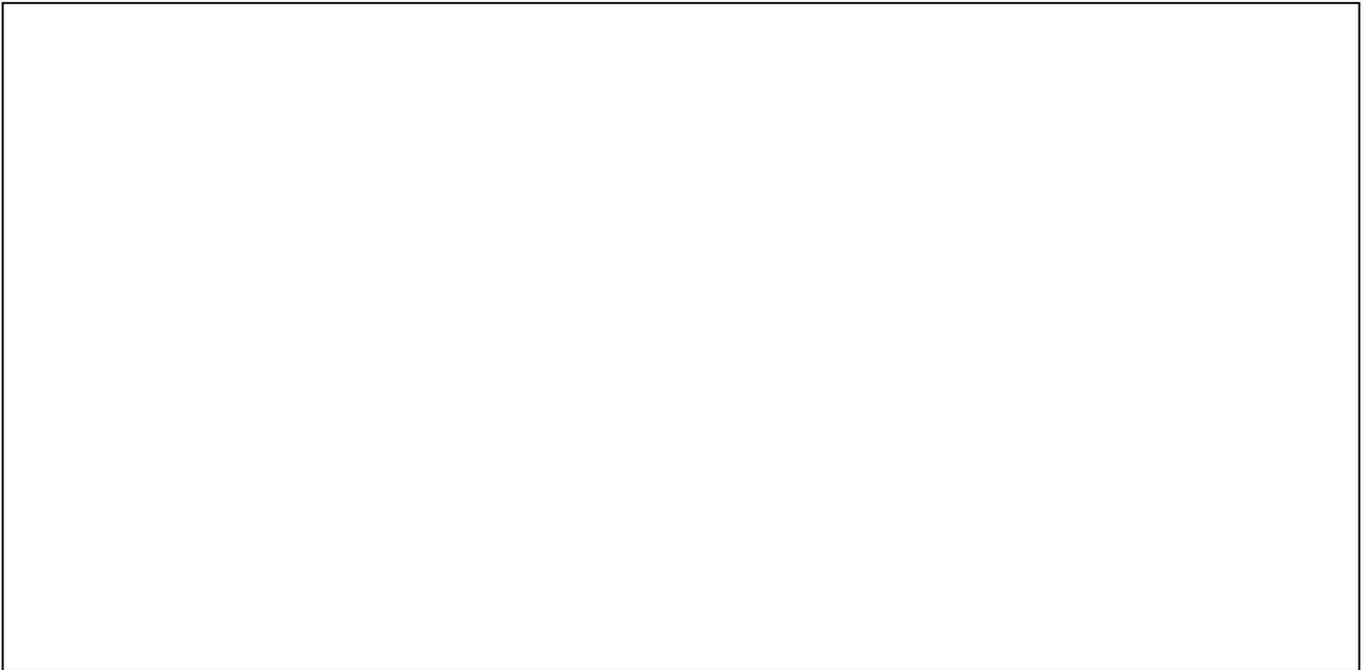


**Taxpayer Service Division
Colorado Department of Revenue**

July 15, 2013 (Draft)

**Software Developers Handbook
Fiduciary Income Tax**

(Calendar Year 2014)



CLICK. ZIP. FAST ROUND TRIP.

**COLORADO DEPARTMENT OF REVENUE
ELECTRONIC FILING
SOFTWARE DEVELOPER'S HANDBOOK FOR CALENDAR YEAR 2013**

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OTHER SOURCES:

Latest revisions of the Software Developers Handbook, draft and final forms, record layouts, schemas, and business rules will be at the following web address:

<http://www.colorado.gov/cs/Satellite/Revenue/RE VX/1201542308839>

SECTION 1: GENERAL INFORMATION

PURPOSE

This publication provides software developers with the technical information and/or references necessary for creating and formatting Colorado state electronic fiduciary income tax returns. Updates to this document will be posted to our website at the address listed on the previous page. Tax year 2013 draft forms and schemas will be also be posted on the internet at that web address.

