



Handbook on Fiduciary Income Tax
Modernized e-File (MeF) for Tax Year 2024

October 2024

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SECTION 1 General Information

Vermont's MeF electronic filing program follows the same rules and guidelines as the IRS electronic filing program specified in the IRS Publications 4163 and 4164. Returns for the IRS and Vermont can be transmitted to a single point (the IRS). The IRS will forward the Vermont returns to Vermont for processing. Vermont will return acknowledgments back to the IRS where they can be picked up by transmitters.

Vermont will begin accepting production Fiduciary Income Tax Returns through the Modernized E-File System (MeF) when the IRS opens for the season.



This handbook provides preparers, EROs, transmitters and software developers with the information necessary to participate in the Modernized E-File Program and the list of Vermont forms that can be filed electronically. Items unique to Vermont are identified and instructions have been provided.

Please use this handbook in conjunction with IRS Publications 4163 and 4164. The Vermont Department of Taxes conforms to all requirements, rules and regulations governing tax preparers set forth by the Internal Revenue Service.

COMPUTER TECHNICAL ASSISTANCE

MeF Coordination Team
Vermont Department of Taxes
Email: tax.vendorsupport@vermont.gov

CONFIRMATION OF FILING INFORMATION

Web: <https://myvtax.vermont.gov>
***Please allow up to 2 weeks for MeF filings and
8 weeks for paper filings to be fully processed.***

WEB ADDRESSES

Vermont Department of Taxes <http://tax.vermont.gov/tax-professionals>

Internal Revenue Service www.irs.gov/e-file-providers/efile-for-tax-professionals

Software Acceptance and Participation

Software Developers create tax preparation and transmission software that formats electronic returns according to Vermont's electronic return specifications. The software and transmission data must be tested and certified by the Vermont Department of Taxes. For information about Vermont's State Acceptance Testing System, please contact Vermont's MeF coordinator.

Electronic Return Originator (ERO) is the tax preparer. The ERO prepares tax returns for electronic submission using tax preparation software approved by the Internal Revenue Service and the Vermont Department of Taxes. An ERO may be the tax preparer who completes the return, or someone who transmits prepared returns.

Transmitters use approved software to transmit electronic returns directly to the Internal Revenue Service Center and the Vermont Department of Taxes. You may be both an ERO and Transmitter, or the ERO may have an arrangement with a transmitter to electronically file their returns.

Software developers must test with and receive certification from Vermont for their transmission format before submitting live production returns. In order to receive final approval, Software Developers must transmit all test returns in one single transmission, without any errors. Software developers who successfully complete the state testing process will receive written verification by email from the Department.

Software developers must provide the following to the Vermont MeF coordinator prior to submitting test transmissions:

- Vermont Electronic Filing (MeF) Request for Participation Letter
- Completed Letter of Intent found on the State Exchange System
- E-mail alert sent to Vermont's MeF Coordination Team at tax.vendorsupport@vermont.gov to communicate transmittal of the test package.

(Please include the name of the software and the four-digit industry identification number in the email subject line when submitting the testing package.)

Filing a tax return is the responsibility of the taxpayer. Filing returns electronically requires an agreement between the taxpayer and the ERO. The Vermont MeF coordinator is not a party to this agreement.

Publications

The following publications are available for your assistance:

- Publication 4163, Modernized e-File Information for Authorized IRS e-file Providers for Business Returns <http://www.irs.gov/pub/irs-pdf/p4163.pdf>
- Publication 4164, Modernized e-File Guide for Software Developers and Transmitters <http://www.irs.gov/pub/irs-pdf/p4164.pdf>

- 2024 Vermont MeF E-file Handbook
- Vermont MeF E-file Test Package with test scenarios

SECTION 2 - Filing Information

The Vermont electronic return will consist of data transmitted as well as supporting PDF documents. The electronic return must contain the same information as the paper copies of the return.

Accepted Filings

- Vermont returns with a refund, zero balance, or balance due (including underpayment of estimated tax)
- Amended returns.
- Extension to file Fiduciary Income Tax Return
- Estimated Tax payments (Form FIT-165) – Vermont quarterly estimated Fiduciary payments can be scheduled at the time of filing for all four due dates.
- Prior year returns **If software is certified in the prior year.*

The due date for filing 2024 Fiduciary Income Tax returns is April 15, 2025.

The following is a list of all the XML forms that Vermont accepts electronically. Software developers are not required to support all forms that Vermont accepts electronically. ERO's, when purchasing software, should verify the software company will support the forms they want to transmit electronically.

