

MOTOR FUELS ELECTRONIC FILING PROGRAM GUIDE

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Chapter 1. Introduction

➤ *General*

Thank you for your interest in the State Board of Equalization's (BOE) Motor Fuels Electronic Filing (eFiling) Program. This guide contains general, plain-text instructions you need to file motor fuels tax information (tax returns, information reports, and certain claims for refund (hereafter collectively referred to as "tax forms") electronically with the BOE. This guide, along with the other information provided on the BOE Motor Fuels Electronic Filing Program website, is designed to provide the rules, procedures, and technical requirements for the electronic filing of motor fuels taxes by Information Providers (BOE licensees and registrants), Electronic Return Originators (ERO) (also known as "Transmitters"), and Electronic Filing Software Developers, collectively referred to as Electronic Participants. All directions set forth in this guide and on the website must be followed for successful participation in the eFiling Program.

➤ *Website Information*

For additional information on the Motor Fuels eFiling Program, please visit the BOE website at www.boe.ca.gov. On the BOE website, you can find the latest developments in tax-related news. Some of the topics and information available for download include:

- BOE Electronic Services Information.
- eFiling Program Examples.
- eFiling Program Glossary.
- eFiling Program Guide.
- eFiling Program Participant Applications.
- eFiling Map Specifications.
- Frequently Asked Questions (FAQs).
- Hot Topics.
- News Releases.
- Special Taxpayer Alerts.
- Telephone Numbers and Addresses for Other Services.

You can also obtain tax forms, publications, and other information electronically.

➤ *Document Updates*

The information contained in this guide is subject to change. If you are an Electronic Participant in the BOE Motor Fuels eFiling Program, the BOE will notify you when updated versions of this guide are available for download from the BOE's website at www.boe.ca.gov. Updates may include, but are not limited to:

- Changes to eFiling Program rules or requirements.
- Changes to motor fuel tax laws and regulations.
- Changes to motor fuel tax rates.
- Changes to motor fuel tax returns or reports.
- New schedules.
- New tax forms added to the eFiling Program.

➤BOE Contact

If you have questions regarding the Motor Fuels eFiling Program, please call the Special Taxes and Fees Division, Data Analysis Section between 8:00 a.m. and 5:00 p.m., Pacific time, Monday through Friday (excluding State holidays), at:

Phone: 800-400-7115 (TTY: 711); from the main menu, select the option "special taxes and fees."
FAX: 916-323-9352

You may write to the Data Analysis Section at the following address:

State Board of Equalization
Special Taxes and Fees Division
Data Analysis Section, MIC: 30
P.O. Box 942879
Sacramento, CA 94279-0030

or email the Data Analysis Section at the following email address:

BOEMFeFile@boe.ca.gov

Please include the tax program you are inquiring about and provide contact information, such as name, address, phone number, and email in your written inquiries.

➤Assistance for Persons with Disabilities

Assistance for persons with hearing or speech impairments can be obtained by calling our TDD Assistance Center at 800-735-2929, between 8:00 a.m. and 5:00 p.m., Pacific time, Monday through Friday (excluding State holidays).

➤Disclaimer

This document summarizes the law and applicable regulations in effect when the document was written. However, changes in the law or in regulations may have occurred since that time. If there is a conflict between this document and the law, decisions will be based on the law and not this document.

Chapter 2. Introduction to Electronic Filing

➤ *General*

eFiling allows the electronic exchange of tax forms from computer to computer in machine-readable, standard data formats. The direct, computer-to-computer exchange of information lessens the expense associated with processing paper (printing, assembling, mailing, receiving, etc.), as well as the costs, errors, and time delays associated with data entry. In eFiling, data is transmitted in a structured format that allows for immediate processing with little or no human intervention.

An eFiling transmission is made up of one or more data sets. Data Set is the term used to describe the electronic equivalent of a paper document (tax return, information report, etc.). Entities trading eFiling documents are called trading partners.

Prior to the development of electronic filing by the State, innovative companies realized time and money savings in reducing the amount of paper used in business transactions by developing company-specific electronic communications. As a result, companies developed a variety of electronic transactions, based on the needs of their customers, to replace paper business documents. As more customers became interested in sending and receiving electronic documents, companies' efforts to maintain the multitude of individualized document formats became less of a time and money savings and more of a complicated support problem. To reduce this burden, businesses subscribed to the adoption of national standards for Electronic Data Interchange (EDI), which resolved this situation by enabling all organizations to use standard business document formats in X12, called "transaction sets." X12-formatted EDI files are the foundation of the eFiling Program. The BOE has also developed a FLT (flat file) format and PDF format for use by participants who do not choose to participate in eFiling using the EDI file format. For the purpose of this document, EDI, FLT, and PDF data will be referred to as a data set.

The data included in the electronic data set conveys the same information as the conventional paper document. Within each data set there are sections that correspond directly to the format of the paper document:

- The **header section** contains information that pertains to the entire document, such as the filing date, company name, company address, filing period, account number, contact information, etc.
- The **return section** contains information describing which return is present in the data set.
- The **summary item section** contains information that cannot be derived from the detail, such as other exempt removals, etc.
- The **transaction detail section** includes the same information found on the paper schedules, such as bill of lading, carrier information, origin and destination information, gallons, etc.

To gain the maximum benefits of an EDI data set, a company's system must have the following two characteristics:

1. The flow of information must be integrated. In other words, the data must flow between automated business management systems using EDI software without being re-keyed.
2. The automated business management systems must be intelligent. These systems must be able to automatically process routine transactions according to those limits defined by the businesses conducting trade (Trading Partners).

While a FLT data set will also benefit from these characteristics, it is also designed for a smaller business entity that may have a less automated system and enter the data by hand in a software application like Microsoft Excel or Access.

➤ **EDI Standards**

The group responsible for developing and maintaining X12 standards is the Accredited Standard Committee X12 (ASC X12) of the American National Standards Institute (ANSI). These standards are utilized to develop the EDI map that the electronic participants will follow to create their data set for the BOE.

Standards are defined as the technical documentation approved by the ANSI Accredited Standard Committee (ASC) X12 that includes:

- Code set – TIA01 Code list (see **Tax Information and Amount Codes on the website**)
- Data elements – TIA01 is the first element of the TIA segment
- Interchange control structure – ISA/GS/GE/IEA
- Segments – TIA, Tax Information and Amount Segment
- Transaction sets – TS813

Standards prescribe the framework for how a specific EDI message is formatted.

ANSI ASC X12 standards, usually referred to as X12, are the most commonly used EDI standards in North America. ANSI is the clearinghouse and coordinator for standards in all areas of trade and commerce.

➤ **FLT Standards**

The group responsible for developing the FLT (Flat File) standards is the BOE. These standards apply only to electronic files being submitted by an Electronic Participant in the Motor Fuels eFiling Program.

FLT standards for the BOE can be found on the Motor Fuels eFiling Program web page. They include:

- Attribute Conventions – formatting requirements
- Data Elements – field identifiers
- File Structure – FE/FG/FI/FS
- Segments – tax form descriptors

Standards prescribe the framework for how a specific FLT message is formatted.

The BOE has developed Microsoft Excel workbook files for each tax form accepted electronically. The workbook files are intended as examples for reference by electronic participants when creating their own electronic files. Though each template may be used to create FLT documents, they are intended as examples for reference only.

The FLT workbooks are available on the Motor Fuels eFiling Program web page. Also available are example workbooks which contain data that correspond with one of the example tax forms.

The BOE does not endorse the Microsoft Excel product nor does it accept liability for any problems resulting from submitting an electronic file developed from the Excel workbook files. The BOE's Microsoft Excel workbook file may be used without a complete understanding of the FLT format; however, a level of computer skill is required to use Microsoft Excel.

➤ **PDF Standards**

ePDF standards and files were developed to provide Motor Fuels eFiling Program access to all clients regardless of technological sophistication. The BOE developed ePDF standards for internal use only. The group responsible for developing the ePDF standards is the BOE. These standards apply only to electronic files being submitted by an Electronic Participant in the Motor Fuels eFiling Program.

