

Electronic Return Originator (ERO) Training

January 2025



2024-2025 Tax-Aide Policy & Procedures

- **Section 3.8** *Each site must have at least one designated ERO listed in the Portal who is responsible for ensuring all returns are e-filed according to IRS Quality Site Requirements.*
- **Section 6.16** *District Coordinators/Local Coordinators are responsible for ensuring that each site has a written procedure in place to track all returns from inception through acceptance by the IRS or another resolution is reached if e-filing is not possible. Use of one or more notes within the return is strongly recommended to record unusual circumstances, reject reasons and corrective action taken, and other information about the return that may be helpful if questions arise later.*
- **Section 5.3.6** *Electronic Return Originators (ERO) are trained to ensure all tax returns are accepted when efiled, or rejects are processed promptly, in accord with IRS and Tax-Aide standards. All EROs must be certified as Counselors. ERO training is separate from Counselor training. Materials for ERO training are created by the National Technology and Security Committee (NTSC).*

Tax-Aide Roles in this Presentation

- **TSO Site Administrator** *This is the volunteer who has received the software order from TSO and who is responsible for setting Site (Office) defaults for at least the Site and likely the District and/or State. Sets Roles & Responsibilities Templates, Return Tags (which are not set by TaxSlayer by default), and other shared defaults.*
- **Local Coordinator** *The Local Coordinator is the operations manager for the Site and is responsible for setting written procedures for tracking returns from beginning to end. The LC may work with the District Coordinator to accomplish this. The LC supervises the Electronic Return Originator.*
- **Electronic Return Originator** *Working with the Local Coordinator, Electronic Return Originators (ERO) are trained to ensure all tax returns are accepted when efiled, or rejects are processed promptly, in accord with IRS and Tax-Aide standards. The ERO may or may not be the volunteer who transmits returns or resolves rejects.*

ERO Setup in TaxSlayer Online (TSO)

- It is the Office (Site) which will transmit the returns
- Set up of the ERO is done by the TSO Site Administrator
- Volunteer in ERO role needs to know who set it up and what field values were used because they will be printed on the 1040 and 8879
- Not normally within the ERO responsibilities

ERO Must Meet Timely Filing Requirements

- The IRS and many State taxing agencies require all returns be e-filed within **three days** after completion.
- Completion includes
 - Have been quality reviewed by a second tax counselor.
 - Reviewed with the taxpayer(s).
 - Appropriate 8879's have been signed.

Site Best Practices - Summary

- Track all CLIENTS, including those whose returns were NOT prepared (out of scope, Q&A, etc.)
- Track all RETURNS prepared through acceptance by IRS and State.
- LC responsible for putting procedures in place and ensuring all site volunteers understand how to implement them.

Client Tracking

- Every site must have a written procedure in place to know the current status of the return of every client who visits that site. Setting this procedure is the LC's responsibility; monitoring compliance is the ERO's.
 - Was it Out of Scope or was the client denied service? Why?
 - On Hold?
 - IRS Accepted/Rejected.
 - State Accepted/Rejected.

Client Tracking

- Return Tags or Notes can be used in TSO for returns that were started.
- Other tracking system must be used for clients whose returns were not started (i.e., there is no return in TSO)
- Activity log example shown later

Best Practices – Tracking Clients with no return

- Consider how to track clients who come in with a question or whose tax situation puts them out of scope
- Site sign in sheets could provide a tracking location for those clients who never see a counselor
- Those clients who see a counselor, the counselor can include them in the site activity log

Client Tracking Responsibility – A Summary

- The LC is responsible for ensuring that:
 - A tracking procedure is in place,
 - All site volunteers are aware of the procedure and understand their role in implementing the procedure,
 - ERO is tracking any abnormal returns

ERO Transmitting/Return Tracking - Responsibility

- Establish a process to ensure all returns are submitted for e-filing within three days.
- Track status of all returns from creation to acceptance.
- Receive and review return acknowledgments.
- Ensure all rejected returns are promptly corrected, re-submitted and accepted, or are converted to paper returns for the taxpayer to mail.

Track Returns until Accepted

- Use Return Tags in TSO, or
- Use Paperless Tracking with TSO, or
- Use Activity Reporting & Quality Review Tracking Log, or
- Any combination of the above (optional)
- Show prior year returns and amended returns individually to facilitate tracking

Caution: Paper logs may not contain any Taxpayer personal data other than name and return type. Logs maintained electronically should be stored on the State's Premium Drive for limited access.

Best Practices – Taxpayer Notes

- Use Taxpayer Notes freely to record anything of interest in the return, including (but not limited to)
 - SS cards names which don't match document or intake booklet
 - Documents read from the phone rather than hard copies
 - Reject reasons and resolution
 - Attempts to contact taxpayer
- Notes are a way to inform the QR, ERO, LC, and your “future selves” about things in the return which should be noticed or explained. Many inquiries about a return happen outside of tax season.
- Taxpayer Notes do carry forward if Consent Form 1 is accepted or for any return prepared at the same site as last year.

