

TIGERS Interim Meeting
MARCH 2 – 6
Orlando, FL

[Agenda and Overview](#)

[1040 MeF IRS Rollout](#)

[1040 Federal Forms Attachment](#)

[1040 IRS Working Group Meeting](#)

[State 1040 MeF](#)

[State Header Changes](#)

[Acknowledgement Changes](#)

[State Financial Transaction Changes](#)

[Best Practices](#)

[ERO Developer Manuals](#)

[Business MeF](#)

[Business Statistics](#)

[TIGERS Strategic Planning](#)

[Motor Fuel](#)

[FER](#)

[FSET](#)

Terry Garber, Co-Chairperson reviewed the agenda which included two topics not originally on the agenda; scheduling of the next category-based schema release and an update from the Social Security Administration.

Terry also welcomed Marie (Terry) Barrera and Juanita Wueller as the new IRS project leaders for their MeF programs. It was also announced Valerie Gunter (IRS) is managing the 1.6 release which includes 1040 MeF.

Terry Garber also reminded us that any revisions to the current State MeF schemas or structures will be presented on www.statemef.com for comments prior to releasing any new versions. It was also noted that any revisions approved during this meeting will be made available for comments prior to the June Webinar meeting.

Jonathan requested that all states update their MeF status plan on www.statemef.com. He reminded us that it is important to keep your state information current because the IRS and industry rely on the data in order to determine their planning. Many in the developer's community want to know how the economy and budgets have affected the states' plans for launching 1040 MeF.

The Agenda is as follows:

Monday: Modernized e-File

- IRS 1040 MeF Updates
- 1040 Standards Updates
 - Header
 - Acknowledgement
 - FinancialTransaction
- Best Practices
- 1040 Business Rules Document, final draft and examples
- 1040 Software Developer and ERO Guides, complete draft
- 1120/1065 Standards Updates
- Schedule for next Category based schema set release
- Additional issues as brought up by participants

Tuesday: Modernized e-File, continued

- Carry-over issues from Monday
- MeF Schemas – the Good, the Bad, and the Ugly, new state examples
- Schema Development Assistance – best practices, tips, and techniques

- 1040 Working Group – joint with NACTP – 1:30 – 4:30

Wednesday: TIGERS Strategic Planning

[Return to Index](#)

- Webinar feedback
- Meeting schedules – face and webinar – for remainder of 2009
- Website review and suggestions for improvement
- TIGERS product review (e.g. MeF101) and suggestions for improvement
- MeF 1040 outreach – what is needed, at what level
- Other topics as needed

Thursday:

- Motor Fuel, complete schema set walkthrough
- FER (non-Streamlined Sales) schema development
 - State Mapping Examples
 - Modification as necessary
 - Next Steps

Friday: Fed/State Employment Taxes (FSET)

- Final 4.x schema package high-level walkthrough
 - Base schemas
 - New Employee/New Contractor
 - Enrollment/Data exchange
 - Packaging/Transmission
 - Acknowledgement
- SSA Update
- Gateway technical development
- Deployment strategy – new deployments and upgrades
- Next steps planning

1040 MeF Rollout

The IRS reviewed the rollout plans for 1040MeF. EMS will be available until 2012 and it will run parallel to MeF.

Highlights of the rollout include:

- IRS plans to rollout 1040 MeF using a three-phase strategy over three years:
 - The first phase of 1040 MeF occurs in January 2010 and will include Form 1040, Form 4868 and 20 1040-related forms and schedules that can be attached to the 1040. The complete list is found on the Forms for 1040 MeF Program webpage. MeF will accept only the current TY 2009.
 - The second phase of 1040 MeF occurs in January 2011 and will include the same forms as the first phase, additional hardware and code optimization. MeF will accept the current TY 2010 and prior year TY 2009.
 - The third phase of 1040 MeF occurs in January 2012 and will include the remaining forms filed under the current individual e-file program. MeF will accept the current TY 2011 and 2 prior years, TY 2010 and TY 2009.
 - Once MeF is fully implemented, the legacy program will be phased out over an extended period of time.
- The 1040 MeF Fed/State MOU is patterned after the 1120 MeF Fed/State MOU and the current Legacy Fed/State MOU

- A draft copy of the MOU was sent to our Fed/State distribution list in November for review
- Responses from nine states were received
- The IRS Internal document clearance process will begin very soon
- The MOU is expected to be ready for distribution to the states ... [Return to Index](#)
June

Industry requested that the rollout date be on a Monday rather than Friday because it allows for resolution of problems that occur in the first few days.

Any questions for the IRS on the 1040 program can be addressed to 1040MeF@irs.gov

Terry Barrera of the IRS reviewed the MOU for 1040 which is patterned after 1120. The official MOU is slated to be available to states in June. It was recommended that coordinators should keep an eye open for this to come as you must have a signed MOU with IRS before the state will receive information for ATS and WSDLs, etc.

Terry also reviewed the changes to the header schema which TIGERS discussed and determined if they are needed in the state schemas. The changes that have been adopted by TIGERS can be found later in these minutes.

Juanita reviewed the new items which will be added to the acknowledgement which include:

- AcceptanceStatus (formerly filing status in 1120 MeF)
- TIN
- TaxableIncome (not applicable to 1040)
- TotalTax (not applicable to 1040)
- NetIncomeLoss (not applicable to 1040)
- ReservedIPAddressCd
- ExpectedRefund/BalanceDue
- DateOfBirthValidityCd
- DebtCd
- PINPresenceInd

Note that some of the elements are not required for 1040. These elements would be filled with N/A since all elements are required.

IRS will provide, at a future meeting, a diagram and schema of the acknowledgments.

Larry Raab requested that the 4164 include all the information on the acknowledgements. The IRS indicated that the pub 4164 will be available around October 2009.

TIGERS reminded Terry and Juanita that it is best to get the information quickly. It was also pointed out that currently any updates on the legacy system are presented at the Efile Symposium annually. Consideration should be the same for 1040 MeF as well as business MeF.

The IRS has asked for feedback on the Paid Preparer Data structure. Please be sure to reference the schemas on IRS and send comments, if applicable, to 1040MeF@irs.gov

[Return to Index](#)

Below is the chart of MeF activity through 2/22/2009

Form Type	CUM Projected Receipts	CUM Actual Receipts	CUM % Actual vs Projected	CUM % 2009 vs 2008
1120	47,417	40,613	85.65%	127.23%
1120S	145,012	137,669	94.94%	138.46%
1120-F	N/A	32	N/A	N/A
7004	38,028	39,969	105.10%	143.44%
1065/1065-B	82,197	87,706	106.70%	135.67%
990	4,503	8,340	185.20%	159.34%
990-EZ	1,965	1,252	63.70%	144.41%
990-PF	292	364	124.63%	149.79%
990-N	11,468	34,373	299.72%	304.48%
1120-POL	N/A	1	N/A	N/A
8868	4,110	4,466	108.66%	167.45%
2290	1,089	2,972	272.87%	323.04%
720	59	17	0.00%	425.00%
8849	N/A	35	N/A	N/A

The IRS indicates that **17 States are in production status for 1120**. They are:

- AL, CO, FL, GA, ID, KS, MD, MI, MO, MT, NYCT, NYS, OR, PA, SC, UT and WI

In addition, 8 States are in production status for 1065, they are:

- AL, GA, ID, KS, MD, MI, UT and WI

Below is the state data from calendar year 2007

State	Total State Returns Made Available	Corporate Fed State Made Available	Partnership FedState Made Available	Corporate State Standalone Made Available	Partnership State Standalone Made Available
ALST	1	1	0	0	0
GAST	5,538	2,598	0	2,940	0
KSST	4,940	2,187	122	2,024	607
MDST	6,945	2,381	576	3,158	830
MIST	2,873	654	1	2,119	99
NYST	19,304	5,654	0	13,650	0
PAST	418	5	0	413	0
SCST	22	19	0	3	0
WIST	13,872	9,347	0	4,525	0
Total:	53,913	22,846	699	28,832	1,536

This is the state data from calendar year 2008

State	Total State Returns Made Available	Corporate Fed State Made Available	Partnership Fed/State Made Available	Corporate State Standalone Made Available	Partnership State Standalone Made Available
ALST	570	179	10	380	1
COST	144	50	0	94	0
FLST	317	317	0	0	0
GAST	23,521	7,636	685	14,170	1,030
IDST	2,066	250	136	1,679	1
KSST	20,154	4,976	3,741	7,905	3,532
MDST	29,126	8,581	5,642	11,211	3,692
MIST	3,224	522	2	2,596	104
MOST	2,000	655	0	1,345	0
MTST	79	5	0	74	0
NYST	51,645	17,917	0	33,728	0
ORST	4,436	336	0	4,100	0
PAST	3,462	1,838	0	1,624	0
SCST	3,671	886	0	2,785	0
UTST	894	69	53	754	18
WIST	51,104	15,572	8,911	17,955	8,666
Total:	196,413	59,789	19,180	100,400	17,044

Below is the state date as of 2/2/2009

State	Total State Returns Made Available	Corporate Fed/State Made Available	Partnership Fed/State Made Available	Corporate State Standalone Made Available	Partnership State Standalone Made Available
ALST	492	91	80	188	133
COST	29	14	0	15	0
FLST	120	120	0	0	0
GAST	4,411	697	288	2,806	620
IDST	764	181	130	252	201
KSST	3,569	722	618	1,336	893
MDST	3,174	1,017	682	938	537
MIST	40	3	16	18	3
MOST	1,398	309	0	1,089	0
MTST	32	6	0	26	0
NYST**	74,142	5,939	2,387	14,662	51,154
ORST	724	155	0	569	0
PAST	490	344	13	132	1
SCST	2,087	734	0	1,353	0
UTST	35	3	0	32	0
WIST	8,189	2,097	1,584	2,915	1,593
Total:	99,696	12,432	5,798	26,331	55,135

**NYState has a mandate for 1120 and 1065.

State 1040 MeF

Terry Garber reviewed the Common (core) ReturnHeader schema to show the consistency between the TIGERS and the IRS schemas. She pointed out the difference in the preparer, originator and preparer firm. These particular elements will be put on a "watch" list to determine when/if TIGERS and IRS can sync them.

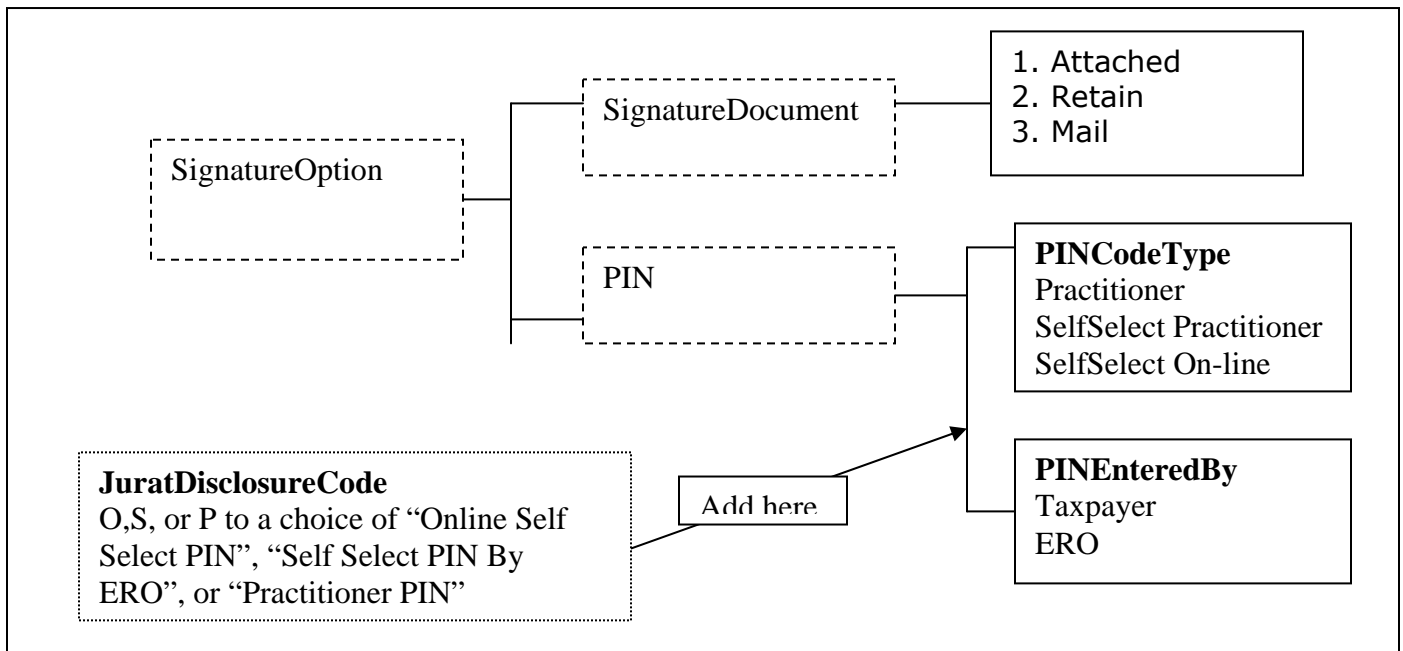
SoftwareId is a String 10 type in the TIGERS schema while the IRS uses an 8 digit identifier. If a state chooses to use the IRS identifier, the string 10 type accommodates it or a unique state number. Therefore no change was needed to this element.

In addition, Terry reviewed the IP address pattern and string which allow for validation of the IP address which supports IP v4 and IP v6. TIGERS will share InternetProtocolType with the IRS to help in their development of their IP address.

TIGERS must add or sync the following elements in the header in order to keep the consistency with the IRS

- PinEnteredby
- Signature Option
- PinCodeType

A motion was made to replace SignatureOption with the IRS standards in the PinCodeType. It was also suggested that the SignatureOption to be a complex type which allows for a choice of paper or pin and the type of Pin used as well as PINEnteredByType. Another was just to add the 8453 in the enumerated list.



The above diagram illustrates the signature option which was accepted by the majority of attendees.

A review of the IndividualReturnHeaderState.xsd was conducted to sync elements with the IRS and to address any changes needed.

A review of the filer element was conducted. The filer element includes the date signed for each of the taxpayers and was compared to the new 1040 MeF header changes of SpouseSignatureDate. It was confirmed that there is a need to sync with IRS, therefore an element will add date signed in the IndividualTaxpayerType.