All Electronic Participants reporting using the ePDF file format must use the ePDF files created by the BOE. The BOE has developed ePDF files for each tax form accepted electronically. The ePDF files are available on the Motor Fuels eFiling Program web page. Also available are example ePDF files which contain data that corresponds with one of the example tax forms.

➤ **XML and Other File Format Standards**

The BOE continues to be responsive to the reporting needs of our electronic filing participants. If there is a demand for mapping using XML or other emerging file formats, the BOE will work with its constituents to develop reporting procedures.

➤ **Illustration**

Figure 1, below, illustrates the information flow from taxpayer to tax authority in both the paper and electronic processing environment. To effectively and efficiently process large volumes of information, both parties to the transaction need to eliminate paper processing by sharing information electronically. Electronically, both parties can communicate and resolve errors faster, thereby reducing cost related to overhead. Electronic processing can also reduce the possibility of interest and penalty charges as a result of more efficient and timely processing.

Information Flow Model

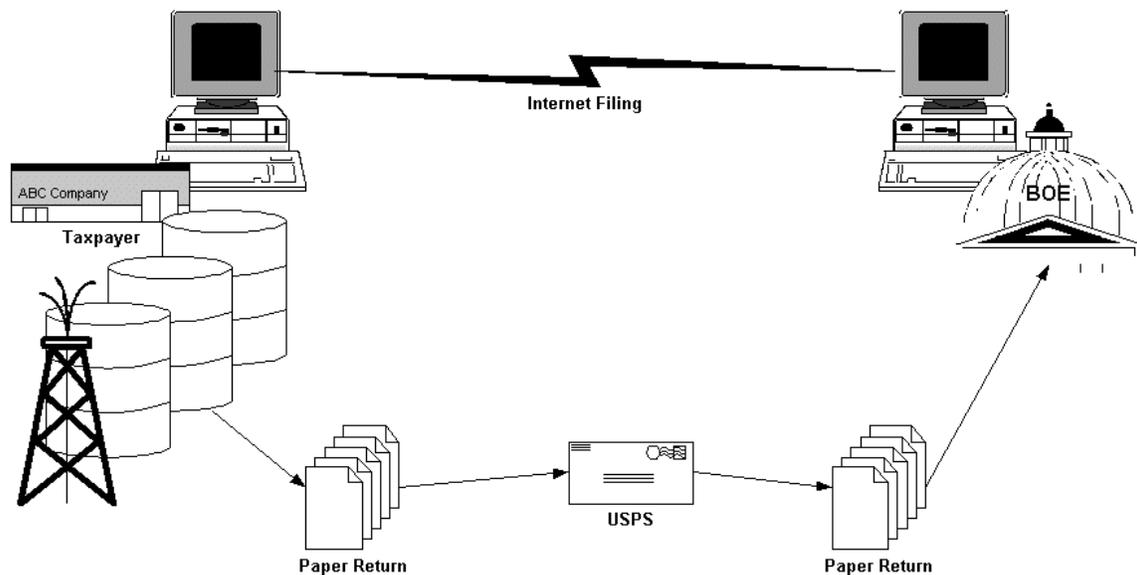


Figure 1. Illustrates the path information flows from Taxpayer/Information Provider to Tax Authority

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Chapter 3. Motor Fuels Electronic Filing Program

➤ *General*

The Motor Fuels eFiling Program allows approved Electronic Participants to file tax forms in the EDI or FLT (Flat File) formats by a secure Internet connection. The Motor Fuels eFiling Program validates the data submitted, prepares the data to be processed, and acknowledges filings to the Electronic Participants.

➤ *Advantages*

The electronic filing of tax information has the following advantages:

- No paper motor fuels tax forms need to be filed and no signature documents need to be completed and mailed (after the initial application and certification testing.)
- Follows Federation of Tax Administrators (FTA) uniform electronic filing standards (EDI X12 v. 4030).
- Similar mapping requirements to IRS ExSTARS electronic filing requirements (EDI X12 v. 4030).
- No postage expenses.
- Faster processing.
- Electronic security ensures confidentiality of data.
- BOE acknowledges receipt of filing.
- Less file storage space required since data may be stored electronically.

➤ *Who Can Participate*

Participation in the eFiling Program is open to Information Providers that file certain motor fuels tax forms. The list of tax forms that may be filed electronically can be found in this chapter under the heading, *Tax Forms Eligible for Electronic Filing*. The Program is also open to EROs, who file on behalf of Information Providers, and Software Developers. Participation by Software Developers is limited to only output testing of their products. Please see Chapter 5, [Application for Electronic Return Originators and Software Developers](#), for details specific to Software Developers and the application process.

➤ *Definition of Electronic Return Originator (ERO) or “Transmitter”*

An ERO or “Transmitter” is the person or firm that constructs and electronically files a motor fuels tax form on behalf of an Information Provider. To be an ERO, complete and submit an application as described in Chapter 5 of this guide. The applicant must also pass a qualification review and successfully show the ability to receive and transmit electronic data to the BOE.

➤ *Prohibited Participants in the Motor Fuels Electronic Filing Program*

Persons who are currently under suspension (or who subsequently become suspended) by the BOE from participating in any BOE tax preparation and/or electronic filing program may not participate in the Motor Fuels eFiling Program described in this guide.

➤ ***Required Actions for Participation in Electronic Filing***

Electronic Participants in the eFiling Program must follow the Trading Partner Agreement (TPA) or Electronic Return Originator application process detailed in Chapter 4 and Chapter 5 of this guide. To be in compliance with this guide, an Electronic Participant, upon request by the BOE, must give the BOE access to all materials that support the preparation of its electronic filings.

➤ ***Tax Forms Eligible for Electronic Filing***

The BOE will accept properly formatted electronic filings for the following:

- Claim for Refund on Nontaxable Sales and Exports of Diesel Fuel (Form BOE-770-DZ).
- Diesel Fuel Claim for Refund on Nontaxable Uses (Form BOE-770-DU).
- Diesel Fuel Tax Claim for Refund – Sales to Ultimate Purchasers (Form BOE-770-DVW).
- Diesel Fuel Ultimate Vendor Report/Claim for Refund (Form BOE-770-DV).
- Exempt Bus Operator Diesel Fuel Tax Return (Form BOE-501-DB).
- Supplier of Diesel Fuel Tax Return (Form BOE-501-DD).
- Supplier of Motor Vehicle Fuel Tax Return (Form BOE-501-PS).
- Terminal Operator Information Report (Form BOE-506-PO).
- Petroleum Carrier Report (Carrier Summary Report) (Form BOE-506-PC).
- Aircraft Jet Fuel Dealer Tax Return (Form BOE-501-MJ).

➤ **Acceptable Electronic Formats**

The table below identifies tax forms and filing formats the BOE is currently allowing Electronic Participants to submit electronically:

	EDI X12			
	IRS EDI*	v. 4030	Flat File	ePDF
BOE-501-PS		X	X	X
BOE-501-DD		X	X	X
BOE-501-DB			X	X
BOE-501-MJ		X	X	X
BOE-506-PO	X	X	X	X
BOE-506-PC	X	X	X	X
BOE-770-DU			X	X
BOE-770-DV			X	X
BOE-770-DVW			X	X
BOE-770-DZ			X	X

* IRS EDI is the v. 4030 file format as published by the IRS.

IRS EDI Formats: The Terminal Operator Report and Common Carrier Report may both be filed electronically with the BOE in the IRS EDI format. EDI X12 v. 4030 is ANSI ASC X12 Standards Release Version 4030. This format replaces the EDI X12 v. 4010 format, and files containing only California data may be submitted using this format as described in "IRS Electronic File Mapping." Files submitted to the BOE in this format must meet the requirements as published by the IRS.

EDI X12 v. 4030 is ANSI ASC X12 Standards Release Version 4030. Files may be submitted using this format as described in "BOE EDI v. 4030 Specifications."

Flat File is the text file format standard developed by the BOE. Files may be submitted using this format as described in "BOE FLT (Flat File) Specifications."

PDF is the standard developed for internal use only and provided to Electronic Participants as fill-in PDF files.

An Electronic Participant choosing to file the Diesel Fuel Tax Claim for Refund – Sales to Ultimate Purchasers (Form BOE-770-DVW) electronically must also file the required Diesel Fuel Ultimate Vendor Report/Claim for Refund (Form BOE-770-DV) electronically.