TSO Office Client List

- Use check boxes to filter out Deactivated, Accepted, and Paper Returns from the entire list to quickly identify returns needing attention

The screenshot displays the 'Office Client List' interface. At the top right, there is a blue button with a left-pointing arrow and the text '< Back'. Below the title, the text '2024 Client Tax Return List' is visible. There are two dropdown menus: 'Filter by Status' with 'Any Status' selected, and 'Filter by Return Tag' with 'Any Tag' selected. Below these are three checked checkboxes: 'Do Not Show Deactivated Returns', 'Do Not Show Accepted Returns', and 'Do Not Show Paper Returns'. Further down, there are three date-related fields: 'Date From:' with a placeholder 'yyyy/mm/dd' and a calendar icon, 'Date To:' with a placeholder 'yyyy/mm/dd' and a calendar icon, and 'Date Type' with 'Create Date' selected. At the bottom, there is a search bar labeled 'Search Client List' with a vertical cursor inside.

TSO Return Tags

- Return Tags are defined by the TSO Site Administrator but are not created by TaxSlayer by default
- Counselors apply (or remove) a Return Tag during tax prep/QR to define return's status
- Returns can be filtered according to the Return Tags applied to them
- Examples of Return Tags: Hold for More Info, Amended Return, 8879 not signed, State only return, etc.

Any Tag

No Tag

01-Hold for 8879 Signature

02-Hold for More Information (Make a Note)

03-Paper Return

04-Paper Return after Reject

05-Extension Filed

06-Friends and Family

07-Delete Return

08-Amended Return

Paperless Tracking in TSO

- A return's current status is automatically changed by TSO at each stage
- All returns of the same status can be grouped together
- Filter the client list by a specific status, or click on the Status column to sort the client list by status

Any Status
In Progress
Review
Approved
Failed
Complete
Transmitted
Rejected
Accepted
Paper
Accepted Extension
Rejected Extension
State Only
Deactivated

Showing 0 to 0 of 0 entries

SSN	FIRST	LAST	PHONE	PREPARER	STATUS	STATE	STATUS
No data available in table							



Using a Tracking Log

- A Tax-Aide created tracking log in Excel format can be downloaded from the Volunteer Portal – Site Activity Log
- The Tax-Aide tracking/activity log was designed to be used to track federal and state return status, questions asked, paper returns, extensions, and amended returns.
- Sites may modify the Tax-Aide log to meet local needs.
- Sites can design their own logs as long as they meet all the tracking requirements of Policy & Procedures and the written procedures for the Site.

ERO Tracking Log

- The 2024 activity log for all service models and tracking is found on Volunteer Portal – Global Search “Site Activity Log TY2024” – downloads in Excel
- Can be modified (columns removed) for your site provided all fields necessary to ensure complete tracking are retained

AARP Foundation Tax-Aide Site Activity Log

		DO NOT REMOVE - REQUIRED FOR ALL SITES																			
Date(s)	Site ID#	Paper Return Tracking			Activity Reporting			E-File Tracking				Drop-off Return Location of Documents Please insert date unless other entry is requested		Scan Model Return Please insert date		Comment Examples:					
Service Type: <input type="checkbox"/> In-person <input type="checkbox"/> Drop-off <input type="checkbox"/> One Visit Scan <input type="checkbox"/> Two Visit Scan <input type="checkbox"/> No Site Visit <input type="checkbox"/> Multiple Service Types Taxpayer Last Name, First Name(s)		Federal Return (Current Year)	Federal Return (Prior Year)	Federal Return (Amended)	State/Local <u>Only</u> Return	Question & Answer <u>Only</u>	Counselor's Initials	Quality Reviewer's Initials	Ready For Return to Taxpayer	Federal / State to be <u>e-filed</u>	8879 Signed by all Taxpayers	Federal Return Sent / Acknowledged	State Return Sent / Acknowledged	Local / Add'l State Return Sent / Acknowledged	Off-Site Preparation (Y or N)	Returned to Taxpayer	Shredded/Destroyed	Checklist Filed	Scan Files Uploaded to TaxSlayer	Scans Deleted from Chromebook TSO Scans Folder	NNTF - No Need to File OOS - Reason (why return is Out of Scope Tax Year) Prior Tax Year (use a separate line for each Federal Only (no State Return) Reason for 8453 - Reason form is attached for mailing (and/or state equivalent) Signature(s) Needed Taxpayer HOLD - incomplete return - tax return Service Type if multiple service types used
1																					

Table 1

State Returns

- Linked returns – TaxSlayer software receives Federal and State returns together.
- The State return is held by TaxSlayer until the Federal return is accepted, then it is automatically sent to the State.

