



Department of Taxation and Finance

Letter of Intent (LOI) to Develop MeF Fiduciary Income Tax E-file Software for Tax Year 2024

If you are a software developer (SWD) who plans to market or distribute software for preparation and e-filing of New York State (NYS) fiduciary income tax forms, you **must** complete this form before you can begin testing. If you have more than one product you need to complete and submit a separate letter of intent for each product; each product must have its own software identification.

We need this information to ensure that:

- we have the most current vendor information on file;
- we are able to determine the status of each vendor's progress throughout the Assurance Testing System (ATS) process; and
- all issues in production are identified, communicated, and corrected.

Instructions:

- Complete all the relevant vendor information fields below. You may choose your own New York State Software ID. This may be up to 10 alpha/numeric characters.
- In the *Supported Forms*, check the boxes that correspond to the forms that your software will provide. Indicate any relevant information that pertains to the forms in the corresponding *Comments* section.
- When completed, save a copy of this file and return via email to NYSFIDMEF@tax.ny.gov.

Notify us of any changes

After you submit this letter, if you change the forms you have included in your software package, you must notify us within seven days. An amended letter of intent and additional testing may be required.

Software errors

The following steps must be taken to ensure the mitigation of production errors:

- Immediately notify the New York State Department of Taxation and Finance (NYSDTF) of any software errors as they are identified during the filing season. Contact us via email at NYSFIDMEF@tax.ny.gov
- Discuss with NYSDTF options to correct errors
- NYS must approve and review outward communication regarding software errors affecting already filed returns and resolutions prior to distribution to your clients.
 - NYS will complete its review within two business days. You may send your outward communication to clients if NYS does not complete its review in that time.
 - Where you are legally required to communicate with clients before two business days, for instance under some states' breach notification laws, you may do so before receiving NYS approval.
- Make every reasonable effort to test with NYSDTF before moving change(s) to production
- Correct software errors identified by the Internal Revenue Service (IRS), NYSDTF, or you, as the SWD, and distribute updates of your software packages to your users.
- The SWD **must** supply NYSDTF with the specific resolution and date at the time the software fix is released.
- Failure to comply may result in suspension from the program.

Note: If you are a new Software Provider who has not filed city/state income tax returns with any city or state agencies, you must have passed assurance testing with the IRS. Attach documentation from the IRS demonstrating you have successfully tested with the IRS.

Check here if you are **amending** your previous LOI

Reason for amending

| | | |
|--------------------------|--|--|
| Type of software product | Do-it-yourself (DIY) /Consumer (desktop) | DIY/Consumer (web-based) |
| | Professional/Paid preparer (desktop) | Professional/Paid preparer (web-based) |

NYS software ID

Product name

EFIN

ETIN

| | | | | |
|---------------|-----|----|------------|---|
| NACTP member: | Yes | No | Member ID# | Paper vendor ID # (if different from NACTP #) |
|---------------|-----|----|------------|---|

Contact information

Legal name

Firm name

Website or URL

Address

| | | |
|------|-------|----------|
| City | State | ZIP code |
|------|-------|----------|

Primary contact name

E-mail address

| | |
|--------------|-----|
| Phone number | Ext |
|--------------|-----|

Secondary contact name

E-mail address

| | |
|--------------|-----|
| Phone number | Ext |
|--------------|-----|

Risk officer contact name

E-mail address

| | |
|--------------|-----|
| Phone number | Ext |
|--------------|-----|

Responses to the following items are required. Confirm your support for:

| | | | |
|----------------|------------------|-----|----|
| Linked returns | Unlinked returns | Yes | No |
|----------------|------------------|-----|----|

Foreign address

Amended returns

PDF attachments - Certificates and Correspondence

Rebranded software products

Complete this section only if your product is rebranded.

In order for the software to be considered rebranded, changes cannot be made to the software requirements and output(s). As the Software company selling and/or licenses your product to a third-party, it is your responsibility to make sure the rebranded product reflects the current software requirements and output(s). List each of your rebranded products below.

| | | | | |
|------------------------|----------------------|----------------|-------|---------------|
| Rebranded product name | ETIN (if applicable) | Contact person | Phone | Email address |
| Rebranded product name | ETIN (if applicable) | Contact person | Phone | Email address |
| Rebranded product name | ETIN (if applicable) | Contact person | Phone | Email address |

*If not available at the time of LOI submission, please provide it when available.

Rebranded products are not required to complete e-file ATS/paper form approval.

Customer communications

This section identifies information NYS is requiring the software providers to communicate with customers.

Disclosure and use of information language expectations

The following consent language must be added to electronic filing software to notify the user.

For Business software:

By using a computer system and software to prepare and file this business tax return(s), I consent to the transmission of the return(s) and to the disclosure of all information about the use of the system and software to the New York State Department of Taxation and Finance.

