2008 Improve Your Filing Season

Improve Filing Season By

- Utilizing Self-Assist Solutions
- Reducing Rejects
  - What causes Rejects
  - How to Read; Resolve and Avoid
- *e*-filing ITINs
- Refunds/Electronic Payment Options
- Transmittal Form 8453
- Resources

Transmitting to a locked door?

IRS no longer mails annual acceptance letters to ERO's

Reason for invalid EFIN (Reject Code 029) is due to:

- Undelivered Mail
- Invalid Phone Numbers
- Contact Person
- Suitability Issues (non-compliance)

Check and Update your EFIN

- Call the e-file Help Desk at 866.255.0654
- Access your e-file application by using e-services
- EFIN will take a **minimum** of 24 hours to be able to retransmit

IRS *Validity Checks*

Up-front checks on every *e*-file return may cause the return to reject:

- Validation of Forms/Schedules
- Verification Checks: SSN, EIN, Year of Birth, Date of Death
- Duplicates – Return Filing and TINs
- Check for Offsets to IRS or FMS

IRS ACKNOWLEDGMENT REPORT

TIN	NAME	Refund	STATUS Date of ACK	e-file STATE	Debt Ind	ACH Debit	SVC CTR
111-11-1111	CABLE	$2,946	A 4/15	NY	FMS		ANDOVER
111-11-1112	LEO	$3,256	A 4/15	GA	IRS		AUSTIN
111-11-1113	BELL		R				
111-11-1114	MCCOY	$4,500	E 4/15	HI	Both		FRESNO
111-11-1115	ROGERS	($256)	A 4/15	IL		Y	KANSAS CITY

Reject Report

111-11-1113

BELL

Form Reference: Form 1040/A Copy number 01,

Sequence number 185 Error Code: 504

Dependent's SSN (SEQ 175,185,195,205) and corresponding Dependent Name Control (SEQ 172,182,192,202) must match data from the IRS Master File

e-file Topics

- Free File
- Modernized e-File (MeF)
- Info for e-file Providers
- More Topics . .

IRS Resources

- Compliance & Enforcement
- Contact My Local Office
- e-file
- Forms and Publications
- Frequently Asked Questions
- News
- Taxpayer Advocacy
- Where To File

2007 Tax Year IRS *e-file* for Individual Income Tax Returns

Accepted Forms and Schedules
(updated 01/04/08)

Country Codes for Forms 2350, 2555/2555-EZ, and Foreign Employer Compensation Record (FEC Record)
Part 1 A through K Country Codes
(updated 11/07/2007)
Part 2 L through Z Country Codes
(updated 12-10-07)

Error Reject Code Explanations for Individual Income Tax Returns
(Updated 03/07/2008)

Error Reject Code Explanations for Electronically Transmitted Documents
ERC's 0001 through 0325
ERC's 0326 through 0399

Error Reject Codes - Self-Assist Solutions

Form Field References for Individual Income Tax Returns
(Updated 01/29/2008)

Form Field References for Electronically Transmitted Documents

Form 8453

Form 8453-OL

Form 8878

Form 8879

Form 9325

KeyWord Search Terms

Error Reject Codes

0496	must equal Primary SSN (SEQ 0010) or Secondary SSN (SEQ 0030) of Form 1040.
	When two Forms 4563 are present, Taxpayer SSN (SEQ 0020) of the first Form 4563 must equal Primary SSN (SEQ 0010) of Form 1040 and Taxpayer SSN (SEQ 0020) of the second Form 4563 must equal Secondary SSN (SEQ 0030) of Form 1040.
0497-0498	RESERVED
0499	The Employer Identification Number (SEQ 0040) of Form W-2 and/or W-2GU, Payer Identification Number (SEQ 0026) of Form W-2G, and Payer Identification Number (SEQ 0050) of Form 1099-R, and Employer EIN (SEQ 0200) of 499R-2/W-2PR Record is invalid for processing an Individual e-filed return.
0500	Primary SSN (SEQ 0010) and Primary Name Control (SEQ 0050) of the Tax Form must match data from the IRS Master File.
0501	Qualifying SSN (SEQ 0015, 0085) of Schedule EIC and the corresponding Qualifying Child Name Control (SEQ 0007, 0077) must match data from the IRS Master File.
0502	Employer Identification Number (SEQ 0040) of Form W-2 and/or W-2GU, Payer Identification Number (SEQ 0026) of Form W-2G, and Payer Identification Number (SEQ 0050) of Form 1099-R and Company or Trust Identification Number (SEQ 0120) of Form 2439, and Employer EIN (SEQ 0200) of 499R-2/W-2PR Record must match data from the IRS Master File. Note: Form 1099-R is ONLY required
	0202) must match data from the IRS Master File.
	Qualifying Child SSN (SEQ +0175, 0185, 0195, 0205) of Form 1040-SS (PR) and corresponding Qualifying Child Name Control (SEQ +0172, 0182, 0192, 0202) must match data from the IRS Master File.
0505	Employer Identification Number (SEQ 0040) of Form W-2 and/or W-2GU, or Payer Identification Number (SEQ 0026) of Form W-2G, or Payer Identification Number (SEQ 0050) of Form 1099-R or Company/Trust Identification Number (SEQ 0120) of Form 2439, or Employer EIN (SEQ 0200) of 499R-2/W-2PR Record was issued in the current processing year.
0506	Qualifying SSN (SEQ 0015, 0085) of Schedule EIC was previously used for the same purpose.