Forms and Schedules that can be electronically filed.

Form	FIT-161	Fiduciary Income Tax Return
Schedule	FIT-162	Capital Gains Exclusion Calculation for Estates or Trusts
Schedule	FIT-166	VT Income Adjustments and Tax Computation for Fiduciaries
Schedule	FIT-167	VT Credit for Tax Paid to Other State or Canadian Province for Fiduciaries
Schedule	K1VTF	Shareholder, Partner or Member Information for Fiduciaries
Form	FIT-168	Extension to file Fiduciary Income Tax Return
Form	FIT-165	Fiduciary Estimated Tax Payment Voucher

Forms that cannot be electronically filed

The following forms/line items **will not be accepted** for electronic filing for the 2024 tax year.

- 1) Form FIT-160 - Fiduciary Income Tax Payment Voucher

Note: A Vermont return must be filed as "State Only" or by paper if the Federal return is prohibited from being filed through the Federal/State Electronic Filing Program.

NOTE: If you receive a rejection notice for the federal return, the state return will **not** be transmitted to Vermont. See page 14 for information on correcting a rejected transmission.

Expected Values for the State Submission Manifest

<u>Form</u>	<u>Submission Type</u>	<u>Expected Tax Year</u>
FI161	VTFI161	2024
FI165	VTFI165	2025
FI168	VTFI168	2024

Acknowledgment System

Filing Acknowledgments:

IRS Acknowledgment – If the data meets specifications and the transmission is accepted, the IRS acknowledges receipt of the Federal data and Vermont data. If the electronic returns do not meet the IRS specifications, **both** the Federal and Vermont returns are rejected. The IRS generates the error code(s). Refer to Federal Publication 4163 and 4164.

Vermont Acknowledgment – Vermont uses the State Acknowledgment System operated by the IRS. This system may be accessed either directly or through your software product. Please refer to the software instructions for information concerning accessing and retrieving state acknowledgments.

Accepted – This acknowledgment indicates the electronic return was received and successfully completed the pre-entry validation process. No further action is required.

Rejected – This acknowledgment indicates the electronic return was received but failed to complete the pre-entry validation process. The acknowledgment contains the x-path, codes and error descriptions indicating the cause of the rejection. The error condition must be corrected prior to resending the return as a “State-Only” transmission. See page 13 for information on correcting a rejected transmission.

The acknowledgment date is considered the filing date for the Vermont return.

All rejections, questions or difficulties with the Vermont Acknowledgment should be sent to the Vermont Department of Taxes.

Contact:
Vermont Department of Taxes
Email: tax.vendorsupport@vermont.gov

Vermont Mandates

Corporate Income Tax, Business Income Tax & Fiduciary Income Tax

Effective January 1, 2024, Vermont will be following the new Internal Revenue Service guidelines on e-filing for businesses. (T.D. 9972) Tax practitioners and taxpayers who file 10 or more tax returns in a year will be required to file all returns electronically. This applies to the filing of Vermont Corporate Income Tax, Business Income Tax, and Fiduciary Income Tax returns.

Refunds

The annual interest rate for overpayment of tax for 2025 will be 8.5%. The Department of Taxes will pay interest on refunds issued more than 60 days after the due date, including extensions.

Carryforwards

Taxpayers may elect to apply all or a portion of the income tax refund towards their 2025 fiduciary estimated income tax.

Refund Delays

Delays may occur when additional information is required for the Department to verify entries on the return. A refund offset may also delay receipt of any remaining refund.

Refund Status

A taxpayer or ERO may inquire about the status of a refund by calling the Department (802) 828-6820 (local & out of state)

Balance Due Returns

Vermont returns with a balance due can be filed electronically. This includes the underpayment of estimated income tax. The annual rate for underpayment of tax for 2025 will be 8.5%. The return may be filed in advance of the due date without the payment. The payment must be received by **April 15, 2025, to be considered timely**. Payments made after this date will be assessed late payment interest and penalty.

Note: The Department strongly encourages all taxpayers to pay their tax due electronically for the fastest and most efficient processing of their payment.

Accepted Payment Methods

ACH Debit Taxpayers who file using the Vermont MeF program can pay their tax due using ACH Debit. The payment can be made at the time of filing or scheduled at a later date. There is no fee for using ACH Debit.

myVTAX Taxpayers can pay their tax due online using myVTax, the Departments online filing site. Payments can be made by ACH Debit for no charge. Payments can be scheduled for any day up to and including the due date of the return. Taxpayers can also pay their tax due using their credit card, however convenience fees apply.