Supported Forms

Indicate your support for the following forms. *XML* indicates support for the form in extensible markup language (XML). **Note:** New supported forms for Tax Year 2024 are marked with an asterisks (*).

| Form | XML | Form | XML | Form | XML | Form | XML |
|---------------------------|-----|-----------|-----|------------|-----|-------------------------------|-----|
| <u>Main Forms</u> | | IT-249 | | IT-641 | | IT-662 | |
| IT-370-PF | | IT-256 | | IT-642 | | IT-663* | |
| IT-205 | | IT-2105.9 | | IT-643 | | DTF-622 | |
| IT-2106 | | IT-398 | | IT-644 | | DTF-686 | |
| <u>Attachments</u> | | | | | | <u>Wage Statements</u> | |
| IT-205-T | | IT-399 | | IT-645 | | W-2 | |
| IT-205-A | | IT-601 | | IT-646 | | W-2G | |
| IT-205-C | | IT-603 | | IT-647 | | 1099-DIV | |
| IT-205-J | | IT-604 | | IT-648 | | 1099-G | |
| IT-112-R | | IT-606 | | IT-649 | | 1099-INT | |
| IT-135 | | IT-607 | | IT-650 | | 1099-MISC | |
| IT-182 | | IT-611 | | IT-651 | | 1099-R | |
| IT-212 | | IT-611.1 | | IT-652 | | 1099-NEC | |
| IT-217 | | IT-611.2 | | IT-653 | | 1099-K* | |
| IT-219 | | IT-612 | | IT-654 | | | |
| IT-223 | | IT-631 | | IT-655 | | | |
| IT-225 | | IT-635 | | IT-657 | | | |
| IT-230 | | IT-636 | | IT-658 | | | |
| IT-238 | | IT-637 | | IT-660 | | | |
| IT-241 | | IT-638 | | IT-661 | | | |
| IT-242 | | IT-640 | | IT-661-ATT | | | |

Comments:

Software developer requirements and responsibilities

- Comply with the procedures, requirements, and specifications in the IRS Publication 3112, IRS e-File Application and Participation; IRS Publication 4164, Modernized e-File Guide for Software Developers and Transmitters; IRS Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns; and NYS Publication 95, New York State Modernized e-File (MeF) Guide for Software Developers for Tax Year 2024.
- Support e-file for all NYS forms unless a waiver is approved by NYS.
- Be approved by NYS through the ATS process.
- Remove references from all public materials asserting your product's ability to service NYS taxes within 48 hours of receipt of notice from NYS stating that your product is disapproved or that approval has been withdrawn and provide immediate notice to any clients in the process of filing with NYS before ceasing NYS services.
- Keep all confidential taxpayer information secure.
- All tax professionals should be aware that they are potential targets of cybercriminals seeking access to client data for fraudulent purposes, including to file fraudulent tax returns for refunds. Software Developers are encouraged to limit the data they allow clients to use for analytics, collection and storage. Software Developers must not allow the use or retention of driver license information other than for the filing of the returns.
- Data breaches, security incidents, or other improper disclosures of taxpayer data that by law require reporting to the Attorney General of New York must also be reported to the New York State Department of Taxation and Finance.

Detection and disclosure of suspicious activity

Prevention of identity theft and other forms of tax fraud is a very high priority for NYS. Because it is critical that we work in partnership to combat identity theft, software developers by signing this agreement agree to assist NYS with fraud prevention efforts, as set forth below:

- Software developers may use any tax return information provided by a taxpayer, whether in and for the current year or for prior years, for the purpose of identifying a suspicious or potentially fraudulent return from or related to that taxpayer. For these purposes, tax return information means any and all documents or materials provided by the taxpayer or required by the taxing authority that the software developer uses in the course of the return preparation and submission.
- Software developers shall produce analytic compilations of federal and state tax return and submission information that directly relate to the internal management or support of the software developer's business, which shall include aggregated data compilations to identify potentially fraudulent behaviors or patterns. The analytic compilation shall employ any tax return information provided by the taxpayer.
- Software developers shall disclose the compilations of tax information to New York State through IRS secure data transmission on at least a weekly basis and identify by use of federal and state submission IDs any return the software developer believes is potentially fraudulent.
- In addition, if a software developer has a bona fide belief that a particular individual's activity, discovered by data mining a statistical compilation, violated criminal law, the software developer shall disclose that individual's tax return information to New York State.

Signature

I acknowledge that all e-file ATS tests submitted during the approval process are created in and originate from the actual software.

I acknowledge that all electronic returns received by NYS generated from this software will be electronically filed from the initially approved product version, or a subsequent product update.

I acknowledge that NYS will be notified immediately of any incorrect and/or missing calculation or e-file data element for any electronically filed returns submitted to NYS.

I acknowledge that software errors identified by the IRS, NYS DTF, or the SWD, will be immediately corrected and updates distributed to users. The SWD must supply NYS DTF with the specific resolution and date at the time the software fix is released. NYS must approve and review outward communication regarding software errors affecting already filed returns and resolutions prior to distribution to your clients. NYS will complete its review within two business days. You may send your outward communication to clients if NYS does not complete its review in that time. Where you are legally required to communicate with clients before two business days, for instance under some states' breach notification laws, you may do so before receiving NYS approval.

I acknowledge users/customers of desktop products who attempt to e-file 10 or more business days after a production release will be required to download and apply the product update.

I acknowledge that as part of our start-up process that we have examined our internal help information (includes pop-ups, FAQs, information bubbles etc.) to ensure that it conforms with all tax instruction and law changes.

I acknowledge that a copy of software or access to an online service will be provided upon completion of testing and prior to final approval from NYS.

As the representative of the above named organization, I agree, on behalf of the organization, to comply with all requirements listed above. Furthermore, by signing this agreement, my organization is agreeing to all of the requirements listed above. The New York State Department of Taxation and Finance reserves the right to revoke approval acceptance of any company and thereby refuse to accept any additional returns from such software company that does not adhere to above stated requirements.

As an approved New York State provider I agree to provide true, accurate, current, and complete information about my company. I understand that if I provide any information that is untrue, inaccurate, obsolete, or incomplete, the New York State Department of Taxation and Finance has the right to deny, suspend, or terminate my account.

| | |
|--|---------------------------------------|
| Name of authorized representative (<i>print</i>) | Name of risk officer (<i>print</i>) |
| Signature of authorized representative | Signature of risk officer |