not able to process EFT-1 forms or tax payments if the business is not registered to remit the tax type. Instructions for completing the EFT Authorization Agreement Form, EFT-1 are printed on the back of the form.

Due Dates - Your tax payment due date does not change when you remit by EFT. Indiana law lists due dates (aka filing frequency) based upon specific criteria. For most trust taxes (e.g. sales tax, use tax or withholding tax) the due date is based upon the average monthly tax liability. Taxpayer accounts are reviewed annually to determine if the correct filing due date (filing frequency) is assigned to each taxpayer. If a filing frequency changes, the taxpayer is notified by letter. Filing frequency change letters provide the new due date as well as the effective date of the change. Other tax types (e.g. Corporate Income, Utility Receipts Tax, Motor Fuel Tax) have constant due dates also dictated by statute.

If the due date falls on a Saturday, Sunday, State or National holiday, the due date becomes the next legal business day.

Timeliness - Your payment is considered timely if you initiate the request for payment on or before the due date and funds are received in the state's account the next legal business day. The tax payment funds must be in the state's account no later than the business day after the due date.

Taxpayer Identification Number (TID#) - Please refer to the back of the EFT-1 for detailed instructions concerning the correct TID# to enter on the EFT-1.

- Regardless of the EFT method you select or tax type you will remit, the EFT ID must be 13 digits. **The EFT Confirmation Letter contains the EFT ID you must use to remit the specific tax type and/or location. Failure to use the EFT ID will result in payments not properly credited to your account.*

- If you are not sure of the 13 digit TID#, contact the EFT Section by calling (317) 232-5500 **Exception to the 13-digit requirement is for Streamlined Sales Tax (SST). Your EFT ID will be an alpha character plus eight digits.*

Tax Type Specific Information

Retail Sales & Use Tax – Tax payment due dates remain the same. You will continue to make monthly tax payments but you may file quarterly recaps (ST-103) for tax periods ending through 12/31/08. Certain taxpayers have been granted a four-week filing frequency. Four-week filers submit payments and returns for each specified tax period. **Note: Effective January 1, 2009** taxpayers who remit by EFT will be required to file monthly ST-103 forms rather than quarterly recaps.

Tire Fee – Taxpayers subject to the Tire Fee must follow the same payment/filing rules and procedures as required for the taxpayer's sales and use tax. The due dates are the same as the taxpayer's sales and use tax. Quarterly recaps (TIF-103) may be filed for tax periods ending through 12/31/08. Just as for sales tax, effective January 1, 2009, Tire Fee returns must be filed monthly.

Withholding Tax – Effective January 1, 2009 EFT withholding taxpayers will be required to file monthly returns (WH-1) in addition to making the monthly tax payment. New legislation replaces a law that eliminated the WH-1 filing requirement for taxpayers who remit withholding taxes by EFT. No WH-1 returns had to be filed for tax periods beginning 7/1/2003 through tax periods ending 12/31/2008. Each year the annual reconciliation form, WH-3, must be filed.
Note: State and county taxes should be combined into a single payment.

Corporate Income Tax, Financial Institution Tax, and Utility Receipts Tax

- All tax types are due on the 20th day of the fourth, sixth, ninth, and 12th month of the taxable year.
- When paying these tax types by EFT, no quarterly paper returns are required. The reconciliation is completed annually after the income tax return is filed.
- Extensions and final payments are not required to be made by EFT. However, if you choose to do so, be certain to claim the payments as estimated credits so the return has a zero balance due.

Prepaid Sales Tax on Gasoline - Due dates and return filing requirements remain the same. You still need to submit tax returns for both the tax periods each month.

Gasoline Distributors and Special Fuel Suppliers - Due dates and return filing requirements remain the same.