➤ **Valid Transmission Methods**

The BOE will only accept tax forms in acceptable electronic formats transmitted via the Internet. No magnetic tape filing or data stored on a floppy diskette will be accepted.

➤ **Data To Be Reported**

Data reported to the BOE through the Motor Fuels eFiling Program must be formatted to the specifications of the electronic format type being used. The specifications for accepted electronic file formats can be found in the following documents on the Motor Fuels eFiling Program web page:

- BOE EDI v. 4030 Specifications
- IRS Electronic File Mapping
- BOE FLT (Flat File) Specifications

➤ **Electronic Payments (Motor Fuels ePay)**

All Electronic Participants may include authorization for an electronic funds transfer (EFT) payment for the amount due on the tax return in the file submitted. To be eligible to use this option, the taxpayer must be registered to make EFT payments via ACH debit. Payments submitted by Electronic Participants not correctly registered for EFT payments via ACH debit will not be processed and may result in billings including penalty. More information on EFT registration is available under eServices on the BOE website.

➤ **Software**

All Electronic Participants may develop their own filing solution or purchase off-the-shelf file translation software for preparation of their tax information. The BOE is not responsible for software-related problems. All software problems should be directed to the vendor from whom the software was purchased.

➤ **Motor Fuels Electronic Filing Program Participation**

Prior to eFiling, all Electronic Participants must submit a Trading Partner Agreement (TPA), receive approval to participate, and successfully complete certification testing to obtain approval to file electronically. See Chapter 8, [Certification Testing Guidelines](#), for details on certification testing.

➤ **Electronic Return Originator List**

The BOE will maintain a list of vendors who have successfully completed eFiling certification testing and who have been accepted as an Electronic Return Originator (ERO) in the Motor Fuels eFiling Program. Accepted EROs will be listed on the BOE website at www.boe.ca.gov. Acceptance to participate in the Motor Fuels eFiling Program does not imply endorsement of the software or quality of services provided by the BOE or the State of California.

➤ **Confidentiality**

Personal information, such as a driver license number, a social security number, or a residence address, is not disclosed to the public. However, some records are subject to disclosure. These include BOE license or registration numbers, business name and address, and license status. Also, for purposes of enforcing the fuel tax laws, personal information may be disclosed to Federal agencies and other state agencies. For more information, please review the *Notice to Individuals Regarding Information Furnished to the BOE* (form BOE-324-A). A link is included on the Motor Fuels eFiling Program's website.

➤ **Security**

The Motor Fuels eFiling Program uses the Internet to receive and transmit motor fuels tax forms. The Motor Fuels eFiling Program incorporates the following technological attributes to ensure data security: User ID, Password, Data Encryption, Electronic Signature (Authorization and Security Codes), and Acknowledgements. Each Electronic Participant must also use security procedures that are reasonably

sufficient to ensure that all transmissions of motor fuels tax forms are authorized. An Electronic Participant must take the necessary precautions to safeguard its technological attributes and notify the BOE when it has knowledge that its technological attributes have been compromised or a change in its authorized representative has occurred.

➤ ***Requirement to Provide FEIN***

Information Providers are required to obtain and report the FEIN (Federal Employer Identification Number) of all persons involved in a reportable fuel transaction. An Information Provider is also required to furnish its FEIN upon request of another Information Provider involved in a reportable fuel transaction. (For example, a Terminal Operator is required to obtain a carrier's FEIN when the carrier makes a delivery to the terminal.)

➤ ***Century Date Update***

The Motor Fuels eFiling Program uses the Century Date format established by the National Institute of Standards and Technology. All electronically prepared and transmitted motor fuels tax forms submitted must be developed in compliance with an 8-digit date format. Therefore, the date format must be reflected as follows: CCYYMMDD. For example, June 30, 2001 would be reflected as 20010630.

➤ ***Extension of Time for Electronic Filing***

An extension of up to one month may be granted to an Electronic Participant upon written request. If an extension for filing is needed, send the request for extension, with an explanation, to the BOE, including the company name, BOE account number, FEIN, and filing period. You will still need to submit payments in a timely manner and, upon notification from the BOE, submit a paper facsimile of the face of the tax form. Failure to make timely tax payments may result in interest and penalty charges.

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Chapter 4. Trading Partner Agreement for Information Providers

➤ *General*

Each Information Provider must complete a Trading Partner Agreement (TPA) (BOE-400-TPA) and complete the certification testing process in order to file motor fuels tax forms electronically with the BOE. Applicants must agree to follow all requirements and specifications in this guide and on the Motor Fuels eFiling Program web page. See Chapter 8 of this guide for further information regarding testing procedures.

➤ *Purpose of Trading Partner Agreement (TPA)*

The purpose of the TPA is to:

- Identify the Application Sender's Code (for EDI filing formats only).
- Identify the electronic file format (EDI FLT, or PDF) to be used for each tax form to be filed electronically.
- Identify the Information Provider.
- Identify the motor fuels tax forms to be filed electronically.
- Identify the signatory authority for the electronic filing.
- Outline the terms and standards for electronic filing.

In addition, completion of the TPA is the process used to convey the necessary information to facilitate electronic exchange of information. It will ensure the accuracy of the Information Provider's information by comparing the eFiling entity data with the information in the BOE databases. Once accepted into the eFiling Program, participation is required until terminated by the BOE.

➤ *Requirements for Completing the Trading Partner Agreement*

The TPA must contain the following information, as applicable:

- An authorized representative of the Information Provider must sign the TPA. If the authorized representative is an agent, other than an employee of the Information Provider, a Power of Attorney granting the agent the authority to sign the TPA must be attached.
- If an ERO will file motor fuels tax forms for an Information Provider, the TPA must contain the ERO's name, mailing address, and authorization for the BOE to disclose tax information to the ERO.
- Terminal Operators must attach a list including name, location, Terminal Control Number (TCN), and BOE account number of each terminal to which the TPA applies.
- The 10-character Security Code (Password) created and submitted by the Information Provider. The Security Code must be alphanumeric with no special characters or spaces.
- The electronic file format that will be used to transmit the tax forms.
- The motor fuels tax forms with the corresponding BOE account numbers covered by the agreement.
- The intent of an Information Provider reporting a Supplier of Motor Vehicle Fuel, or Supplier of Diesel Fuel Tax Return, or a Terminal Operator Reports regarding participation in two-party exchange reporting.
- The name, DBA, mailing address, and FEIN of the Information Provider.
- The name, telephone and fax numbers, and email address of the person to contact regarding eFiling technical information and fuel tax information.

➤ ***Obtaining a Trading Partner Agreement***

The Trading Partner Agreement form is available on the Motor Fuels eFiling Program website, which can be accessed at www.boe.ca.gov.

Submit the completed TPA to:

State Board of Equalization
Special Taxes and Fees Division
Data Analysis Section, MIC: 30
P.O. Box 942879
Sacramento, CA 94279-0030

➤ ***Authorization for Electronic Transmission of Data***

BOE staff will request that you submit authorization for us to contact you regarding your filing results via email. You can speed up your registration by completing an *Authorization for Electronic Transmission of Data*, BOE-82, and sending this form in with your TPA. It is available on the Motor Fuels eFiling Program website, which can be accessed at www.boe.ca.gov

➤ ***Trading Partner Agreement Status***

The BOE will respond to the applicant within ten business days of receipt of the TPA by providing to the applicant's authorized representative, identified on the applicant's TPA, the following:

- BOE-provided 10-character Authorization Code – this authorization code, combined with the security code (password), provided by the applicant in the TPA, constitutes the Information Provider's electronic signature on electronically filed motor fuels tax forms.
- Acknowledgement of Receipt form – form provided to the Information Provider to acknowledge receipt of the Authorization Code, the User ID discussed in the following section, and User password.

If a TPA contains incomplete information or cannot otherwise be processed, the BOE will notify the applicant's authorized representative identified in the TPA.

