



## Instructions for the 2016 Tax Software Provider Registration Form North Carolina Department of Revenue

The former *Agreement to Comply* completed by Software Developers is now the **Tax Software Provider Registration Form**. This form must be submitted annually for approval by any primary software developer, secondary software developer, or payroll service provider to produce substitute North Carolina Tax Forms. All access rights to the Department's *Software Developers' Informational Site* are revoked each year. A new password is provided each year upon receipt of a completed, approved **Tax Software Provider Registration Form**.

The deadline for the **Tax Software Provider Registration Form** is August 12, 2016. E-mail the completed form to [allaboutforms@dornnc.com](mailto:allaboutforms@dornnc.com) or Fax to (919) 715-3165.

1. Complete the **Tax Software Provider Registration Form** in its entirety unless the section states it is *not applicable for paper filing*.
2. For the North Carolina Department of Revenue, there is a separate **Tax Software Provider Registration Form** for electronic filing (eFile).
3. Each entity is required to provide the Department with an updated list of unaffiliated websites that are authorized by your entity to use your portal for electronic filing or traditional paper filing NC returns.



## 2016 Tax Software Provider Registration Form North Carolina Department of Revenue

Complete this form to request approval from the North Carolina Department of Revenue to provide tax preparation software for paper forms submission. By completing this form, you agree to comply with all national security summit standards and requirements in addition to the specific state requirements identified in this registration form. If your submitted form is not complete we will deny your request.

**Note:** Please complete a registration form for each unique product your company offers.

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

***Not applicable for paper filing.***

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

***Not applicable for paper filing.***

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

**Complete this section for paper registration**

State Substitute Form Vendor Number		
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

\*If you have separate contacts for each tax type, please attach a separate contact list.

**TYPE OF SOFTWARE PRODUCT**

- |   |   |
|---|---|
| <input type="checkbox"/> DIY/Consumer (Web-Based)               | <input type="checkbox"/> DIY/Consumer (Desktop)               |
| <input type="checkbox"/> Professional/Paid Preparer (Web-Based) | <input type="checkbox"/> Professional/Paid Preparer (Desktop) |

**TAX TYPES SUPPORTED** (Check all that apply)

- | Forms                    | E-File                   |                            | Forms                    | E-File                   |                                 |
|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Individual Income Tax      | <input type="checkbox"/> | <input type="checkbox"/> | Withholding Tax                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Estate/Trust/Fiduciary Tax | <input type="checkbox"/> | <input type="checkbox"/> | Partnership Tax                 |
| <input type="checkbox"/> | <input type="checkbox"/> | Corporate/Franchise Tax    | <input type="checkbox"/> | <input type="checkbox"/> | S-Corporation Return            |
| <input type="checkbox"/> | <input type="checkbox"/> | Sales Tax                  | <input type="checkbox"/> | <input type="checkbox"/> | Pass-Through Partnership/S-Corp |

**TAX FORMS AND SCHEDULES SUPPORTED** (Check all that apply) **Note:** This is just for printed forms.

<b>SCANNABLE FORMS</b>	Check all forms your entity will produce. "Software companies are required to produce all of the forms within a specified set."
<p><b>SALES AND USE</b></p> <ul style="list-style-type: none"><li><input type="checkbox"/> Sales and Use Set:<ul style="list-style-type: none"><li>▪ E-500 Sales and Use Tax Return</li><li>▪ E-536 Schedule of County Sales and Use Taxes</li></ul></li><li><input type="checkbox"/> E-500E Utility and Liquor Sales and Use Tax Return</li><li><input type="checkbox"/> E-500F Motor Vehicle Lease and Rental Tax Return</li><li><input type="checkbox"/> E-500G Scrap Tire Disposal Tax Return</li><li><input type="checkbox"/> E-500H White Goods Disposal Tax Return</li><li><input type="checkbox"/> E-500J Machinery, Equipment, and Fuel Tax Return</li><li><input type="checkbox"/> E-500K Solid Waste Disposal Tax Return</li><li><input type="checkbox"/> E-500L Service Charge/Prepaid Wireless Telecommunications Return</li><li><input type="checkbox"/> E-585 Nonprofit and Governmental Entity Claim for Refund State and County Sales and Use Taxes</li><li><input type="checkbox"/> E-585S Incentive Claim for Refund State and County Sales and Use Taxes</li></ul>	