A vote was taken on where the date signed element should be housed. Of those who had a preference the vote was to keep the element included in the (filer) IndividualTaxpayerType. It was also suggested to change

TaxpayerPIN to TaxpayerSignature in the IndividualTaxpayerType. It was decided to keep as is; however, there will be an opportunity to change it to be consistent with the IRS at a later date.

A discussion ensued as to whether or not there is a need for Consortium Indicator and if we want to use the IRS Type. It was agreed that there is a need for the optional indicator; however, the type of indicator brings forth some consequences. To resolve the issues, the group identified three options available to define the consortium indicator. They are:

1. Checkbox and states could put in their own
2. IRS (enumerations) Type - English or Spanish Free File Program or Free Fillable Forms. The restriction base is "StringType" with a choice of "English Free File", "Spanish Free File"
3. State enumerations

It was agreed to adopt option # 3 using State enumerations. Terry will create the "strawman" and post to statemef.com with a follow-up conference call to ratify.

PartnersPageFilingType – is an element that is not used by states, hence there is no need to adopt this element or type.

Paid Prepare Data – After a review of the IRS paid preparer data, it appears that the IRS combined the preparer and preparer firm unlike TIGERS which still has it separated.

It was pointed out that some of the optional elements might cause some concerns for states. It was also noted that the "third-party disclosure" indicator is not in this area on the IRS schema while the existing TIGERS structure allows for business and individual address information. In addition, if TIGERS adopts the IRS structure is not backward compatible and will require coding for compatibility. Therefore, the group had to decide to adopt one of four options:

1. Keep current structure
2. Adopt IRS
3. Slight variation of non
4. Ask IRS to make changes to elements – States view

The group agreed to ask the IRS to adopt the TIGERS changes. A decision to make any changes to the preparer data will be determined after we hear back from the IRS. This will be an agenda item at the June Webinar meeting.

Acknowledgement – Additional Elements

The IRS has confirmed that the business and individual acknowledgements will be identical. Terry and Juanita indicated that the Filing Status on the business ack has been changed to AcceptanceStatus. This was done to reduce confusion as to the definition of the status.

Also, TIN will be used universally in place of an EIN.

The IRS will provide TIGERS with the appropriate “fill-ins” on elements that are not applicable to 1040 or make elements optional. The elements currently under consideration are:

- TaxableIncome (not applicable to 1040)
- TotalTax (not applicable to 1040)
- NetIncomeLoss (not applicable to 1040)
- ReservedIPAddressCd
- ExpectedRefundBalanceDue (1040 Only)
- DateOfBirthValidityCd (1040 Only - Optional)
- DebtCd (1040 Only – Optional in Legacy)
- PINPresenceInd (1040 Only)

Financial Transaction

The discussion centered around how best to let states restrict the schema in order to receive only the data needed to make the financial transaction requested on the filing.

Terry reviewed the options that were discussed during the February Webinar meeting.

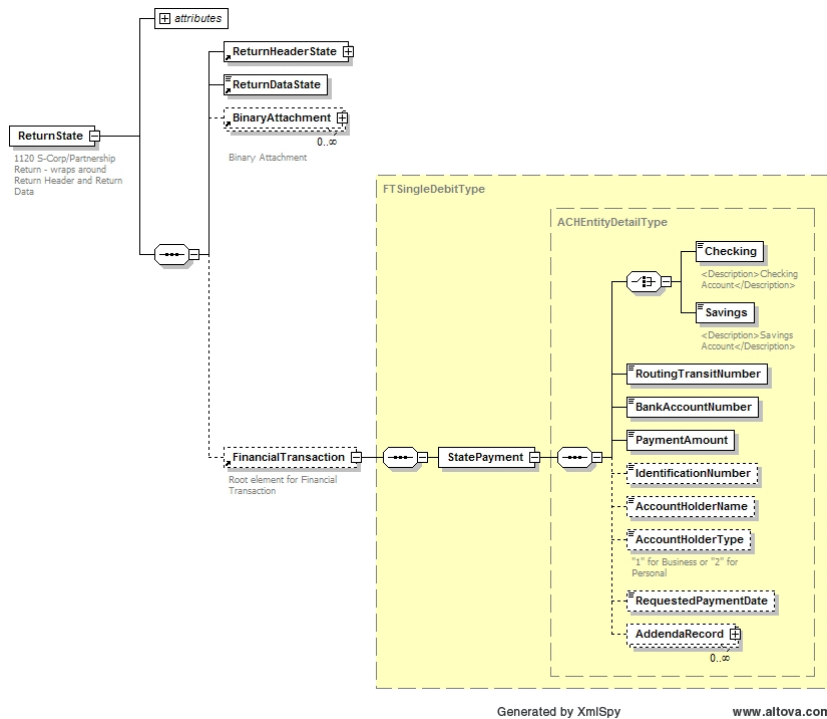
1. Restrict the payment, deposit and ach credit; this can only be done if EstimatedPayments is moved
2. Move Estimated payments to a root element and restriction
3. Keep the existing FT schema
4. Breakout each element in FT, keeping the FT as an element under ReturnState, and let states to pick and choose what works for their state. This appeared to be the preferred option, with few down sides

After many iterations of the Financial Transaction, the following structure was presented at the meeting:

- The StatePayment, RefundDirectDeposit, ACHCreditinfo and EstimatedPayments to change to efiletypes in the StateEfileTypes rather than elements with inline complex types within Financial Transactions.
- Financial Transactions as it is the structure would remain optional in the ReturnState and with FinancialTransaction as the root element. This would allow states to determine which transactions they support.

The “how to” methodology will be documented in the MeF Standards. All states are expected to follow the standards, but this process allows for greater variations and flexibility among tax types and states.

A sample Financial Transaction Structure with only ACH debit payments:



It was announced that the TIGERS core work group will put together several “plug-ins” for states to use based on their needs. These plug-ins will be documented in the MeF standards. In addition, there will be an efiletype FinancialTransactionType which contains the existing structure for those states who can use the original structure without restrictions.

Best Practices

Terry solicited for new best practices subcommittee members. Irwin Nadel from New Jersey along with Darci Wiebe of Montana agreed to work on the committee. The committee will meet on a conference call on Thursday, March 12, 2009 at 1PM Eastern Time to discuss additions and task assignments.

The committee members are: Penny Berman, Greg Martinez, Michael Rodrequiz, Irwin Nadel, Darci Wiebe and Donna Muccilli.

Some of the items which will be added to the best practices include:

- Adding to efile types and making it a best practice when appropriate
- Validation Error – X0000-005 – Schema validation
- Non-negative numbers usage
- It was noted that annotations need to be added to Efile types and in the common schemas

ERO and Software Developer’s Manuals

It was recommended that all states use the MeF Table of Contents to create their state’s Software Developer’s and ERO manuals. The table of contents provides a list of preferred topics for the manuals. It was also suggested

that states and industry review the current list to be sure that all topics are relevant. Therefore, Donna Muccilli will post the current list on the TIGERS Listserve for comments. She will email the list before April 1, 2009 for comment and update as necessary. The final document will be available by April 15, 2009 on www.statemef.com. She also cited that Kansas, Maryland, and Wisconsin have excellent examples of these publications and encouraged other states to "borrow" as a starting point for their manuals.

[Return to Index](#)

Business MeF

Terry Garber reviewed how the changes made to the individual common schemas will affect the business schemas (see 1040 MeF section for changes).