➤ ***User ID and Password Assignment***

The BOE will assign to the Information Provider User IDs and Passwords for each representative identified in the TPA or subsequently requested. The Passwords are used to log-in to the eFiling Program website for filing motor fuels tax forms. Each representative will be prompted to change their password after logging-in to the system the first time. The User ID and Password will be provided in separate emails and will not be activated until the Acknowledgement of Receipt form is signed and returned to the BOE. It is the responsibility of each representative to keep his or her User ID and Password secure. The Information Provider is responsible for the actions of its representatives in the Motor Fuels eFiling Program and shall notify the BOE if any representatives should have their access revoked or changed.

➤ ***Reporting Multiple Accounts***

An Information Provider or an ERO submitting files in the EDI v. 4030 file format may include multiple tax forms in a single electronic transmission, provided the Information Provider's TPA includes all accounts to be reported. Prior to submitting an electronic file that includes an account that has not been previously reported, an Information Provider must update its TPA by submitting a revised list of accounts (terminal operator accounts must include corresponding TCNs). All tax forms in a file must have the same status (test or production). The BOE will contact the Information Provider and confirm that it is ready to accept a file containing the new return or report. Tax form due dates are still in effect during

such a revision process. If necessary, the account being added to the TPA should be filed by paper and the other accounts be submitted electronically.

➤ ***Right to Suspend Participation***

The BOE may suspend participation in the eFiling Program for not complying with all the rules and procedures outlined in this guide. Electronic Participants may not withdraw from the eFiling Program without obtaining prior written approval from the BOE.

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Chapter 5. Application for Electronic Return Originators and Software Developers

➤ *General*

Each prospective ERO or each Software Developer, hereafter referred to collectively as ERO, must complete an *Application for Direct Transmission of Tax Returns*, form BOE-400-XML, before submitting motor fuels tax forms electronically to the BOE. Applicants must agree to follow all requirements and specifications in this guide and on the Motor Fuels eFiling Program website. Applicants must also successfully complete certification testing, as outlined in this guide, prior to being allowed to fully participate in the electronic filing program. See Chapter 8 of this guide for further information regarding testing procedures.

➤ *Where to Obtain an Application*

An *Application for Direct Transmission of Tax Returns*, form BOE-400-XML, may be obtained from the BOE website at www.boe.ca.gov.

Submit the completed application to:

State Board of Equalization
Special Taxes and Fees Division
Data Analysis Section, MIC: 30
Sacramento, CA 94279-0093

Incomplete or unsigned applications will be returned to the applicant.

➤ *Notification of Acceptance or Denial*

Notification of acceptance into the Motor Fuels eFiling Program will be provided to the applicant. If an applicant is denied, the BOE will include the reason(s) for denial.

➤ *User ID and Password Assignment*

The BOE will assign a User ID and a Password to the ERO for each client once the client identifies the ERO on its Trading Partner Agreement. The ERO will use this User ID and Password to log-in to the BOE Motor Fuels eFiling Program on behalf of that client. The ERO will be prompted to change its password after logging onto the system the first time. The User ID and Password will be provided in separate emails and will not be activated until the Acknowledgement of Receipt form is signed and returned to the BOE. It is the responsibility of the ERO to keep its User ID and Password secure.

➤ *Business Information Changes*

Once accepted into the Motor Fuels eFiling Program, the ERO must submit a revised application if there is a change to any of the information on the original application or to the ERO's Internet address.

➤ *Acceptance Process*

The ERO applicant must pass both the qualifications review and certification testing in order to begin transmitting production motor fuels tax forms electronically. The BOE will send the applicant a notification of acceptance to participate in the program after it has successfully completed certification testing.

➤ ***Qualifications Review***

The BOE will perform a qualifications review on all ERO applicants. The purpose of this review is to ensure that all:

- Applying business entities are valid and licensed;
- Personal and business motor fuels tax forms of the applicant are timely filed; and
- Applicant liabilities are paid and current.

If an application is denied, the BOE will send a notification to the applicant explaining the reason(s) for denial.

➤ ***System Certification Testing***

System certification testing requires applicants to meet predetermined requirements that validate their ability to transmit data to, and receive data from the BOE. All ERO applicants are required to complete certification testing prior to being allowed to participate in the Motor Fuels eFiling Program. The purpose of system certification testing is to ensure, prior to submitting production files, that:

- The BOE's Motor Fuels eFiling Program specifications are met;
- There are no validation errors in the test files;
- Required fields will post to the BOE's master file;
- The ERO is able to retrieve information from the BOE; and
- The ERO understands and is knowledgeable about the mechanics of eFiling.

➤ ***What Must Be Tested***

To facilitate testing, the BOE will provide the applicant with test requirements for system certification testing. The requirements cover each of the motor fuels tax forms that are currently eligible for electronic filing as part of the eFiling Program. The test package will detail the conditions and acceptance procedures. Applicants must demonstrate the ability to successfully handle data for each motor fuels tax form that they will submit on behalf of their clients.

➤ ***Other Certification Testing***

Once an ERO has been certified to participate in the Motor Fuels eFiling Program, certification testing with client data is required prior to an ERO's first submission of a client's production data. In some cases, after a program update, certification testing must be performed and passed again to ensure continued participation in the Motor Fuels eFiling Program.

➤ ***Right to Suspend Participation***

The BOE may suspend participation in the Motor Fuels eFiling Program for not complying with all the rules and procedures outlined in this guide. If an ERO in suspended status attempts to submit motor fuels tax forms electronically, the BOE will reject the transmission.

Chapter 6. General Rules and Responsibilities of an Electronic Participant

➤ *Rules and Responsibilities*

Once an Electronic Participant has passed the certification testing phase of the Motor Fuels eFiling Program, it is placed into production status, which permits the filing of certain motor fuels tax forms electronically with the BOE. Once permission has been granted, an Information Provider must file motor fuels tax forms and make payments electronically to the BOE until further notification. Switching back and forth from electronic filing to paper filing is allowed unless prior permission is granted by the BOE.

Listed below are some general rules and responsibilities Electronic Participants must adhere to after being approved to submit motor fuels tax forms electronically to the BOE:

- Electronic Participants must apply for electronic filing, pass certification testing, be placed into production status, and, for those Information Providers who report a tax liability on their motor fuels tax forms, sign up for the Electronic Fund Transfer System (EFT payment program) before they are allowed to submit motor fuels tax forms electronically to the BOE.
- Electronic Participants must ensure that motor fuels tax forms are complete and accurately filed in a timely manner. For more information on this topic, see [Timely Filing of a Motor Fuels Tax Form](#) located in Chapter 7.
- Electronic Participants must comply with the technical specifications as detailed throughout this guide and on the Motor Fuels eFiling Program's web pages.
- Copies of all materials furnished to or by the Information Provider shall be retained by the Information Provider for a minimum of four (4) years.
- Information Providers must be able to provide, upon request, a printed copy of any filings made to the BOE. Failure to maintain historical records may result in suspension from participation in the Motor Fuels eFiling Program or revocation of an Information Provider's license(s).
- The Electronic Participant is responsible for ensuring that the Authorization Code and Authorized User information (User ID and passwords) remain the confidential information of the Information Provider. If the Electronic Participant suspects that the confidentiality of this information has been compromised, the Electronic Participant must contact the BOE within 24 hours for instructions on how to proceed.
- If the Information Provider changes its authorized representative or other authorized user, the BOE must be notified of the name and title of the new authorized representative or user within 15 days of the change. In the case of a change in authorized representative, a new Trading Partner Agreement is required. The new authorized representative or user must submit an Acknowledgement of Receipt form as specified in Chapter 4, [Trading Partner Agreement for Information Providers](#) of this guide. The BOE will deactivate the current Authorization Code and/or User ID and issue replacements to the new authorized representative or user, as appropriate.
- If the number of terminals that an Information Provider is registered to report on changes, a revised list of terminals, with the corresponding BOE account number for each terminal, must be submitted. This type of record keeping will help enable the BOE to open or closeout the appropriate accounts.

