Screen Form 763-S - Tax Year 2021

Process

SCREEN LOCAL FILED TAX RETURNS - TAX YEAR 2021

Effective Date

01/01/2022

Purpose

This task is performed to ensure each **Tax Year 2021** Form 763-S is complete and that informational screening codes are on the return. This task is performed by representatives in the Commissioner of Revenue's Office. This task covers screening of **Category 4:** Refund returns, **Form Type:** 763-S

Special Notes

- The return is "coded" by writing the appropriate screening codes in the bottom right corner of Page 1 of the return.
  Please refer to TASK: General Screening of Individual Income Tax Returns - Tax Year 2021.
- The "Return Forms to Customer Letter" is used to ask the customer for additional information. Follow the guidelines specified in the General Screening procedures for the letter handling. Please refer to FORM: Locality Letter - Return Forms to Customer - Tax Year 2021.
- Federal Form 1310, Statement of *Person Claiming Refund Due a Deceased Taxpayer* may be attached to the return.

Procedure

Responsibility
Commissioner of Revenue's Office Locality Representative

Steps
1. Obtain a return to be screened.
2. If more than one customer's name appears in the header section, determine if both taxpayers have included W-2 forms.
   NOTE: Form 763-S is not a joint return. Each customer must complete, sign, and submit his/her own Form 763-S.
   A. If only one customer's withholding amount is claimed as a refund, line through the other name.
   B. If both customers have withholding amounts claimed as a refund,
      1) Complete a "Return Forms to Customer Letter" to request that each customer file his/her own Form 763-S.
      2) Continue screening for other conditions.
3. Screen for Federal Form 1310.

   A. If Federal Form 1310 is attached, code the return “**DX**”.
   B. If Federal Form 1310 is not attached, go to Step 4.
4. Determine if the refund amount in the Step ll section is complete and accurate.
   A. If Step II is complete and accurate, go to Step 5.
   B. If Step II is incomplete, inaccurate, or blank, enter the amount as shown on the W-2 Form(s).
      1) If the W-2 is missing, code "**WX**".
      2) If the W-2 does not reflect Virginia withholding, code "**VX**".
      3) If any W-2 has been altered,
         a. If on or **before** April 10th, complete the "Return Forms to Customer Letter".
         b. If **after** April 10th, code "**AX**".
5. Determine if a copy of the state-of-residence return is attached.
   A. If the state-of-residence return **is** included, go to Step 6.
      NOTE: State-of-residence returns are NOT required for these states:
      - Alaska
      - Florida
      - Nevada
      - New Hampshire
      - South Dakota
      - Tennessee
      - Texas
      - Washington
      - Wyoming
   B. If the state-of-residence return **is not** included,
      1) If on or **before** April 10th, complete the "Return Forms to Customer Letter".
      2) If **after** April 10th, code "**MX**".
6. Place the screened return aside in one of the following stacks.
   - Returns with a "Return Forms to Customer Letter"
   - All other returns
7. Repeat Steps 2 through 6 until all returns have been screened.
8. Place the screened 763-S returns that have a "Return Forms to Customer Letter" in the designated location to be mailed back to the customer.
9. Gather the screened 763-S returns.
   A. Secure the bundle with a rubber band or paper clip when there are too few returns to be rubber banded.
   B. Place the returns in the designated location for transmittal to Virginia Tax. Refer to PROCESS: Transmit Local Filed Returns to Virginia Tax.

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