

2016 Idaho Income Tax Substitute Form Specifications

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Introduction

The Idaho State Tax Commission (ISTC) accepts substitute or reproduced tax forms. These forms must meet the requirements of ISTC's original forms. ISTC has established these guidelines and standards for software developers, computer tax processors, business forms companies, and any other individual or business that plans to market, distribute, or file substitute or reproduced tax forms.

Approval Process for Substitute Income Tax Forms

A company that develops any substitute form must get approval from ISTC before releasing or distributing the substitute form to its customers or clients. Any changes to the form by the developer after the original approval must be resubmitted for additional approval.

The approval process begins with a visual verification of all scan lines, data fields, barcode validation, and anchor placement to quickly identify layout errors. The approval process is completed through our imaging equipment for intelligent character recognition and system validation.

Developers will receive notification of their forms results within 10 business days. All reviewed returns will be faxed or emailed with a statement indicating approval or notice of required changes.

All Income Tax Forms must be submitted no later than February 1, 2017.

A substitute document will not be approved until the corresponding ISTC form is considered final. When a form moves from draft stage to final, the form is removed from our developer forms page (<http://www.tax.idaho.gov/i-1133.cfm>) and moved to our standard forms page: (<http://www.tax.idaho.gov/search-formspublications.cfm?ch=ind&t=tt&y=9999>).

In addition to the link being moved, an RSS notice is sent out. If you are interested in additional information on ISTC RSS feeds, please refer to our *Keep Me Updated* webpage at <http://www.tax.idaho.gov/i-1046.cfm>.

When applicable, please adhere to the NACTP standards (<http://www.nactp.org/>).

On a developer's first subdocument submission, a *Developer Contact Information Form* will be sent to the development company. This information will be used only by subdocument approval staff. Please return all of the information to ISTC within five business days.

When emailing multiple forms for approval, please separate the submissions between Individual Income Tax Forms and Business Income Tax Forms. In addition please indicate in the subject line of the email if the attached forms are an initial submission or a resubmission.

Submit two sample copy of each form for approval; this sample copy must contain variable data in all possible locations and positions on each form. Variable data must be sample data rather than actual taxpayer data.

Substitute forms will not be accepted by fax. Submit all substitute income tax forms by either:

PDF format to: substituteforms@tax.idaho.gov

Paper format to:

Mailing Address

Substitute Forms Document Coordinator
Idaho State Tax Commission
PO Box 36
Boise ID 83722-0410

Physical Address

Substitute Forms Document Coordinator
Idaho State Tax Commission
800 E Park Blvd Plaza IV
Boise ID 83712-7742

Helpful Hints

- Substitute forms must contain all annual changes prior to submission to the state.
- Do not print EINs, SS#s, or copyright information on the top or bottom of the first or second page of the forms.
- For Forms 40, 43, 41, 41S, 65, and 66, ISTC requires two data-filled and two blank forms for testing.
- Starting with Tax Year 2012, ISTC adopted a new barcode layout. See the 1-D barcode section on page 7 for details.
- Substitute forms must be proofread prior to submission to the state.
- Substitute forms must include your NACTP vendor ID number and the form version date. Place the NACTP vendor ID above the year of the tax form. You may reproduce any Idaho scannable income tax form listed. The reproductions must be identical to the official Tax Commission forms.
- The Tax Commission will verify accuracy of line references, data dots, indicator boxes, and any reference to percentages. The Tax Commission will check the revision dates, header of the returns, form name, year, anchors, response boxes, and barcodes for accuracy. The Tax Commission won't verify verbiage or spelling.

