

## **COLORADO DEPARTMENT OF REVENUE**

### **ELECTRONIC FUNDS TRANSFER (EFT) PROGRAM FOR TAX PAYMENTS**

The Colorado Department of Revenue requires employers with annual wage withholding liabilities greater than \$50,000.00, and businesses with annual state sales tax liabilities greater than \$75,000.00 to pay through Electronic Funds Transfer (EFT). Other employers and businesses may also choose to pay electronically. Electronic payments offer you a number of benefits:

- The cost and time to write checks is eliminated.
- You know exactly when your account will be debited.
- You are assured that the funds are received on time, every time.
- You do not need to file a paper return for wage withholding.
- You MUST still file a return for Sales/Use tax.
- You may also register to pay other taxes electronically. For all other taxes except estimated income, estimated severance, corporate income extensions, and PUC fixed utility fees you will still need to file a tax return. Please see page 2 of form DR 5785 for all accepted tax types for EFT payments.

#### **ELECTRONIC PAYMENT OPTIONS**

Colorado's Electronic Funds Transfer program offers two methods for electronic payment:

- Automated Clearing House Debit (ACH debit), telephone and Web payment options.
- Automated Clearing House Credit (ACH credit).

#### **AUTOMATED CLEARING HOUSE DEBIT**

To remit taxes via ACH debit, simply place a call to a toll-free number and enter seven pieces of information: your EFT identification number, your PIN (Personal Identification Number), tax type code, filing period ending date, dollar amount owed, the settlement/effective date, and your phone number. The system, in return, provides a reference number as proof of payment. The phone call is placed on the due date; the funds are withdrawn from your account the following day. We now offer payment warehousing, the opportunity to designate a payment date up to 365 days in the future, depending on tax type, allowing you to place your call in advance of the due date and have your funds withdrawn on the specified date. Sample instructions for an ACH debit phone call are included in this pamphlet. The Department of Revenue pays for the transaction.

If you are signed up for ACH debit, we now offer Web payments for your further convenience. Our Web feature will allow you to make tax payments, manage your EFT account more easily by giving you access to look up your IVR and Web payment history, change your PIN, or change banking information online through a secured Web site. Please check out our Web site at [www.revenue.state.co.us](http://www.revenue.state.co.us) and select "Electronic Payments" under "Online Services".

#### **AUTOMATED CLEARING HOUSE CREDIT**

To initiate an ACH credit, instruct your financial institution to transfer funds from your account to the Department of Revenue's depository account. The ACH credit must be accomplished utilizing the tax payment (TXP) convention within the addendum record of a CCD+ application. The ACH credit must be initiated on, or before, the due date; the funds are transferred to be received the next day by the Department of Revenue. The TXP addendum convention has been provided in this guide. Your financial institution may charge you for the transaction. Since some financial institutions can not originate ACH transactions, please contact them for more information.

#### **HOW TO ENROLL**

To participate in the EFT program, you must complete an "Authorization for Electronic Funds Transfer (EFT) for Tax Payments" (DR 5785). The Department of Revenue encourages the use of ACH debit (by toll-free number). If you are

---

registering for ACH debit, include a voided check or deposit slip from the financial institution account that you will be using for this service. Please mail or fax the completed form to:

Colorado Department of Revenue  
Denver, CO 80261  
FAX (303) 866-3112

When completing the Authorization Agreement, indicate the appropriate tax type code for your tax(es). **Please note that registration in the program via the EFT authorization form is critical for:**

- Verification of the account numbers and tax liabilities listed on your authorization form.
- Assignment of a unique EFT identification number. This is necessary for the Department of Revenue to properly credit your tax account.

Once your application has been processed, information to make these payments, including your EFT identification number, will be mailed to you within two weeks.

## FURTHER INFORMATION

If you have any questions or would like further information, please call the Colorado Department of Revenue's EFT help line at (303) 205-8333.

## Sample Telephone Call For ACH Debit Transaction

### GENERAL INSTRUCTIONS

Submit your tax payment before 4:00 P.M. Mountain Time for credit to your account on that date. The payment phone system is available 24 hours a day, 7 days a week.

#### *Before calling:*

Prepare your tax information.

Know your EFT ID Number, PIN (4 to 16 digits), tax type code, banking information, payment amount, filing period ending date, phone number, and the date you want the payment deducted from your bank account.

For other questions refer to the "Frequently Asked Questions" on the Electronic Payment Web page or call the EFT Helpline at (303) 205-8333.

Before ending the call be prepared to write down the 15 digit confirmation number (COLTAX#####).

### CALL 1-877-265-6338 (1-877-COLOEFT) to access the telephone payment system.

This is an automated system that uses your telephone's key pad for interaction with you.

