

November 17, 2006

1065 Stakeholders

We are pleased to post an updated version (**2006v2.0**) of the Tax Year (TY) 2006 **Forms 1065 and 1065-B** XML schemas and Business Rules, and an updated version (**2006v1.2**) of TY 2006 **Form 7004** XML schemas and Business Rules, that we refer to as Release 4.0. The schemas and business rules contain changes since the October 17, 2006 posting.

TY 2006 Assurance Testing (ATS) began on November 6, 2006 using schema version 2006v1.0. Schema version 2006v1.2 will be available in ATS beginning November 20, 2006. Both schema versions will remain active until December 27, 2006. We strongly recommend that you test using the 2006v1.2 schema package that contains numerous tax form changes. On December 28th, schema version 2006v2.0 will be installed into ATS, and this version must be used for all future TY 2006 test returns.

The Electronic Management System (EMS) and the Registered User Portal (RUP) – used for IFA and A2A transmissions, will be available from 12/28/06 thru 1/7/07 for ATS test returns only (no production returns). Production returns can be transmitted beginning Monday, January 8, 2007.

XML Schemas

The TY 2006 schemas include all tax forms and schedules for Forms 1065 and 1065-B. Schema version 2006v2.0 is posted to the **Forms 1065 and 1065-B** Current Valid XML Schema charts at: <http://www.irs.gov/efile/article/0,,id=153999,00.html>. Changes from the October 17, 2006 posting are displayed in the “Diff Files” on the ATS System chart. Also included are “Diff Files” that shows changes from the previous schema version 2006v1.2 posted on October 17, 2006

The Form 7004 schemas posted today are the third draft of the TY 2006 schemas (new version 2006v1.2). The schemas are posted to the ATS System chart at: <http://www.irs.gov/efile/article/0,,id=128360,00.html>. Also included are “Diff Files” that shows changes from the previous schema version 2006v1.1 posted on October 17, 2006.

Business Rules

Forms 1065 and 1065-B Business Rules for TY 2006 (new version 2006v2.0) are posted in two different formats containing identical information – Adobe (.pdf), and Comma Separated File (.csv). A column within the file identifies key changes made from the last posted version of the Business Rules. The new rules are posted to the **Forms 1065 and 1065-B** charts at: <http://www.irs.gov/efile/article/0,,id=153999,00.html>.

Form 7004 Business Rules for TY 2006 are posted in two different formats containing identical information – Adobe (.pdf), and Comma Separated File (.csv). A column within the file identifies key changes made from the last posted version of the Business Rules. The new rules are posted to the ATS System chart at: <http://www.irs.gov/efile/article/0,,id=128360,00.html>.

Key Changes

Forms 1065 and 1065-B share a significant number of tax forms and schedules with the Corporate (Form 1120/1120S) tax return. Recent legislation caused many of those shared forms and schedules to be revised. Consequently, this created the need for a major TY 2006 schema revision (2006v2.0) that will go into ATS effective December 28, 2006 and into Production effective January 8, 2007. **All prior 2006 schema versions will no longer be valid.** Additional information about changes to the shared forms can be found at: <http://www.irs.gov/efile/article/0,,id=128360,00.html>

Note: There are additional forms changes due to form updates and pending legislation that may be published before the end of the year (or shortly thereafter).

As always, if you have any questions or comments, please contact us through the ETA 1065 Team at 1065MeF@irs.gov. For Form 7004 questions, please contact Linda Lateef at (202) 283-0014.