- All registration changes that an Information Provider needs to make to BOE account(s) must be submitted in writing to BOE.
- If the Electronic Participant does not receive the initial Receipt Acknowledgement within two (2) business days from the time the Electronic Participant submitted or resubmitted electronic data to the BOE, it should contact the BOE. For more information on this topic see [Receipt Acknowledgement](#) located in Chapter 7.
- If the Electronic Participant does not receive the Functional Acknowledgement within three (3) business days from receiving the initial receipt acknowledgement, the Electronic Participant must contact the BOE to determine the status of the filing submission. A filing that cannot be functionally read by the BOE system will not be accepted as timely filed. For more information on this topic see [Functional Acknowledgement](#) located in Chapter 7.
- The Electronic Participant must correct any transmission error that causes an electronic transmission to be rejected within ten (10) business days from the date of the initial Receipt Acknowledgement. If the Electronic Participant is unable to submit corrections within this time frame, contact the BOE immediately.
- EROs shall not disclose or use any information specific to an Information Provider for any purpose other than the preparation and submission of motor fuels tax forms.
- EROs may advertise electronic filing services to Information Providers, but use of “Board of Equalization” or “BOE” within an ERO name is not allowed. Periodic review of an ERO’s website may be conducted to ensure that the advertising is consistent with the position of the BOE. Authorized EROs will be placed in alphabetical order on the BOE website, but the BOE will not advertise for any specific ERO. Please contact the Motor Fuels eFiling Program Coordinator if you have any questions regarding advertising.

➤ ***Reasons for Suspension from the eFiling Program or Revocation of License(s)***

Any Electronic Participant who violates any portion of the Motor Fuels eFiling Program requirements or who does not consistently transmit error-free tax forms may be suspended from the Motor Fuels eFiling Program or have its license(s) revoked. Following is a list of reasons that may cause suspension from the Motor Fuels eFiling Program or revocation of an Information Provider’s license. The list is not all-inclusive:

- Conduct that would adversely affect the Motor Fuels eFiling Program.
- Engaging in fraudulent activities.
- Failure to complete certification testing in a timely manner.
- Failure to file timely and accurate motor fuels tax forms.
- Failure to follow all the rules, procedures, and practices described in this guide and on the Motor Fuels eFiling Program's web pages.
- Failure to pay tax liabilities electronically.
- False representations by a Software Developer.
- Misrepresentation on the Trading Partner Agreement or ERO application.
- Unauthorized transmission of data.
- Unethical practices in motor fuels tax form preparation.

Chapter 7. Filing Guidelines

➤ *General*

Once an Information Provider has been approved to file its motor fuels tax forms electronically with the BOE, the Information Provider must continue to file its forms electronically until otherwise instructed by the BOE. Information Providers who have been approved to file tax forms electronically must also make payments to the BOE using one of the electronic payment methods offered by the BOE. Failure to file tax forms or make payments electronically after being approved may result in revocation of an Information Provider's license. If an Information Provider experiences any electronic transmission problems, it should contact the Data Analysis Section immediately for assistance in resolving the problem. Also, for information on making your payments electronically, go to the BOE's eServices web pages at www.boe.ca.gov or click on the electronic payment link on the Motor Fuels eFiling Program's web page.

➤ *Timely Filing of a Motor Fuels Tax Form*

Every transmission to the BOE will have an electronic "postmark" attached to it. Once a tax form has been transmitted to the BOE, a receipt will be provided by the BOE. Upon completion of validation testing, a functional acknowledgement will also be provided. An electronic motor fuels tax form is considered filed if the submitted electronic tax form is functionally acknowledged by the BOE. Tax forms are considered timely if the following occur:

1. The submitted electronic tax form is transmitted to and received by the BOE on or before the due date.
2. The electronic tax form is functionally acknowledged by the BOE. If the original, and timely, submission of the electronic tax form fails the functional validation, a valid electronic tax form that is transmitted to and functionally acknowledged by the BOE within ten (10) business days of the failed submission will be deemed timely. Repeated reliance upon this option to transmit timely filings may result in the removal of this option, upon written notification by the BOE, for the Electronic Participant.
3. Any amount due corresponding to the tax forms submitted is paid on or before the due date of the tax form. Electronic Participants are required to pay using one of the electronic payment methods offered by the BOE. Electronic Participants may make their payment through standard BOE electronic payment methods or include the payment information in the electronic file (Motor Fuels ePay). Motor Fuels ePay EFT payments are available to Electronic Participants registered for ACH debit EFT only.

If an electronic motor fuels tax form is received by the BOE after the due date, interest and/or penalty may be charged. Failure to file a tax form, not filing a tax form electronically, or filing an incomplete tax form may result in charges for interest, penalty, and/or license revocation.

➤ *Composition of the Electronic Motor Fuels Tax Forms*

Motor fuels tax forms transmitted electronically to the BOE will have reporting requirements similar to those for paper forms. This means that the same information included on paper tax returns, information reports, and claims for refund is also included in the transmitted electronic data. The use of the Information Provider-selected Security Code and assigned Authorization Code (electronic signature), along with approved user access, authenticates the Information Provider's identity and replaces the need for a "wet" signature.

Information Providers who are registered for more than one BOE fuel account license or registration number must transmit separate tax forms for each account. Information Providers, using an EDI file

format, may combine multiple tax forms in a single electronic transmission or make a separate transmission for each tax form. Currently, there is no combined filing of the same tax form or tax forms for different periods in a single data set.

The BOE will not dictate the format in which an Information Provider or ERO (Electronic Participants) must collect the filing information. Electronic Participants are, however, required to follow the filing specifications detailed in this guide and on the Motor Fuels eFiling Program's web page for the valid file formats agreed to in the Electronic Participant's TPA. Electronic Participants will be required to submit correct and complete electronic motor fuels tax forms. EROs will not be required to present a look-alike tax form to Information Providers, but they must provide Information Providers with any correspondence that the BOE sends to the ERO on behalf of an Information Provider. An Information Provider who contracts with an ERO is responsible for ensuring that properly formatted data is submitted and that timely information on filing status is provided.

➤ ***Acceptable Tax Form Filings for the eFiling Program***

After being approved to submit production data through the eFiling Program, the Electronic Participant must transmit the data to the BOE on or before the respective due dates, regardless of whether there is tax due, a refund, or no amount owing. Failure to do so may result in the Information Provider's license being revoked for non-filing. Refer to Chapter 3 for a list of tax forms that the BOE will accept electronically.

All data submitted to or received from the BOE will be transmitted through the Internet. The BOE may limit the maximum allowable electronic file size to protect the integrity of the Motor Fuels eFiling Program.

The BOE is allowing Electronic Participants to submit California Terminal Operator and Petroleum Carrier reports using the IRS's approved electronic file data format. Refer to *IRS electronic File Mapping* for details on the Motor Fuels eFiling requirements for IRS-approved file formats.

➤ ***Single Point of Filing for a Terminal Operator or a Petroleum Carrier***

The Single Point of Filing option is not available at this time. The BOE continues to be responsive to the reporting needs of our Electronic Participants. Should the IRS implement a valid data transfer system that would enable Single Point of Filing, the BOE will work with its constituents to develop reporting procedures.

IRS-formatted electronic files may still be filed directly with the BOE. Refer to *IRS electronic File Mapping* for details. All other motor fuels tax forms must be filed directly with the BOE using the valid BOE file formats described in this guide.

➤ ***Receipt of Filings by BOE***

Moving from a paper to an eFiling environment means that certain traditional methods of proving that a motor fuels tax form was mailed and determining what constitutes a timely filing no longer apply. Electronic filing of tax forms will eliminate the use of certified mail and postmark dates.

After an Information Provider has filed a motor fuels tax form electronically with the BOE, the BOE will acknowledge the receipt of the file. See [Filing Acknowledgements](#) in this section for more information.

All information received from the BOE during the submission and processing stages should be kept by the Electronic Participant as proof of filing. It is important to note that rejected files may not be acknowledged by the BOE due to fatal processing errors that render the filing information unreadable.

Following is a listing of possible reasons for not receiving an acknowledgement from the BOE:

- Required information omitted.
- Motor fuels tax form information was not forwarded to the BOE.
- BOE account number submitted is invalid.
- Invalid Authorization Code or password.
- Invalid file type submitted to the BOE.
- A system failure occurred.

If the Electronic Participant does not receive an acknowledgement from the BOE, the electronic filing will have to be resubmitted. If a Receipt Acknowledgement is not received from the BOE within two (2) business days of transmission, please contact the Data Analysis Section.