Income Tax Forms

Income tax forms include the following:

- Form 40 - Individual Income Tax Return & Associated Schedules
- Form 43 - Part-Year Resident & Nonresident Income Tax Return & Associated Schedules
- Form 41 - Corporation Income Tax Return & Associated Schedules
- Form 41S - S Corporation Income Tax Return & Associated Schedules
- Form 65 - Partnership Return of Income & Associated Schedules
- Form 66 - Fiduciary Income Tax Return & Associated Schedules

Substitute Form Standards

A substitute form is one designed for use in place of an original Tax Commission issued form. Forms must be developed as close to the Idaho forms as possible. A substitute form must duplicate the appearance and layout of the Tax Commission form to include:

- Layout size, font size, style, and margins.
- Special keying symbols, line numbers, and code numbers.
- Paper weight, ink color, and density.
- Official forms less than standard 8 ½” x 11” must either be printed separately or printed on the bottom portion of a form, with a size of 8 ½ ” wide and 3 ⅔” high.

There must be a ½” margin on all sides of the page.

When a two-sided form contains only instructional information on the backside, the instructional side does not need to be submitted for approval.

Each side of a two-sided form that requires the entry of data is treated as a separate single-sided form. Submit all pages for approval at the same time.

Specific Guidelines

For best results, we recommend that all substitute forms be printed on a laser printer. Forms printed on ink jet or dot matrix printers may be rejected if the readability of the barcode is adversely affected.

Shading

Several official ISTC forms contain shading. Please include shading where shown on the official form.

Form Fonts

Form 40 & Form 43: Arial (all caps) 08 point

All other Forms and Schedules: Arial (all caps) 09 point

Keying Symbols and Line Numbers

Keying symbols such as data dots and line numbers are essential to the Tax Commission’s forms processing system. All substitute income tax forms must include these symbols and line numbers.

Scannable Forms

Tax Commission income tax forms are optically read on high-speed scanners. All optically scanned forms have anchor marks printed at the corners of the form and boxes for Social Security numbers and tax due or refund fields.

The anchors and boxes on substitute scannable forms must be placed and measured exactly as shown on the original form.

State Use Only Boxes

NOTE: Developers must fill these in with the appropriate data on a completed return.

- Individual: name control (box above the last name) - the name control will be the first four letters of the last name and must be all caps. For example, “Testing” would be TEST. If the last name is less than four letters, use all of the letters; “Cat” would be CAT.
- Business: name control (box in the Business name line) - the name control will be the first four letters of the business name. If the business name is “Sooner Grocery,” the name control would be SOON. If the name starts with “The”, do not use “The” and begin the four character name control with the first letter after “The”. For example, if the company name is “The Cliff”, the name control would be CLIF. Ampersands and dashes are allowable in the name control. The “Run & Shop Corporation” would have the name control of RUN&.
- Tax Period (box at the end of the tax period ending date) - enter the tax period ending date in the MMY format. For example, “06/30/13” would be 0613.

Intelligent Character Recognition (ICR) Readable Boxes

- Social Security number/Employer Identification Number
- Name Control
- Tax Period (Business Income Tax Forms)
- Tax Due
- Refund
- Amended box

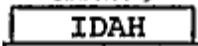
Intelligent Character Recognition (ICR) Guidelines

In order to receive a successful read in these fields, here are some guidelines when creating these boxes:

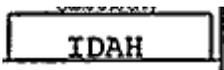
Numbers in the boxes and the amended indicator must be centered. Do not left or right justify them. The fields containing ICR data should be larger than the other fields. Smaller fields are more difficult to scan and read. For example, the Amended Return box below is too small to be scanned. In the scenario below, the Amended Return box should be at least twice the size shown.