MODERN EFILE

Colorado will accept tax year 2013 fiduciary income tax returns through the IRS Modern eFile program. The start date for such filings is January 6, 2014. Colorado follows the TIGERS and IRS guidelines for Modern eFile returns.

TYPES OF RETURNS/FORMS

Colorado will accept refund, balance due or zero balance returns for tax year 2013. Form 105 and Schedules A-G, DR 0617, DR 1303, DR 1304, DR 1305, DR 1316, and DR 1366 can be transmitted electronically to Colorado.

DIRECT DEBIT DATE

If direct debit is used as a payment method, the direct debit requested payment date is the date of withdrawal from the taxpayer's bank account. The debit date for returns filed by the due date cannot go past the due date. The debit date for returns filed after the due date should be two business days after the filing date. The following elements must be included: checking or savings, routing number, bank account number, account holder type (business or individual), and requested payment date. Paper return filers will not have direct debit. Please alert clients with a balance due that if they do not submit direct debit information with their return, they can go to our website for the online e-pay application to pay by echeck or credit card. If the taxpayer does not use direct debit or online payment, they must send any Colorado balance due payment by check along with Form DR 0900-F.

SECTION 2: CONTACT INFORMATION

COLORADO DEPARTMENT OF REVENUE INTERNET SITE

The Colorado Department of Revenue offers a variety of information and forms at our website on the Internet, including Revenue Online, the Handbook for Software Developers, and the Handbook for Electronic Filers. All income tax forms at the website are in PDF format, which can be viewed/printed with the ADOBE ACROBAT READER. The ADOBE ACROBAT READER is free and can also be downloaded from the Internet. The Colorado Department of Revenue Internet taxation web site address is www.taxcolorado.com.

Information for software developers can be found on this web page by choosing Tax Professionals, then selecting Software Developers on the sidebar of the Tax Professionals page.

CONTACT PERSONNEL

The contact information below is for technical information or to inquire when a submitted return has not been acknowledged by the Colorado Department of Revenue. Refund inquiries or questions regarding accepted returns should be directed to 303-238-7378. Taxpayers can also obtain the status of their accepted return by establishing a login and accessing our Revenue Online system at taxcolorado.com.

Electronic Filing
State Coordinator
Steve Asbell
Taxpayer Service Division
Stephen.Asbell@state.co.us
Phone: (303) 866-3889
FAX: (303) 866-3211

Electronic Filing
Help Desk
Steve Asbell
Taxpayer Service Division
Stephen.Asbell@state.co.us
Phone: (303) 866-3889
FAX: (303) 866-3211

State Acceptance
Testing Coordinator
Steve Asbell
Taxpayer Service Division
Phone: (303) 866-3889
FAX: (303) 866-3211

Mailing Address for
Federal/State Electronic
Filing Program:
Colorado Department of Revenue
Room 206
1375 Sherman St.
Denver Colorado 80261

State Acceptance
Testing Associate
Kurt Bloomer
Taxpayer Service Division
Email: Kurt.Bloomer@state.co.us
Phone: 303-205-8211 x6871

SECTION 3: SPECIAL INSTRUCTIONS

RETURN DATA REQUIREMENTS

Many of the data elements are dependent on other fields in order for the return to properly balance. For example, the DR 1366 Enterprise Zone contribution credit calls for the cash and/or in-kind contribution amounts to be populated if the contribution credit claimed for the current year is greater than zero. Failure to follow these rules will result in disallowance of the credit(s) and cause delays and/or correspondence for the taxpayer.

Other subtractions are sometimes claimed in error on Form 104. For example, some part-year and non-resident taxpayers enter out of state income as a subtraction rather than completing Form 104PN. A listing of allowable subtractions can be found in the Dept of Revenue tax information index under "Subtractions" at the following web page:

<http://www.colorado.gov/cs/Satellite?c=Page&cid=1200408332336&pagename=Revenue%2FREVXLayout>

ACKNOWLEDGEMENTS/ERROR CODES

For tax year 2013 Colorado will be using the Internal Revenue Service for acknowledgement service. A document with error codes and alerts is available on our web page.