Streamlined Sales Tax (SST) - Taxpayers who have not registered to file multistates sales tax at the Streamlined Sales Tax Registration web site (SSTR) https://www.sstregister.org/sellers may disregard this reference. This is a special filing status to remit sales tax payments in accordance with the Streamlined Sales Tax Agreement. Taxpayers who are registered for SST have a tax payment due date of the 20th day of the month following the close of the month for which the taxes are being paid. Example: If the sales tax payment is for March 2009, the due date is April 20, 2009.

Cigarette Tax (CIG) – Distributors who buy cigarette stamps on credit are required to make payments by EFT. For questions and procedures, contact the Special Tax Division by calling 317-615-2557.

Type II Gaming (TTG) – Payments are due each month. The due date is 15 days after the close of the tax month.

Payments – As of this writing, the only EFT option available is ACH Credit. For instructions concerning making payments for TTG, contact the EFT Section by calling 317-232-5500. Note: The ACH Debit option will be available in our online filing program, INtax, by early January 2009, maybe sooner.

Filing – Until TTG is available in INtax, you will file the return, TTG-103, on paper. The supporting schedules, TTG-104 must be submitted electronically. For information about acceptable media, contact the Special Tax Division by calling 317-615-2557.

CCD+ TXP FORMAT FOR INDIANA ACH CREDITS

POSITIONS	CONTENT	DESCRIPTION
01	7	Record Type
02-03	05	Addenda Type code
04-06	TXP	Segment Identifier
07	*	Separator
The next 76 places will be formatted as follows; not all of the spaces will be used.		
	XXXXXXXXXXXXXXX	Taxpayer Identification • 1 to 15 alphanumeric positions • Enter your 13 digit Indiana EFT ID for all tax types except SST which is comprised of alpha and numeric characters. The EFT ID is listed on your EFT confirmation of registration letter. • Compress the field as necessary.
	*	Separator
	XXXXX	Tax Type Code • 1 to 5 alphanumeric • See list on reverse side of page for Indiana codes • Compress the field as necessary.
	*	Separator
	YYYYMMDD	Tax Period End Date • 8 numeric date • Tax Period End Date is used to provide the necessary information to identify the time period covered by the payment.
	*	Separator
	X	Amount Type Code • 1 alphanumeric • See reverse side of page for codes.
	*	Separator
	$$$$$$$$cc	Amount • Associate with the 2 to 10 numeric
	*	Separator
	Spaces	Space filled until the 76 positions.
84-87		Addenda Sequence Number
88-94		Entry Detail Sequence

Tax Type	Tax Type Code	Amount Type Code	State Receiving Bank Account Number	State Receiving ABA Number National City Bank
Withholding Tax (WTH)	011	'T' - Tax	501980988	074000065
Gross Retail Sales and Use Tax (RST)	040	'T' - Tax	501980991	074000065
Tire Fee (TIF)	200	'T' - Tax	758113317	074000065
Prepaid Sales Tax on Gasoline (PPD)	056	'T' - Tax	501769329	074000065
Special Fuel Tax (SFT)	052	'T' - Tax	501877606	074000065
Motor Fuel Tax (MFT)	050	'T' - Tax	501769332	074000065
Corporate Estimated Payment (COR)	021	'T' - Tax	00221915	074000065
Financial Institution Tax (FIT)	031	'T' - Tax	500528540	074000065
Utility Receipts Tax (URT)	150	'T' - Tax	758138321	074000065
Streamlined Sales Tax (SST)	04040	'T' - Tax	584962952	074000065
Type II Gaming (TTG)	14101	'T' - Tax	987089671	074000065
Cigarette Tax (CIG)		'T' - Tax	584962994	074000065

EFT-1
State Form 50110
(R6 / 06-08)

Indiana Department of Revenue

Authorization Agreement Form
For Electronic Funds Transfer

Indiana Taxpayer ID #: _____ Date: _____
(Must Be 13 Digits) See Special Instructions on Back.