A concern was raised that business taxes would not need the same signature structure as individual income. As a result the following suggestions were made in order to reduce any burdens on the business schemas:

- Make the secondary signature optional and ignore any optional elements not needed for business signature
- Move the signature option to the header extension in individual in order to eliminate any problems in the business schemas
- Move the signature option to the bottom of the business structure

It was decided to "shelve" any changes to signature option in the business schema to see if there are any difficulties with the secondary pin entered by. An annotation "individual only" will be added to the secondary pin entered by in the SignatureOption element.

[Return to Index](#)

A discussion took place on how to handle backward compatibilities for the changes to the SignatureOption PreparerInfo, and Acks. It was determined that the changes would not be backwards compatible. Therefore, the changes will be effective as of the 2010 ATS and not recognized in the TY2008 Schemas. Since other annual changes must be made such as date, etc, adding the SignatureOption, PreparerInfo and Acks changes would not dramatically affect states.

Category-based Business Schemas

Other than Alabama, there were no other additions/changes needed to the category- based schema. Jared will work directly with Alabama to incorporate their changes and set a new version. Jared will also solicit, via the TIGERS listserv, for any additional changes before releasing the 2008 V 1.3.

Please be advised that TIGERS has set its next deadline for TY08 MeF Category-based Corporate Schema Changes for next Friday, 3/13. If you are implementing modifications and would like them incorporated into the next release of the Master Schema, please make sure to email the change request to statemef@rsimail.com by this time.

As always, all changes will undergo a brief review period before the next Master Schema version (v1.3) is released, scheduled for Friday 3/20.

1040 Federal Forms attachments

[Return to Index](#)

Recent discussions have prompted TIGERS to review how a state should include a copy of a specific federal form, such as Schedule A, in the state

filing. Although the states will use the IRS provided schemas for W-2s and 1099's, it was recommended that TIGERS not make universal schema for other federal forms.

Because each state has unique requirements, the majority of the members agreed to have each state include the specific federal schema within their state structure or develop a similar structures if the state needs a specific federal form.

TIGERS Schema Review

Terry Garber announced that nearly $\frac{3}{4}$ of the states which participate in the current Fed/State 1040 partnership program have yet to submit their 1040 MeF schemas for approval to the TIGERS Schema Review Committee.

Our experience shows that it takes at least two reviews of each state's schema before they are approved. Therefore, it is important that all states build their schemas now and submit them for approval, especially since the 1040 Fed/State program will be launched January 2010.

In order for states to understand the TIGERS' approval process, Jared Silver reviewed the process and provided methods in which to get help. For more details on the process and elements of the review, view the PowerPoint presentation at www.statemef.com.

1040 Working Group Meeting

The IRS began the 1040 Working Group Meeting with a brief overview and their plan to roll out 1040.

Beginning January 2010, Modernized Electronic Filing (MeF) will accept 1040 federal and state returns and 4868 extensions. For 2010 the expected 1040 and 4868 volume could exceed 30 million submissions. To date, current volumes are around 3 million submissions. The IRS is building out the computing infrastructure to accommodate this increased demand and will conduct performance tests to validate the new, expanded system. However, we feel it is prudent to manage the volume increases in year 2010 so that we and you have an opportunity to observe system behavior and response times under controlled load prior to opening the system to full load. In 2010 MeF and EMS will both accept 1040s and 4868s. We would like to take advantage of the opportunity these parallel systems present to implement a MeF volume management plan for the year 2010.

The 1040 Working Group Agenda included:

Transition Concerns

- Volume Management Plan
- Acknowledgement Turnaround Time

System Concerns

- Gateway and Strong Authentication Status
- Process for self-transmitting for load test

Schema Concerns

- Schemas - status of package
- ELF Field Numbers
- Schema Review Process

[Return to Index](#)

Schema Versioning
Parser Change (JAXP) – maxOccurs
Assurance Test System (ATS)
Testing (ATS) Timeline
E-File Application Changes
E-file Application
Submission ID vs. DCN

Transition Concerns

Volume Management Plan:

The plan will control volumes using a ramp-up strategy. Each transmitter will increase their 1040 and 4868 transmission to MeF over the 1040 filing period at agreed upon times and dates. The beginning volume and all subsequent increases will be based on a percentage of each transmitter's total 1040 volumes. For example if the agreed upon percentage is 10%, and the transmitter A has 1,000 1040s and 4868 to transmit on a particular day, they should transmit 100 to MeF and the other 900 to EMS or hold them for transmission to MeF on another day (still within the volume limits). The ramp-up strategy will be implemented in such a way that each transmitter can transmit 100% of their 1040 and 4868 volumes by April 15.

States will not be permitted to conduct load testing through the IRS system.

MeF will 'go-live' with 1040s and 4868s the first week in January rather than the second Friday of January.

Acknowledgement Turnaround Time:

The plan is not to change any turnaround times at first. Trading partners can anticipate getting their acks at the same time they do with EMS, at least at the beginning of MeF.

Schema Concerns

Schemas - status of package:

Schemas will be available shortly. IRS will send an email advising of the posting of the schemas.

ELF Field Numbers:

How long are the ELF Field Numbers in the MeF schema needed?
The ELF Field Number was included in MeF schemas to provide a cross-walk between the ELF Record Layouts and the MeF schemas. Once you are able to track the ELF Field Numbers to the elements in the initial MeF schema, is it necessary to update the ELF Field Number on subsequent MeF schema versions?

Parser Change (JAXP) – maxOccurs:

In order to increase efficiency of the parser when processing MeF returns:

- Any repeating group (or dependency, form, schedule, or attachment) that previously had a maxOccurs of > 100, will now be changed to Unbounded

[Return to Index](#)

- Any repeating group (or dependency, form, schedule, or attachment that previously had a maxOccurs of ≤ 100 will remain unchanged
- This change will be implemented for Processing Year 2010 (Tax Year 2009). From TY 09 forward it will be the standard - maxOccurs will either be less than or equal to 100, or Unbounded.
- This will be a minor version schema change for BMF MeF TY 2007 and TY2008 and should be implemented in July 2009
- We are also going to limit the use of LongExplanationType.

Assurance Test System (ATS)

Testing (ATS) Timeline:

- All 22 forms will be tested
 - 5 Test Scenarios for Form 1040
 - 2 Test Scenarios for Form 4868
- Scenario format will be completed forms (See 1st 3 scenarios in Pub 1436 for TY 2008)
- Test Publication will be 1436 (same as Legacy). Legacy info will be in 1st half of Pub and MeF info will be in 2nd half of Pub 1436
- Pub 1436 scheduled to post to irs.gov 30 days prior to ATS opening
- We are trying to determine if we can open ATS earlier than November 2, 2009. If it's possible, options to consider might be:
 - Open ATS early using TY2008 schemas. Re-testing would be required when TY2009 schemas are ready
 - Open ATS when TY 2009 schemas are available but prior to 1040 legacy
- Some issues we are looking at:
 - When will TY2009 form updates be available
 - Is there enough time to develop all requirements for an early ATS opening?
 - Coordinating MeF IMF and BMF ATS startup dates

State Testing

- MeF will assign the same SSNs for State returns in ATS testing as Legacy does for PATS testing.
- The same range of SSNs for federal returns will be used in ATS and PATS (400-00-1001 through 400-00-1038). Both sets of SSNs are found in Publication 1436.