State Returns

- Un-linked State Returns – On the first e-file screen (Return Details) you can check a box to “Only transmit the state return(s).”
- This process is typically used to resubmit a State return.



Federal return

How would the client like to send their tax return?

Federal amount due - \$758

E-file: Mail Payment ▼

Only transmit the state return(s)

State return

How would the client like to send their tax return?

HI state refund - \$0

QR Indicates Return is Ready to E-file = QR Routine

- On last screen of e-file section,
 - Click the “Approved” box in the Return Review Status section
 - Click the “Mark tax return as complete” checkbox after Taxpayer has reviewed the return, signed the 8879, and left the tax preparation area.
 - Select “Save and Exit”
 - Do not touch Save & Transmit if present (this might be site process dependent)

Fixing an Error in a Return already marked “Complete”

- Once a return is marked “Complete” it is considered done and ready for e-filing. There may be situations when it is necessary to move a return from “Complete” back to “In Progress” in order to correct an error
 - **Limit this action only to EROs, LCs, and TSO Site Administrator**
 - The default in TSO Roles & Permissions is set to NOT allow this action
 - TSO Site Administrator must configure ERO Roles & Permission to allow this action by changing this default setting

Correct the Error, Re-check and Update Return

- This is a very powerful reversal action within TaxSlayer so its use is limited
 - The now-“In Progress”-return can be reviewed again by QR and, if now correct, marked “Complete” again so it can be e-filed
 - This reversal action may be useful if a return is marked “Complete” in error, preventing accidental e-filing
- If the error means the return will not be filed at all, the return can be deactivated. A deactivated return will not carry forward notes or any other information, so this decision has consequences going forward.
 - The ability to deactivate a return is granted by the TSO Site Administrator using Roles & Permissions and should be strictly limited
 - TaxSlayer allows the deactivated status only for returns “In Progress” or “Review Failed”

E-filing Completed Returns

- Select Transmissions from the TSO Main Menu (this option will only appear for a user with e-file submission role)
- All returns to be e-filed and marked “Complete” are listed
- Select some or all of these returns and “Transmit selected returns) - TSO will display the number you transmitted and client status will update
- Note tags are shown for each return – Make sure that tag does not indicate that a return not be e-filed at this time

Monitor Client Status

- Once a return is transmitted, the Client Status will display “Transmitted” and the return is locked
- TSO automatically changes a return’s status as it is accepted or rejected
- Acknowledgement Reports also shows status of returns
- State returns are transmitted by TaxSlayer after the Federal return has been accepted. It can take considerably more time for the State return to show as accepted. Account for this potential delay in your tracking and you may consider a complementary tracking log for State

Acknowledgement Reports

- Check after each session of e-files are transmitted
 - View these reports on the Federal Transmissions Reports Menu:
 - “IRS Acknowledgements”
 - “State Acknowledgements”
 - “Validation Errors” (“MEF” errors)
 - “Rejected Returns”

Reports Menu – Office Reporting

Select Reports from
TSO Main Menu

Office Reporting

Note: The reports below are set up and can be edited from Report Customization in the Configuration Menu.

 Search for a report or a keyword...

Federal Transmission Reports

State Transmission Reports

Right now (January 2025), there is no data in these reports; for some prior year data might be instructive. Once the tax season starts, check these reports to see which should be monitored periodically.

Reports Menu – Federal Transmission Reports

- **IRS Acknowledgments** - First acknowledgment of returns submitted for e-file and their status. Data is refreshed each time this report is accessed.
- **Rejected Returns** - Rejected returns and reason as long as they remain rejected
- **Accepted Returns** - Accepted returns shown here - can be filtered by date
- **Validation Errors** - TSO validation errors (not IRS rejects) - contact TSO
- **Old IRS Acknowledgments** - Prior acknowledgment records; filter by date
- **Old Validation Errors** - Prior TSO validation records; filter by date

IRS Acknowledgements Report

- Report shows status
- If rejected, shows reject code and reason
- Depending on site procedures, print and save PDF for tax season or export to Excel to build a tax year log

IRS Acknowledgements

Search by:

Efin	Last SSN Name	Status	Reject Code
.2855	MATHIESEN	Accepted - 02/01/16	N/A
.7722	SHEPARD	Accepted - 02/01/16	N/A
.6407	MIXON	Accepted - 02/01/16	N/A
.5750	GIBSON	Accepted - 02/01/16	N/A
.0224	RIDLEY	Accepted - 02/01/16	N/A
.8908	LONG	Accepted - 02/01/16	N/A
.6525	FIELDS	Accepted - 02/01/16	N/A
.1839	WIMPEY	Accepted - 02/01/16	N/A
.9383	BEARDEN	Accepted - 02/01/16	N/A
.7051	COCHRAN	Rejected - 02/02/16	