504 - Dependents SSN and Name Control must match IRS Data

Form Field References

0120	PECF Spouse	
0130	Filing Status	1-5
0135	Overseas Extension Explanation	
0140	Spouse's Name	3
0150	Qualifying Name for H of Household	4
0153	SSN for Qual Name	4
0160	Exempt Self	6a
0163	Exempt Spouse	6b
0164	Exempt Spouse Name	6b
0165	Exempt Spouse Name Control	6b
0167	Total Box 6a and 6b	
0170	Dependent First Name 1	6c(1)
0171	Dependent Last Name 1	6c(1)
0172	Dependent Name Control - 1	
0175	Dependent's SSN - 1	6c(2)
0177	Relationship - 1	6c(3)
0178	Eligibility for Child Tax Credit - 1	6c(4)
0180	Dependent First Name 2	6c(1)
0181	Dependent Last Name 2	6c(1)
0182	Dependent Name control 2	

185 - Dependents SSN - Line 6 (c) 2

0191	Dependent Last Name 3	6c(1)
0192	Dependent Name Control - 3	
0195	Dependent's SSN - 3	6c(2)
0197	Relationship - 3	6c(3)
0198	Eligibility for Child Tax Credit - 3	6c(4)
0200	Dependent First Name 4	6c(1)
0201	Dependent Last Name 4	6c(1)
0202	Dependent Name Control 4	
0205	Dependent's SSN - 4	6c(2)

Done
Local intranet

Top ‘5’ Rejects for Tax Year 2007

5. 500 - Primary SSN and Name Control on Tax Form must match data from the IRS Master File

4. 502 - EIN on Form W-2, W-2G, or 1099-R must match data from the IRS Master File

3. 501 - Qualifying SSN of Schedule EIC and the Name must match data received from SSA

2. 507/506 - Qualifying Dependent SSN was previously used for the same purpose on 1040/EIC

And for at least the 4th Year in a Row the #1 *e*-file Reject Code is:

504 - Dependent's SSN must match data from the IRS Master File

‘E’xception Processing

- Applies to Reject Codes 501 and 504 only.
- Enables you to send an imperfect return .
- IRS will issue a Math Error Notice.
- IRS may eliminate deductions & credits associated with dependents TIN.

Your Client's Return goes
to the top of the pile.

Enhancements

e-filing ITINs

- Use ITIN on top of tax form as identifying number
- Enter SSN as shown on W-2
- Mirrors what client hands you
- Links W-2 with the worker
- 774,292 returns e-filed with ITINs as primary taxpayer

Refunds/Payment Options

Split Refunds

- Divide refunds in up to 3 financial accounts using Form 8888, *Direct Deposit of Refund to More Than One Account*
- 173,797 requested as of 4/15/08 for tax year 2007

Electronic Payment Options

- Direct Debit
- ATM/Debit Card - $2.95
- Credit Card – 2.49% Convenience Fee

New Transmittal Form 8453

- Attach paper documents that cannot be e-filed
- **May** attach Schedule D-1 Continuation Sheets but not mandatory
- Mail to only one processing center for tax year 2008 - Austin

Quick Alerts

Instant messaging system provided FREE specifically designed to keep e-filers informed of e-file issues and events during the filing season.

Enroll in E-IRS Room or at

www.irs.gov

Other Assistance & Resources

- e-file Help Desk 866.255.0654
- e-Services
- www.irs.gov
- Treasury Offsets –800.304.3107

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Questions?