



Working Effectively with your Taxpayer's Software Company

NESTOA Conference

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Introduction

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Who We Are

The NACTP is a non-profit organization consisting of companies involved with computerized tax processing. Since 1969, NACTP has built successful partnerships with the IRS and state agencies in income, payroll and sales & use taxes.

The primary focus is to collaborate with taxing jurisdictions to develop the best computerized methods to meet the needs of the taxing jurisdictions and taxpayer.

We are your vendors – and your free consultants!

Smother, More Cost Efficient Implementations

- Think of NACTP as your free, experienced consultants with a stake in your success.
- Use the NACTP as an additional resource for early review of forms, schemas, business rules, file specifications and processing requirements prior to implementation.
- Our members have extensive domain expertise.
- Gain greater compliance through better communication between NACTP and government agencies.

Simplify Communication Channels

- Broadcast vital information to all of your industry partners from a single distribution list.
- Request and receive industry feedback from a single point of contact.
- Work with an assigned liaison dedicated to addressing your agency's critical issues.
- Through the NACTP website, share information, participate in forums, and keep up with developments important to your work.

Best Practices & Lessons Learned

- Over the years, the NACTP has become a natural repository of business and technological best practices and lessons learned through the collective experiences of its members.



Goals

- To encourage the standardization and simplification of:
 - Electronic and automated paper-based filing systems.
 - Tax forms, instructions and approval processes.
- To encourage the timely distribution and clarification of specifications, forms, instructions and regulations.
- To function as a nonprofit association formed for the mutual benefit of its members and government taxing agencies.

NACTP Structure

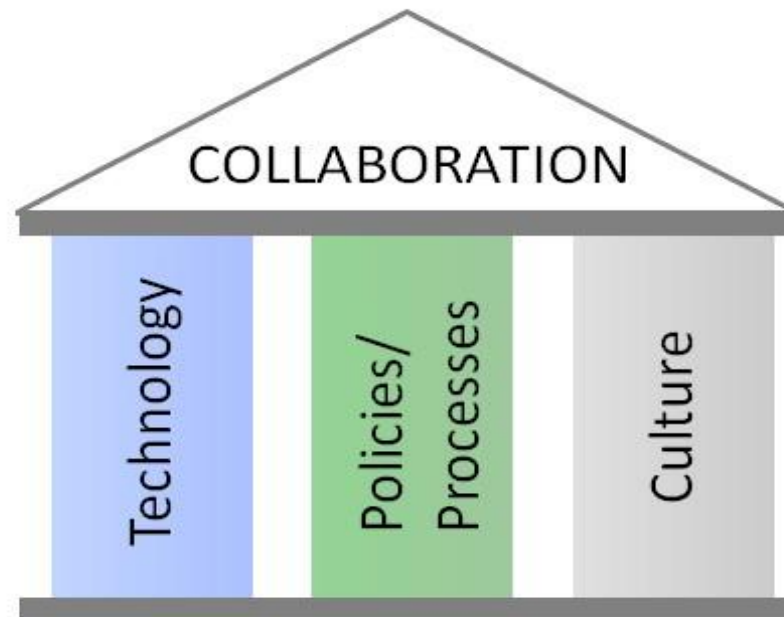
- **Income Tax**
 - Electronic Filing Committee (EFC)
nactp_efc@nactp.org
 - Government Liaison Committee (GLC)
nactp_glc@nactp.org
- **Sales & Use**
 - Sales & Use Tax Committee (SUT)
nactp_sut@nactp.org
- **Payroll & Information Reporting**
 - Payroll & Information Reporting Committee (PIRC)
nactp_pirc@nactp.org

Recent Project Examples

- Assisting in establishing monthly calls with the IRS as well as with state e-File coordinators.
- Collaborating with the IRS regarding the additional credit reduction information on Form 940 Schedule A.
- Guiding and assisting with the development of new electronic filing systems.
- Publishing electronic filing and form design standards.
- Maintaining the vendor ID list to simplify identification of the submitters or forms developers.
- Promoting NACTP supported business models with the Federation of Tax Administrators (FTA) and the National Association of State Workforce Agencies (NASWA).

Committee Reports

Each year, the committees provide a report to each state detailing the filing season experience for industry and taxpayers with recommendations where possible improvements are noted.



Report Details

The reports address items such as:

- **Form/Schema Release:** Whether the release of forms and schemas allowed enough time to meet development deadlines. Also includes details about the number of releases/versions.
- **Form/Schema Design:** Whether form/schema design met industry standards and was compatible with products/tools (designed to grid/not to grid, too crowded, etc).
- **Specifications:** Whether specifications provided all necessary information for development.
- **Communication:** How well their staff communicated with industry.
- **Testing/Approvals:** Whether the testing and approval process was difficult/easy, were testing feedback and approvals received in a timely manner, etc.
- **Website:** Whether their website provided needed information and whether the information was posted timely.

Report Types

There are four levels of action for the reports, each level indicating how well the development and filing season progressed, in an escalating urgency.

1. Thank you letter for a job well done.
2. A white paper listing areas where improvement is needed.
3. A conference call between the taxing authority and industry to discuss problems and possible improvements.
4. A visit to the taxing authority by representatives of industry to discuss problems and possible improvements.

Summary

- When you are short staffed and need assistance with review or development of forms, instructions, schemas or specifications, call on us.
- When you need to update existing technologies or processes, call on us.
- When you are considering changes or new implementations involving tax return processing, call on us.
- Following standards, and utilizing vendors who respect standards, are the most efficient and least costly.

Collaboration

"Alone we can do so little;
together we can do so much."

- Helen Keller

When we act individually, we are limited by our weaknesses. By the same token, we all have strengths, and not everyone's strengths are equal to one another. When banding together, weaknesses are minimized and strengths of all are accentuated.

Questions?