

2023 Tax Software Provider Letter of Intent

Welcome to the Income Tax Letter of Intent (LOI). If your software company intends to submit electronic and/or paper returns to the **Virginia Department of Taxation (Virginia Tax)**, you will need to complete this form and submit it to **vendors@tax.virginia.gov**. We may reject an incomplete Letter of Intent.

By submitting this Letter of Intent (LOI) to Virginia Tax, you agree to meet our standards for software provider registration, tax preparation software, and substitute forms. If you do not meet the standards and requirements explained in this LOI, we may deny your application or revoke your approved software provider status and reject all electronic and/or paper returns submitted using your products.

You must complete a separate LOI for each unique product your company offers.

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.

Important dates

Virginia Tax has important key dates to ensure we are ready for the filing season and taxpayers can file an accurate and timely tax return. Please note the following key dates:

- Complete and submit this LOI by **November 1, 2023**.
- LOI approval will be completed by **November 15, 2023**.
- Assurance testing (ATS) begins **November 8, 2023**.
- 2D Barcode Substitute Forms testing begins **November 8, 2023**.
- ATS submissions must be in an "accepted" status by **January 31, 2024**.
- Last day to submit substitute forms test packages is **January 8, 2024**.

Check if this is an amended Letter of Intent

Amended LOI	Why is this LOI being Amended?

Company information

List your company information.

Name of Company	Product Name	State Software ID
DBA Name	NACTP Vendor ID	State Tax Account Number (if applicable)
Address	Product Address/URL	Company FEIN
City	State	Zip Code

List all other product names using the same calculation engines here:

IRS issued electronic identification numbers

List your IRS electronic identification numbers.

Test EFIN(s)	Test ETIN(s)
Production EFIN(s)	Production ETIN(s)

Contact information

List the contact information for each area identified.

Regulatory/Compliance Contact	Phone	Email Address
Primary Individual MeF Contact	Phone	Email Address
Secondary Individual MeF Contact	Phone	Email Address
Primary Business MeF Contact	Phone	Email Address
Secondary Business MeF Contact	Phone	Email Address
Primary Fiduciary (Estate/Trust) MeF Contact	Phone	Email Address
Secondary Fiduciary (Estate/Trust) MeF Contact	Phone	Email Address
Primary Leads Reporting Contact	Phone	Email Address
Secondary Leads Reporting Contact	Phone	Email Address

Substitute Forms Registration

NACTP 4 Digit Vendor Code		
Primary Individual Forms Contact	Phone	Email Address
Secondary Individual Forms Contact	Phone	Email Address
Primary Business Forms Contact	Phone	Email Address
Secondary Business Forms Contact	Phone	Email Address
Primary Fiduciary (Estate/Trust) Forms Contact	Phone	Email Address
Secondary Fiduciary (Estate/Trust) Forms Contact	Phone	Email Address
Note: If you have separate contacts for each business tax type, please list them by tax type on a separate sheet and attach it to this submission.		

Software products and tax types supported

It is assumed that the below responses apply to all supported tax types. If there are exceptions, list them in the Software Limitations Section on Page 7. Check all that apply.

Type of Software Supported	
DIY / Consumer (Web Based)	
DIY / Consumer (Desktop)	
Professional / Paid Preparer (Desktop)	
Professional / Paid Preparer (Web Based)	

Does your software support unlinked state returns? (e-File Software only)	
Yes	
No	

What tax types does your software support?		
Individual Income Tax	E-file	Substitute Forms
Corporate Income Tax	E-file	Substitute Forms
Pass-Through Entities	E-file	Substitute Forms
Fiduciary Tax	E-file	Substitute Forms

Rebranded Software Products

Complete this section only if your product is rebranded.

For software to be considered rebranded, changes cannot be made to the software requirements and output(s). As the Software company selling and/or licensing 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
Rebranded Product Name	ETIN (if applicable)	Contact Person	Phone	Email Address
Rebranded Product Name	ETIN (if applicable)	Contact Person	Phone	Email Address

Attach additional sheets if needed.