Check or Money Order Taxpayers who wish to pay by check or money order can use **Form FIT-160**, Vermont Fiduciary Income Tax Payment Voucher to mail their check and voucher to Vermont Department of Taxes, P.O. Box 1700, Montpelier, VT 05601-1700. Payments submitted without a voucher may be lost or misdirected which can result in late payment penalties.

Extended Returns

File **Form FIT-168** - Extension to file a Vermont Fiduciary Income Tax Return to request an extension of time to file. This form can be submitted electronically. Any tax due must be remitted with the extension request. If no additional Vermont tax is due **and** an extension of time to file is submitted for the federal Form 1041, a Vermont extension is not required. The federal extension will be accepted for Vermont. The extension request must be submitted by the original due date. Extended returns are due September 30th.

NOTE: Extended checkbox on form FIT-161 must be checked if federal extension has been filed electronically.

2024 Vermont Fiduciary Income Tax Changes

***For complete legislative highlights go to <http://tax.vermont.gov>

FORM FIT-161

- Updated Tax Schedule:

Vermont 2024 Tax Schedule			
If Taxable income is over	But not over	The Vermont Tax is	of the amount over
\$0	\$3,200	3.35%	\$0
\$3,200	\$7,550	\$107.00 + 6.60%	\$3,200
\$7,550	\$11,550	\$394.00 + 7.60%	\$7,550
\$11,550	---	\$698.00 + 8.75%	\$11,550

SCHEDULE FIT-162

No changes.

SCHEDULE FIT-166

No changes.

SCHEDULE FIT-167

No changes.

SCHEDULE K-1VT-F

Instructions: Added * to Line 8 and line 9

*These lines are informational. The amounts need to be considered in the preparation of the recipients' income and fiduciary tax returns, but they may not transfer exactly to the returns and schedules.

FORM FIT-168

No changes.

SCHEDULE FIT-165

No changes.

FORM 8879-VT-F

Beginning in tax year 2022, Form 8879-VT-F is optional for tax professionals when IRS Form 8879 is completed. EROs or transmitters must keep Form 8879-VT or IRS Form 8879 in their file with their copy of the return and all supporting documentation for a minimum of three years.

SECTION 3 - Information for Software Developers

Vermont participates in the IRS Federal/State 1041 program. This allows the filing of both federal and Vermont tax returns using an XML format. The transmission method will be a Web service using Simple Object Access Protocol (SOAP), with attachments messaging.

Software developers are required to develop Vermont tax preparation software in accordance with statutory requirements and preparation instructions. The software must provide accurate Vermont income tax returns in the correct electronic format for transmission. The software must be capable of producing a printed copy of the complete electronic filing which includes a ***“Do Not Mail”*** watermark on the printed forms.

Software developers must provide data validation, verification, and error detection to prevent transmission of incomplete, inaccurate or invalid return information. Developers should prevent the filing of any form not approved by Vermont for electronic filing.

Software Acceptance, Testing and Approval

Software developers are required to fill out a Vermont Electronic Filing Request for Participation letter before beginning to test. An email is required to alert the MeF Coordination Team before submitting the first test file. You will receive an email if there is anything wrong with your file within 48 hours after transmittal. If errors are found, you must resubmit the entire test package. A separate letter will be sent for an online product and preparer product. Once the testing is completed you will receive a certification letter indicating you are approved for Vermont.

If the Software Developer is not acting as the ERO, the software developer is responsible for providing state acknowledgments to the ERO no later than two days after receipt. Failure to do so could lead to suspension from the Vermont Program.

Software developers are required to test with Vermont for accuracy to ensure their software adheres to Vermont business rules, a successful transmission and receipt of acknowledgments. EROs must use tax preparation software that has been approved for use by Vermont.

The Vermont MeF ATS test package will consist of documentation of special test conditions as well as copies of the state test returns and will be made available to all software developers who indicate their intention to support Vermont MeF.

Vermont's starting test date is tentatively scheduled to begin in early November 2024 for tax year 2024 but is subject to IRS system availability.

Software errors which cause electronic returns to be rejected that surface after testing has been completed should be quickly corrected to ensure that the ERO has the ability to timely and accurately file its electronic returns. Software updates related to software errors should be distributed promptly to users together with any documentation needed.