#### LOGIN SCRIPT

1. System Prompt: "Welcome to the Colorado Department of Revenue Payment System. Please listen carefully because the options have changed. To make a payment, you will need your checkbook ready."
2. System Prompt: "Please enter EFT identification number, followed by the # sign."
3. System Prompt: "Please enter your PIN, followed by the # sign."
4. The system will now provide a menu of choices. "Please select your desired choice from menu. At any point during this call, to return to the main menu press 7, to quit press 9, or to talk to an operator press 0."

#### TO MAKE A PAYMENT (Press 1 at the main menu)

1. The system will prompt you to enter or accept (if you only have one type on file with us) your tax type code.

2. The system will prompt you for your banking information. You can use the account that was used on previous payments or enter new bank account information. For a new account, you will need to enter your bank's nine digit routing/transit number that can be found in the lower left hand corner of your check, your account number, indicate if it is a checking or savings account, and if it is a consumer (refers to personal account) or business account.
3. The system will prompt you to enter the amount you wish to pay in dollars and cents, followed by the # sign. You must enter cents even if you are paying a whole dollar amount.
4. The system will prompt you to enter the filing period end date in 'YYMMDD' format. **NOTE:** This is **NOT** the payment due date.
5. The system will prompt you to enter the phone number of the person making the transaction.
6. The system will inform you of the first day this payment will be deducted from your bank account. The system will prompt you "To select this date, press 1. To select a future date, press 2."
7. The system will confirm the payment amount, the bank account that will be debited, and the payment date. To confirm the correctness of the information, press 1.
8. The system will then give you a confirmation number for your records. "Your confirmation number is COLTAX\_\_\_\_\_. To repeat confirmation number, press \*. To return to the main menu, press 7. To end this call, press 9."

### Required Tax Payment (TXP) Addendum Convention, for ACH Credits

The following convention contains the format, data content, and implementation requirements for businesses to initiate an ACH credit tax payment. This convention is to be used with the National Automated Clearing House Association's (NACHA) CCD+ application. The format is used in the free form field of the CCD+ addendum record. Not all banks will process ACH credits. Contact your bank for information.

#### TXP ADDENDUM LAYOUT FOR THE ELECTRONIC PAYMENT OF COLORADO TAXES

Field Number	Field Name (Data Elements & Separators)	Data Element Type	Min/Max Characters	Contents
	Segment Identifier		3	TXP
	Separator		1	*
TXP01	Taxpayer Identification (EFT Number)	AN	1/15	3710 _ _ _ _ _
	Separator		1	*
TXP02	Tax Type Code	ID	1/5	XXXXX
	Separator		1	*
TXP03	Tax Period End Date	DT	6/6	YYMMDD
	Separator		1	*
TXP04	Amount Type (Tax)	ID	1/1	"T"
	Separator		1	*
TXP05	Amount	N2	1/10	\$\$\$\$\$\$\$cc
If paying penalty and interest include TXP06 through TXP09. (Only required if tax does not require filing a form.)				
	Separator			*
TXP06	Amount Type (Penalty)	ID	1/1	"P"
	Separator			*
TXP07	Amount	N2	1/10	\$\$\$\$\$\$\$cc
	Separator			*
TXP08	Amount Type (Interest)	ID	1/1	"I"
	Separator			*
TXP09	Amount	N2	1/10	\$\$\$\$\$\$\$cc
	Terminator		1	\

See sample on page 4.

---

\*\*\*\*\*SAMPLE ACH CREDIT ADDENDUM \*\*\*\*\*

TAXPAYER EFT NUMBER: 3710123456 (Sample EFT # only.)  
TAX TYPE: Wage Withholding (code 011)  
FOR THE PERIOD ENDING: December 31, 2005  
AMOUNT OWED: \$101,999.97

THE INFORMATION LISTED ABOVE IS FORMATTED AS FOLLOWS:

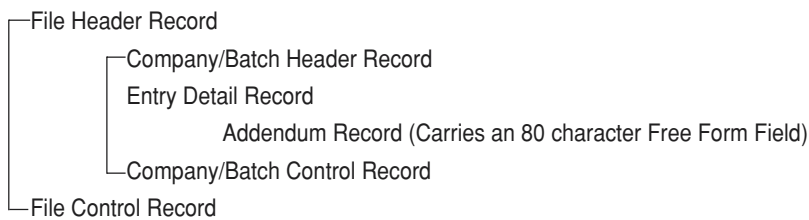
TXP\*3710123456\*011\*051231\*T\*10199997\

## NACHA CONVENTION SPECIFICATIONS

The convention specifications and implementation considerations are specified as follows.

### NACHA Record Formats

NACHA record formats for CCD+ entries flow in the following order:



The Department of Revenue can provide additional information explaining and specifying how fields are to be utilized in conjunction with the TXP convention. For more specific information on NACHA formats, specifications and definitions, refer to the ACH Rules available from NACHA.