E-FILE PROBLEMS DURING TAX SEASON

Errors or processing problems discovered after testing (during the production income tax season) must be resolved immediately after their discovery and disclosure. To help Colorado maintain the integrity and reputation of the Fed/State e-file program, a short questionnaire for all software developers is provided in the appendix of this document to facilitate the cooperative resolution of problems.

COLORADO TAX CALCULATION

Multiply Colorado taxable income by 4.63 percent and round the product to the nearest dollar amount.

DIRECT DEBIT DATE

If direct debit is used as a payment method, the direct debit date is the date of withdrawal from the taxpayer's bank account. The debit date for returns filed by the due date cannot go past the due date. The debit date for returns filed after the due date should be two business days after the filing date. The account holder type, business or individual, is required.

MODERN EFILE FORMATTING

1. All dollar amounts are in whole dollars.
2. Percentage fields are expressed as percentages using LargeRatioType and must be limited to four places of precision past the decimal point. Example: 12.34557% is expressed as 12.3456. Negative percentages are not allowed.
3. To claim credit for tax paid to another state, only one Schedule G is needed if the taxpayer entity claims credit for tax paid to another state and has no income or losses in any additional state(s) outside Colorado. A taxpayer claiming credit for tax paid to another state who has income or loss in two or more states outside Colorado must complete a summary using parent element TaxPaidOtherStates with state name "CO" and up to forty-four iterations of parent element TaxPaidOtherStates to claim credit for tax paid to other states.

SOFTWARE DEVELOPER ID

The element SoftwareId should not be a numeric value. Use the software name to fit in the ten character text field allowed. Colorado may suggest an ID.

STATE SUBMISSION MANIFEST

The state submission manifest should have the following

Taxpayer Type	StateSubmissionType	SubmissionCategory
Fiduciary	1041	FIDU

Do not include the Colorado schema version in the state submission manifest.

SUBMITTING ATTACHMENTS

Software that supports credits needing supporting documents must support pdf attachments. Colorado will not reject returns that are missing supporting document attachments, but processing of the return will be delayed. The ability to support pdf attachments will be part of the testing process. Software that does not support credits or adjustments needing documentation will not be required to submit pdf attachments as part of their acceptance testing. The element SupportingDocMethod is part of the Form 105 schema to indicate how attachments will be submitted.

Documentation per the form instructions to support subtractions or credit claims should be sent as a pdf attachment with the electronic return. This is the most reliable way to submit documents and associate them with the current year tax return.

If the supporting documents are not attached in pdf format, they can be uploaded to the taxpayer's account in Revenue Online. If neither the efile attachment nor Revenue Online upload methods are used, the documents should be sent by mail using form DR 1778 as a cover sheet for the necessary attachments. Submission of supporting documents by mail will typically add 4-6 weeks to processing time.

To emphasize again, returns that claim certain subtractions or credits subject to review may experience processing delays if the attachments are submitted separately from the electronic return. We suggest that your software should display a diagnostic box advising that supporting documentation is required and that pdf attachment with the return is the most efficient means of submission

SECTION 4: TESTING

COLORADO SOFTWARE DEVELOPER TEST PACKAGE

The Colorado Fiduciary Income Test Package contains a series of 4 tests with scenarios for Form 105 and Schedules A-G. Testing is scheduled to begin Nov. 12, 2013.

ELECTRONIC DATA TESTING

When ready to test, please send notification by email and include the submission IDs of the tests.

SECTION 5: WHAT'S NEW FOR CALENDAR YEAR 2014

FORM/SCHEMA CHANGES

Common Form DR 1305 has changes to conform to new statutes. Forms DR 1303 and DR 1304 can now be efiled. New Form DR 0617 will be used for the Innovative Motor Vehicle credit.

