



## **Ohio Business Gateway**

### **Bulk Filing Implementation Guide Part A — Registration and Submission of Files Version 2 December 18, 2014**

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# 1. Introduction

This is **Part A** of a two-part document.

This Implementation Guide, which defines the requirements for the submission of bulk file transmissions to the Ohio Department of Taxation via the Ohio Business Gateway, exists in two parts. Part A includes requirements governing registration and the submission & transmission of files. Part B includes information related to file formats, acknowledgements and error handling for the particular file types currently in scope.

## 1.1 Scope

Phase I of Ohio's employer withholding bulk filing services initially accepted filing and payment of employer withholding form IT-501; Phase II will include the IT-941 and IT-942 Quarterly and IT-942 Annual forms; Phase III will include the SD-101 and SD-141 forms.

These forms will be submitted via secure FTP and processed through the Ohio Business Gateway. The program will be available to all registered and approved bulk filers—either “reporting agents” or “transmitters”—who perform payroll services, and subsequently file one or more of the forms in-scope on behalf of multiple clients.

This program is not open to individual business taxpayers. Such entities should use the on-line interface provided by the Ohio Business Gateway, at <http://business.ohio.gov>.

## 1.2 Ohio Business Gateway and Ohio Department of Taxation

The Ohio Business Gateway is a nationally-recognized online resource for Ohio's businesses, offering more than 50 transactions, payments, and other services that help businesses save time and money while complying with government regulatory processes. The Ohio Business Gateway is operated by the Ohio Department of Administrative Services' Office of Information Technology in partnership with multiple state and local government agencies who serve as administrators for their respective programs.

The Ohio Business Gateway does not replace the Ohio Department of Taxation as program administrator for Ohio employer withholding taxes. The Ohio Business Gateway receives direction from the Ohio Department of Taxation to ensure that online filing and payment services comply with Ohio statutes and administrative rules. All transactions and payments submitted through the Ohio Business Gateway are provided directly to the Department of Taxation.

## 1.3 FSET

The Internal Revenue Service (IRS) has established an electronic filing and payment standard called FSET (Federal/State Employment Taxes). This standard has been developed to enable the filing of both federal and state employment tax returns using specially-developed Extensible Markup Language (XML) schemas. Ohio's implementation of bulk filing services for employer withholding conforms to the standard defined by FSET.

All references to FSET in this and associated documents refer to version 4.4.

Additional information and specifications related to FSET can be found at the following website: [http://www.statemef.com/fset\\_new.shtml](http://www.statemef.com/fset_new.shtml)

## 1.4 Contact Information

Questions about the technical implementation of Ohio's bulk filing services, including FSET or the Ohio Business Gateway may be directed to:

- Lane Wood  
Ohio Business Gateway Program Office  
30 E. Broad Street, 20<sup>th</sup> Floor  
Columbus, Ohio 43215-3414  
Fax: (614) 485-1002  
Phone: (614) 752-8392  
Email: obg.help@das.ohio.gov

Technical questions or issues related to connectivity, drop off of bulk files, or pick up of acknowledgements may be directed to:

- Daryl Rogers (primary)  
(614) 914-4211  
Email: daryl.rogers@das.ohio.gov
- Rebecca Haberkamp (secondary)  
(614) 914-4187  
Email: rebecca.haberkamp@das.ohio.gov

General questions about Ohio Employer Withholding may be directed to the Ohio Department of Taxation, Business Tax Division:

- Alan Moore, Section Supervisor  
(614) 466-1614  
E-mail: Alan.Moore@tax.state.oh.us
- Kathy Scholl, Unit Supervisor  
(614) 466-0188  
E-mail: Kathleen.Scholl@tax.state.oh.us

## 1.5 Lexicon

Definitions for commonly-used terms in this document are provided below:

- **ACH:** "Automated Clearing House" For more information, see, [www.ach.com](http://www.ach.com)
- **Bulk File:** The transmission submitted by a bulk filer (see below).
- **Bulk Filer:** An agent or payroll processing organization which submits bulk files containing multiple submissions being filed on behalf of multiple client companies.
- **ODT:** Ohio Department of Taxation.
- **OBG:** Ohio Business Gateway.
- **Client Company:** The taxpayer/organization on whose behalf a submission within a bulk file is made.
- **Submission:** A single record or report within a larger transmission.
- **Transmission:** A bulk file, containing 1-*n* submissions.

## 2. Registration and Pre-registration Requirements

### 2.1 Registration for the Bulk Filer

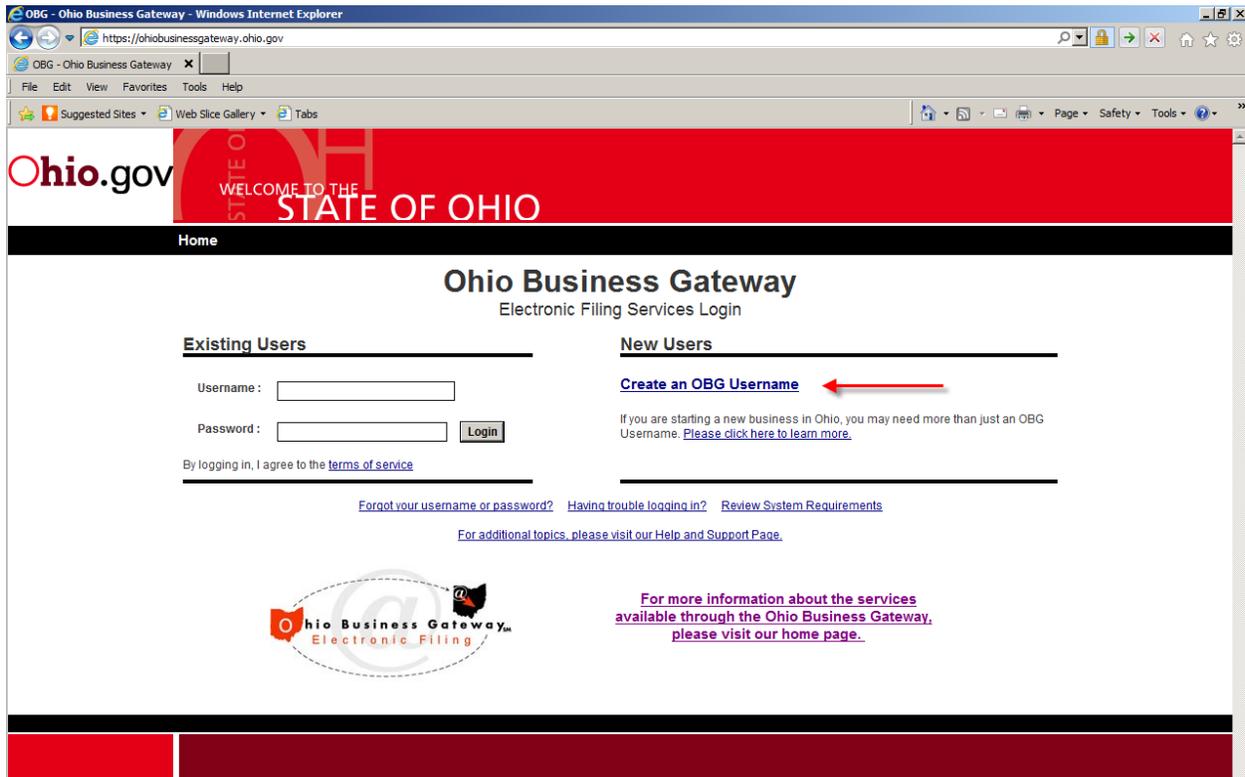
The registration process for Bulk Filing with the State of Ohio requires enrollment with two distinct entities: The Ohio Business Gateway, which processes the bulk files submitted to the state, and The Treasurer of State, who manages issues related to Electronic Funds Transfer. Each of these is discussed below.