➤ ***Filing Acknowledgements***

The BOE will electronically communicate to the Electronic Participant two acknowledgements for each electronic motor fuels tax form submitted to the BOE. First is the Receipt Acknowledgement, and the second is the Functional Acknowledgement. The Electronic Participant should maintain these acknowledgements for its records. The BOE uses the combination of the Receipt Acknowledgement and Functional Acknowledgement as evidence of timely or late filing. Refer to [Timely Filing of a Motor Fuels Tax Form](#) in this section for details on what constitutes a timely filing.

➤ ***Receipt Acknowledgement***

The Receipt Acknowledgement is immediately provided to the Electronic Participant upon receipt by the BOE of an electronic file transmitted by the Electronic Participant. The Receipt Acknowledgement notifies the Electronic Participant whether or not the file has been successfully received by the BOE for validation. The tracking number, provided when an upload is initiated, allows the Electronic Participant to verify the status of the electronic filing. The Receipt Acknowledgement does not notify the Electronic Participant that the file has passed syntax checks or been accepted as a valid filing.

➤ ***Functional Acknowledgement***

The functional acknowledgement is provided to the Electronic Participant upon the BOE's completion of a validation and syntax review. A successful functional acknowledgement is notification that the tax forms identified are accepted as valid filings. The Electronic Participant should keep the functional acknowledgement as evidence that the electronic tax form has been received and accepted by the BOE as a valid filing.

➤ ***Validation Acknowledgement***

A third type of acknowledgement is a validation acknowledgement. The validation acknowledgement is used to provide the Electronic Participant with information concerning data errors.

If errors occur with respect to the EFT payment information provided in the electronic file (Motor Fuels ePay), the system will generate an automated message regarding the problem.

BOE staff will generate all other correspondence concerning validation messages manually, pending development of system functionality to provide automated validation messages. The Electronic Participant will need to provide correcting information, correct the error for future reports, resubmit a corrected file, or enact a combination of those resolutions as directed by BOE staff. Depending on the severity and/or frequency of data errors, the BOE may ask the Electronic Participant to correct and resubmit its data. The BOE may also require the Electronic Participant to move its filing status from “production” back to “test” until the problem is corrected and the Electronic Participant has demonstrated the ability to submit eFiles without errors.

➤ **Filing Results**

The Filing Results file is used to report details of the validation and syntax review to the Electronic Participant. The Filing Results file is created and made available to the Electronic Participant each time an electronic tax form is submitted. It may be obtained from the link provided with the results of the transmission on the review uploads page.

If the filing results are not available within three (3) business days after the BOE-acknowledged receipt of the filing, the transmitted file may have failed validation review. The Electronic Participant should contact the Data Analysis Section for more information on the results of the transmission.

➤ **Rejected Motor Fuels Tax Form Filings**

If the electronic transmission of the motor fuels tax form is rejected by the BOE and the BOE has received sufficient information to identify the sender, a message will be created for the Electronic Participant, notifying it of the rejection. The Electronic Participant must correct any transmission error that causes an electronic transmission to be rejected and submit the new file within ten (10) business days from the initial Receipt Acknowledgement. If the Electronic Participant is unable to submit a correct and valid file within this time frame, it should contact the BOE immediately. Any tax form rejected by the BOE will be considered not filed and, if applicable, interest and penalty may be due if the valid submission occurs after the due date. Refer to “Timely Filing of a Motor Fuels Tax Form” in this chapter for details.

➤ **Payment Information**

Once an Information Provider is approved to file motor fuels tax forms electronically, it must also pay the tax due on a return via one of the electronic payment methods offered by the BOE on or before the due date of the return. A payment made after the due date may be subject to interest and penalty charges. A payment may be by an electronic transmission separate from the return transmission, or it may be included in the electronic file (Motor Fuels ePay), provided the Information Provider has registered the account for an ACH debit EFT payment. Information on electronic payment options offered by the BOE is available on the BOE website. Links are provided on the Motor Fuels eFiling Program web page.

Once the Information Provider is set up to file motor fuels tax forms and make payments electronically with the BOE, it must continue to do so until further notification from the BOE. Failure to pay electronically may result in the assessment of penalty charges or license revocation.

➤ **Scheduled Downtime**

In order to perform basic maintenance on the BOE website, the system will be unavailable for eFiling access from Sunday at 7:00 p.m. to Monday at 5:00 a.m., Pacific time. This is regularly scheduled downtime that will be posted on the BOE website. Since this is regularly scheduled downtime, Electronic Participants should be aware that the BOE will not accept the participant’s inability to submit a timely filing because of this downtime as a valid reason for granting relief of any penalty and/or interest that may result from a late filing.

Unforeseen maintenance needs may also require the BOE to make the system unavailable for eFiling access. When these events occur, the BOE will post a message on the log-in screen notifying the Electronic Participant that the system is unavailable and the estimated duration.

➤ **Registration Information Changes**

Once accepted into the Motor Fuels eFiling Program, an Information Provider must notify the BOE if it moves, changes ownership, discontinues operations, or sells its business. Even though the eFiling maps may allow for registration information updates, the BOE currently does not process this data. The BOE requires that all motor fuels registration changes be submitted in writing. All written notification will be

reviewed and the appropriate actions will be taken. The written notification of registration changes will enable the BOE to update its records and keep the appropriate data current.

➤ ***Submission and Correction Guidelines for Motor Fuels Tax Forms***

Motor fuels tax forms may be submitted, resubmitted, replaced, corrected, or added (which is known as supplemented). Any submissions of data for tax forms that is intended to replace or augment the original submission requires prior approval of the BOE and notification to the BOE upon successful transmission of the new file. The notification shall include the account number(s), period, and tracking numbers of the original and new submissions, along with an explanation of the contents of, and reason for, the new submission. Contact the Special Taxes and Fees Division, using the contact information on the Motor Fuels eFiling Program web page.

General rules to follow for electronic filing of original motor fuels tax form data:

EDI X12 v. 4030:

- For an original filing for a tax period, enter code “00” (zero zero) into element BTI13. If any other value is entered into this element, the BOE will not consider the associated information to be an original filing of tax form data.
- If the original submission of tax form data needs to be replaced because of incorrect data, change the filing status code “00” on the original filing in element BTI13 to code “05,” to instruct the BOE to replace the data filed earlier with the data contained in this filing. The BOE will delete all data previously filed for the period and replace it with the new data.
- If the original submission of tax form data was not received by the BOE, change the filing status code “00” on the original filing in element BTI13 to code “15,” to notify the BOE that this is a resubmission of a previously submitted original file. The BOE may contact the Electronic Participant to help identify and correct the filing problem.

FLT (Flat File):

- For an original filing for a tax period, enter code “00” (zero zero) into elements FE07, FG07, FI07, and FS07. This field is present in every transaction reported in the FG, FI, and FS elements. If any other value is entered into this element, the BOE will not consider the associated information to be an original filing of tax form data.
- If the original submission of tax form data needs to be replaced because of incorrect data, change the filing status code “00” on the original filing in elements FE07, FG07, FI07, and FS07 to code “05,” to instruct the BOE to replace the data filed earlier with the data contained in this filing. The BOE will delete all data previously filed for the period and replace it with the new data.
- If the original submission of tax form data was not received by the BOE, change the filing status code “00” on the original filing in elements FE07, FG07, FI07, and FS07 to code “15,” to notify the BOE that this is a resubmission of a previously submitted original file. The BOE may contact the Electronic Participant to help identify and correct the filing problem.

➤ ***Transmitting Data / Using eFile***

Internet Connection Security and Requirements

An Electronic Participant’s approved Users must connect to the BOE website to electronically submit their files. The User must use a browser that supports 128 bit SSL. The BOE web site has been tested with Microsoft Internet Explorer 7.0 and Firefox 3.0. User IDs and passwords are required as additional security. A Secure Socket Layer (SSL) encrypted session will be established between the User and the BOE when the User logs-in. The User’s system must be configured to accept “cookies”. The BOE *Electronic Filing* system requires a “cookie” as an element in maintaining the secure internet connection. The BOE will issue as many User accounts as needed by the Electronic Participant, at the request of the

Electronic Participant's Authorized Representative. User accounts should not be shared. Sharing User accounts is a violation of the BOE's security measures and is grounds for revocation of a User's account.