ENTERPRISE ZONE CREDITS DR 1366

For tax year 2013 taxpayers claiming enterprise zone credits must file electronically. The DR 1366 schema for enterprise zone credit information is included in the COCommon folder. There is also an instance document in the folder. An draft version of the form is in this handbook. The form is required for Tax Year 2013 for taxpayers that have both current and carry forward enterprise zone credits claimed for 2013.

APPENDIX

Error codes

Form DR 8453F(not yet available)

- e-filer Signature Form and Instructions

Form DR 0900F(rev 7/30/13)

- Income Tax Payment Voucher

Form DR 1778 – e-filer Attachment Form

(rev 07/31/12)

Form DR 1366 – Enterprise Zone Credit and Carryforward Schedule

(rev 08/07/13)

Software Developer Questionnaire

COLORADO DEPARTMENT OF REVENUE

APPENDIX

**ELECTRONIC FILING
SOFTWARE DEVELOPER'S HANDBOOK FOR CALENDAR YEAR 2013**

Error Codes

Colorado error codes for rejects and alerts have been published on the software developer page.

Many of the error codes are Alerts rather than reject codes. For example, when a return claims an innovative motor vehicle credit, a supporting copy of the dealer invoice must be submitted. If Colorado does not see a pdf attachment with the name ALTFUELINV.pdf, we will accept the return but add an alert message to the acknowledgment regarding the need to submit that document.

Alert messages should be passed along in full by the transmitter to the preparer or taxpayer. Those messages are for the benefit of the preparer/taxpayer so that the return information requirements are fully communicated.

2013 Fiduciary Income Tax Payment Voucher

Caution!

This form **must** accompany your payment if you filed electronically and wish to pay by check.

The Department strongly recommends that you file using Revenue Online (www.Colorado.gov/RevenueOnline) or another electronic method and remit your payment electronically or by EFT. Information on EFT can be found at www.Colorado.gov/revenue/eft

If you cannot file and pay online, you may pay by mail. Make check or money order payable to the Colorado Department of Revenue. Be sure to round your payment to the nearest dollar. Clearly write your Colorado Account Number and "2013 Form 105" on the check memo line.

Complete the form below. The amount on the check and the amount entered on the payment voucher must be the same. This will help maintain accuracy in your tax account. Be sure to keep a copy of the money order or note the check number with your tax records.

Do not submit a paper return if you have already filed electronically.

Manage your account. File and pay online. Get started with Revenue Online today!
www.Colorado.gov/RevenueOnline

**DETACH FORM
ON THIS LINE**



Use the coupon below only if you are unable to pay online or by EFT.

Cut here and send only the coupon below. Help us save time and your tax dollars.

(0031)

DR 0900F (07/30/13)
 COLORADO DEPARTMENT OF REVENUE
 DENVER, CO 80261-0008
 www.TaxColorado.com

2013 Fiduciary Income Tax Payment Voucher

For the calendar year 2013 or the fiscal year	Beginning (mm/dd/2013)	Ending (mm/dd/yyyy)	
Return this voucher with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Write your Colorado Account Number or Federal Employer Identification Number and "2013 FORM 105" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.			
Name of Estate or Trust		Colorado Account Number	
Name of Fiduciary		FEIN	
Address		City	State Zip
If No Payment Is Due, Do Not File This Form. The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If you <input type="checkbox"/> from your bank account electronically.			Amount of Payment
(Do not write in space below)			\$ _____ .00



e-filer Attachment Form

For Tax Year _____ or fiscal year beginning _____, Ending _____

Tax Type: <input type="checkbox"/> Individual Income <input type="checkbox"/> C-Corp Income <input type="checkbox"/> Partnership Income <input type="checkbox"/> S-Corp Income <input type="checkbox"/> LLC Income <input type="checkbox"/> LP Income <input type="checkbox"/> LLP Income <input type="checkbox"/> LLLP Income <input type="checkbox"/> Association Income <input type="checkbox"/> Non-Profit Income
--