When all registration procedures have been successfully completed, bulk filers will be assigned the login IDs and passwords necessary to access the bulk filing system.

#### 2.1.1 Ohio Business Gateway

##### 2.1.1.1 OBG On-Line Component

All bulk filers will be required to register with the Ohio Business Gateway before bulk files can be submitted. This registration is accomplished by navigating to <https://ohiobusinessgateway.ohio.gov/>, and then selecting *Create an OBG Username*, as shown below.



If a bulk filing organization has already registered with the Ohio Business Gateway, it is not necessary to do so again. The only additional preparatory step for such organizations is to identify a user whose *OBG username* will be included in all bulk file submissions, and confirm that this user has system privileges which permit the filing of any of the forms identified as in scope in Section 1.1 of this document.

### 2.1.1.2 OBG Off-Line Component

Please complete and submit the form provided in Appendix C of this document (OBG Bulk Filing Registration Form) to the OBG Program Office.

### 2.1.2 Treasurer of State of Ohio

Before submitting a bulk file whose payment type is ACH-credit, the form provided in Appendix E of this document (Treasurer of State, ACH Credit Authorization Agreement) must also be submitted to the OBG Program Office. The data in Appendix D (Ohio Employer Withholding Tax Bulk Filer Addenda Record Format Instructions, ACH Credit Method) is informational only, and applies to those entities who intend to submit bulk files with a payment type of ACH-credit.

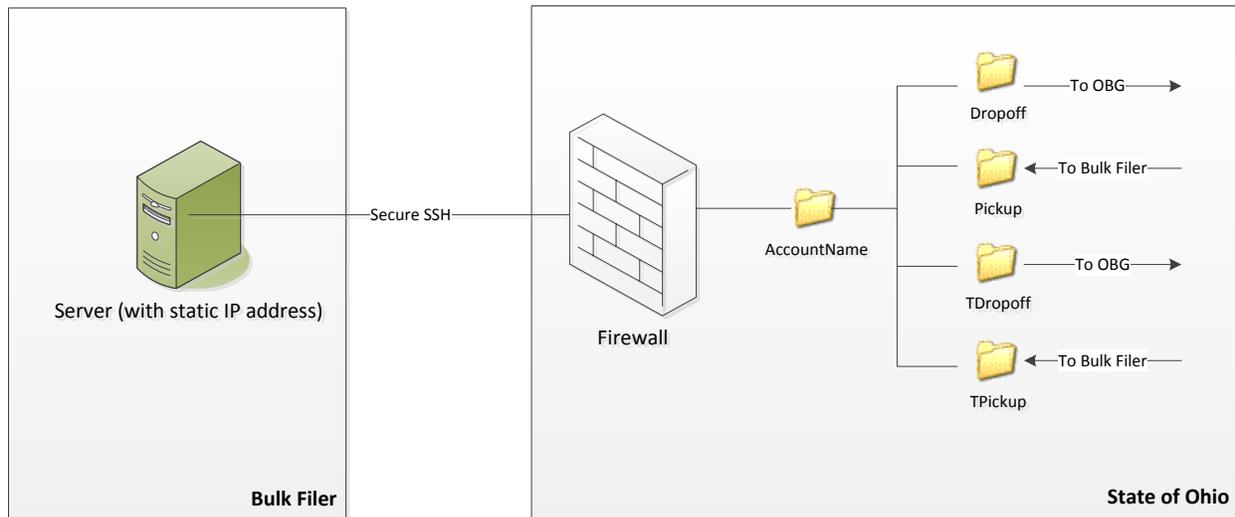
## **2.2 Registration for the Client Company**

Client companies on whose behalf bulk files are submitted must be registered with the Ohio Department of Taxation and have an active Ohio Employer Withholding account in order for a bulk filer to successfully submit a return and/or payment on their behalf. Client companies may also be registered with OBG if they access other OBG services, but client companies are not required to register with OBG directly.

## 3. Transmission of Bulk Files

### 3.1 Overview

Bulk files will be transmitted to the OBG via secure FTP using SSH. A single account will be used both to drop off bulk files and to pick up acknowledgements as they are generated by the system.