Vermont will accept the following types of filing:

Fed/State Original – The Vermont MeF program works best when the federal and state returns are filed together in one transmission to the IRS (although this is not always possible). Upon receipt, the IRS will validate and verify the federal return data. The IRS will either accept or reject the federal return. The state return is made available to Vermont after the federal return is accepted by the IRS.

State Only – IRS provides the ability for an ERO to transmit and retransmit a state return through the Fed/State system without simultaneously transmitting a federal return. State Only returns are transmitted to the IRS, validated and made available for states to retrieve in the same fashion as the Fed/State Transmission. This provides a method for individuals who file multiple state returns to have each participating state's return filed electronically. Each state return must be transmitted separately. The taxpayer's federal return must be completed, transmitted and accepted by the IRS before transmitting/re-transmitting a State Only return.

Software developers use Fed/State 1041 MeF forms-based schemas and the Vermont forms base schemas/spreadsheet. Edits and verification of business rules are defined for each field or data element. The state spreadsheet will include information on the field type, field format, the business rule and other edits. Developers should apply data from the state spreadsheet and tax forms to the appropriate data element in the XML schema.

Transmit data elements only if they contain data values. Do not send empty data elements (i.e., zero financial fields, unused elements, etc.) unless that data element is required by Vermont's

schema. Detailed requirements for decimal placement in ratios and percentages are in the Vermont state-specific schema and /or data elements spreadsheet.

Software developers must furnish electronic funds (direct debit) information for this payment option to taxpayers who electronically file a balance due return. Electronic funds withdrawal may be made from the taxpayers checking or savings account. Taxpayers can choose the date they want the amount owed withdrawn from their account. Partial payments may be made using electronic funds withdrawal.

Acceptance in the electronic filing program does not imply an endorsement by the Vermont MeF Coordinator. Therefore, any public communication that refers to a user's electronic filing capabilities, whether through publication or broadcast, must clearly indicate acceptance of the user for electronic filing and does not constitute an endorsement or approval of the quality of tax preparation services provided by Vermont's MeF coordinator.

Vermont will monitor the quality of transmissions. If the quality deteriorates, the electronic filer will receive a warning, or in extreme cases, a letter suspending the electronic filer from filing electronic MeF returns. When suspended, the retrieval process will be inactivated halting further processing of MeF electronic returns.

Electronic filers and EROs are expected to place the taxpayer first in providing return preparation and transmission services. Regardless of changes in business address, company names, telephone numbers, organization, or personnel, the taxpayer must always have convenient access to their return. This includes but is not limited to, access to current status of the return and access to the organization representatives to resolve any questions or concerns.

Participation Denial or Suspension

Software developers, transmitters and EROs must maintain a high degree of integrity, compliance, and accuracy in order to participate in Vermont's MeF program.

All Software developers and EROs must comply with the requirements and specifications contained in the Vermont MeF Handbook. Failure to comply with all requirements and specifications could result in being suspended from the program.

Additionally, Vermont reserves the right to deny participation in its program for the reasons listed below:

- If your company fails to adhere to the state MeF program requirements and schema.
- If your company does not consistently provide error-free returns.
- If your company uses unethical practices in return preparation.

Denial or suspension of participation in the Fed/State Electronic Filing Program may occur if standards are not met. Denial or suspension to file Federal returns automatically revokes your ability to electronically file Vermont returns.

The Department will send a letter of explanation if a denial or suspension of participation is issued for the failure to meet Vermont's standards.

Nature of Approval

Software Developers submit test cases for the primary purpose of assuring data transmissions are acceptable to Vermont. Approval by the Vermont Department of Taxes does not signify endorsement of any software developer program or the accuracy of the software developer program.

Advertising and Program Logo



You may show that you are authorized to transmit Federal and Vermont returns electronically by using this logo, subject to IRS restrictions, in your advertisements. **Only the IRS-created electronic filing logo may be used.** The IRS created this logo to give a consistent image to the program. Go to www.irs.gov/e-file-providers/efile-for-tax-professionals under the IRS E-File Library for more information.

SECTION 4 - Information for EROs and Transmitters

Requirements to Participate

IRS Requirements:

Please visit www.irs.gov/e-file-providers/efile-for-tax-professionals for information on completing IRS **Form 8633 - Application to Participate in the Electronic Filing Program**. The application period begins August 31st of each year and ends May 31st of the following year. To ensure participation in the IRS e-file season beginning January 1, applications should be submitted between August 1st and December 1st.

Vermont Requirements:

A separate Vermont state application is not required. You do not need to send a copy of your acceptance letter or IRS Form 8633 to the Department. You are not required to test with Vermont; however, you must use Vermont approved software.