## WITHHOLDING

- NC-3 Annual WH Reconciliation
- NC-5 WH Return
- NC-5A Applied For Status
- NC-5X Amended WH Return
- NC-5P WH Payment Voucher
- NC-5PA Applied For Status Payment Voucher
- NC-5PX Amended WH Payment Voucher
- NC-5Q Quarterly WH Return

## CORPORATE

- Income, Adjustments, and Tax Credit Set:
  - CD-405 C-Corporation Tax Return
  - CD-425 Corporate Tax Credit Summary
- CD-401S S-Corporation Tax Return
- CD-V (2 coupons) Corp. Income and Franchise Tax Payment Vouchers
- CD-V (2 coupons) **Amended** Corp. Income and Franchise Tax Payment Vouchers
- CD-419 (2 coupons) Application for Extension Franchise and Application for Extension Corporate Income Tax
- CD-429 Corporate Estimated Income Tax
- NC-EDU for the CD-405
- NC-478 Set:
  - NC-478 Summary of Tax Credits Subject to 50% of Tax Limit
  - NC-478 Schedule Pass Through Schedule for NC-478 Series
  - NC-478G Investing in Renewable Energy Property
  - NC-478J Tax Credit for Creating New Jobs
  - NC-478K Tax Credit for Investing in Business Property
  - NC-478L Tax Credit for Investing in Real Property

## PARTNERSHIP

- Partnership Set:
  - D-403 Partnership Income Tax Return
  - D-403TC Partnership Tax Credit Summary
- D-410P Application for Extension-Partnership/Estate

**INDIVIDUAL**

- Individual Income Set:
  - D-400 Individual Income Tax Return
  - D-400S Schedule S
  - D-400TC Tax Credit
- D-410 Application for Extension- Individual
- NC-40 Individual Estimated Income Tax
- D-400V Payment Voucher
- D-400V **Amended** Payment Voucher
- NC-EDU for the D-400

**FIDUCIARY**

- Estate and Trust Set:
  - D-407 Estates and Trusts Income Tax Return
  - D-407TC Estates and Trusts Tax Credit Summary
- NC-EDU for the D-407

**NONSCANNABLE FORMS**

Check all forms your entity will produce.  
“Software companies are required to produce all of the forms within a specified set.”

**SALES AND USE**

- NC-BR Business Registration Application for Income Tax Withholding, Sales and Use Tax, and Machinery, Equipment, and Manufacturing Fuel Tax
- E-536R Schedule of County S/U Tax for Claims for Refund
- E-554 Consumer Use Tax Return
- E-585H Claim for Refund of White Goods Disposal Tax
- E-588 Business Claim for Refund State and County Sales and Use Taxes
- E-588J Claim for Refund Machinery, Equipment, and Fuel Tax Return
- E-595E Streamlined Sales and Use Tax Agreement

**WITHHOLDING**

- NC-3X Amended Annual Withholding Reconciliation
- NC-4 Employee's Withholding Allowance Certificate
- NC-4EZ Employee's Withholding Allowance Certificate

**CORPORATE**

- CD-405 CW Combined Corporate Income Tax Worksheet
- CD-418 Cooperative or Mutual Association
- CD-429B Underpayment of Estimated Taxes by C Corporations
- CD-479 Annual Report for Business Corporations
- EFT-100C ACH Credit Payment Method Authorization Agreement
- EFT-100D ACH Debit Payment Method Authorization Agreement
- NC K-1 (CD-401S ) Shareholder's Share of NC Income, Adjustments and Credits
- NC-NA Nonresident Shareholder Agreement

**INDIVIDUAL**

- NC K-1 (D-403 ) Partner's Share of NC Income, Adjustments and Credits
- NC K-1 (D-407 ) Beneficiary's Share of NC Income, Adjustments and Credits
- D-400 Sch AM Amended Schedule 2016
- D-422 Underpayment of Estimated Tax by Individuals
- D-422A Annualized Income Installment Worksheet
- Gen. 58 Power of Attorney and Declaration of Representative
- NC-NPA Nonresident Partner Affirmation

# National Security Summit Standards and Requirements

National standards have been developed to protect taxpayers from identity theft tax refund fraud. You are agreeing to adhere to all IRS, State, and Industry Security Summit guidelines as a condition of providing tax software product(s) to taxpayers and tax professionals for individual and business income tax MeF.

