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## 2023 Income Tax Letter of Intent Language

### Terms of Letter of Intent Information

This LOI form explains the Minnesota-specific questions, requirements, and standards for tax software providers creating or transmitting returns via Modernized e-File (MeF). An LOI is required for each product your company offers.

All software providers creating Minnesota tax returns electronically or on paper must submit a completed and signed LOI to the Minnesota Department of Revenue by 11/1/2023. We will notify you of our decision within seven business days.

If you do not meet the requirements of this agreement, we may deny your application and remove your organization from the list of approved software providers. If we deny your application or withdraw our approval, we will reject all electronic and paper returns submitted using your products. Our decision is final, and there are no appeal rights. Reinstatement is at our sole discretion.

By submitting this form, you agree to meet our standards for software provider registration, tax preparation software (DIY or professional), and substitute forms. Your product will not be certified until it meets all component requirements in this registration.

### Terms of Rebranded Product Requirements

For rebranded products, we have the following requirements for paper forms and e-file ATS approval.

Software providers must complete a separate letter of intent LOI for each rebranded product in its entirety if:

- The organization that rebrands the software has the capability to make changes to the development of the software,
- uses their own ETIN, or
- limits the software provider's ability to monitor the product (Including but not limited to software updates or patches, leads reporting requirements, etc.)

Rebranded products are not required to complete e-file ATS and paper form approval if:

- The organization does not have the capability to make changes to the development of the software,
- uses their own ETIN, or
- limits the software provider's ability to monitor the product (Including but not limited to software updates or patches, leads reporting requirements, etc.).

**Terms of System Security Requirements**

You are responsible for implementing appropriate security measures to protect taxpayers and their information in your system. You must apply security measures to protect taxpayer information in your system when it is on-line, off-line, at rest, and in transit.

Protect taxpayer data including, but not limited to:

- Managing and protecting physical and remote access
- Managing identities and credentials for authorized devices and users
- Managing access permissions using the principles of least authority and separation of duties
- Providing security awareness training to information users, including managers, senior executives, and contractors
- Providing role-based security to personnel with assigned security roles and responsibilities
- Protecting data in transit and at rest
- Protecting against data leaks
- Destroying all data in accordance to your organizations record retention policy
- Removing all data or destroying storage devices and media before they leave control of the organization
- Improving and updating protection processes and system security plans
- Monitoring systems for anomalous activity
- Implementing cybersecurity practices as a part of human resources
- Developing and implementing risk and vulnerability management

**Terms of Validation of Data Elements**

Tax professionals must provide confirmation of these pre-populated data elements prior to completing the tax return:

- State driver's license data elements.
- State withholding account numbers.
- PTIN entered at product registration.

**Terms of Software Provider Requirements**

## General Requirements:

- Obtain an Electronic Transmitter Identification Number (ETIN) by becoming an IRS Authorized e-File Provider.
- Follow all certification, form specifications, testing, and other requirements found from our Software Providers webpage. This includes reviewing our website for updates after initial setup and certification.
- Provide timely software updates, corrections, and technical support to ensure the accuracy of Minnesota tax returns.
- Authorize us to feature your company as a certified software provider.

## Communication Requirements:

- Notify us immediately when errors in your software affect Minnesota taxpayers.
- Notify us and your Minnesota customers as soon as you have corrected the errors.
- Notify us and your Minnesota customers if you are holding any Minnesota returns.
- Notify us and your Minnesota customers if any forms you support are not ready when your software is available for use. Include a date the forms will be available.
- Contact us to address issues and questions. Maintain open communication with us.
- Send a copy of all general communications you send to your Minnesota software customers to [EFile.DevSupport@state.mn.us](mailto:EFile.DevSupport@state.mn.us).

## Testing Requirements:

- Submit software test returns and PDFs for approval as required.
- Develop e-File ATS and substitute forms as approved during testing.

## Submission Requirements:

- Do not submit returns with known errors.
- Submit all returns as "linked returns" if a corresponding federal return was submitted, unless we direct you otherwise.
- Submit taxpayer returns on a regular basis.
- Ensure all electronically filed or printed returns use your most recently approved version.
- Adhere to the schema requirements included in the authentication and return header.

## Form Requirements:

- We will provide a Minnesota software ID number after certification. Include it on all forms.
- Provide printer-friendly forms to your customers and include PDF printer setting instructions as described under Legibility and Printing on our Software Form Design Specifications webpage.
- Follow all voucher specifications as described on our Substitute Form Design Specifications webpage.

**Terms of Data Breach Reporting**

Software providers who agree to these terms and requirements are subject to data breach notification laws and regulations of the State of Minnesota including, but not limited to, Minnesota Statute 325E.61.

Notify the department when you discover breaches, security incidents, or other improper disclosures of taxpayer data.

Document specifics of the situation into an incident report, including:

- Date and time of incident
- Date and time the incident was discovered
- How the incident was discovered
- Description of the incident and the data involved, including specific data elements if known
- Potential number of taxpayer records involved, if known; otherwise, provide an estimated range if possible
- Infrastructure/systems involved (for example, laptop, server, etc.)

**Terms of Minnesota Fraud Leads Reporting**

Every week, software providers must produce reports for the department that include identifying potential fraudulent behavior or patterns and include any tax return information provided by that person.

In addition, if you have reason to believe an individual violated a relevant criminal law, you must disclose the person's tax return information to the state of Minnesota.

Upon accepting you as a software provider, you will be given details on the leads reporting schema and reporting requirements. As part of certification testing, you will be required to submit leads reports.

**Minnesota Specific Questions**

What refund products or payment vehicles do you offer to your customers? If you partner with an entity to provide or process refunds (pre-paid cards for example), please provide the names and bank routing numbers (RTNs) of each company.

Minnesota wants to receive Taxes Paid to Other States (TPOS) data when applicable and will provide a cross walk for the software provider when schemas are released. Will your company support the TPOS schema for this filing season?

**Acknowledged and Signed**

As the authorized representative of the above-named organization, I affirm that my organization agrees to abide by all the requirements listed above. I understand the Minnesota Department of Revenue reserves the right to revoke its approval acceptance of any person or company that does not adhere to the above-stated requirements and may refuse to accept any additional returns from such entity.

If accepted as an approved Software Provider, my organization agrees to provide the Minnesota Department of Revenue with information about my company that is true, accurate, current, and complete. I understand that if anyone from my organization knowingly or negligently provides any information that is untrue, inaccurate, obsolete, or incomplete, the department has the right to immediately restrict, suspend, or terminate my account.

By entering my name below, I understand that this is a legal signature.