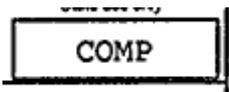
As a general rule, the boxes of information containing ICR data should be roughly twice the size of non-ICR fields. For the boxes that contain numeric or text data, the size of the box should be twice the height of the font used for data entry into that box of information. Below is an example of a box that's too small in relation to the font size:



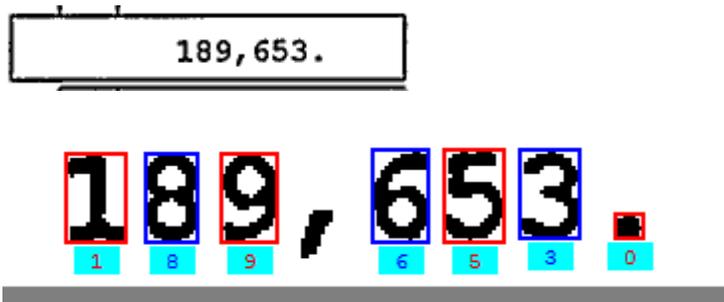
When typing information into ICR fields, avoid inserting data near the borders of the field. The following data is typed too close to the bottom border:



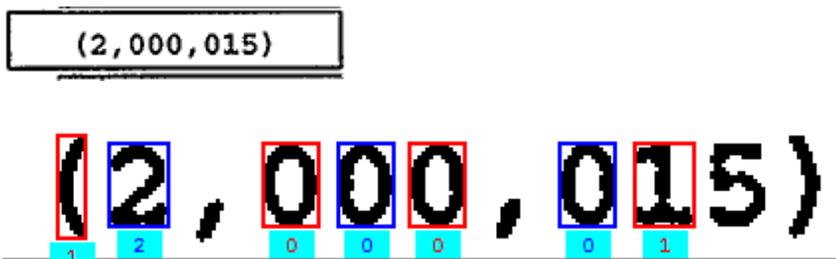
When the data in the ICR fields is half the size of the box, our imaging scanners will have a successful read. Below is an example of a field that will have a successful ICR read.



When entering data, there should be no additional markings or characters within the ICR field. The ICR scanners may interpret invalid markings as actual numerical data. One particular example is the use of decimal points in the ICR field. Our equipment may read the decimal point as a numerical value of zero. Below is an example of our software reading the decimal point as a number:



Another common error is using a negative sign or parentheses to represent a refund within the ICR Refund Field. A positive number is what is expected and the extra characters are misread by our scanner. For example, the opening parenthesis in the following example is read as a numerical value of "1".



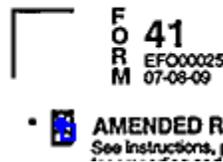
Anchors

Anchors are the fixed markers located at the upper left and lower right corners of Idaho's income tax forms that allow the scanner to orient each page of each form and line up the data fields. An anchor consists of an angle bar formed by the intersection of one horizontal line and one vertical line ¼" in length with a 2-point (2/72") thickness.

There must be ½" clearance from the edge of the form to the outside edge of the anchor. No solid, black area should be within ½" of any anchors inside edges. No markings or form data should be above the top target or below the bottom target. The following examples of page targets are too close to other fields, text, and lines of information on the form.



W- {4}



1-D Barcode

Beginning Tax Year 2012, the ISTC updated the number of integers and bars in the 1-D barcode. ISTC continues to use an Interleaved 2 of 5 human readable 1-D barcode using 36 point barcode font. The barcode is located in the lower right corner of each page of the scannable income tax form. The first digit will permanently be zero in order to provide an even number of bars for the barcode. Each barcode now consists of eight bars representing eight characters as shown in the example below:

Tax Year 2015 Form 40 Barcode for Page 1: **01515095 (Vendor: ISTC)**

Filler 2-Digit Year Form number 2-digit Vendor

0 15 150 95

Your 2-digit Vendor code will contain different data than the "Idaho Draft Forms." This data varies by form and form page number. Your vendor specific barcode data may be obtained via e-mail from substituteforms@tax.idaho.gov or by calling (208) 334-7783.

Leave at least ½” of space between the lower right target and the barcode. In the first example below the lower right page target is too close to the barcode. The second barcode example is too close to the other lines on the form. The font size that is used to enter numerical value on the barcode should be no less than 10 points with a reasonable amount of space between consecutive characters in a word or number. The third example doesn't have enough space between consecutive digits in the barcode.