The requirements for drop-off and pick up of files are as follows:

- The SSH client must be installed by the bulk filer.
- The pipeline will be encrypted; the payload will not.
- The bulk filer must submit files from a server having a static IP address. The bulk filer may choose to send test and production traffic from different source servers (maximum two servers total).
- Files may be compressed using any of the following programs: PKZIP, WinZip, and 7-Zip.
- There is a 50MB and 25,000-record limit on file size.
- The following naming convention for files has been established:
  - The bulk filer's FEIN
  - Transmission ID of the transmitted file (See Data Definitions)
  - Date (YYYYMMDD)
  - Example: 999999999**78786786**20130701
  - The filename should be followed by an extension: either ".xml" or if the XML file is contained within a zipped file (see options above), it will be followed by the extension associated with that file type.
  - Files will be processed only if the date part at the end of the file name is prior to today's date. In the Test environment, files can be processed immediately by providing a prior day's date. In Production, processing will begin at midnight the business day following file transfer.
- XSDs will be available for testing and validation of file formats before they are submitted.
- Production bulk file transmissions will utilize the following folders on the state's server:
  - DROPOFF – for bulk files (transmissions) being sent from bulk filer to OBG for processing

- PICKUP – for acknowledgements and processing results being sent from OBG to bulk filer
- Test bulk file transmissions will utilize the following folders on the state’s server:
  - TDROPOFF – for test bulk files (transmissions) being sent from bulk filer to OBG for processing
  - TPICKUP – for test acknowledgements and processing results being sent from OBG to bulk filer

## 3.2 Destination Server Information

All transmissions and responses (test and production) will be sent to and picked up from the same State of Ohio server. The following information identifies the state’s server to which bulk file transmissions will be delivered and from which processing results may be retrieved:

Host Name: `esssng.ohio.gov`

IP Address: *<will be provided during public key exchange>*

Connection Port #: 22

Authentication is both password- and key-based. 1024 or 2048 (preferred) bit RSA keys are acceptable.

Test and production transmissions will be differentiated by the folder into which files are dropped off. Likewise, processing results will be differentiated by the folder from which acknowledgements are picked up.

- Production: DROPOFF and PICKUP
- Test: TDROPOFF and TPICKUP

## 3.3 Archiving of Bulk File Data

All files received in this manner will be re-encrypted using FIPS and subsequently archived. Archived files will be retained for 30 days, after which time they will be purged from the system.

## 3.4 Acknowledgements

Dropped off files will be parsed by the system and acknowledgements generated and placed into the bulk filer’s Pickup or TPickup directory for pick up. Emails will also be generated as an active means of informing the bulk filer that acknowledgements are available. More information on acknowledgements is available in subsequent sections of this document.

Any rejected submissions should be corrected and resubmitted for processing. When resubmitted, both the filing and the payment authorization should be included.

## 3.5 Payment

Payment information must be included as per the file specifications. Any records submitted without payment information will be rejected except when there is no balance due.

Payment types cannot be mixed and matched in the same bulk file—i.e., all payment types within a given bulk file must be ACH-credit or ACH-debit, not a combination of the two.

A return filed with zero tax due and payment amount of \$0.00 is acceptable if the return is to be filed without payment.

For ACH-debit transactions: Payment instructions for all successfully-processed submissions will be individually submitted to the ACH network and processed in accordance with established banking procedures.

For ACH-credit transactions: An aggregate payment amount for all successfully-processed submissions will be communicated to the bulk filer, who is subsequently responsible for initiating a timely and accurate ACH-credit transaction with the bank.

See section 3.6 for more information about timelines for payment processing.

## 3.6 Timing and Deadlines

### 3.6.1 Submission of Returns

Individual submissions (returns) may be submitted any time during the filing window as defined by the Ohio Department of Taxation. Please see the following web page, and then select Due Dates and Payment Schedule for current filing deadline information.

[http://www.tax.ohio.gov/employer\\_withholding.aspx](http://www.tax.ohio.gov/employer_withholding.aspx)

Early submissions are possible, but only once the target period has been made available by the Department of Taxation. The Department of Taxation generally makes periods available for filing 14 days ahead the beginning date of the period.

### 3.6.2 Transmission of files

Transmissions (bulk files) will be processed according to the following business rules and recommendations:

- A business day is defined as any non-holiday weekday. Saturdays, Sundays, and all government/bank holidays are not business days.
- For submissions to be processed on *Business Day X*, the transmission must be complete before 11:59 pm on the day that precedes *Business Day X*. “Processed” means the return is considered filed (and paid, if applicable) with a confirmation and timestamp that reflects *Business Day X*.
- It is highly recommended that transmissions be initiated well in advance of 11:59 pm to avoid any chance that the transmission does not complete by 11:59 pm. In all cases, the clocks on the OBG servers will be used to mark delivery completion and determine timeliness with respect to the 11:59 pm deadline.
- Transmissions should only be initiated between the hours of 6:00 am and 11:59 pm.
- It is preferred, but not required, that transmissions only occur on business days.

Examples:

- Transmission A is received at 11:00 AM on a business day Wednesday. Thursday is a government/bank holiday. Transmission A will be processed on Friday, assuming Friday is not a government/bank holiday.
- Transmission B is received at 4:00 PM on a business day Friday. Transmission C is received at 9:00 AM on non-business day Saturday. Both transmissions B and C will be processed the following Monday, assuming Monday is not a government/bank holiday.
- Transmission D is received at 12:30 am Monday. Transmission D will be processed on Tuesday, assuming Tuesday is not a government/bank holiday.

### 3.6.3 Payment Dates

#### 3.6.3.1 ACH Credit

When ACH-credit is identified as the payment type for a submission, the ACH credit payment date (i.e. settlement date) will be automatically determined by the OBG system and provided to the bulk filer as part of the ACK 2 email, and ACK2 alert messages (Please see Part B of this Implementation Guide for a complete description of acknowledgements). Note that the ACH credit payment amount reported in the ACK 2 will only include the payment amounts for the submissions which were accepted.

The settlement date specified the ACK2 will generally be two business days after the date on which the bulk file transmission is processed (see section 3.6.2). Following the examples and processing dates provided in section 3.6.2, the corresponding ACH credit settlement dates would be:

- Transmission A - Tuesday of the following week, assuming Monday is not a government/bank holiday.
- Transmissions B and C - Wednesday of the following week, assuming Tuesday is not a government/bank holiday.
- Transmission D – Thursday of the same week, assuming Wednesday is not a government/bank holiday.

For all submissions paid by ACH credit, each submission's confirmation date (i.e. the date on which the return is considered filed and paid) will be the same as the processing date for the transmission as described in section 3.6.2.

The bulk filer MUST insure that the corresponding ACH credit payment is initiated at their financial institution in alignment with the instructions contained in the ACK 2. To avoid any risk of late payment penalties and/or the potential loss of the bulk filer's ACH credit payment privileges, settlement into the state's account MUST occur on the date indicated via the ACK 2.

#### 3.6.3.2 ACH Debit

When ACH-debit is identified as the payment type for a submission, the FSET field "RequestedPaymentDate" means the date on which the return will be processed, i.e. considered filed and paid (i.e. a postmark date or confirmation date). It is not the date on which funds are withdrawn or posted to any bank account. Actual bank funds settlement is dependent upon bank processing timelines, but settlement is always projected to be 2 business days after the RequestedPaymentDate.