For Rebranded Products, Virginia Tax has the following requirements for substitute forms and/or e-File ATS approval:

- ReBranded Products are not required to test providing no changes to code base, NACTP ID or Software ID in rebranded software submissions

e-File Mandates and Requirements

Virginia Tax has the following electronic filing mandates:

- Paid tax preparers who prepare 50 or more individual income tax returns. If a tax preparer prepares 50 or more returns in a taxable year, for each year after, all individual income tax returns must be e-Filed.
- Individuals are required to file and remit payment using an electronic medium if any of the following thresholds apply. This includes all payments for estimated taxes, extensions of time to file, and any other amounts due when a return is filed.
 - Any installment payment of estimated tax exceeds or can reasonably be expected to exceed \$1,500.
 - Any payment made with regard to a return or extension of time to file exceeds \$1,500.
 - The taxpayer's estimated total tax liability exceeds \$6,000. If any of the thresholds above apply to you, all future individual income tax payments must be made electronically.
- Corporations and Partnerships must submit returns and payments electronically.
- Fiduciary returns must be submitted electronically. Due to the complexity of the fiduciary financial makeup, payments are exempt from the mandate.

Forms and Schedules Supported (Check all that apply)

Place a checkmark in the box next to each form to indicate that your software product supports the Virginia return/schedule/feature within your software. The forms listed are forms that Virginia Tax requires to be submitted for review and approval.

Virginia Tax requires software companies to support **print** versions of any return or schedule that is **supported within e-File**.

If the software product only supports a basic version of tax return and does not support the more complex schedules, do not place a check mark in the e-file column. Leaving the box empty indicates that the schedule is not supported within the product.

INDIVIDUAL INCOME TAX					
Forms & Schedules	Virginia Description	e-File	Sub Forms		
760(CG)	Individual Resident Tax Return – Substitute Form				
Schedule INC/CG	Substitute Form for Reporting Withholding				
760ADJ	Schedule of Adjustments				
760ADJS	Supplemental Schedule of Adjustments for Forms 760 and 763				
Schedule A	Itemized Deductions				
760C	Underpayment of Estimated Tax by Individuals, Estates, and Trusts				
760F	Underpayment of Estimated Tax by Farmers and Fisherman				
760PY	Part-Year Resident Income Tax Return				
760PY ADJ	Schedule of Adjustments				
760PY ADJS	Supplemental Schedule of Adjustments for Form 760PY				
760PY Sch. of Income	Schedule of Income				
763	Non Resident Income Tax Return				
763ADJ	Schedule of Adjustments				
763-S	Special Nonresident Claim For Individual Income Tax Withheld				
765	Unified Nonresident Individual Income Tax Return				
Schedule CR	Credit Computation Schedule				
Schedule FED	Schedule of Federal Information				
Schedule L	Schedule for List of Participants (per 765)				
Schedule OSC	Credit Paid to Another State				
Schedule VAC	Virginia Contributions Schedule - Virginia 529, ABLE and Voluntary Contributions				
Schedule HCI	Health Care Information Schedule				
Schedule VACS	Supplemental Contributions Schedule for Virginia 529 and ABLE Savings Plans				
760ES	Individual Estimated Income Tax Payment Voucher (With Return)				
760ES	Individual Estimated Income Tax Payment Voucher (Stand-Alone Payment)				
760IP	Individual Automatic Extension Payment Coupon				
760-PMT	Individual Return Payment Coupon				
760-PFF	Individual Return Payment Coupon – Farmer/Fisherman/Merchant Seamen				
CU-7	Consumer's Use Tax Return For Individuals				
502FED-1	Virginia Partnership-Level Federal Adjustments Report				
INDIVIDUAL INCOME TAX – CHECKBOXES & FEATURES					
	e-File	Sub Forms		e-File	Sub Forms
Binary / PDF Attachments			Head of Household		
1099-G Retrieval Indicator			Name or Filing Status Change		
Address Change Indicator			Overseas When Due		
Amended Return / Amended Reason Codes			Paid Preparer's / Preparer's Information		
Authorization to Discuss with Preparers			Payment by Bank Debit		
Deceased Return			Payment by Credit / Debit Card		
Dependent on Another's Return			Qualifying Farmer / Fisherman / Merchant Seaman		
Form 1310			Exception Met Checkbox [Schema only, Sch ADJ]		
Healthcare Coverage Indicator					
760C/F Indicator (calculates addition to tax)					

WAGE STATEMENTS

Forms	Description	e-File	Sub Forms	Forms	Description	e-File	Sub Forms
W-2	Wage & Tax Statement			1099-G	Certain Government Payments		
W-2G	Certain Gambling Winnings			1099-INT	Interest Income		
1099-B	Income from Broker / Barter Exchange			1099-MISC	Miscellaneous Income		
1099-DIV	Dividends & Distributions			1099-OID	Original Issue Discount		
1099-K	Payment Card & 3 rd Party Network Transactions			1099-R	Income from Retirement / Pensions / Annuities , etc.		
VK-1	(VA Form) Owner's Share of Income & Virginia Modifications & Credits			1099-NEC	Nonemployee Compensation		

FIDUCIARY INCOME TAX

There is an electronic filing mandate in place for tax preparers, but there is no mandate to make payments electronically.