E-File Application Changes

E-file Application

- For new 1040 filers, make sure to select the transmission method of MeF Internet, XML.
- If the appropriate box is not checked, the return will reject for business rule R0000-905. (Electronic Filing Identification Number (EFIN) in the Return Header must be listed in the e-File database and in accepted status.)
- *States that currently participate in MeF will not need to revise their application.*

Submission ID vs.DCN

Change: Migrating 1040 to the MeF Platform

- MeF does not use DCN. We use a 20 digit Submission ID which allows the return to be unique. This ID cannot be duplicated in MeF.
- Legacy uses DCN as a matching tool when Form 8453's are sent in without a social security number.
- Beginning January 2010 the Form 8453 will be updated to allow you to place a DCN or Submission ID on the form.
- After 1040 MeF has been fully implemented, Form 8453 will only allow the Submission ID.

TIGERS Strategic Planning Session

In order to determine the effectiveness of the webinars and "face" meetings, the group brainstormed the pros and cons and how to improve each. The feedback included:

Webinar Feedback

- Powerpoints and handouts to group prior to meeting.
- Allowed more people to attend and broaden the scope of participates
- IRS presentations materials needed to be available
- Communication logistics ok, except for Echo
- Education participants on webex chat and raise hand features
- Solicit questions prior to the event
- Comfort comes with time
- Individual call in feature rather than conference call
- Too many webinars will hurt face meetings
- Possibly target webinars versus general face meetings
- Possible webinars for education and face meetings for decision
- Side-bar opportunities at face meetings
- Concern with timely decision making
- Can encourage face meeting with strong IRS tech presentations
- Face meetings to hash out more difficult schema development
- May be easier or harder, depending on the state, to justify if full conference such as symposium or tech
- Length of conference vs travel in general may or may not be an issue
- Side-bar opportunities a plus for face meetings
- Break out sessions by topic is beneficial for scheduling staff attendance
- Spread out over multiple weeks
- Benefits to following face meeting schedule for webinars at least for 2009
- Hard to isolate yourself from day-to-day issues when in the webinar
- Look into voting capabilities in Webex
- Encourage getting away from your desk and get conference room
- Let's managers see how intensely we do work
- Low cost way to get introduction to new programs, such as FSET
- Easier to get coverage from both techie and business staff
- Lack of industry participation may have been due to time of year
- Timing would be better in November before last ramp-up if IRS support. Could be big draw for tech issues
- Critical information could reach wider audience via webinar
- TIGERS in conjunction with Software Developers conference

Terry provided the future meeting schedules – face and webinar – for remainder of year and reminded us of the need to maintain our X12 memberships. The summary of the discussion is below:

- She announced that all three X12 Trimester meetings will be replaced with Webinars. Since January has passed, she reminded us that the upcoming June and September meetings will be webinars. An invitation to attend each webinar will be sent approximately 2 weeks prior to the meeting dates.
- She also pointed out that the use of our Altova tools depends on keeping X12 memberships in good standings. Therefore, in order to use the Altova products, all fees must be paid in a timely manner.
- TIGERS will ask X12 to help sponsor the webinars in place of the face meetings.
- FTA to announce the schedule of the “june” webinar which may be held in May so that it does not conflict with the FTA Annual meeting which is held at the same time of the X12 meeting.

The group also discussed the status of the December face meeting since it will be the last chance to get together before the “go live” of Fed/State 1040 MeF. A decision was made to “table” the scheduling of the December meeting until after the June webinar. We must also consider the following issues when deciding on a December meeting:

- Last chance before MeF 1040 go live
- December – hard to get IRS/industry/states away from ATS
- December – Daily IRS conference calls will be going on
- July – drop dead time for scheduling hotel for November/December

Recently, Terry has received several comments that the statemef website needs redesigned. She further explained that the current website design was a result of having to quickly pull together the site after it was taken over by RSI for FTA. In order to make the website more friendly and usable, the members offered the suggestions and review of the current site:

- Hard to find what you’re looking for
- Schemas not posted promptly
- Difficulties determining which is newest schema version
- Need posing dates
- Archive capabilities
- Restructure in schema
- Structure maybe MeF vs Corporate/Income and separate
- Topics under resources and documents need to updated
- Organize by project on left have bar, including meeting notes
- Should be multiple paths to content where appropriate
- “new” should stay for at most one meeting, also noted that if the “new” feature was kept current, it might not be necessary to change navigation
- New should be within project like and with date
- Naming dialog box with definitions
- Color scheme
- Folks use the website
- Need to have core documents easier to find
- Confusing which levels are clickable – not consistent
- Separate meeting notes section

- Need to keep documents such as dates and contacts up to date
- Make MeF status matrix easy to find from home page

The following is the preliminary website design discussed at the meeting:

WWW.statemef.com

Home Page

Meeting/Webinar Dates

Project Direct Links- Not just projects

Standards

Best Practices

Individual

Corp

MeF State Status Page

Consolidate current multiple spreadsheets

What's New or Updated

About Us/Contact Us

External Links

Specific link to TIGERS listserv

Banner: Welcome to TIGERS (Spell out and list that subtask group of FTA)

Meetings Link

Agenda logistics for upcoming meeting

Products from past meetings

General – Date everything

Search and/or site map

MeF Landing Page

Current Schema

Link to archived schema versions

Sample State Schema (income only)

Standards Document

Best Practices Document

MeF 101

FTA Deployment and Development Process

Link to Status Spreadsheet (same as home page)

IRS MeF link

MeF Home Page

Welcome to TIGERs

HOME	PROJECTS	MEETINGS	EXTERNAL LINKS	ABOUT US
------	----------	----------	----------------	----------

Welcome to the TIGERs development web site.

Upcoming Meetings/Webinars

- Webex meeting June 2009

What's New

- FSETv3.3 (4/2/2009)
- Minutes from February Webex meetings (3/1/2009)

Projects

- MeF – Fed/State Modernized eFile
- FSET – Fed/State Employment Taxes
- Motor Fuel
- FER – Sales Tax Full Electronic Return
- Streamlined Sales Tax

Resources

- MeF Status Page

MeF Project Page

Welcome to TIGERs

HOME	PROJECTS	MEETINGS	EXTERNAL LINKS	ABOUT US
------	----------	----------	----------------	----------

MeF (Modernized eFile Project)

Brief description of project could go here.....

Current Schemas

- Individuals v1.1 (3/1/2009)
- Business v1.2 (3/1/2009)
- Business Category Based
- Sample State Schema
- Schema Archive

Documents and Resources

The group also discussed the TIGERs “white-paper” review and suggestions for improvements. The documents include:

1. Deployment Team Requirements
2. MeF 101 – the seven steps
3. Standards
4. Best Practices
5. Schemas

6. Schema review powerpoint

7. State status

Suggested improvements include:

- Need annual review of documents for things that might have changed.
- MeF 101 main purpose is training across organization
- MeF 101 may sunset when EMS sunsets
- Note that industry can also benefit from MeF101
- Need clear responsible for all products
- Need TOC/index of documents – what to look at first, what the document used for
- Look and update “efile development process”
- Include links to key IRS documents
- Expand sample state coverage across programs

Another topic discussed during the strategic planning session was MeF 1040 outreach and the level in which to conduct the outreach. Below is list that identifies critical elements of any outreach efforts:

- Timing is important – industry may or may not pick up states after the start of season
- Can we find out which industry players are coming up and when
- Industry trying to minimize the need to support dual systems
- Easier to let someone else find problems
- Chicken and egg relationship between industry and state
- Response time is still key advantage of MeF , but IRS not committing SLA at this time
- Error messages may be another advantage
- Selling points for MeF
 - States gets more audit data with MeF
 - Year round filing
 - Prior Year Returns
 - Binary attachments
 - Amended returns
- Take advantage of ramp up – year 3 you will get full volume
- Difficult for industry to implement 40+ states at one time
- State mandates complicate the picture for industry
- How can states reach external partners, such as CPAs
- Regs differ state to state as to ERO processes
- Try to get commitment from states for schema review
- Leverage calls/webex to assist states on specific how-tos
- Get IRS to refer practitioners to TIGERS for state issues

Motor Fuel

Terry began this session by thanking the Motor Fuel working group (Larry Hanson, CA BOE, Doreen Warren, ID DOR, Stan Whaley, FL DOR and Cheryl Gilson, ZyTax) for all their hard work and the tremendous efforts they put forth to design the modernized version for Motor Fuel. She then turned the meeting over to Stan Whaley.