The RequestedPaymentDate is subject to the following constraints:

- The RequestedPaymentDate cannot be later than the submission's due date.
- The RequestedPaymentDate cannot be earlier than the business day on which the transmission is processed.
- The RequestedPaymentDate cannot be the same as the transmission date.

If the RequestedPaymentDate is later than the transmission date (a future date), then the submission and its payment will be deferred and not considered filed until the indicated RequestedPaymentDate date.

### 3.6.4 Late returns and payments

Late filings and payments are allowed; however, any interest charges resulting from late payment must be neither reported nor paid when the transmitter sends the return (submission). Instead, the Ohio Department of Taxation will calculate any interest charges resulting from late

payment and directly bill the company on whose behalf the return was filed.

Late returns being paid by ACH debit must indicate a RequestedPaymentDate that is the same as the business day on which the transmission is processed.

### 3.6.5 State of Ohio Holidays

As of 2013, the State of Ohio observes the following holidays per Ohio Revised Code sections 1.14, 5.21, and 124.18(B). If any holiday falls on a Saturday, the immediately preceding Friday is observed as the holiday; if any falls on a Sunday, the immediately following Monday is observed as the holiday.

- New Year's Day - January 1
- Martin Luther King Day - Third Monday in January
- Washington-Lincoln Day - Third Monday in February
- Memorial Day - Last Monday in May
- Independence Day - July 4
- Labor Day - First Monday in September
- Columbus Day - Second Monday in October
- Veterans Day - November 11
- Thanksgiving Day - Fourth Thursday in November
- Christmas Day - December 25

# Appendices

## Appendix A — FAQs and Answers

Questions appear as they were written and submitted with minimal editing where necessary for clarity and to remove specific company names. “You” means the Ohio Business Gateway/State of Ohio, and “I/we/our/us” refer to bulk filers.

Please also note that some of the questions and answers provided here refer to the content provided in Part B of the Implementation Guide.

### 1. File Transfer Technical Specifications

1.1. What SSH version should be used?

A - SSH 2

1.2. Is authentication handled with user name and passwords or public / private keys?

A – As mentioned in section 3.2, authentication is both password- and key-based.

1.3. How do we get the public / private keys? Do we generate them or are they sent electronically or physically to us?

A – Bulk filers will generate their own keys using their choice of toolset, and the bulk filer’s public key will be provided to the state during the registration process.

1.4. Which Public key file format (such as pkk(puTTY) or pem(OpenSSH)) should be used?

A - As long as both the Private and Public key are in the same format, having a matched pair does not matter.

1.5. What Key size (1024 or 2048) should be used?

A - 1024 is accepted but 2048 is preferred.

1.6. Based on the spec, the system is using SFTP (SSH File Transport protocol), are you using the standard port 22 or different port?

A – Port 22.

1.7. Should we use RSA or DSA keys?

A - RSA keys

1.8. I filled out the Bulk Filing Registration Form for <Bulk Filer Company Name> but I do not have information on the IP address and SSH Public Key – is this required?

A – Yes, the registration process must include both the IP address and key information. Key information will be exchanged separate from the registration form.

1.9. Must we send files from the same server?

The document implies that the test and production server we use has to be the same. This is not true for some bulk filers. What options do we have for testing?

A – Separate source servers for test and production transmissions are supported. However, all transmissions will go to the same destination server at the state. Test and production traffic will be distinguished based upon the directory to which transmissions are dropped off (or from which results are picked up).

1.10. Please provide the IP address for the secure SSH.

A – The state’s IP address information will be provided during public key exchange.

1.11. Does <Bulk Filer Company Name> need to login to OBG to submit a file or is this a server to server FTP?

A – Bulk filing transmissions are server-to-server using credentials that are separate from an OBG username and password. Bulk file transmissions do not actually login to the OBG online services using the OBG username and password; however, the bulk filer company’s OBG username is part of transmission payload as specified in Part B of the Implementation Guide (see “Ack address” field).

## 2. **Electronic Filing Mandates**

2.1. Is the electronic bulk filing being mandated for payroll service providers?

A - Yes, electronic bulk filing is mandated for payroll service providers beginning January 1<sup>st</sup> 2015.

2.2. If so, is there a client size that will dictate this mandate? (Example, if we have 100 or more employers, etc.)

A - The Department of Taxation’s current plan would apply to all payroll services (reporting agents) and return transmitters regardless of the number of clients involved (i.e. no minimum threshold).

## 3. **General Registration**

3.1. I tried to register <Bulk Filer Company Name> on the Ohio Business Gateway and found out that there is an account already established for our own purpose, but not for bulk filing for our

clients. Do I need to create another account or do we have to use the same one that already exists?

A – There can only be one instance of a company on OBG, but multiple Usernames (accounts) may be associated with that company. The existing OBG administrator can create a new Username (account) to be used for bulk filing purposes.

3.2. I created a username and password for <Bulk Filer Company Name> on the Ohio Business Gateway. What is the next step for registration?

A - Complete and return the Bulk Filing Registration form to OBG and, if the ability to make payments via ACH credit is desired, then also submit the ACH credit registration form to the Ohio Treasurer of State's office.

3.3. Can I provide more than 1 email address for registration? Can this be a distribution email?

A - Yes, the registration form provides for both primary and secondary Business and Technical Contacts. E-mail addresses can include distribution e-mail address.

3.4. The registration form asks for Primary/Secondary business contact and Primary/Secondary technical contact. Do you need 4 contacts for <bulk filer company name>?

A – Bulk filers may provide as many (or as few) contacts as desired. In the event of an issue or problem, more contacts make it less likely that any one contact's absence will adversely affect the ability to communicate.

3.5. We [a bulk file provider] are getting feedback from clients and CPAs commenting that they are unable to set up an Ohio Business Gateway account because we have already established one for the same account. Is this possible? If not, what can the client or CPA do to set up an account that may already be 'linked' to [a bulk file provider]?

A – While it is true that some companies have been surprised that their OBG accounts have already been established as a consequence of the bulk filing process, it is not true that they are unable to register or gain access to these accounts. Such companies can still establish their accounts with OBG—but the process varies a little from the standard one. See Appendix B in this document for a complete explanation.