Authorized Electronic Return Originators (EROs) can submit returns to the IRS MeF system for federal and state return processing. Both Fed/State and State Only returns can be submitted through the Fed/State system. Each return (Fed/State or State Only) must be in a separate submission. Multiple submissions may be contained in a single message payload. Software developers must test with Vermont and receive approval prior to submitting live Fed/State or State Only returns.

Timeliness of Filings

All scheduled due dates for filing of returns apply to MeF returns. If any due date falls on a weekend or legal holiday, the return must be filed by the next business day.

All authorized Vermont EROs must ensure that returns are promptly transmitted. An electronically filed return is not considered filed until a Vermont acceptance acknowledgment has been received. It is ERO's responsibility to check for acknowledgment and contact the Vermont MeF Coordination Team if an acknowledgment is not produced within 48 hours during the week or 96 hours if filed on Friday, Saturday or Sunday. If the electronic portion of a return is transmitted on or shortly before the due date and is ultimately rejected, see page 14.

The receipt of an electronic postmark will provide taxpayers confidence that they have filed their return. The date of the electronic postmark is considered the date of filing. All requirements as well as resubmitting a rejected timely filed return must be adhered to for the electronic postmark to be considered the date of filing.

Amended Filings

After an electronic return is acknowledged as accepted, it cannot be recalled, intercepted, or changed in any manner. If either the ERO or taxpayer wishes to change any entries on an accepted electronic return, an amended return must be filed.

Superseded Returns

For TY 2024, Vermont will not be adding a checkbox for superseded returns. Vermont Personal Income Tax returns which are submitted with a superseded federal income tax return should be marked as amended filings.

Resubmission of Rejected Tax Returns

After an error acknowledgment is sent, Vermont monitors the timelines of addressing the correction. Revocation of privileges may result from filing erroneous returns or the failure to provide a timely correction.

If an electronic acknowledgement has not been received within 48 hours, or 96 hours if filed on Friday, Saturday or Sunday, the ERO should contact Vermont's MeF Coordinator for further instructions. **It is the responsibility of the ERO to ensure that every return filed electronically is acknowledged as accepted.**

If Vermont rejects the return for processing, the ERO must take reasonable steps to inform the taxpayer of the rejection within 24 hours and provide the taxpayer with an explanation for the rejection. If the return is filed by the due date, the resubmitted return will be considered timely if the return is transmitted and accepted within five calendar days of the rejection.

If the electronic return cannot be corrected and retransmitted, the taxpayer must file a paper return. The paper return will be considered timely if it is filed by the due date of the return but no later than five calendar days after the date Vermont gives notification the return is rejected. The paper return should include an explanation of why the return is being filed after the due date and include a copy of the reject notification.

Vermont Returns

- Use only software approved for use in the Federal/State Electronic Filing Program and Vermont-approved software. **It is the sole responsibility of the ERO/Transmitter to ensure they are using the most current version of their software.**

**The Vermont Department of Taxes posts a list of approved software and any limitations associated with the software at <http://tax.vermont.gov>

- Use the 2024 Vermont Fiduciary Income Tax forms.
- Use only whole dollars.
- Verify the correct name, address and FEIN of the trust/estate was used for the return and on Form 8879-VT-F or IRS Form 8879.
- Obtain the taxpayer's signature on Form 8879-VT-F or IRS Form 8879 **before** the return is transmitted.
- Obtain the signature of the paid preparer or attach a copy of the Vermont forms signed by the paid preparer to Form 8879-VT-F or IRS Form 8879. Please be sure to mark the copy attachment as "copy."
- Do not transmit a return you suspect contains false information. Call the Taxpayer Service Division's fraud coordinator at (802)-828-2865 to report the situation.
- Ask the taxpayer if they would like to authorize you to discuss the return with the Department of Taxes and if yes, check the disclosure checkbox.
- Retain Vermont Form 8879-VT-F or IRS Form 8879, for three years from the due date or the filing date, whichever is later.
- Verify the routing number and bank account number if the taxpayer wishes to receive their refund through direct deposit.
- Verify the routing bank account number if the taxpayer wishes to pay their balance due through ACH debit.

Form 8879-VT-F Instructions

Form 8879-VT-F, Vermont Fiduciary Income Tax Declaration for Electronic Filing, authorizes the ERO to file on the taxpayer's behalf and serves as authentication of the return information. Beginning in tax year 2022, Form 8879-VT-F is optional for tax professionals when IRS Form 8879 is completed.