Business Name: _____

Name and Telephone Number of Individual in your Organization that Revenue may contact regarding EFT

Contact Person: _____
(Not a Bank contact) (Please print)

☐ EFT Required
or
☐ Voluntary

Address: _____

City, State, ZIP: _____

Telephone: _____

Please complete a separate form for each tax type selected.

- ☐ Sales (RST)
- ☐ Tire Fee (TIF)
- ☐ Withholding (WTH)
- ☐ Prepaid Sales on Gasoline (PPD)
- ☐ Corporate Income (COR)
- ☐ Type II Gaming (TTG)
- ☐ Financial Institution (FIT)
- ☐ Utility Receipts Tax (URT)
- ☐ Gasoline Distributors (MFT)
- ☐ Special Fuel Tax (SFT)
- ☐ Streamlined Sales Tax (SST)
- ☐ Cigarette Tax (CIG)

Please choose an EFT method. If you choose ACH Debit, you must also complete the banking information portion of this form, and attach a copy of a voided check to verify the banking information.

☐ ACH Credit

Do not use this form to register for INtax. Visit www.intax.in.gov

☐ ACH Debit* (Complete bank information)

Bank ABA#: _____
(Transit Routing Number)

☐ Checking or ☐ Savings

Your Account #: _____
(With the above bank)

_____ _____ _____
Authorized Signature **Title** **Date**

*If ACH Debit is chosen, the taxpayer hereby authorizes the Indiana Department of Revenue to present debit entries into the bank account referenced above as required by Indiana Law. These debits will pertain only to Electronic Funds Transfer payments that the taxpayer has initiated.

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This form may be faxed or mailed.
Fax # .....(317) 232-1851
Questions? .....(317) 232-5500

EFT Section, Room N248, MS 103
Indiana Department of Revenue
100 N. Senate Ave.
Indianapolis, IN 46204-2253

Completing the EFT-1 (Authorization Agreement)

Indiana TID# - Enter your 13 digit Indiana TID#. Your Indiana TID# is **not** your Federal ID#, with the exception of Corporate Income, Financial Institution, and Utility Receipts Taxes.

Taxpayers registering for EFT to remit Corporate Income, Financial Institution, or Utility Receipts Taxes will use their nine digit Federal ID# plus four additional digits at the end as assigned by the Department. If you do not know the last four digits, contact the EFT Section at (317) 232-5500, or only enter the nine digit number and we will provide the four additional digits required for EFT payments on your confirmation letter.

Other tax types will use a 13-digit number as assigned by the Department. Taxpayers registering for EFT to remit Retail Sales/Use Tax, Employers' Withholding Tax, or Prepaid Sales Tax on Gasoline can find the 13-digit number by referring to the account number printed on their tax payment coupons, minus the final (14th) digit.

Streamlined Sales Tax EFT ID numbers - EFT Taxpayer Identification for Streamlined Sales Taypayer is the Streamlined Sales Account number assigned in the Streamlined Sales Registration. The Streamlined Sales identification number should be aligned to the left of the field, therefore the number would be 'S99999999'. The Certifiied Service Provider's (CSP) identification number can be used in the future when Indiana accepts the bulk payment from Certified Service Providers. The identification number would be formatted as "CSP999999'.

Tax Type - Please complete and submit a separate EFT-1 form for each tax type for which you are registering for EFT.

Bank Information - This section only needs to be completed by those taxpayers selecting the ACH Debit method. You must indicate whether the account is checking or savings. Remember the ABA/Transit routing number must be nine digits. **Note:** You cannot have multiple accounts for a single tax payment. Please verify the accuracy of the bank information entered.

Taxpayer Contact - Enter the name and entire address of the person who should be contacted with information concerning EFT tax payments, or if there is a problem with EFT payments. Do not enter the name of someone at your bank. We must have a taxpayer contact. Tax service providers may enter their contact information if they have power of attorney to represent the taxpayer. The contact telephone number must also be provided.

Required or Voluntary - Are you registering for EFT because you are required by law, or are you a voluntary participant in the EFT program?