**Standards in this section apply to all Do It Yourself (DIY) Consumer and Professional, Paid Preparer Products, tax professional, and volunteer (VITA) products.**

**Note:** Items highlighted in blue indicate a national security summit standard or requirement document. A comprehensive list of those documents is also provided at the end of this document.

## Authentication Data Elements

Nationally identified *Authentication Data Elements* in the state e-standards schema sets have been established to identify and authenticate a taxpayer and prevent identity theft tax refund fraud. Tax Software Providers are required to transmit all data elements included in the *state authentication data elements* when available. If you are not providing all data elements you must explain what you are not providing and why you are unable to provide them in the space provided below.

## Authentication Trusted Customer Requirements

Nationally identified minimum *Industry Trusted Customer Requirements* have been established to authenticate the customer logging in and prevent identity theft tax refund fraud. Tax Software Providers are required to adhere to the minimum standards. You must verify that you are adhering to minimum standards in the space provided below.

1. Describe the process in which the new and returning tax professionals gain access to use your product. Attach a separate sheet if necessary.

2. How do you use out-of-band verification practices for your customer account verification process? Please describe what you do and how it is used. Attach a separate sheet if necessary.

3. Do you meet nationally recognized standards for implementing customer account authentication by using:

a. The standards identified in the Identity Authentication section of the 2017 Industry Trusted Customer Requirements? Please explain how you meet those standards. Attach a separate sheet if necessary.

b. An equivalent standard for identity authentication that meets or exceeds the minimum requirements? If yes, please describe your proposed process. Attach a separate sheet if necessary.

### **Information Sharing**

Nationally identified **Information Sharing** standards for analyzing and reporting questionable activity associated with identity theft tax refund fraud have been established. You are required to provide regular leads reporting according to the information sharing requirements.

### **Rapid Response Process**

Nationally identified **Rapid Response** procedures have been established. When industry, states, or the IRS discover an incident or threat of significance in the tax ecosystem, the rapid response process must be activated.

Tax software providers should:

- Conduct initial analysis and immediately take steps to block or contain any threat.
- Share detailed information with the impacted states as soon as it becomes available and permitted by applicable laws, regulations, and relevant information sharing agreements.
- Initiate the rapid response team per the Rapid Response document.

**Note:** If the tax software provider fails to timely notify the affected state of a significant, escalating issue, their ability to submit returns to the state may be removed.

### **Safeguarding e-file/Information**

Nationally recognized rules and standards to safeguard e-file from fraud and abuse have been established.

All Individual (1040 family) return providers must adhere to the [Safeguarding E-File Standards](#) as outlined in IRS Publication 1345.

All business return providers must adhere to the “MeF Rules Protecting Taxpayer Information” and “Safeguarding MeF Data from Fraud and Abuse” sections of [IRS Publication 4163](#). This includes sections 2.3, 2.4, and 2.5 of the publication.

**Note:** If the tax software provider fails to adhere to these rules and standards as published by the IRS for the respective return types submitted to the North Carolina Department of Revenue, their ability to submit such returns to the North Carolina Department of Revenue may be removed. This includes reporting security-related incidents to North Carolina Department of Revenue.

### **Strategic Threat Assessment & Response (STAR)**

Nationally identified **Security Control** standards have been established. Tax software providers must adhere to these security controls. Please provide an answer to the question listed below. Attach a separate sheet if necessary.

1. Have you implemented the current requirements defined in the Security Control standard? At what level will your company implement the STAR security controls for the filing season? If no, please provide an explanation of your current progress and remediation plans. Please provide documentation to validate your statement.

2. Have you implemented controls beyond the first year’s requirements? If yes, please explain what you’ve implemented.

# National Disclosure and Use of Information Standards

Nationally established language has been developed for the disclosure and use of information related to filing a tax return. This section provides the language to which tax software providers must adhere.

## Tax Service Provider Definitions

In this section, “tax services provider” is defined four different ways:

- An **Electronic Return Originator (ERO)** is authorized IRS e-file Provider that originates the electronic submission of returns to the IRS.
- A **Software Developer** is an authorized IRS or state e-file Provider that develops software for the purposes of (a) formatting the electronic portions of returns according to Publication 4164 or state specifications and/or (b) transmitting the electronic portion of returns directly to the IRS or the state. A Software Developer may also sell its software.
- A **Transmitter** is an authorized IRS or state e-file Provider that transmits the electronic portion of a return directly to the IRS or the state. An entity that provides a “bump up” service is also a Transmitter. A bump up service provider increases the transmission rate or line speed of formatted or reformatted information that it is sending to the IRS or the state via a public switched telephone network.

