

## 2020 Filing Season - Individual Income Tax Processing Treasurers

It's very important that you [click here](#) and review **ALL TARP Processes, Tasks, User Guides, and Job Aids**.

If you have any questions or uncertainties regarding the procedures, please contact us before you take any actions that might result in errors. We've provided a contact list on page 3.

### WHAT'S NEW for 2020

- Please **DO NOT** deposit payments that are designated for another locality. Forward the payment(s) and any accompanying payment documents to Virginia Tax to be processed as Direct file.
- It is advised around the beginning of November of each year, localities perform a preliminary review of all tax due accounts that still have a balance to determine the following:
  1. Is the associated return posted in IRMS?
    - If the return is **not posted**, fax a list of these accounts to Virginia Tax at 804.367.3014.
  2. Has the account been paid directly to Virginia Tax?
    - If the account has a **"0" balance**, initiate an Exoneration request to have the liability removed. Contact customer service at 804.367.9286.

The advance review of local tax due accounts with an outstanding balance will ultimately streamline the uncollectible process by allowing problems to be identified (and resolved) before the local uncollectibles must be submitted (**due Feb. 15**).

### CRITICAL REMINDERS

#### Local Uncollectible Submissions

- There are two methods to submit local uncollectibles: **IRMS Online** and **EESMC** (External Entity Secure Messaging Center).

#### If using **IRMS Online**

- Taxpayer balances that cannot be entered should be documented on page 4 of the transmittal form and faxed along with the completed transmittal to 804.367.3014.
- A member of the Local Team will research these accounts and provide you with the correct action to take.
- Please **DO NOT SELECT THE SUBMIT** button until you hear from Virginia Tax.
- The most common reasons why this occurs are the same as noted in the second bullet of the **WHAT'S NEW for 2020** section above:
  - ✓ No **local tax return** posted; it may be on worklist or the original return filed electronically.

- ✓ No **local tax due** balance exists because the taxpayer paid us directly.

If using **EESMC**

- Select the correct category named “**Local Uncollectibles.**”
- Verify the file successfully uploads without errors.

### Local Exoneration Requests

- **Prior to the end of year**, if your locality has a pending liability on an account that has already been paid directly to Virginia Tax or needs to be removed for another reason, an **Exoneration** is the correct method to remove the locality’s liability and to correct the taxpayer’s account in IRMS.
  - When a locality chooses not to process an Exoneration, taxpayers receive a local paid credit in IRMS as well as the direct payment they made to Virginia Tax. IRMS may issue a refund if the local payment is not reversed through the Exoneration process.
  - The last day to submit Exoneration requests is normally scheduled around mid-November to assure all requests are fully processed prior to the end of the year.
  - We cannot go back to a previous year to process an Exoneration.

### Local Tax Due Responsibilities.

- A local filed tax due return is handled by the locality; therefore, deposits and billing are also the responsibility of the locality.
  - If your locality chooses not to bill taxpayers, please submit tax due returns **with or without payments** to Virginia Tax for processing and/or billing.
  - Do not create assessments for **\$4.50 and under**.  
Task: [Compute and Record the Amount Due Using Form 759](#)

### EESMC Local Estimated Submissions

- When processing the **fourth quarter** estimated payment in the next calendar year, ensure that the software assigns the **proper** tax year. For example, a \$100, 2019 fourth quarter estimated payment is collected on January 14<sup>th</sup>, 2020, so the software should reflect the tax year as **2019 and NOT 2020** (which is the calendar year). Failure to ensure that the correct tax year is assigned to an estimated payment will cause issues for the taxpayer when the return is filed.
- Continue to refer to the TARP Process: “Handling Local Estimated Payments” and the TASK: “Submit Estimated Payments via Electronic Transmission,” located here: [Locality TARP](#).
- Always monitor the processing of your local estimated files by reviewing these weekly reports:
  - **56.0 Report** (Local Estimated Electronic Files Totals Report)
  - **291.0 Report** (EESMC Secure Transfer File Report)
- **IRMS** - remember, you have access to IRMS to verify that your estimated payments have been received and posted correctly.
  - If a file is returned to you for errors, the errors must be corrected and the file re-uploaded to Virginia Tax’s secure server.

- Data related to resolving file errors may be found in the [EESMC Local Estimated Payment Files - Error Messages Job Aid](#) in Locality TARP.
- Please **do not send us your transmittal until you see that the file upload was successful.**
- If your file is not received, you will not be given credit/advised for the local estimated assessment.

## CONTACTS

**NOTE:** Please use email unless it's an emergency but ensure "safeguarding taxpayer information" guidelines are followed. These contacts are for processing only and should not be shared with the public. Localities should contact customer service at 804.367.9286 for taxpayer-specific issues.

Contact [irms.support@tax.virginia.gov](mailto:irms.support@tax.virginia.gov) for any technical problems related to missing or rejected files, or any problem outside of Cardinal issues with reconciling your transactions.

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