Form 8879-VT-F or IRS Form 8879 should be kept on file for three years in the EROs or transmitters office.

Form 8879-VT-F must be:

- Completed with information that matches the electronic record.
- Signed by the taxpayer before transmitting.
- Completed for every taxpayer's electronically filed "state only" submission.
- Completed if IRS Form 8879 is not obtained.

Part I Taxpayer Information

Print the Estate or Trust name, address, and FEIN number. Verify this information and the return information agree.

Part II Tax Return Information

Enter the information from the specified lines on the return. Use whole dollars only.

Part III Direct Deposit of Refund/ ACH Debit Payment

Enter the routing transit number (RTN) of the bank or financial institution. The RTN must contain nine numbers. If the RTN does not begin with 01 through 12 or 21 through 32 the direct deposit request will be rejected. Enter the depositor account number (DAN). The DAN can contain up to 17 characters (both numbers and letters). Check the appropriate box for account type.

Part IV Declaration of Taxpayer

The taxpayer must read the declaration before signing. The taxpayer is verifying that the information in Part II matches the information on the return.

Part V Declaration of Electronic Return Originator (ERO)

The ERO must read the declaration before signing and provide the business information requested in the signature block.

Note: If the paid preparer is not available to sign Form 8879-VT-F, a copy of the completed Vermont return(s) signed by the paid preparer must be attached. Mark these returns as "COPY" and enter the business information in the paid preparer section.

Part VI Declaration of Paid Preparer

The paid preparer must read the declaration before signing. The paid preparer signs and dates the completed Form 8879-VT-F and provides the business information in the paid preparer section.

SECTION 5 - Frequently Asked Questions

I am an out of state ERO/Transmitter, do I need to pre-register with Vermont before sending MeF Returns?

No. The Vermont Department of Taxes does not require out-of-state EROs/Transmitters to register before transmission. However, the ERO/Transmitter is responsible for ensuring that the software used has been approved and certified by the Department and the IRS.

What do I keep on file for MeF electronically filed returns?

You should keep a complete copy of the return including any supporting documentation and Form 8879-VT-F.

Do I send paper documentation to the Department for MeF returns?

No. Please do not send any paper documentation to the Department unless requested to do so. You should keep copies of the returns and supporting documents on file.

Can I attach PDFs to the Vermont Department of Taxes for Fed/State E-File returns?

Yes. There is no requirement to send additional information, however you may attach PDF files you deem necessary. Although there is no defined size limit, keeping attachments as small as possible will help ensure the successful transmission of returns.

Does the Department ask for paper documentation for e-filed returns?

Occasionally, the Department will request a source document to complete the examination of a return. The Department will make this request in writing.

How do you pay the tax due for electronically filed returns?

All tax due to Vermont for tax year 2024 must be paid by April 15, 2025, to avoid interest and penalty charges.

Please Note: The Department strongly encourages all taxpayers to pay their tax due electronically for the fastest and most efficient processing of their payment.

The tax due can be paid by:

ACH DEBIT when filing through Vermont’s MeF program. Taxpayers who file using the Vermont MeF program can pay their tax due using ACH Debit. The payment can be made at the time of filing or scheduled at a later date. There is no fee for using ACH Debit.

myVTax go to <http://mytax.vermont.gov> for further information and to access the system. Payments can be made by ACH Debit for no charge. Payments can be scheduled for any day up to and including the due date of the return. Taxpayers can also pay their tax due using their credit card, however convenience fees apply.

CHECK or MONEY ORDER Taxpayers who wish to pay by check or money order can use **Form FIT-160**, Vermont Fiduciary Income Tax Payment Voucher to mail their check and voucher to Vermont Department of Taxes, P.O. Box 1700, Montpelier, VT 05601-1700. Payments submitted without a voucher may be lost or misdirected which can result in late payment penalties.

What do you do when an electronically filed return is rejected?

First, check the acknowledgment system for the acceptance or rejection of the return. If the federal return is rejected, the Vermont return will not be transmitted to Vermont even if there are no errors on the Vermont return.

Next, determine the reason for the rejection. If the cause of rejection can be corrected, make the correction and resubmit the return. In some instances, this may be a "STATE ONLY" return.

If the return is e-filed on or near the due date, five calendar days are allowed to correct the cause of rejection and resubmit the return to be considered a timely filing.

For the paper filing of a rejected return, it will be considered timely if received within five calendar days of the due date. Consideration on a case-by-case basis may be given to allow additional time for filing a paper return due to a rejected e-filed return.