

Attachments to Franchise and Excise Tax Paper Returns

Notice #13-01

Franchise and Excise Tax

JANUARY 2013



Highlights

INTRODUCTION

This notice is intended to provide taxpayers and the general public with information concerning attachments to form FAE170 Franchise and Excise Tax Return and form FAE174 Franchise and Excise Financial Institution and Captive Real Estate Investment Trust Tax Return when filing a paper return.

DISCUSSION

➤ *Do not include a copy of your Federal tax return with your Franchise and Excise paper Tax Return.*

As part of the Tennessee Department of Revenue's on-going effort to reduce cost and waste, all franchise and excise tax returns prepared using a software program certified by the Department of Revenue must be filed electronically starting January 1, 2013. In cases where access to certified software is not available and a paper return is filed, we ask that you **not** include a copy of the federal tax return or other attachments that are not necessary for processing the tax return. This applies to all returns, including final returns. If there is a situation in which the Federal tax return or other additional information is needed, the Department will request the necessary documentation at that time.

➤ *Effective January 1, 2013 unnecessary attachments will be securely destroyed.*

Effective January 1, 2013, the Department will no longer retain these unnecessary attachments. These attachments will be shredded and disposed of in a secure manner. Your cooperation in this matter will save you money on paper, ink, and postage. It will also help the Department more efficiently process your return as well as reduce associated costs including the amount of space in state buildings used to store the returns and the cost of scanning paper tax returns into a digital format for fast and efficient retrieval.

➤ *Unnecessary attachments are costly to you and to all taxpayers.*

Required attachments should still be included with the return. All four pages of the basic return should always be included. Schedules M, N, O, P, R, T, U, V, X, NC, SF and Form IE-N should be included when applicable. Attachments should also be included where the words "attach schedule" or similar language appears on the return.

Filing Other Documents

Penalty waiver requests, Business Plans for tax credits, Claims for Refund, Consolidated Net Worth Elections, and other important documents not needed to process the tax return should be mailed separately from the return. Mailing these documents separately results in more accurate and timely routing of the documents to the correct personnel. Penalty waiver requests, Business Plans, and Claims for Refund can be mailed directly to the Audit Division at P.O. Box 190644, Nashville, TN 37219-0644. Consolidated Net Worth Elections and other important documents should be mailed to the Taxpayer Services Division at 500 Deaderick Street, Nashville, TN 37242.

➤ *The Department of Revenue will specifically ask for any additional information needed.*

Electronic Filing of Returns

Effective January 1, 2013, all franchise and excise tax returns prepared using a certified software program must be filed electronically. A list of certified software products that will allow you to electronically file franchise and excise tax returns is available at <http://tn.gov/revenue/onlinefiling/fae/certifiedvendorsfae.shtml>. If your software vendor does not support electronic filing, please let your vendor know that you would like to file franchise and excise tax returns electronically.

The information provided here is current as of the date of publication but may change as a result of new statutes, regulations, or court decisions. While this notice is intended to be comprehensive, events and situations unanticipated by this notice may occur. In such cases you should contact the department or your tax professional for further guidance.