Document Id
DOC257617051ID1040A

Each 'DependentSSN' and the corresponding 'DependentNameControlText' that has a value on Line 6c(2) of the return, must
Data Value: 1308

Print HTML
Print PDF
Export to Excel

← Back

Transmission Reports to Monitor Periodically - Federal

- **Federal Returns Not Transmitted** - find returns not transmitted
- **Returns Transmitted** - all transmitted returns; filter by date
- **Federal Non-accepted Returns** - any status other than “Accepted” including Paper, In Progress, Approved
- **Extension Report** - list for extension requests only
- **Federal Returns Transmitted with No State** - Federal transmitted with no state return

Financial Reports to Monitor - State

- **Old State Acknowledgments** - prior state acknowledgment records (including rejects) may be retrieved here using date range
- **State Acknowledgments** - first acknowledgment of state returns. Data refreshed each time this report is accessed
- **State Non-accepted Returns** - any status other than “Accepted” including Paper, In progress, Approved *
- **State Returns Not Transmitted** - state returns not transmitted *

Tracking the Acknowledgment

- Review each acknowledged return
 - If accepted – *Accepted* and *Date* shown in Status column
 - If rejected – *Rejected* and *Date* in Status column and reason in Reject Code column
- Check both IRS and State reports
- If Federal return takes a long time (24+ hours) to be acknowledged, check Validation Report (next slide)

Validation Errors

- TaxSlayer processing center performs validation checks before sending the return on to IRS. These errors are rare and if present can be found on the Validation report
- Click Select on Validation Errors line for list

Validation Errors						
Efin	SSN	Last Name	State	Error Message	Help	
1		Morris	KY	02/10/2016	Direct Deposit Return does not contain Bank Account Information	KY - Part-year and Nonresident returns cannot do a direct debit.

- Reason displayed in Help column; contact TSO Support

Best Practices – ERO Reject/Resolution Tracking

- Consider setting up a separate complementary tracking routine to move a rejected return to accepted, paper return, or “deactivated”
- Use for new 8879 requirement tracking

Note: a transmitted return that is rejected cannot be marked “deactivated” status in TaxSlayer. Paper return is the alternative if it will be filed. If return will not be filed after all, marking the record with notes/return tags and edits to basic information must be done to identify it in client list and reports. Suggestion: Add “DEACTIVATED” to the first and/or last name field.

Resolving Rejected Returns

- Not all rejected returns are preventable
- Identify error and correct it (see Resources slide)
- New Form 8879 signatures are required if :
 - SSN or name changed, **or**
 - More than \$50 change in total income or AGI, **or**
 - More than \$14 change in total tax, federal tax withheld, refund or amount due

Resolving Rejected Returns

- Advise taxpayer of changes and provide a corrected copy in person or via TSO Customer Portal – obtain signatures if necessary
- If cannot be e-filed, convert to paper and mark activity log
 - The taxpayer must mail the return – be sure you have provided an IRS copy to file and complete instructions
- LC or ERO provides feedback to Counselor on preventable rejected returns, dependent on site procedures

Weekly, Monthly, End of Season Double Checks

- Maintaining a complete tracking log and frequent monitoring of the Client List will find most of the returns needing attention.
- Double check these Federal and State Transmission Reports on a regular schedule and at the end of the tax season. Don't forget prior years!
 - **Federal Returns Not Transmitted** - find returns not transmitted
 - **Federal Non-accepted Returns** - any status other than "Accepted" including Paper, In Progress, Approved
 - **Extension Report** - list for extension requests only
 - **Federal Returns Transmitted with No State** - Federal transmitted with no state return
 - **State Non-accepted Returns** - any status other than "Accepted" including Paper, In progress, Approved
 - **State Returns Not Transmitted** - state returns not transmitted

Best Practices Reminders

Sites will apply this ERO training to local needs. The only hard and fast rule is that sites must track every return and ensure its completion. Please consider the best practices suggestions as you manage the returns for your site.

- Slide 6 – Site Best Practices
- Slide 9 – Tracking Clients with no Return
- Slide 13 – Taxpayer Notes
- Slide 34 – ERO Reject Resolution/Tracking

Resources

- TSO Practice Lab Video – Section 5 Electronic Filing
- NTTC 4012 Tab Q – Handling Rejected Returns and chart of Top Federal Reject Codes/Resolutions
- TaxSlayer Support Knowledgebase Federal Reject Codes/Rejected Returns: <https://support.taxslayerpro.com/hc/en-us/sections/360001912034-Reject-Codes-Rejected>Returns>
- TaxSlayer Support Knowledgebase State Reject Codes: <https://support.taxslayer.com/hc/en-us/sections/360007398931-State-Return-Reject-Codes>