Passwords

The first time a User logs-in to the BOE system the User will be prompted to change its password from the one the BOE provides to a password known only by the User. Passwords are case sensitive and must be at least 6 characters long. A minimum of one alpha character and one numeric character are required in all passwords.

The Electronic Filing system will allow three log-in errors, after which the User will be locked out of the system. Contact the Data Analysis Section in the BOE's Special Taxes and Fees Division to have the lock reset.

If a User loses or forgets their password, they should contact the Data Analysis Section in the BOE's Special Taxes and Fees Division to have a new password issued. The BOE will issue the User a new password and provide it to the User. When the User logs back in to the BOE Electronic Filing system with this new password, the User will be prompted to immediately change the new password.

The BOE highly recommends that a User exercise good security measures to protect its password. The BOE encrypts all passwords in the Electronic Filing system. The only one who knows a password is the User. The BOE does not expire passwords but recommends changing the password on a regular basis. An Electronic Participant should never divulge its User ID or password to anyone else.

Log-In Procedures

A User must first connect to the Internet and then access the BOE website. The User must then go to the *Motor Fuels Tax Electronic Filing Program* log-in page and enter their User ID and password.

A User may access the log-in page from the BOE home page as follows: After connecting to the BOE's website (www.boe.ca.gov), enter the eServices section from one of the access points provided. Select "eFile Motor Fuels Tax" from the menu list that appears. From the "eFile Motor Fuels Tax" menu, select "[Log In To Access The Motor Fuels E-Filing Program.](#)"

After clicking on this link, a User will be taken to the log-in page, where they will be prompted to type in their User ID and Password. After the User enters the required information and clicks **Submit**, they will be sent to the **Electronic Filing Main Menu** page.

Transmitting Data

After the User successfully logs onto the BOE Motor Fuels Electronic Filing system, the User will be taken to an **Electronic Filing Main Menu** page. From this page, in order for a User to file a tax form, the User will need to click on the **Upload Return** link. After clicking this link, the User will be taken to the Upload Return page and provided a file tracking number. The User should next click on the **Browse** button to open their computer's files and select the file they want to electronically submit to the BOE. After selecting the file, the User will click on the **Submit** button. The file tracking number is the unique ID for that upload and is used for identification purposes.

The BOE will not accept the following data transmissions:

- Files of a type not identified in this document as approved for submission:
- Test and Production data in the same envelope:
- Data for multiple taxpayers in the same envelope from an ERO: or
- Multiple report formats in the same envelope.

After submitting the file, the User will be sent, via email, a Receipt Acknowledgement and Functional Acknowledgement as warranted. The acknowledgements will refer to the tracking number assigned to the upload. The User may follow the progress or verify the status of any upload by using the **History** or

Review Uploads functions from the **Electronic Filing Main Menu** page or from the **Electronic Filing Menu** links provided at the top of each page.

Other Functions

In addition to the **Upload Return** option, the **Electronic Filing Main Menu** page provides the Electronic Participant with several other options.

FAQs - This takes you to the Electronic Filing Frequently Asked Questions page.

Change Password - Allows you to change your password.

Review Uploads - Allows you to review the results of an electronic filing previously uploaded using the upload return option.

History - Allows you to view a list of previously uploaded electronic filings and checked files.

Check File - Allows you to test upload an electronic tax form to check for errors.

Review Check Files - Allows you to review the results of an electronic filing previously uploaded using the check file option.

Two-Party Exchange - Allows you to view a list of Information Providers approved to participate in two-party exchange transactions.

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Chapter 8. Certification Testing Guidelines

➤ *General*

Certification testing is mandatory for all Electronic Participants and a prerequisite to eFiling. In order to ensure the quality of the electronic information received, the BOE will subject the information to a set of tests. An Electronic Participant must successfully complete certification testing for each type of electronic motor fuels tax form that will be filed. Additional tax forms that are added to the Motor Fuels eFiling Program will also be subject to the BOE established certification process.

Upon successful completion of the certification process, Electronic Participants will receive approval to submit production files. In some cases, re-testing must be performed, to ensure continued participation in the Motor Fuels eFiling Program, after an update has been made to the Motor Fuels eFiling Program.

During certification, each Electronic Participant will be required to submit its electronic test files via the Internet and also fax or email to the BOE summary reports containing the information required by the BOE. The summary reports will be used to verify the accuracy of the electronic files submitted by the Electronic Participant. A separate summary report is required for each tax form submitted electronically to the BOE. Copies of the summary reports are provided in Appendix F, "Summary Report Forms," of this document.

➤ *Purpose of Certification Testing*

The BOE's certification testing will verify that the Electronic Participant's eFiles adhere to the BOE mapping requirements as defined in *Part I - Motor Fuels Electronic Filing Handbook and Specifications*. The BOE recommends that every Electronic Participant obtain the most current version of the *Motor Fuels Electronic Filing Handbook and Specifications* from the BOE website at www.boe.ca.gov.

Certification testing will also provide a number of additional benefits to both the User and the BOE. The User will have an environment in which they can become comfortable with the eFiling process without the pressure of worrying that mistakes will be applied to official production filings. Both the User and the BOE will have the opportunity to review submissions and resolve data issues in an environment that will not require submitting amended returns. Finally, both the User and the BOE will gain confidence that the filings submitted are complete and accurate.

➤ *Timely Completion of Certification Testing*

Submission of a Trading Partner Agreement indicates the willingness of an Electronic Participant to begin electronic filing in a timely manner. The BOE expects that the Electronic Participant will begin certification testing within 30 days of receipt of its Authorization Code, User ID, and passwords and will exercise due diligence in completing certification testing as swiftly as possible. Under no circumstances should certification testing exceed 120 days unless an extension is granted by the BOE. Upon request from the BOE, the Electronic Participant will provide a timeline for its test process or an update to a timeline already provided. Failure to complete certification testing in a timely manner may result in suspension from the eFiling Program.

➤ **Certification Testing**

Process

Becoming an active Electronic Participant with the BOE begins with the application and registration process described in Chapters 4 (Information Providers) and 5 (EROs) and ends with a move from certification testing status to production status.

Certification testing is done to ensure that Electronic Participants are able to submit valid electronic files to the BOE. It provides a safe environment where mistakes can be made and resolved and Electronic Participants can become comfortable with eFiling without affecting “production” returns. The BOE recommends that Electronic Participants use actual data from current periods to create the certification testing tax forms. This will smooth the transition to electronic filing. Once Electronic Participants have successfully completed the three certification stages, they will move into production status and will begin eFiling the tax form electronically.

The certification testing process consists of three stages. Each stage must be successfully completed in sequence. Electronic Participants using the PDF file format will start at Stage 3. All others will start at Stage 1. Each Electronic Participant must submit a test file for each tax form for which it intends to be certified. In order to ensure the quality of the electronic information transmitted, the BOE will subject each electronic test file to a set of tests and notify the Electronic Participant of the results.

The certification testing stages are:

- 1) Transmission and Syntax Validation (Stage 1, submit 5-100 records)
- 2) Syntax and Data Validation (Stage 2, submit one month of records)
- 3) Production Simulation (Stage 3, submit two consecutive months of records)

The Electronic Participant’s electronic files must adhere to the BOE’s requirements for the reporting method identified in the TPA and as defined in *Motor Fuels Electronic Filing Guide*. Each Electronic Participant must use its own test data to test its electronic process for each test stage.

The Electronic Participant may begin submitting test files when its Users receive an *Activation Notification*. The *Activation Notification* signifies that the application and registration process is complete. Refer to *Transmitting Data/Using eFile* in Chapter 7, Filing Guidelines, for file submission instructions.

Stage 1, Transmission and Syntax Validation

The purpose of Stage 1 is to test the file transmission and formatting process for each Electronic Participant. The BOE will verify that each file received follows electronic filing requirements for the reporting method identified in the TPA and as defined in the *Motor Fuels Electronic Filing Guide*.