Forms & Schedules	Virginia Description	e-File	Sub Forms
770	Estates, Trusts & Unified Nonresidents Tax Return		
770ES	Estimated Fiduciary Tax Payment Voucher (770)		
770IP	Automatic Extension Payment Voucher (770 & 765)		
770-PMT	Return Payment Coupon (770)		
502FED-1	Virginia Partnership-Level Federal Adjustments Report		

FIDUCIARY INCOME TAX – CHECKBOXES & FEATURES

	e-File	Sub Forms
Binary / PDF Attachments		
Amended Return / Amended Reason Codes		
Charitable Remainder Trust		
Grantor Trust		
Qualifying Farmer / Fisherman / Merchant Seaman		
760C/F Indicator (calculates addition to tax)		
Add Back of State and Local income tax Paid by a PTE Indicator		

CORPORATION INCOME TAX

Forms & Schedules	Virginia Description	e-File	Sub Forms
500	Corporation Income Tax		
500A	Corporation Allocation and Apportionment of Income Schedule		
500AB	Schedule of Related Entity Backs and Exceptions		
500AC	Schedule of Affiliated Corporations Consolidated and Combined Filers		
500ADJ	Schedule of Adjustments		
500ADJS	Supplemental Schedule of Adjustments		
500AP	Modified Apportionment Schedule (VEDP Companies)		
500C	Underpayment of Estimated Tax by Corporations		
500CP	Corporation Automatic Extension Payment Coupon		
500CR	Credit Computation Schedule		
500EC	Electric Cooperative Modified Net Income Tax Return		
500EL	Electric Suppliers Corporation Minimum Tax and Credit Schedule		
500ES	Corporation Estimated Income Tax Payment Voucher		
500FED	Schedule of Federal Line Items		
500HS	Home Service Contract Provider Tax Computation Schedule		
500MT	Electric Cooperatives Minimum Tax and Credit Schedule		
500NOLD	Corporation Application for Refund-Carryback of NOL		
500T	Telecommunications Companies Minimum Tax and Credit Schedule		
500V	Corporate Income Tax Payment Coupon		
502FED-1	Virginia Partnership-Level Federal Adjustments Report		

CORPORATION INCOME TAX – CHECKBOXES & FEATURES

	e-File	Sub Forms	e-File	Sub Forms
Binary / PDF Attachments				
Amended Return / Amended Reason Codes				
Certified Company Apportionment				
Consolidated Return				
Internet root infrastructure VEDP Checkbox (500A)				
Property and analytics firm VEDP checkbox (500A)				

PASS-THROUGH ENTITY			
Forms & Schedules	Virginia Description	e-File	Sub Forms
502	Pass-Through Entity Return of Income & Return of Nonresident Withholding Tax		
502A	Multistate Pass-Through Entity Allocation and Apportionment of Income		
502ADJ	Schedule of Adjustments		
502ADJS	Supplemental Schedule of Adjustments		
502FED-1	Virginia Partnership-Level Federal Adjustments Report		
502FED-2	Virginia Partnership-Level Federal Adjustments Report		
502V	Pass-Through Entity Tax Payment Voucher		
502 VK-1	Owner's Share of Income and Virginia Modifications and Credits		
502 SVK-1	Supplemental Schedule of Owner's Share of Virginia Modifications		
VK-1 Consolidated	Reporting of Multiple Owners' Shares of Income & VA Modifications & Credits		
502W	Pass-Through Entity Withholding Tax Payment Voucher		
502PTET	Pass-Through Entity Elective Income Tax Form		
502PTET ADJ	Pass-Through Entity Elective Income Tax Schedule of Adjustments		
500C	Underpayment of Estimated Tax (PTET only)		
PASS-THROUGH ENTITY – CHECKBOXES & FEATURES			
Binary / PDF Attachments			
Amended Return / Amended Reason Codes			
Certified Company Apportionment (with 500AP)			
Property and Analytics Frim VEDP checkbox (502A)			
PTE is required to make withholding payments for nonresident corporate owners checkbox (502PTET)			
Internet root infrastructure VEDP Checkbox (502A)			