**Note:** A tax service provider may serve its customers in more than one of these roles.

## Disclosure and Use of Information Language

A tax services provider may use any tax return information provided by a taxpayer, for the current or prior tax years, for the purpose of identifying a suspicious or potentially fraudulent return that claims to be from, or related to, that taxpayer. For these purposes, “tax return information” means any and all documents or materials that the tax services provider uses in the course of the return preparation and submission process that are provided by the taxpayer or that are required by the taxing authority that the tax services provider uses in the course of the return preparation and submission.

Tax service providers must produce analytic compilations of federal and state tax return and submission information that directly relate to the internal management or support of the tax services provider’s business, which must include aggregated data compilations to identify potentially fraudulent behaviors or patterns.

Tax services providers must disclose the compilations of tax information to North Carolina through IRS secure data transmission on at least a weekly basis and identify by use of federal and state submission IDs any return the preparer believes is potentially fraudulent.

In addition, if a tax services provider has a bona fide belief that a particular individual’s activity, violated a state or federal law, the tax services provider must disclose that individual’s tax return information to the North Carolina Department of Revenue.

The following consent language must be added to electronic filing software to notify the user of the use of this information.

**For Do-It-Yourself software:**

By using a computer system and software to prepare and transmit return(s) electronically, I consent to the disclosure of all information pertaining to my use of the system and software to the North Carolina Department of Revenue, as applicable by law, and to the transmission of my tax return(s).

**For Tax Professional software:**

By using a computer system and software to prepare and transmit my client's return electronically, I consent to the disclosure of all information pertaining to my use of the system and software to create my client's return and to the electronic transmission of my client's tax return to the North Carolina Department of Revenue.

**For Business software:**

By using a computer system and software to prepare and transmit this business return electronically, I consent to the disclosure of all information pertaining to the user of the system and software to create this business return and to the electronic transmission of this business tax return to North Carolina Department of Revenue.

## **National Security Summit Standards and Requirements Documents:**

The most recent version of national security summit standards and requirements documents, referenced below are available to states and industry partners through the Federation of Tax Administrators (FTA) Website for state revenue agencies through the Secure Document Repository (SDR) National security summit standards and requirements documents include those addressing:

- Authentication Data Elements
- Information Sharing
- Rapid Response Procedures
- Security Control Standards
- Industry Trusted Customer

## State Questions, Requirements, and Standards

*This section represents the state-specific requirements and standards for tax software providers.*

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The deadline for the **Tax Software Provider Registration Form** is August 12, 2016. E-mail the completed form to [allaboutforms@dorncc.com](mailto:allaboutforms@dorncc.com) or Fax to (919) 715-3165.

Approved submissions of all forms are required thirty within (30) days from the posted date on the *Software Developers' Informational Site*. This appears as Software Developer Final or "SD Final".

The forms must be approved by:

- **Sales and Use** - September 1, 2016
- **Withholding** - September 15, 2016
- **Partnership and Corporate** - October 1, 2016
- **Individual** - October 15, 2016
- **Fiduciary** - November 1, 2016

To ensure forms are timely approved, software developers must submit their final draft at least (3) business days prior to the approval due date.

"Requirements for the Approval of Tax Forms" ("Requirements") is a reference guide on the *Software Developers' Informational Site* that details the specific information about the approval process.

Each entity is required to provide the Department with an updated list of unaffiliated websites that are authorized by your entity to use your portal for electronic filing or traditional paper filing NC returns.

### **Standards and Requirements for Transferring Data Year over Year**

Transferring data year-over-year that is not initially entered accurately causes issues with processing tax returns. The following items should not be transferred year over year:

- State driver's license data elements.
- State withholding account numbers.