#### 4. **Payments - ACH Credit and ACH Debit**

4.1. Are you changing the routing transit number and account number for ACH credit payments? The routing transit number that we currently have on file is X along with account number Y with Z Bank.

A – The Treasurer of State’s office will provide the appropriate data after the ACH credit registration is completed and accepted.

4.2. How do we indicate that the payment type is debit? Do we just not send the ACH credit information?

A – As described in section 3.5, the payment method for all submissions within the same bulk file transmission must be either ACH debit or ACH credit, but not both. Detailed specifications outlining the requirements for both ACH debit and ACH credit payment types are provided in Part B of the Implementation Guide.

4.3. Account Holder name – is that the bank or the name of the person on the bank account?

A – The “account holder” name is the name of the person or entity that owns (or holds) the account being used for payment, i.e. the person or entity named on the bank account, not necessarily the company on whose behalf the return (submission) is being filed.

4.4. The amount in the file should be the aggregate amount from the return file?

A – The amount of an ACH credit payment should match the aggregate payment amount of the accepted submissions from a transmission. The aggregate payment amount of the accepted submissions is provided via the ACK2.

4.5. You’re expecting to see one record payment in the file?

A – Transmissions should contain submissions that follow either the specifications outlined for ACH Credit or ACH Debit Payment. If ACH credit payment is indicated for the transmission, then *one* lump sum ACH credit payment should be submitted for the aggregate payment amount of all accepted submissions from that transmission (see question 4.2 above).

4.6. ACH Credit Identification Number - this requirement needs some clarification. Does the counter change for each file?

A – If ACH credit payment is being made for the submissions within the file (transmission), then the ACH credit payment for that transmission should have its own unique identification number that is not used for the ACH credit payment for any other file. The identification number is a 3-digit Julian date followed by a counter that increments only if multiple files (transmissions) are made on the same date. The first transmission on a given day uses the 3 digit Julian date, followed by 01. The second transmission made on the same date, would have the same 3 digit Julian date, followed by 02, etc.

4.7. Consider the following scenario: We send a transmission on May 15 with a submission that is due on May 16. The employer has advised us that they want their payment withdrawn on May 17. Please verify that we should populate the “withdrawn on” date as the due date, May 16.

*The following answer assumes that May 15, 16, 17, and 18 are not days falling on a weekend or holiday.*

A – Bulk filers are not transmitting files with submissions containing a requested “withdrawn on” date. In the Ohio context, the applicable FSET field is called “RequestedPaymentDate” and it contains the date on which the return will be considered filed and paid (i.e. a postmark date or receipt/confirmation date). Note this field is only applicable for submissions with ACH debit payment type.

In this scenario, the “RequestedPaymentDate” must be May 16. If the May 15 transmission includes submissions containing a “RequestedPaymentDate” equal to May 15 (the same date as the transmission), then those submissions will result in error 329 when the file is processed on the next business day May 16.

What clients may perceive as a “withdrawn on” date is likely a reference to the settlement date for the ACH debit payment transaction. Actual bank settlement is dependent upon bank processing timelines, but settlement is always projected to be 2 business days after the “RequestedPaymentDate” of a successful ACH debit submission. In this scenario, settlement is projected to be May 18.

4.8. Please verify that late payments will be accepted.

A – Late payments will be accepted. Please see section 3.6.4 for more information.

4.9. For late payments, please verify that the requested “withdraw on” date should be the submission date (today). The only other option would be to populate the “withdrawn on” date with the original due date.

A – (also refer to FAQ 4.7) Assuming this is an ACH debit submission and the due date for the associated return has already passed, the “RequestedPaymentDate” must be equal to the date of the first business day following the transmission date. Any date later than that will result in error 328, and any date earlier than that will result in error 329.

4.10. When a client makes a deposit on their own behalf; how would <bulk filer company name> report this to ensure underpayment is not posted?

A – The bulk filer reports the withholding tax due separate from the amount actually being paid, without the need to report on any other payments from other sources or via other filing/payment channels. “Underpayments” are technically not posted - the Ohio Department of Taxation will manage the total payments to each taxpayer’s account (from all sources or channels) and ultimately identify any underpayment conditions that may exist.

4.11. What is the trigger for resetting the counter (IdentificationNumber) back to 01?

A – We assume this question refers to the rightmost two digits of the IdentificationNumber field. These two digits reflect the sequence number of this transmission relative to all other transmissions occurring on the same day (as specified by the Julian date indicated by the leftmost three digits). The counter therefore resets to 01 each day. (see also FAQ 4.6)

## 5. **Employer Withholding IT-501, IT-941, IT-942, SD-101,SD-141 Tax Returns**

### 5.1. Are we required to file \$0 returns?

A – There is no requirement to file a return if the employer did not deduct and withhold tax. Ohio Revised Code 5747.07 (B), “...every employer required to deduct and withhold any amount...shall file a return and shall pay the amount required by law...” This section specifies that an employer is required to file a return when the requirement to deduct and withhold exists. An employer that does not have payroll that is subject to the requirement to deduct and withhold tax is not required to file a return.

### 5.2. I don't see tags for credits and overpayments. This would assist bulk filers in applying credits more accurately.

A – Credits and overpayments are not currently reflected on the Bulk file returns today. There is no adjustment line to reflect a reduction in the liability for a previous period or an overpayment. Credits and overpayments are deducted against the liability due on subsequent returns filed within the same calendar year, until the credit or overpayment is used up. On the year-end reconciliation, the true liability and payment amounts for each monthly or quarterly period are reported. The net overpayment, if any, is refunded based on the year end filings and the amount verified by the Ohio Department of Taxation.

### 5.3. Does this e-file project pertain to only original filings or amended filings as well?

A – The project pertains to original and amended filings for IT-941, IT-942, IT-942 quarterly and SD-141. The project pertains to original filings ONLY for SD-101 and SD-501. Amended filings are not required for these two tax types. See the answer to question 5.2.

### 5.4. Does the withholding tax amount need to match the payment amount on the file layout?

A – No. The specifications permit reporting the withholding tax due separate from the amount actually being paid.

### 5.5. What are the valid filing periods that can be submitted through the bulk file application?

A – For the initial iteration, only monthly and quarterly filing periods are eligible. Partial weekly returns/payments are not included in bulk filing at this time. All partial weekly filers should

submit their returns directly to the Treasurer of State (ToS), and therefore, should not file any returns/submissions through OBG.