Software Limitations Section		
<p>Specify any other software limitations related to the Virginia Forms and Schedules that exist beyond the Forms and Schedules Supported section (Pages 5– 7). If there are additional limitations after completing the LOI, please provide it before you submit ATS testing. Are there any differences in the forms you support based on the type of software? If yes, please explain those differences.</p> <p>If the software does not support all checkboxes, additions, subtractions, deductions, credits, contributions, etc. - list what is not supported for a particular form / schedule / feature. Furthermore, if there were any exceptions to your responses in the Software products and tax types supported section (Page 3), list them below in the right-hand column.</p>		
#	Form / Schedule / Feature / Checkbox	Description of Limitation for e-File Product
1		
2		
3		
4		
5		
6		
7		

Agency Requirements

This section identifies agency requirements and expectations of new and existing Software Providers and the software product(s).

Software Provider agrees to:

- Notify Virginia Tax immediately when errors in their software affect Virginia taxpayers.
 - Critical errors will be resolved within 5 business days.
 - Non-critical errors will be resolved within 10 business days.
 - If software provider is unable to resolve a critical error within the specified timeframe proactively notify Virginia tax the projected error correction date. Virginia Tax may temporarily suspend accepting and processing returns until a response is received and/or the error is resolved.
- Respond to Virginia Tax immediately when contacted about potential errors in their software that may affect Virginia taxpayers.
 - Acknowledge receipt of the notification and provide a projected timeframe for response.
 - Notify Virginia Tax when the problem is resolved and upon request and additional information (i.e. how long the problem existed, number of affected Taxpayers, etc).
 - Provide timely software updates and technical support to their Virginia customers.
- Notify Virginia Tax if any forms and/or payments you support are not ready after agency approval. Submit this information via email to vendors@tax.virginia.gov and include the date the electronic or paper product will be ready to submit.
- To the extent that a critical error is found that negatively impacts Virginia taxpayers and is directly and solely caused by the tax preparation software, the software provider will immediately notify Virginia Tax and all affected taxpayers to find appropriate solutions and mitigate the impact of the error.
- Notify customers of minimum computer and print settings needed when submitting forms and payments either electronically or on paper for processing purposes.
- Abide by the following testing standards.
 - Prior to the opening of IRS' e-File, the software provider will provide Virginia Tax with either a "beta" version (ex. CD), access to their online tax preparation program, provide a specified list of screenshots, or provide a demonstration of the product that allows the review of user screens, interview questions, messaging, final submission screens and printing substitute forms. Work directly with Virginia Tax staff to satisfy testing requirements in a timely fashion.
 - Submit ATS and paper forms test returns within the test timeframes detailed in the section below. Exceptions may be considered on a case by case basis.
 - Create tax returns that incorporate all the criteria detailed within each test scenario provided by Virginia Tax.
 - Not transmit returns before successfully completing all required testing, demonstrate sufficiently to Virginia Tax an end-to-end test was administered successfully and Virginia Tax approval has been issued.
 - Software providers with previous history of issues with their products in Virginia may be required to perform a more rigorous testing methodology to validate the adequacy of their product. Virginia Tax reserves the right to deny access, hold returns or disallow transactions from moving through our system until adequate testing is completed and approval is granted.
 - While every effort will be made to be flexible during the testing window, Virginia Tax reserves the right to decertify the participation of a software provider if testing is inadequate, not completed timely or continues to be a strain on Virginia Tax testing resources.
- Develop substitute tax forms in accordance with the Virginia Substitute Forms Guidelines and Standards for Formatting, Content and Approval and the 760CG Exact Positioning 2D Barcode Specifications issued by Virginia Tax and agrees to:
 - Submit all required computer generated Virginia forms to Virginia Tax for testing and approval.
 - Not allow forms to be printed from software until fully approved by Virginia Tax.