## North Carolina Department of Revenue Specific Questions

1. The **Tax Software Provider** develops substitute tax forms using the entity's software program and:
  - a. sells products for public use (software may be required)
  - b. *does not* sell products for public use (Software not required)
2. Buys tax forms from another entity in order to print the variable data on these forms. Name of primary software developer:
3. Places product identification in software that prints on the substitute forms.
  - a. Yes
  - b. No
4. Payroll service provider that signs and files withholding tax return on behalf of the employer. Software not required.
  - a. Yes
  - b. No
5. Instructions are provided as:
  - a. printable option with form
  - b. link in software
  - c. link to the Department's website
6. Forms will be submitted via:
  - a. PDF/E-mail for approval
  - b. mail for approval
7. Do you support unlinked state returns? ***Not applicable for paper filing.***
  - a. Yes
  - b. No
8. What refund products or payment vehicles do you offer your customers? If you partner with an entity to provide refunds (e.g. Amazon.com or other pre-paid cards), please provide the names and bank routing numbers (RTNs) of each company. Attach a separate sheet if necessary.  
***Not applicable for paper filing.***

## Software Package Limitations

To prevent delays in the approval process for substitute forms, list all limitations of your software package below. Failure to supply this information may delay the forms review by two weeks.

## Data Breach Reporting

All software providers executing this agreement are subject to the data breach security laws located at N.C.G.S. 75-65 and/or regulations of the North Carolina Department of Revenue, 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.

## Software Developer Requirements and Authorizations

As an authorized representative, I agree on behalf of our entity that we will do all of the following, unless otherwise noted in Software Package Limitations.

- A. Prior to receiving approval for each North Carolina form indicated on the Agreement to Comply, refrain from selling, releasing, licensing, or distributing tax packages to customers without placing a semitransparent watermark on each unapproved form that states "UNAPPROVED FORM: DO NOT FILE". This watermark is to be printed diagonally across the form in bold, capital letters in Arial 60pt font. Only approved current year forms should not have this watermark. Software developers understand that this watermark will enable the Department to readily identify these forms and to reject them.
- B. Meet the processing specifications published in the “Requirements” for any tax forms developed by the entity.
- C. Submit the correct number of copies published in the “Requirements” to the Department for approval by the assigned deadlines.
- D. Place my software developer’s ID number on all pages of tax forms.
- E. Notify customers of the minimum computer hardware needed to produce exact copies of the approved tax forms, if applicable.
- F. Notify the Department of any changes to approved forms so that a new barcode number can be assigned to this amended form.

- G. Review public website forms independently of the forms approval process. Any developer selecting to support public website forms will take on the legal responsibility for any misstatements solely as they will not be reviewed by the Department.
- H. The Department has the discretion to request a copy of our entity's software if deemed necessary. A copy must be submitted within 5 business days from date of request.
  - a. The software will be used for researching computation errors or other variable data errors based on taxpayers inquiries.
  - b. Under no circumstances will the software be used by the Department to prepare or submit tax returns for processing. The Department has put reasonable security measures in place in an effort to prohibit unauthorized access and improper or illegal usage of your software product by Departmental employees.
- I. If a software developer is seeking approval for forms generated from different operating systems (i.e., Windows, Macintosh) or from alternative user interfaces (i.e., Desktop, Web, Smart phone) the developer must ensure that all versions match forms approved by the Department.
- J. Our entity specifically authorizes the Department to include its name in various public information material designed to inform tax practitioners and the public about software developers who have agreed, complied, or failed to comply with the Department's "Requirements for the Approval of Tax Forms". Failure to follow these requirements will result in completed tax forms being rejected by the Department. In executing this document, our entity agrees to comply with all provisions of this Agreement. Our entity acknowledges that tax forms produced will be rejected if the forms do not fully meet the standards set forth in the "Requirements for the Approval of Tax Forms" and this Agreement. Furthermore, our entity acknowledges that the Department does not endorse its software (though the software may produce forms which fully meet the aforementioned standards) and agrees not to advertise or promote the software as being endorsed or approved by the Department.
- K. Our entity acknowledges continuous errors year after year may result in the Department delaying the approval process and/or rescinding approved forms when needed.
- L. Notify the Department and customers of any errors found with approved forms/form calculations within 3 business days of identifying the issue.
- M. Developers have 10 business days from the date of contact to correct the issue, obtain form approval for corrected forms and notify the North Carolina Department of Revenue when the updates have been released.

## Signature:

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 North Carolina Department of Revenue 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 North Carolina Department of Revenue 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 North Carolina Department of Revenue has the right to deny, suspend, or terminate my account.

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