The Electronic Participant should submit a test file, with a minimum of 5 records and a maximum of 100 records, for each tax form. Each test file should represent a cross section of the Electronic Participant’s business. The BOE will process each file to determine if the Electronic Participant followed the BOE mapping requirements. A summary report is not required for Stage 1 testing. However, the Electronic Participant must notify the BOE’s Special Taxes and Fees Division that the file was submitted. The notification must contain the Electronic Participant’s business name, fax and telephone numbers, contact name, contact email address, test stage, account number(s), tracking number, and date and time sent. The BOE will email the results of the transmission to the Electronic Participant. The Electronic Participant will be required to correct errors and resubmit Stage 1 test files until the BOE is satisfied that the Electronic Participant has met Stage 1 testing requirements. The Electronic Participant may move to the next test stage upon notification from the BOE that it has successfully completed Stage 1.

The BOE will utilize the Test/Production indicator as part of the electronic file. When submitting a test file, the indicator must be “T” for Test Data.

Stage 2, Syntax and Data Validation

Following notification from the BOE of successful submission and testing under Stage 1, the Electronic Participant will be required to submit test files for each return or report type containing all transactions for a reporting period. A separate Summary Report is required for each tax form submitted electronically. The Summary Reports must be completed and faxed or emailed to the BOE for use in data verification. They are available on the Motor Fuels Electronic Filing (eFiling) Program Information web page under Filing Motor Fuels Tax Forms Electronically, Certification Testing.

Stage 2 files will be processed to verify the accuracy of the transmitted information. Each test file should represent one month's reporting for the Electronic Participant's business. EROs and Software Developers must submit test files that include the business activity scenarios listed in the *Testing Requirements for Electronic Return Originators* section of this chapter when testing their programs. The BOE will email the results of the transmission to the Electronic Participant. The Electronic Participant will be required to correct errors and resubmit Stage 2 test files until the BOE is satisfied that the Electronic Participant has met Stage 2 testing requirements. The Electronic Participant may move to the next test stage upon notification from the BOE that it has successfully completed Stage 2.

The BOE will utilize the Test/Production indicator as part of the electronic file. When submitting a test file, the indicator must be "T" for Test Data.

Stage 3, Production Simulation

Following notification from the BOE of successful submission and testing under Stage 2, the Electronic Participant will be required to submit filings for two consecutive reporting periods, for each tax form type being tested, without fatal syntax or data validation errors. A filing is required for each tax form tested during test Stages 1 and 2. A separate Summary Report is required for each tax form submitted electronically. The Summary Reports must be completed and faxed or emailed to the BOE for use in data verification. They are available on the Motor Fuels Electronic Filing (eFiling) Program Information web page under Filing Motor Fuels Tax Forms Electronically, Certification Testing.

Stage 3 files will be processed to verify the accuracy of the transmitted information. Each test file should represent a cross section of the Electronic Participant's business. EROs and Software Developers must submit test files that include the business activity scenarios listed in the *Testing Requirements for Electronic Return Originators* section of this chapter when testing their programs. EROs are not required to use these scenarios when they test client data. The BOE will email the results of the transmission to the Electronic Participant. If errors are found, the Electronic Participant will be asked to correct and resubmit the Stage 3 test files. The Electronic Participant may move to production upon notification from the BOE that it has successfully completed Stage 3.

The BOE will utilize the Test/Production indicator as part of the electronic file. When submitting a test file, the indicator must be "T" for Test Data.

➤ ***Moving into Production***

Following successful submission and testing under Stage 3, the BOE will notify the Electronic Participant that it has successfully completed its electronic filing certification testing and has been moved into production status.

Information Providers will then electronically file their tax forms with the BOE. The BOE will utilize the Test/Production indicator as part of the electronic file. When submitting a production file, the indicator must be “P” for Production Data.

➤ ***Summary Reports***

During certification testing, the Electronic Participant will be required to provide the BOE with a completed copy of the appropriate summary report for each file submission. Supporting schedules will generally not be required to be submitted with the summary report. The summary report will be used to verify the electronic data transmitted.

After transmitting test data via the Internet to the BOE, the Electronic Participant must complete and email or fax the appropriate summary report to the BOE’s Special Taxes and Fees Division.

Fax the completed summary reports to the BOE using:

State Board of Equalization
 Special Taxes and Fees Division MIC: 30
 Summary Report for Electronic Test Data
 Fax: (916) 323-9352

- or -

Email the completed summary reports to:

BOEMFeFile@boe.ca.gov

Subject Line: FIS Motor Fuel Summary Report

The summary reports are available on the Motor Fuels Electronic Filing (eFiling) Program Information web page under Filing Motor Fuels Tax Forms Electronically, Certification Testing.

➤ ***General Information for All Summary Reports:***

When completing a summary report, the Electronic Participant must enter the following information:

- Company name.
- BOE account number. A summary report must be completed for each account number assigned to the filer. This account number must match the account number recorded in the electronic file being tested.
- Tracking Number. The tracking number is a 10-digit number provided by the BOE when the file is submitted using the Upload Return process. It is unique to each Upload Return attempt and is used to identify the filing for all future inquiries.
- The testing stage number the Electronic Participant is currently participating in (2 or 3) and the number of the filing attempt for the stage being tested.
- Contact name, telephone number, fax number, email address, and the date of the electronic filing.

➤ *Filing Tax Forms During Testing*

During certification testing, the Electronic Participant is only required to submit the face sheet of its tax form(s), any calculation worksheets or ending inventory forms, and any payments due. After the BOE notifies the Electronic Participant that it has successfully completed certification testing and is now in production status, the Electronic Participant is required to transmit complete tax forms for which only the face sheet was submitted. Filing the face sheets is no longer required once an Electronic Participant moves into production status. Though filing the face sheet will keep delinquency activity in abeyance, **the tax form is not considered filed until the complete tax form, including all schedule detail, is submitted.**

➤ *Communication During Testing*

The BOE will communicate as necessary with the Electronic Participant concerning its transmissions through automated messages sent electronically by the eFiling Program, mail, telephone, or email. The Electronic Participants can contact the BOE with any questions or concerns at the telephone number, fax number, address, or email addresses provided in the "BOE Contact" section in Chapter 1 of this document.

➤ *Return to Test Status*

After reaching Production status, Electronic Participants may be returned to test status at the discretion of the BOE. This may be the result of the Electronic Participant submitting files containing numerous or fatal errors. An Electronic Participant may also be returned to test status due to a change in the filing requirements made by the BOE.

➤ ***Testing Requirements for Electronic Return Originators***

An Electronic Return Originators (ERO) is required to certification test its software prior to submitting tax forms on behalf of its clients. EROs are also required to complete certification testing for each client's tax forms, as described in this chapter. EROs must submit form BOE-400-XML, *Application for Direct Transmission of Tax Returns*, to the BOE in order to register with the BOE and arrange to test their electronic filing processes. Once registered with the BOE, the ERO will submit its test files to the eFiling Coordinator for review. The file should meet the applicable business activity scenarios described below. With the exception of the transmission method, the certification process is the same.

After the ERO successfully completes all three stages of the certification testing process and receives notification of this accomplishment from the BOE, the ERO may begin certification testing of client tax forms. Client tax forms must complete the certification testing process as well. Each tax form of every client must be successfully tested. The BOE will notify the ERO when the tax form has successfully passed the required tests. Electronically-filed tax forms submitted on behalf of clients that have not received BOE confirmation of successful test completion will not be accepted. EROs must ensure that the appropriate indicator setting (T or P) is in place. The file will be rejected during testing if the indicator is not set to "T".

EROs must use the client's Security Code and Authorization Code in elements ISA02 and ISA04 when submitting the client's data, both during testing and in production.

➤ ***Business Activity Scenarios for EROs and Software Developers***

When an ERO tests its business software, it should provide the BOE with a wide range of transactions that are used in the tax forms being tested. As applicable, the types of transactions included in an ERO's electronic files should include, but are not limited to:

- All applicable schedules for the tax form.
- All applicable products for each schedule.
- All applicable mode codes for each schedule.
- All applicable origin and destination code types for each schedule.
- Any applicable summary schedules for the tax form.
- Terminal product reclassifications.