5.6. How far back can returns be submitted?

A – Annual filings can be made for filing periods back to and including 2001. Monthly and quarterly filings can be made for filing periods back to and including 2007.

## 6. **Transmission and Submission Data**

6.1. The Federal ID# in the file should be the payroll service company? ETIN – Would this be <bulk filer company name>'s FEIN number?

A – As described in Part B, the “ETIN” field of the transmission header refers to a value issued by the IRS to the payroll service company transmitting the bulk file (e.g. the bulk filer) – it is not the same as the Federal Employer Identification Number (FEIN). The “ACK Address” field of the transmission header contains the OBG username used by the transmitter for bulk filing purposes and, via the OBG username, the bulk filer’s FEIN is already known to OBG. For each return (submission) within the transmission, the “TINTypeValue” field contains the FEIN of the company on whose behalf the return is being submitted.

6.2. Originator Type - What value should we use? Can we use “Transmitter” since that more accurately reflects our role?

A – Valid values for Originator Type include all of the following: ERO, FinancialAgent, IRSAgent, LargeTaxpayer, OnlineFiler, ReportingAgent.

6.3. <Bulk filer company name> would like to include the period end date in the naming convention; the only requirement is the date which can be misleading. We will be sending historical files for clients that come onto our service and have not filed a previous tax period.

A – Transmissions are identified based on the date and sequence order within that date, regardless of the submissions contained within the transmission. Similar to the answer to FAQ 6.4, the specifications allow transmissions to contain submissions for any number of different tax periods. Transmissions are not limited to containing submissions associated with just one tax period.

6.4. Signature PIN for the electronic signer - is this something assigned by Ohio?

We are assuming the 10-digit pin in the file would be our credential pin and that the employers we are transmitting for do not need to register and have their own 10 digit pin. Is this correct?

Do we just make up any 10-digit number? Would this number be the same for each client in the file?

A – The signature PIN is assigned by the IRS. This PIN is for the bulk filer transmitting the file (see Part B). If the PIN is not known, any 10-digit numeric value will be accepted.

6.5. I want to confirm if you have any state specific criteria. It seems that the specs are truly IRS FSET specifications. There are even some IRS references in the layout. Do the fields in your document follow the required fields in the FSET Schema?

A - FSET version 4.4 is the basis for the Ohio specifications (see section 1.3). Some modifications have been made to conform to the requirements for filing the returns currently in scope for the Ohio bulk filing project.

6.6. In the example, the TransmissionID is only 8 characters long. The definition says it could be up to 30 characters and it must be unique. Is the Transmission Id in fact 8 characters long as shown in the example in your documentation and is this section of the file name set by the sender (bulk filer company)? If it is (and we assume it is) then it would need to be unique per transmission per day so perhaps it could be our EFIN along with a 3 digit seq # (i.e. Julian date). We'd need a seq # or we may risk overwriting files if multiple files were sent on the same day.

A – The TransmissionId field can be any number of characters *up to* 30 characters maximum. The purpose of the field is to permit the transmitter to assign a value that is unique to the transmitter's system – the methodology for constructing the value can be determined by each transmitter. The TransmissionId value is returned (echoed) to the transmitter in ACK1 and ACK2 so that the transmitter may identify the transmission to which the ACK corresponds.

6.7. What fields make up the submission portion? Does the submission portion include the ReturnHeaderState + ReturnDataState + FinancialTransaction?

A – Yes.

6.8. Email address – contact email – does this have to be the employer's email address? Or is that that you just need a contact email in case you have questions?

A – Ideally, this is an email address for a contact at the company on whose behalf the submission is being made. If unavailable, the field may contain an email address of a representative from the bulk filer.

6.9. Date signed – Date of the signature – is this date the date we send the file or when we create the file?

A – The date should indicate the date when the file was created.

6.10. WHTotalTax - Total Ohio Tax Withhold for the period indicated in the file - Is this the sum of the amounts? I.E. if there are several payments for the client for the same period, would that be the sum of those payments for the client?

A - No, do not sum the payments. This is a submission-level field - the value is equal to the liability due with each submission.

## 7. Acknowledgements

7.1. What is the naming convention for the ACK1s and ACK2s?

A – The naming conventions are outlined in Implementation Guide, Part B.

7.2. Will an email be generated informing <bulk filing company name> that ACK1 is ready for pick up? If so, when will it be available?

For the level 1 ACK do you respond immediately or asynchronously?

A - The ACK 1 email is sent asynchronously with respect to completion of the transmission, but the ACK 1 email is generated immediately as soon as processing of the file begins - which will typically be shortly after midnight of each business day. Any potential delay associated with mail delivery of any ACK message is beyond the control of the Ohio Business Gateway.

7.3. When will the level 2 acknowledgement be available for pick up?

A – As soon as the file has been processed. The time for processing can depend upon the size of the transmission—i.e. the number of submissions within the transmission—as well as the amount of traffic on the system.

7.4. The ACK2 includes the tax year to correspond with bulk file; how do you match the particular tax period? We would like to see the tax period end date included in the ACK2 layout.

A – The tax year is a submission-level value and does not refer to the overall bulk file transmission. Each transmission may therefore contain submissions for any number of tax periods – transmissions are not limited to containing submissions associated with just one tax period or year.

The ACK2 contains a series of individual acknowledgements, one for each submission within the original transmission. Each individual acknowledgement echoes the tax year that was originally provided in the submission. Each acknowledgement also includes the submissionID originally provided by the bulk filer (transmitter) which can be used to uniquely match an acknowledgement/result with a specific submission in the original transmission – especially useful in cases where multiple submissions may have been made on behalf of a particular company, each one for a different period within the same tax year.

## 8. Error Messages

### 8.1. Error ID 408 - Period not yet eligible for filing. What does this mean?

This implies that you cannot send an early payment. Can you only send a payment once the period has ended?

A – Filing period availability follows a set schedule as defined by the Ohio Department of Taxation. OBG will accept a return and payment up to 14 days ahead of the beginning date of the period. For example, the August 2013 monthly period begins on 8/01/13, so the return and payment for the August monthly period cannot be filed until 7/17/13 at the earliest. This restriction is designed to prevent data entry error by rejecting a filing period that is incorrect (i.e. the first date of the period has yet to begin and is not imminent).

### 8.2. Error ID 411 - Value does not match FEIN of filer. It was our understanding that OBG was not editing for FEIN.

A – The “TINTypeValue” and “StateEIN” values both refer to the client company on whose behalf the submission is being made. The two values must be a matched pair or else the submission will be rejected with error 411.