Software Provider agrees to (cont'd):

- Adhere to all specifications in Virginia publications:
 - Virginia e-File Guides
 - Virginia Substitute Forms Guidelines and Standards for Formatting, Content and Approval
 - 760CG Exact Positioning 2D Barcode Specifications (Individual income tax only)
- Adhere to schema requirements included in the authentication and return headers.
- Withhold advertising Virginia's acceptance of their software, until Virginia Tax's certification process is complete and formal authorization is received.
- Not promote, accept or process Virginia Tax returns, until Virginia Tax's certification process is complete and formal authorization is received.
- Appropriately and timely respond to changes requested by Virginia Tax throughout the filing season to include, but not limited to, providing a projected implementation date, identifying and addressing adversely affected accounts, Corrective Action Plan (CAP) as required, and messaging to Taxpayers for agreed upon changes.
- Not use any branding logo or trademarks of Virginia Tax without the expressed written consent from Virginia Tax.
- Withhold messaging that insinuates Virginia Tax is not open for testing submissions when software has not been approved, when in fact Virginia is actively reviewing test submissions.
- Retrieve the acknowledgments within 2 business days of Virginia Tax's transmission of those acknowledgements and agree to send to the taxpayer within one business day of receipt.
- Acknowledge product review results for individual income tax DIY products within 10 business days.
- Ensure all ATS tests during the approval process are created in and originate from the actual software.
- Ensure that all electronic returns received by Virginia Tax that are generated from this software will be electronically filed from the initially approved product version, or a subsequent product update.
- Seek and obtain Virginia Tax's approval prior to the delivery of any messaging that includes Virginia Tax specific actions, recommendations, fixes or guidance.
- Ensure that all paper returns received by Virginia Tax that are generated from this software will be printed from the initially approved product version or a subsequent product update.
- Notify Virginia Tax of any incorrect and/or missing calculation or e-File data element for any paper or electronically returns submitted to Virginia Tax.
- Require users of this product who attempt to e-File 10 or more business days after a production release to download and apply the product update.
- Virginia Tax reserves the right to decertify the participation of a software provider that is non-responsive to Virginia Tax requests, does not meet desired thresholds for resolving issues, has error rates in excess of established benchmarks for quality and performance, or whereas testing is inadequate, not completed timely or continues to require significant reviews and corrections by Virginia Tax testing resources.
- Virginia Tax does not prescribe the security requirements for your system. You are responsible for implementing appropriate security measures to protect taxpayers and their information in your system. You must apply security measures to protect taxpayer information in your system when it is on-line, off-line, at rest, and in transit.
- Unless otherwise prohibited by law, all data breaches, security incidents, or other improper disclosures of taxpayer data must be promptly reported to Virginia Tax and the Attorney General of Virginia

Virginia Tax agrees to:

- Publish substitute forms guidelines / documents on the FTA Secure State Exchange System (SES).
 - Virginia Substitute Forms Guidelines and Standards for Formatting, Content and Approval
 - 760CG Documents: Form Package, Test Package, and Exact Positioning Specifications
 - 1D Barcode Detail Documents
 - Spec Tables for all Substitute Forms
 - Check Digit Calculator
- Publish the preliminary schemas and business rules on the SES by no later than October 6, 2023.
- Publish final e-File Guides and special specifications and a scenario based testing regimen within the e-File Software Test Packages on the SES no later than October 23, 2023.
- Publish on the Virginia Tax website Virginia forms in early release to ensure that software providers have adequate development time to complete all required testing and approvals through Virginia Tax.
- Publish final schemas and business rules on the SES no later than October 16, 2023.
- Publish Substitute Forms Specifications on the SES no later than October 6, 2023.
- Make available to the Electronic Return Originator (ERO) acknowledgment of acceptance or rejection of taxpayer returns within 2 business days of the return being made available from the IRS.
- Begin ATS e-File testing with the opening of the IRS' ATS testing in early November.
 - Initial test submissions will be acknowledged within 3-5 business days of receipt.
 - Subsequent re-test transmissions will be reviewed, acknowledged and feedback will be provided within 5 business days.
- Commence annual paper forms testing. All other forms will be performed on a continuous cycle.
 - Initial test submissions will be reviewed and acknowledged with feedback within 5 business days of receipt.
 - Subsequent re-test submissions will be reviewed and acknowledged with feedback in 7-10 business days.
- Notify the software provider immediately when errors within their software are adversely affecting the processing of Virginia returns.
- Classify software errors as critical or non-critical. This applies to both errors found by Virginia Tax and errors identified by the software provider.
- Furnish all participating software providers an annual performance review by July 15, 2024.