Please Print or Type

Taxpayer Name		Taxpayer SSN
Spouse Name (if applicable)		Spouse SSN (if applicable)
Taxpayer Address		Federal Employer ID Number
City	State	ZIP Code

Mark the box for the Documents Submitted. For further information visit the Department of Revenue Web site www.TaxColorado.com

- Other state(s) income tax return(s)
- Enterprise Zone Credit: DR 0074, DR 0075, DR 0076 or DR 0077 certificates
- Gross Conservation Easement: DR 1303, DR 1304 and/or DR 1305 and supplemental documentation
- Aircraft Manufacturer New Employee Credit: DR 0085 and/or DR 0086
- Innovative Motor Vehicle Credit: Vehicle purchase invoice
- Child Care Contribution Credit: DR 1317
- Claim for refund on behalf of deceased taxpayer: DR 0102, death certificate
- Colorado Source Capital Gain Subtraction: DR 1316
- Job Growth Incentive Tax Credit: Certification letter from the Colorado Development Commission
- Low-Income Housing Credit: CHFA certification letter
- Non-resident Partner, Shareholder or Members Agreement: DR 0107
- Plastic Recycling Credit: Required documentation to substantiate credit (receipts, bills, etc.)
- School-to-Career Investment Credit: Certification letter
- Other Documentation for credits/subtractions claimed (mark the Other box below and enter details)
- Other (explain) _____

Signature of Taxpayer or Preparer	Date
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Instructions For DR 1778

The Department strongly recommends that you submit these documents using the E-Filer Attachment option of www.Colorado.gov/RevenueOnline, which eliminates the requirement to mail this form. Failure to timely submit required documentation will result in denial of the related credit. Revenue Online E-Filer Attachment provides you with a confirmation number and will be available to the Department immediately. Otherwise, complete this form, package it with your documentation and mail to the address below. Using this form can extend return processing time up to 6 weeks.

Colorado Department of Revenue
1375 Sherman Street
Denver, CO 80261-0006

You must resubmit your supporting documentation if you file an amended return.

2013 Enterprise Zone Credit and Carryforward Schedule



Submit the following information for your tax return.

- Most software products and tax preparers have the ability to submit this schedule and attachments electronically. Revenue Online can also be used to file your return and attachments electronically.
- Only complete this DR 1366 schedule if you are unable to file electronically and are submitting a paper return.

Last Name or Business Name	First Name	Middle Initial	Account Number
Pass-Through Entity Name	Ownership %	Entity Account Number	

Be certain to submit copies of certification forms or emails generated from the EZ Tax Credit online system with your tax return. Read FYI publications General 6 and Income 10, 11, 22, 23, 24, 31 and 36 to learn specific information about the enterprise zone program and the limitations imposed upon the credits. Additional information is available at www.AdvanceColorado.com/EZ.

Use each Section A to report unused enterprise zone credit(s) from a previous year or to list an applicable carryback. List only the carryforward or carryback amount, not the full credit amount generated for that year. If more than 5 years of carryforward/carryback credits are being utilized, attach a supplemental spreadsheet.

Use each Section B to calculate the credit amount(s) that will be used to offset your 2013 tax liability.

Investment Tax Credit and Commercial Vehicle Investment Tax Credit

Section A

For the 2013 tax period, the Investment Tax Credit carryforward is available for 2001-2012.