### 8.3. Error ID 415 - Report business rules do not allow report with same account & period to be filed on the same business day. Does this mean that you will not accept supplemental filings?

A – Supplemental filings for a period will be accepted, but cannot be filed for the same period on the same business day. Supplemental filings submitted the next day should be filed as amended reports for IT-941, IT-942, IT-942 quarterly and SD-141. Supplemental filings submitted the next day can be filed as original reports for IT-501 and SD-101.

### 8.4. I want to confirm that you do reject at the employer level - correct?

Is entire file going to be processed to include all errors on ACK2? Or once 1 error is identified will the file come back?

A – Provided there are no transmission-level issues preventing the file from being read, all returns (submissions) within the accepted transmission will be processed and the ACK2 will contain an acknowledgement or error for each submission as described in the relevant sections of the Implementation Guide, Part B.

## Appendix B — Company Auto-Generation

### Introduction

In order to be practical, the bulk filing process must allow payroll processing companies and other bulk filers to be able to submit large numbers of submissions in a single transaction, and it must allow this without requiring the bulk filer to go through a set up process for each company on whose behalf a return is filed.

However, the architecture of the Ohio Business Gateway (OBG) system requires that client company data and at least one administrative system user must exist in the system before any filing for that company can be processed.

This apparent conflict has been resolved by a process known as company *auto-generation*.

When a bulk filer submits a transaction for a client company which does not exist in the OBG database, that company is auto-generated by the system using data from the bulk file. A proxy administrative user is also created, who is not associated with any actual member of the client company. This solution allows the bulk filer to file on behalf of a very large number of companies—potentially many thousands—without the need to perform many thousands of individual client company registrations or other set-up tasks.

However, because of this, there has been some confusion when client companies attempt to register with OBG for what they believe to be the first time, only to discover that their company has already been auto-generated at some point in the past.

In order to end this confusion, the *auto-generation* process has been modified so that the user experience for a first-time user for an auto-generated company will be exactly the same as any other first time user of the OBG.

That user will be required to log in, create a username and password, and proceed with the usual OBG functionalities.

The following section describes the process by which client companies who wish to register with OBG for the first time may do so if their company has been auto-generated already.

**Note:** This appendix can be shared by the Bulk Filer with any of their client companies who may inquire about this process.

## Instruction for the client company:

### 1. Create an OBG Username

1. Navigate to the following URL: <https://ohiobusinessgateway.ohio.gov/>, and select *Create an OBG Username*.

2. Select *I Agree* on the Acknowledgement Page and select *Next*.

3. Select “I am creating an account to use OBG on behalf of a business or entity that has a FEIN.” Enter the company FEIN and select *Next*.

The screenshot shows the Ohio.gov website header with the text "OHIO STATE WELCOME TO THE STATE OF OHIO". Below the header is a navigation bar with "Home". The main content area is titled "OBG Account Setup Process" and includes the text "Welcome to the Ohio Business Gateway. Please enter your registration information." Underneath, "Step 1 : Company Identification" is displayed. There are two radio button options: the first is selected and reads "I am creating an account to use OBG on behalf of a business or entity that has a FEIN. (Proceed to Step 2)", and the second is "I am creating an account to use OBG as an individual, or as a sole proprietor for one or more businesses using a SSN. (Proceed to Step 3)". To the right of the first option are two input fields for "Enter FEIN:" and "Confirm FEIN:", each with a green arrow pointing to it. At the bottom of the form are three buttons: "Back", "Cancel", and "Next", with a green arrow pointing to the "Next" button.

4. Enter the Company/Legal Business Name, the Company Corporate Name (if applicable) and the Company Trade (DBS) Name (of applicable) and select *Next*.

The screenshot shows the Ohio.gov website header with the text "OHIO STATE WELCOME TO THE STATE OF OHIO". Below the header is a navigation bar with "Home". The main content area is titled "OBG Account Setup Process" and includes the text "Please complete the additional company information below." Underneath, "Step 2. Enter Additional Information" is displayed. There is a pre-filled field for "Federal Employer ID Number" with the value "44-4444444". Below it are three input fields: "\* Company Legal/Business Name", "Company Corporate Name", and "Company Trade (DBA) Name". A green arrow points to the "Company Legal/Business Name" field. At the bottom of the form are three buttons: "Back", "Cancel", and "Next".

- Enter the User Information, Company Contact Information and User Access Information and select *Create an Account*. This user, when approved, will serve as the Administrator for the OBG account for the company.

**Ohio.gov** WELCOME TO THE STATE OF OHIO

Home

### OBG Account Setup Process

Continue to enter information

#### Step 3. User Information

User Information (Your Information)

\* First Name: abc

\* Last Name: abc

\* Job Title: abc

\* Phone Number: ( 999 ) 999 - 9999

\* Email Address: abc@abc.com

\* Confirm Email Address: abc@abc.com

Company Contact Information (for Questions about the Business)

Use my information above as the Company Contact Information.

\* Contact First Name: abc

\* Contact Last name: abc

\* Contact Phone: ( 999 ) 999 - 9999

\* Email Address: abc@abc.com

User Access Information (Your Access Information)

\* User Name: bulkfiler

\* Password: ●●●●●●●●

\* Re-type password: ●●●●●●●●

\* Your Secret Question: What is your favorite season?

\* Answer to your Question: Fall

Back Cancel Create Account

Username is case-sensitive, must be 8-10 characters with no special characters.

The OBG requires that you change your password periodically. When creating a new password, you cannot use any of your previous 10 OBG passwords.

OBG passwords are case-sensitive, and must contain a total of at least 8 characters. Of these, the password must contain at least one alphabetic character (A-Z, a-z), one numeric character (0-9), and at least one of the following non-alphanumeric characters (~ ! @ # \$ % ^ & \* - =).

In addition, the following should never be used when creating a password:

- Your OBG Username
- Names of co-workers, pets, family, etc.
- Phone numbers, license numbers, birthdays, etc.
- Simple, ordinary words or phrases like "qwerty" (adjacent keys on a keyboard)
- The same password you use for other online accounts.

6. The system will display the following Confirmation Page.



## 2. Enable History

When a user is created as above, any filings made on behalf of the company prior to the creation of the user will not be accessible to the new administrative user. In order to view this history, the user must contact the OBG Help Desk.