Data Breach Reporting

All software providers executing this agreement are subject to the data breach security laws of Virginia Code Section 18.2 – 186.6 and/or regulations of the Virginia Office of the Attorney General including but not limited to provisions regarding who must comply with the law, definitions of “personally identifiable information,” what constitutes a breach, requirements for notice, and any exemptions.

For more information see [Virginia Data Breach Notification](#). In addition to the provisions above, the software provider must immediately notify Virginia Tax if the software provider knows or reasonably suspects that any confidential information involving Virginia taxpayers has been subject to unauthorized access or disclosure. Failure to comply with data breach notification requirements may result in fines or civil damages.

Validation of Data Elements

You must validate the following pre-populated data elements on Individual income tax returns:

- State driver’s license data elements
- State withholding account numbers
- Locality codes
- Direct deposit direct debit bank routing and transit number and account number
- PTIN entered at product registration (for Professional products)

Customer Notices

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

Disclosure and use of information language

You must include the following consent language with electronic filing software.

For Do-It-Yourself software:

By using a computer system and software to prepare and/or file my tax return(s) electronically, I consent to the transmission of my return(s) and to the disclosure of all information about my use of the system and software to Virginia Tax.

For Tax Professional software:

By using a computer system and software to prepare and/or file my client’s return(s), I consent to the transmission of my client’s return(s) and to the disclosure of all information about my use of the system and software to Virginia Tax.

For Business software:

By using a computer system and software to prepare and/or 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 Virginia Tax.

State Specifications and Communication

State Driver's License / State ID Card Data Expectations

At this time Virginia taxpayers are not required to provide their Driver's License / State ID information when completing their Virginia Individual income tax returns; however, they are strongly encouraged to provide it. When the information is provided, Virginia Tax requires the software provider to pass the information to Virginia via the return.

- **For e-Filed returns** – always pass the Driver's License / State ID information in the appropriate schema element. Refer to the Individual e-File Guide for details.
- **For printed/paper returns** – always print the full Driver's License / State ID information on the paper return. Do not mask or truncate the information.

To assist taxpayers and tax professionals in filing returns, Virginia Tax is providing a URL regarding expectations for the Driver's License / State ID information. Industry partners will use this information to communicate and help set the appropriate expectations with external stakeholders. Providing this information will:

- Help eliminate phone calls from taxpayers, tax professionals and industry about Driver's License / State ID data collection and reporting
- Ensure that taxpayers and tax professionals receive the appropriate message

Virginia Tax Driver's License URL: <https://www.tax.virginia.gov/refund-fraud-prevention>

State Refund Expectations

To assist Taxpayers and Tax Professionals expecting refunds, Virginia Tax is supplying a URL to our "Where's my Refund" online program. Software companies are required to use this information to communicate and help set appropriate expectations with external stakeholders. Providing this information will:

- Help eliminate phone calls from Taxpayers, Tax Professionals and Industry about refunds
- Ensure that Taxpayers and Tax Professionals receive the appropriate message

Virginia Tax Refund URL: <https://www.tax.virginia.gov/wheres-my-refund>

State Tax Due Return Expectations

To assist Taxpayers and Tax Professionals with tax due returns, Virginia Tax is supplying a URL that provides a variety of payment methods for the individual income tax. Software companies should utilize this information to provide flexibility to external stakeholders when choosing a payment method.

Virginia Tax Due Payments URL: <https://www.tax.virginia.gov/individual-income-tax-payment-options>

1099G Opt out/In Check box

Virginia tax requires tax preparation software to optimize the chances that customers will choose to opt-out of receiving paper 1099Gs and to include asking the question and requiring the customer to respond. For new and returning customers(if they opted out the previous year) always default to displaying the opt out "Yes" button/ check box pre-filled. For returning users who did not opt-out previously, display their previous answer, then blank it and require them to answer the question again.