• 20	• 20	• 20	• 20	• 20	Total
• \$	• \$	• \$	• \$	• \$	• \$

Enter the total available carryforward credit amount on line 13 below

Section B

1. Current year tax liability	1		00
2. Statutory limitation	2	\$5,000	00
3. Is the amount of line 1 more than the amount of line 2?	3		00
<input type="checkbox"/> No. Skip lines 3 and 4, enter -0- on line 5 and go to line 6. <input type="checkbox"/> Yes. Subtract line 2 from line 1			
4. 50% of line 3	4		00
5. Line 2 plus line 4	5		00
6. Enter the amount from line 1 or line 5, whichever is less	6		00
7. Old Investment Tax Credit claimed in the current year	7		00
8. Line 6 minus line 7	8		00
9. Current year <i>recognized</i> commercial vehicle investment	9		00



10. 1.5% of line 9	10	00
11. Current year certified investment not included on line 9	• 11	00
12. 3% of the amount on line 11	12	00
13. Investment tax credit carried over from prior year	• 13	00
14. Line 10 plus line 12 plus line 13	14	00
15. Enter the amount from line 8 or line 14, whichever is less	15	00
16. Enter the amount from line 15 or \$500,000, whichever is less	16	00
17. Credit used: enter the amount from line 16 being used to offset 2013 tax.	• 17	00

New Business Facility Employee Credit

Section A

For the 2013 tax period, the *New Business Facility Employee* carryforward is available for 2008-2012.

• 20	• 20	• 20	• 20	• 20	Total
• \$	• \$	• \$	• \$	• \$	• \$

For the 2013 tax period, the *Enhanced Rural New Business Facility Employee* carryforward is available for 2006-2012.

• 20	• 20	• 20	• 20	• 20	Total
• \$	• \$	• \$	• \$	• \$	• \$

For the 2013 tax period, the *Agricultural Processing Employee* carryforward is available for 2008-2012.

• 20	• 20	• 20	• 20	• 20	Total
• \$	• \$	• \$	• \$	• \$	• \$

For the 2013 tax period, the *Enhanced Rural Agricultural Processing Employee* carryforward is available for 2006-2012.

• 20	• 20	• 20	• 20	• 20	Total
• \$	• \$	• \$	• \$	• \$	• \$

For the 2013 tax period, the *Employee Health Insurance* carryforward is available for 2008-2012.

• 20	• 20	• 20	• 20	• 20	Total
• \$	• \$	• \$	• \$	• \$	• \$

Enter the **Grand Total** available carryforward credit amount on line 30 below **Grand Total** \$

Section B

18. Monthly average of qualified new business facility employees for the current tax year.	• 18	00
19. Previously claimed qualified employee count.	• 19	00
20. Increase in qualified employees, line 18 minus line 19	20	00
21. Line 20 multiplied by \$500.	21	00
22. Number from line 20 that are employees located in an enhanced rural enterprise zone.	• 22	00



23. Line 22 multiplied by \$2,000	23	00
24. Number from line 20 that are agricultural processing employees	• 24	00
25. Line 24 multiplied by \$500	25	00
26. Number from line 20 that are agricultural processing employees located in an enhanced rural enterprise zones.	• 26	00
27. Line 26 multiplied by \$500	27	00
28. Number of health insurance qualified employees	• 28	00
29. Line 28 multiplied by \$200	29	00
30. New business facility employee credits carried over from prior year.	• 30	00
31. Enter the sum of lines 21, 23, 25, 27, 29 and 30.	31	00
32. Credit used: enter the amount from line 31 being used to offset 2013 tax.	• 32	00

Contribution to Enterprise Zone Administrator Credit

Section A

For the 2013 tax period, the Contribution to *Enterprise Zone Administrator* carryforward is 2008-2012.

| • 20 | Total |
|-------------|-------------|-------------|-------------|-------------|-------------|
| • \$ |

Enter the total available carryforward credit amount on line 42 below

Section B

33. Current year cash contributions	• 33	00
34. Value of current year in-kind contributions	• 34	00
35. Total of lines 33 and 34	35	00
36. The smaller of \$100,000 or 25% of line 36	36	00
37. Statutory limitation for in-kind contributions: 50% of line 37	37	00
38. Allowable in-kind contribution: line 34 or line 37, whichever is less	38	00
39. Statutory limitation for cash contribution: line 36 minus line 38	39	00
40. Allowable cash contribution: line 33 or line 39, whichever is less	40	00
41. Enter the total of lines 38 and 40	41	00
42. Contribution credit carried over from prior year	• 42	00
43. Enter the sum of lines 41 and 42	43	00