1. Contact the OBG Help Desk at 866-644-6468, select option 1, and then option 4, or direct dial 614-387-5440.
2. Identify the company by providing the Ohio Department of Taxation Withholding Account Number. This can be obtained from the company tax preparer or the bulk filer.
3. The OBG will validate the Withholding Account Number and will enable History.

## **Appendix C— OBG Bulk Filing Registration Form**

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## BULK FILING REGISTRATION FORM

Please return this form to:

Ohio Business Gateway (OBG)  
 Attn: Bulk Filing Registration  
 30 E. Broad Street, 20<sup>th</sup> Floor  
 Columbus, Ohio 43215-3414  
 Fax: 614.485.1002

Any entity intending to submit bulk file transmissions on another company's behalf must file this Registration Form with the OBG Program Office before bulk files can be submitted. Additionally, a new/updated Registration Form must be submitted whenever there is any change to any information currently on file.

Section I – Bulk Filing Company Information	
Company Name	ETIN
	FEIN
	OBG Username**
Address	City
State	ZIP
Anticipated Payment Type (Select all that apply.):	<input type="checkbox"/> ACH Debit <input type="checkbox"/> ACH Credit ((Requires additional registration with the Treasurer of State. See Bulk Filing Implementation Guide for more information))

Section II – Contact Information		
Primary <u>Business</u> Contact	Name	Phone
		Fax
	Title	Email
Secondary <u>Business</u> Contact	Name	Phone
		Fax
	Title	Email
Primary <u>Technical</u> Contact	Name	Phone
		Fax
	Title	Email
Secondary <u>Technical</u> Contact	Name	Phone
		Fax
	Title	Email

\*\*See Section 2.1.1 of the Bulk Filing Implementation Guide, Part A for instructions on how to create an OBG username.

**Section III – Server, connection, network and payload information**

**Source Sever IP Address(es), maximum 4 total (2 test, 2 production)**

**SSH Public Key**

*Will be exchanged after registration is returned.*

**Section IV – Certification:**

**I certify that all of the above information is correct to the best of my knowledge.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (Printed)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Fax

\_\_\_\_\_  
Email

## Appendix D — Ohio Employer Withholding Tax Bulk Filer Addenda Record Format Instructions, ACH Credit Method

BANK INFORMATION (INCLUDING ROUTING AND ACCOUNT NUMBERS) WILL BE PROVIDED AFTER REGISTRATION

Payment information must be formatted as shown in this **sample record**:

<b>TXP</b>	*	<b>123456789</b>	*	<b>01103</b>	*	<b>000801</b>	*	<b>T</b>	*	<b>1000000</b>	*	<b>\</b>
↑		↑		↑		↑		↑		↑		↑
Begin Record (Always use TXP)		Your 9-digit FEIN (no hyphens)		Tax Type Code (see below)		OBG Transmission Date (see below)		Amount Type		Amount paying		End Record

Use “ \* “ to separate each entry, and end with “ \ “. DO NOT USE SPACES OR DASHES IN YOUR FORMAT.

### PLEASE PROVIDE THIS INFORMATION TO YOUR FINANCIAL INSTITUTION

#### Ohio Withholding Bulk Filers

**Employer Withholding Tax Type Code 01103  
School District Tax Type Code 01105**

#### NACHA TXP CONVENTION LAYOUT FOR ACH CREDIT PAYMENT

DATA ELEMENT NUMBER	DESCRIPTION	FIELD LENGTH	CONTENTS
1	NACHA'S Record Type Code	1	7
2	NACHA'S Addenda Type Code	2	05
3	Segment Identifier	3	TXP
4	Separator	1	*
5	Federal ID Number	9	Numeric (9) Digits
6	Separator	1	*
7	Tax Type Code	5	Numeric (5) Digits
8	Separator	1	*
9	0+Identification Number	6	Leading zero + the Identification Number (Julian Date + 2-digit numeric counter) as defined in section 3.4.1 of the Implementation Guide.
10	Separator	1	*
11	Amount Type Code	1	T
12	Separator	1	*
13	Amount	Variable	Numeric (always enter cents)
14	Segment Terminator	1	\

If you have any questions please call 877-EFT-OHIO

Ohio Treasurer of State

## **Appendix E — Treasurer of State, ACH Credit Authorization Agreement**

The form provided on the following page should be returned via mail or fax to the Ohio Business Gateway:

Ohio Business Gateway (OBG)  
Attn: Bulk Filing Registration  
30 E. Broad Street, 20<sup>th</sup> Floor  
Columbus, Ohio 43215-3414  
Fax: 614.485.1002

Any questions related to the completion of the form or about ACH-credit payments generally should be directed to the office of the Treasurer of the State of Ohio:

Treasurer of the State of Ohio  
EFT Help Line  
1-877-EFT-OHIO  
FAX : (614) 752-5377  
[www.eft.tos.ohio.gov](http://www.eft.tos.ohio.gov)

Josh Mandel

OHIO TREASURER OF STATE



ACH Credit Authorization Agreement  
Electronic Funds Transfer

PART I Please type or print information	
Payroll Service Name	Contact Person
Mailing Address (Street Number, Box Number)	Telephone Number
City, State, Zip Code	Fax Number
E-mail Address	
PART II <input type="checkbox"/> NEW ACCOUNT <input type="checkbox"/> MODIFY ACCOUNT	
Federal ID Number  _____ OHIO EMPLOYER WITHHOLDING/SCHOOL DISTRICT BULK FILER	
PART III ACH CREDIT OPTION (Taxpayer initiates payment through their Financial Institution)	
I hereby request the State of Ohio Treasurer's Office to grant authority for the above named taxpayer to initiate ACH Credit transactions to the State Treasurer's bank account. It is understood that these transactions must be in the NACHA CCD+ format using the TXP Payment Convention and may only be initiated for the tax type specified above.	
Authorized Signature	Date

COMPLETED FORM: Please return via mail or fax to:  
Ohio Business Gateway (OBG)  
Attn: Bulk Filing Registration  
30 E. Broad Street, 20<sup>th</sup> Floor  
Columbus, Ohio 43215-3414  
Fax: (614) 485-1002

QUESTIONS: Please direct inquiries or questions to:  
Treasurer of State of Ohio  
EFT Help Line  
1-877-EFT-OHIO  
[www.eft.tos.ohio.gov](http://www.eft.tos.ohio.gov)