Stan indicated that Motor Fuel group presented the modernized designed at the Motor Fuel Draft Meeting. At the January meeting, the committee gave agreement on mandatory and optional elements. Stan’s powerpoint presentation can be viewed on statemef.com.

In addition, Stan reviewed the current schemas. The review consisted of identifying elements and schema structures that need to be changed to be consistent with MeF and those which need to remain unique for Motor Fuel. Some of the unique elements include:

- Type of Filing
- Canadian Business Number
- StateLicenseNumber (optional)
- Many of the enumerated lists are available for states to specify
- NoActivity (CHECKBOX)
- AmendedReason at report level at the request of some states
- TerminalCode Number is alpha numeric to sync with the IRS for bifuels, ect.
- State/Province (Mandatory)
- DiversionNumber
- PositionHolder
ExchangePositionHolder
- RetailerReportDetails
- MeterReading

Some elements which may need to be unified include InCareOf element.

Stan reminded us that the measurement and currency basis of Motor Fuel reporting is dictated within a given report. For example, gallons and liters cannot be used within one report; it must be one or the other.

One unique structure element is that Motor Fuel does not allow for binary attachments.

Next Steps for schema development team:

- Add annotations
- Determine if MFSignatureType is still required
- Determine which elements in the header can be tweaked
- Work with TIGERs to update the Motor Fuel Schemas with the MeF standards (Header, Financial....)
- Request formal TIGERs involvement with finalizing the Draft Version of the Fuel Schema(s)
 - Larry Hanson has been primary XML resource, but limited availability at this time
 - How “true” do we stay to the MeF library.....example:
Return Header
- 2009 E-commerce Guide Development
- XML doesn’t become true production until it’s implemented by a state
- Other work products needed for 2009 guide
 - Provided by Uniformity Ecommerce Committee.
- Web Services vs existing HTTPS and FTP protocol.
 - What needs to be provided for Uniformity Guide

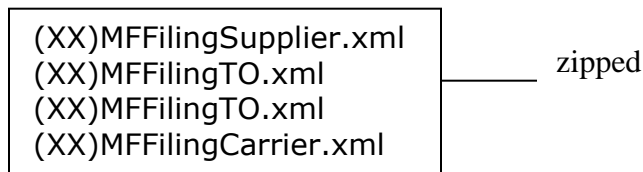
It was discussed that there is no need to include the schemas in the guide. Rather it was recommended that the guide point to the schemas on the MeF state website rather than have the entire schema retyped for state use.

- Publish how to use the MF schemas in the Manual
- Keep current schema version on statemef.com
- Stan - XML Pad for MF users
- Review header and FT for uniformity/changes for Fuel and make changes
- It was recommended that these could be changed for uniformity among MF, FER, FSET that could be a non-MeF header

Stan indicated that one state has been identified as possibly being able to implement using schema format. It was recommended that TIGERS solicit states to be a pilot state for the new program.

It has been recommended that MF look at the FSET gateway and consider adoption, with possible modification, and use the zip archive approach for packing the transmission because it is web service that can handle FTP or Moderized.

The packaging with the addition of the state (xx) abbreviation:



All changes will be incorporated for May Motor Fuel meeting and anticipate having guide ready for distribution by September.

FER

Terry began the FER session by thanking John Glaubit and David Rossing of Vertex for all their hard work and the tremendous efforts they put forth to design the FER structures.

John and David proceeded to provide an update on the schema development and reviewed the FER structured with the group. As of this meeting, all outstanding issues identified in Tucson had been resolved.

Most changes are in the SalesOrUseTax and include:

Jurisdiction code changed to include type and all are optional

Type Attribute identifies county, state, etc.

Issuer Attribute of the code such as a tax authority, fps or GNIS

Always monetary based

TaxType Attributes which is state specific such as state, tribal, city

InternalCode - Can be used to identify business class code/ type of business,s or county code/type of tax

TaxBasis, BasisType - used to identify out of state purchases, gross amounts

Conceptually, structure works. But it was suggested it could be made simpler for some states or change naming of some elements. For example, a suggestion was made to make TotalTaxDueAmount within the jurisdiction loop.

In addition, it was suggested that for a consolidated return there would only be one instance if the location ID field is added to current schema while

removing LocationsSubsidiaryFiling and add FilingType which now identifies a consolidate, individual, or location.

The FER schemas will be published by June on the State MeF website and TIGERS will invite states to comment.

Terry Garber reviewed the recent changes to the header elements by the IRS to determine if the FER schemas could be synced with the other modernized headers.

David agreed to compare the IRS/Moderized Header changes to the FER header to determine the best method in which to adopt the header changes. David will make his recommendations at the next meeting.

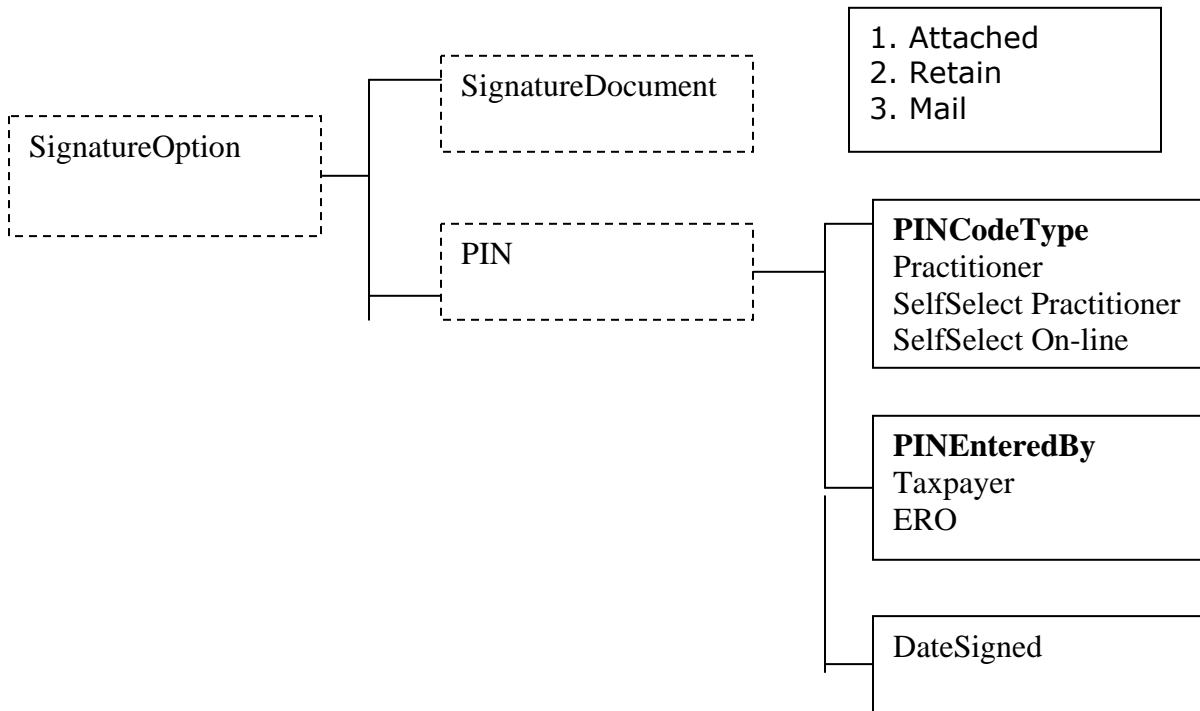
Terry reviewed the Business ReturnHeaderState in order to determine how the FER could/not sync. It was determined that TaxYear which is mandatory could present a problem for MF, FSET, and FER. Other elements that could also present a problem were identified such as:

- ISPNumber
- Originator
- SoftwareID
- Consolidation of Preparer Firm, Preparer, and the mandatory Originator element.

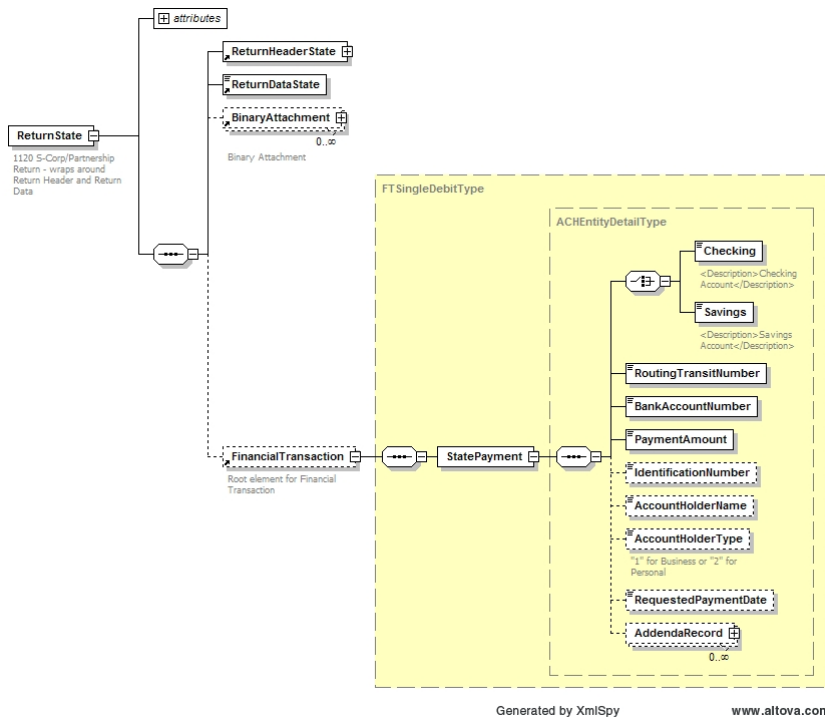
It was suggested that there may be a need for an alternative header structure for Motor Fuel, FER and FSET since several elements in the business return header are not need for the aforementioned taxes. The elements are: ISPNumber, TaxYear, and make Originator optional. It still needs to be determined what, if any of the preparer information is needed in an alternate header. Rather than removing the preparer information, it was suggested that the preparer element be made optional in the alternate header. Other elements that could be made optional if an alternative header is developer are:

- SoftwareID.
- PaidPreparerInformation
- NameControl
- EIN

A review of the newly created SignatureOption structure was reviewed for use in FER. The new structure is illustrated below.



Terry also reviewed the changes made to the financial transaction xsd.



It was determined that at first blush that the new Financial Transaction structure will work for FER. As a result, Terry will send the changes to David and John to incorporate and refine the FER schemas.

As a result of the need for revisions to the FER schema to sync with the new modernized changes, it was decided to have an interim call in approximately 3 weeks with the FER Core team prior to release to all.

FSET

Terry Garber welcomed the new arrivals for the FSET meeting and those members from NACTP. She reviewed the day's agenda and the anticipated accomplishments for this meeting. Terry also introduced Pat Demsey from the Social Security Administration.

Pat provided a high level overview of their modernization project which is only in the very early stages of development.

Pat also briefed us on the potential changes to SSA reporting based on the President's Fiscal 2010 budget request. The budget plan hints at a change to the frequency of wage reporting to enhance program integrity and to work with the state to reduce the reporting burden. What he also noted, that even though it is in the president's budget, it may not get passed. Also, we don't know the position on the president's agenda. And, as such, SSA is continuing on the path to redesign the earnings reporting system.

Pat plans to document today's program vs. future programs along with the implementation plans. The plan will include moving towards XML format including advantages and features. He will also advocate that SSA work with TIGERS and FSET group to:

- Adopt and help develop TIGERS schemas and standards
- Disseminate information to states

The following items might require legislation in order to implement:

- Line item budget
- Make it more detailed plan and implementation
- Possible single point of submission
- Work closely with IRS, FTA, etc.

In order to assist Pat, industry has agreed to help to create a whitepaper which supports XML and Terry Garber will provide the background support of how the Fed/State MeF program was conceived.

At this point, Terry turned the meeting over to Faye Shea of Intuit.

Faye presented an update of the FSET Working Group and a review of the work completed since the December meeting held in Tucson and the Webinar in February. She listed the goals of the group which included:

1. General Schema review, including alignment with MeF
2. Packaging
 - o Support for FTP and Web Services
 - o Allow transmission packaging to support larger service providers
 - o Support for Acknowledgements
 - o Support for PDF attachments
 - o The Question of a Manifest
3. New Hire and Contractor Reporting
4. Enrollment and Data Exchange Schema Updates

5. Gateway update
 - o Need for new service to support Data Exchange Response
 - o Progress on creating a Reference WSDL for use in developing a Web Service solution
6. Accompanying documentation
 - o Including Standard Error messaging

During the presentation, it was noted that the group has worked to align the 4.x version with the MeF schemas of the other tax types. However, it was noted that since FSET is not a true MeF product, that some "elements" will differ such as the elimination of the manifest. See the Working groups presentation for all the details on packaging, gateway develop and binary attachments at www.statemef.com.

Also discussed was the exchange of data between the states and industry which is currently done by a variety of methods. In the FSET arena, the data exchange will occur electronically. As such, requirements and schemas were developed and presented during this session. The requirements are:

1. Provide ability to send separate data exchange requests
This could be required for agencies with multiple back-end systems (Today CA has 3 separate data exchange formats), or for WH data vs. UI data
2. Determine optimal schema format to allow:
Only required fields to request data to be sent to agency
Separate Request and Response elements
3. Allow for repetition of Request elements in Response – while minimizing complexity of maintenance (if the tags are changed in either it is changed for both)

In addition to the requirements, a proposal was made to add three optional elements for use by the states; they are:

- EFT, Rates, and Applied for

If Agency chooses to use the tags, implementation documentation will provide instructions on how to populate this field and what fields will be returned for each option.