Promoting Electronic Submissions

Virginia Tax strongly encourages software providers to promote electronic submissions of returns and payments. Below are few recommendations for promoting electronic submissions

- If the user falls under the individual electronic mandate, remind them they are required to pay electronically.
- Do not automatically provide the printed payment vouchers, have the user opt out of setting up their payments electronically before presenting them with printed payment vouchers.
- If a taxpayer chooses to e-File their return, the software should encourage the taxpayer to choose to receive their refund by direct deposit or pay their tax due by direct debit.
- If they need to make estimated payments for the next tax year, present them with the estimated payment screen to allow them to set up one or all four payments with future payment dates.
- Add links to the Virginia Tax website where they can find more information:

Virginia Tax Where's My Refund URL: <https://www.tax.virginia.gov/wheres-my-refund>

Virginia Tax Due Payments URL: <https://www.tax.virginia.gov/individual-income-tax-payment-options>

Virginia Special Statement

Virginia Tax is committed to providing secure, efficient and accurate returns processing to all who are required to file a tax return in Virginia. Virginia Tax places high standards on itself, its filers, and its software providers to deliver on this commitment to our Virginia taxpayers.

To meet this commitment, Virginia Tax has implemented tracking tools to help us review how each software provider is performing to the specific criteria identified by Virginia Tax as critical to successfully meet the high standards Virginia Tax has set for itself and its software providers. Approved Virginia tax software providers will receive feedback annually detailing the results of this performance review no later than July 15, 2024 covering the following criteria:

- 760 2D Barcode Read Rate
- ATS Testing, duration, and iterations
- Support of PDF Attachments
- Support of core Virginia returns, schedules, codes, indicators etc.
- Rejected Returns
- Production Issues

Software providers that fail to meet electronic filing requirements and performance expectations set forth by Virginia Tax will be required to fix any issues identified during the current processing year for the upcoming tax year. The software provider may be required to submit and pass specific tests that pertains to the issues identified and must pass the annual ATS testing requirements.

Virginia reserves the right to deny participation to any software provider who fails to fix specific issues identified and/or does not pass the annual ATS testing requirements.

Virginia Tax also reserves the right at any time to place the software product in a suspended or unapproved status and may elect at its sole discretion to no longer accept transmitted returns for the remainder of the current tax year. Virginia tax shall, however, elect to work with the software provider to remedy the situation for the upcoming tax year if it is in the best interest of our taxpayers and the agency.

Important Notice

By signing and submitting this Letter of Intent you are agreeing to meet the requirements laid out above. Virginia Tax reserves the right to decline, decertify, revoke or limit approval or acceptance of any software provider's product and thereby refuse to accept any additional returns from such product that does not adhere to the specified standards and requirements.

Should your product be decertified by Virginia Tax, you agree to remove references asserting your product's ability to service Virginia taxes from all public materials within 48 hours notice from Virginia Tax, and to provide immediate notice to any clients in the process of filing with Virginia Tax before ceasing Virginia services.

Virginia Specific Questions

This section represents questions Virginia Tax has for the software provider about their product.

1. Do you require your users/customers to download and apply product updates to continue to electronically file and/or print tax returns with your software? Explain the timeline and process for this once an update is available for your product.

2. What is the method used to provide paper forms to users?

Product produces own software generated forms

Product re-uses Fillable PDFs from the Virginia Tax website (i.e. web forms)

Other Method: _____

3. Will you support the Taxes Paid to Other State (TPOS) schema for this filing season for Individual Income Tax?

Yes

No

4. If your product does not support amended returns, list the reason below. Also provide if you plan to support amended returns in the future.

Acknowledgments and Signature

- The signed and completed agreement must be received by Virginia Tax by **November 1, 2023**.
 - Email the completed Virginia LOI to: vendors@tax.virginia.gov
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As the representative of the above named organization, I agree, on behalf of the organization, to comply with all requirements laid out in this document. Furthermore, by signing this agreement, my organization is agreeing to all of the requirements laid out in this document.

As a pending Virginia Tax software 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, Virginia Tax has the right to deny, suspend, or terminate my company's ability to submit returns.

AUTHORIZED REPRESENTATIVE PRINTED NAME	AUTHORIZED REPRESENTATIVE EMAIL ADDRESS	
AUTHORIZED REPRESENTATIVE SIGNATURE	AUTHORIZED REPRESENTATIVE PHONE NUMBER	DATE

Authorized Access to the State Exchange System

Access to the State Exchange System should be limited to those with a business need.

Provide information for each employee you are authorizing for access to the State Exchange System. The tax type box should include all the tax types individuals are authorized to access.

NOTE: Include all authorized individuals, even if listed previously on this form.

Company name	First and last name	Email address
Phone number	Authorized access <input type="checkbox"/> Forms <input type="checkbox"/> e-file	Tax types IND CORP PTE FID
Company name	First and last name	Email address
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