44. Credit used: center the amount from line 43 being used to offset 2013 tax.	● 44	00
--	------	----

Vacant Commercial Building Rehabilitation Credit

Section A

For the 2013 tax period, the *Vacant Commercial Building Rehabilitation* carryforward is 2008-2012

● 20	● 20	● 20	● 20	● 20	Total
● \$	● \$	● \$	● \$	● \$	● \$

Enter the total available carryforward credit amount on line 47 below

Section B

Repeat this schedule as necessary for each building being rehabilitated.

45. Current year qualified expenditures	● 45	00
46. \$50,000 or 25% line 45, whichever is less	46	00
47. Rehabilitation credit carried over from prior year	● 47	00
48. Enter the sum of lines 46 and 47	● 48	00
49. Credit used: enter the amount from line 48 being use to offset 2013 tax.	49	00

Research and Experimental Activities Credit

Section A

Research and Experimental Activities carryforward is available until the full credit amount is exhausted.

● 20	● 20	● 20	● 20	● 20	Total
● \$	● \$	● \$	● \$	● \$	● \$

Enter the total available carryforward credit amount on line 61 below

Section B

50. Current year qualified expenditures	● 50	00
51. First preceding expenditures	● 51	00
52. Second preceding expenditures	● 52	00
53. Enter the sum of line 51 and 52	53	00
54. 50% of the amount on line 53	54	00
55. Line 50 minus line 54	55	00
56. Allowable amount: 3% of the amount on line 55.	56	00
57. 25% of the amount of line 56	57	00
58. 25% of the allowable amount from the applicable 2010 credit schedule	● 58	00
59. 25% of the allowable amount from the applicable 2011 credit schedule	● 59	00
60. 25% of the allowable amount from the applicable 2012 credit schedule	● 60	00



61. Excess credit carried over from prior year	• 61	00
62. Enter the sum of lines 57 and 61	62	00
63. Credit used: enter the amount from line 62 being used to offset 2013 tax	• 63	00

Job Training Program Credit

Section A

For the 2013 tax period, the *Job Training Program* carryforward is 2001-2012

• 20	• 20	• 20	• 20	• 20	Total
• \$	• \$	• \$	• \$	• \$	• \$

Enter the total available carryforward credit amount on line 66 below

Section B

64. Current year investment in a qualified job training program	• 64	00
65. 10% of the amount on line 64	65	00
66. Excess credit carried over from prior year	• 66	00
67. Enter the sum of lines 65 and 66	67	00
68. Credit used: enter the amount from line 67 being used to offset 2013 tax	• 68	00
69. Enter the sum of lines 17, 32, 44, 49, 63, 68 here and on the line of the applicable form as follows.	69	00

Form 104	Individual Income Tax Return	Line 24
Form 105	Fiduciary Tax	Line 13
Form 106	Composite Return for Nonresidents Only	Line 14
Form 112	Corporate Income Tax Return	Line 19

ELECTRONIC FILING
SOFTWARE DEVELOPER'S HANDBOOK FOR CALENDAR YEAR 2013

Software Developer Letter of Intent

Software Company Name: - _____

Tax Type - Individual CCorp SCorp Partner Estate/Trust

Primary Contact: - _____

Primary Contact Phone #: _____

Primary Contact E-mail address: _____

Secondary Contact: - _____

Secondary Contact Phone #: _____

Secondary Contact E-mail address: _____

Business Mailing Address: _____

Software Product Name (dba): _____

Type of product: Professional Home/Online

Federal Limitations.

State Limitations.

State Forms Supported.

Describe briefly how your software facilitates the submission of PDF attachments.