The working group also recommended that there would be two schemas for the data exchange; they are:

1. RequestExchangeDataState.xsd
Contains only the elements to be sent when sending a request
2. ResponseExchangeDataState.xsd
Includes RequestExchangeDataState.xsd as well as all possible response elements

A review of the packaging (see presentation for XML diagram) of a return was conducted and the working group recommended the following services which was attendees also approved:

- Support for FTP and Web Services
- Allows for Transmission packaging to support larger service providers
- Support for Acknowledgements
- Support for PDFs (if required by state)

The working group listed the following items as closed for release 4.X

- Packaging - folders

The working group will reopen dialog if there is a need for the gateway to handle submissions through one gateway to send to other agencies in the state. In addition, if we extend the gateway to support this, it may reopen the question of the manifest.

Items still open and need to be resolved before the release of version 4.X

- Recommendation for Standardized error messages
- Recommendation for Supporting documentation

The working group identified the following action items some of which were completed prior to this meeting:

- State Contractor Schema name too long – can't be longer than 30
- Verify persontype is consistent with other 4.x schemas in New Hire and contractor reporting
- Location of submission id on various schemas
- Working group to discuss, document both options and send with pros & cons for group vote
- Creation of 'Reference' WSDL for state use
- Documentation for implementation
- Update WSDL recommendation to reflect decisions
- Include supported services
Name for new services
GetResponse, GetNewResponse
- Document Mandatory vs Optional Services
For example ChangePassword may be optional
- How to implement Gateway
- Include flowchart of how the process works
- Include 'Lessons learned'
- Get Submission Services

Richard, Faye and Scott have volunteered to work on the action items, but more volunteers are needed. If you are interested in helping with this project, please send an email to Terry Garber at garbert@sctax.org.

If any state is ready to implement 4.x or working with a vendor to implement 4.X before Orlando, please contact Fay or Richard for assistance before finalizing your release.

It was discussed that it may be necessary to have an interim webinar before the June meeting to be able to be published the 4.x version of the schemas in June. However, no date was selected during the meeting. An announcement will be forthcoming via the TIGERS listserve.

Faye, noted that she believes the schemas are ready for publishing and will contact Iowa to work with them on developing their schemas. Iowa

anticipates conducting beta testing beginning in August/September timeframe through 2010.

Jonathan suggested that a justification be developed to send to the state's workforce (employment) agencies to get their participation to embrace the standards TIGERS has developed. It was suggested that one method would be to reach out to the National Association of State Workforce Agencies (NASWA). Collectively, the two organizations NASWA and TIGERS could get the message out to the UI states and industries.

Another method was to request that Pete Isberg of ADP add FSET information to his presentation for the upcoming national payroll service providers conference. In addition, request that the NASWA Executive Director and Jim Eads, FTAs Executive Director, begin a dialog about FSET and to consider a strategy toward migration to FSET.

After Faye's presentation, Terry reviewed the v4.x to identify the changes made since the February webinar and how to use the each schema.

In addition she reviewed the new complex type in the header of the MeF schemas now that the IRS has finalized the MeF header schema in order to determine whether or not to adopt the signature option or to develop an alternate header such as adopted by MF and FER.

Faye identified that a few more elements are needed for FSET, such as title. Also, she suggested to make those elements optional as it is in the ReturnSigner level.

Richard has asked whether or not it needs to be added to the 4.x version at this time since we are so close to publishing 4.x?

Faye suggested that we keep the header changes for another version since it is nearly complete, while Terry wants to add it now rather than changing a month after the release as long as TIGERS publishes the new header with the signature option within the next week 10 days. Terry also pointed out that the new signature option element is not backward compatible. Generally, California didn't feel the signature option would impact them. However, this will be an action item to resolve prior to the 4.x release by the FSET working group.

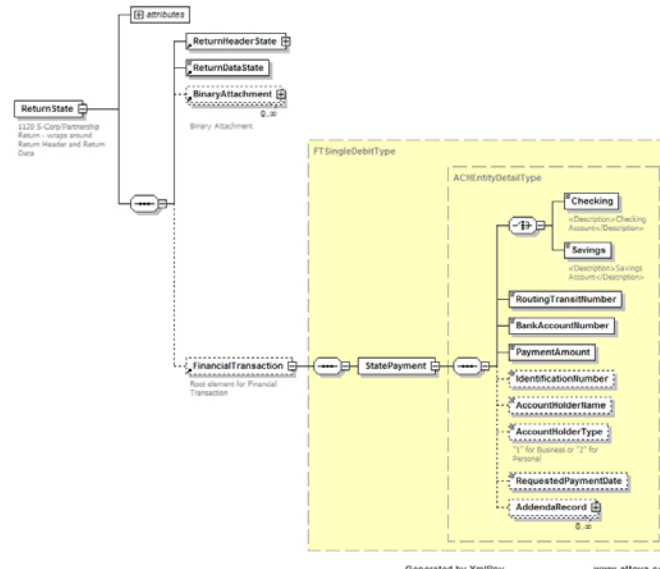
Also the group will need to consider the changes to the preparer element to unify with the new MeF header. Additionally, SoftwareID, InternetProtocolType, StateEIN and Extension changes will need to be revised in the FSET schemas.

Another task the group must undertake is to determine if the new Financial Transaction structure being adopted for other taxes can be incorporated into FSET. In the new structure, the StatePayment, RefundDirectDeposit, ACHCreditinfo and EstimatedPayments change to efiletypes in the StateEfileTypes rather than elements with inline complex types within Financial Transactions.

Financial Transactions as it is the structure would be optional in the ReturnState with FinancialTransaction as the root element. This would allow states to determine which transactions they support.

The “how to” methodology will be documented in the MeF Standards. All states are expected to follow the standards, but this process allows for greater variations and flexibility among tax types and states.

Sample Financial Transaction Structure with only ACH debit payments:



A review of the FSET ack file in the working v4.x was conducted. There are a few issues in this ack schema including the mandatory EFIN. Therefore, consideration is being given to modify the FSET ack and incorporate any changes compatible with FSET from the current IRS ack version. Such as changing filingstatus to accepted status.

There maybe a need for a confirmation number element in the FSET ack.

Check to determine if IRS provides a confirmation number when filing the return 941. Although there is no confirmation number in the current schemas, industry does see value in adding it to the ack. – action item.

Once Faye receives the updated header schemas from Terry, the working group will incorporate as much as possible. The new schemas will be posted to the website for comments.

The FSET group offered their desire to improve the website and made the following suggestions for the FSET Landing Page:

- About Us, What is FSET and What is TIGERS
- Selling FSET advantages and features
- Overview of Recorded Webinar
- Meeting Schedule
- Working Groups, Goals, and Who is on the working groups
- Change Request Process
- FAQs for States and Industry
- FAQs for new developers
- Contacts for existing states v 4.0

Vendor participation list
Action Items which need to be completed (hidden), possibly password protected
Meeting Minutes
Schemas
Identify Data exchange, gateway, and reporting schema
Business Model
State Participation listing
Comment Section is needed
Case Study – lessons learned
Sample Schemas
Implementation Guide – include Faye/Richard Document

The group wants to reach out to states that are not yet participating in FSET; however, it was decided to wait until the web is updated and 'white papers' are created before any marketing efforts are scheduled.

[Return to Index](#)