

## **Electronic Funds Transfer (EFT)**

The Vermont Department of Taxes offers two Electronic Funds Transfer payment options for remitting employer Withholding Taxes.

**Only employer Withholding Tax can be done through EFT. No other taxes can be remitted through EFT.**

To establish a new EFT account, change bank information or change EFT option, you will need to complete an enrollment form.

### **Mandatory Electronic Funds Transfer for Certain Employers**

The Vermont Department of Taxes mandates employers that can reasonably expect the employee Withholding Tax to be \$9,000 or more per quarter to submit their filings and payment by electronic funds transfer. These employers file and remit via electronic funds transfer on the following schedule:

FILE ON:	FOR PAY DAYS ON:
Following Wednesday	Wednesday, Thursday or Friday
Following Friday	Saturday, Sunday, Monday, Tuesday

Employers remitting Withholding Tax weekly or bi-weekly must file a quarterly return to reconcile the funds transfer amounts to Withholding Tax recording. Additionally, the employer also files an annual return with the W-2s issued to reconcile the Withholding Tax reported to the Department with the Withholding Tax reported to employees on the W-2s.

### **Voluntary Electronic Funds Transfer for Employers**

Employers withholding less than \$9,000 may voluntarily elect to file and remit through electronic funds transfer using either the monthly or quarterly filing frequency assigned by the Department. Additionally, the employer also files an annual return with the W-2s issued to reconcile the withholding reported to the Department with the withholding reported to employees on the W-2s. ***Both EFT options require pre-registration and test transmission. Since a filing via EFT must be performed for each period, the selected option must be capable of filing a 'zero' return if, in fact, there are no funds to be transmitted.***

### **Electronic Funds Transfer Payment Option #1 - ACH Credit**

For ACH Credit, you initiate the payment. You instruct the bank of your choice to withdraw the amount from your account. Depending on your banking arrangements, the bank may charge a fee.

You can anticipate up to two weeks processing time before an EFT Credit can be done. You need to complete the enrollment form. Upon receipt of your enrollment form, the Vermont Department of Taxes will provide the routing and banking numbers and EFT codes. Take this information to your bank. The bank then needs to do a test transmission. Successful completion of a test transmission enrolls you in the ACH Credit EFT Option.

### **Electronic Funds Transfer Payment Option #2 - ACH Debit**

For ACH Debit, you provide your bank account information to the Vermont Department of Taxes. Vermont contracts with a third party vendor to process the ACH Debit transmissions. There is no fee to you.

You complete the enrollment form giving the Vermont Department of Taxes your banking information. To file and remit the Withholding Tax, you make a telephone call or logon to a secure web site to notify the Department to withdraw the Withholding Tax from your account. You can anticipate up to three weeks processing time before an EFT Debit can be done. You need to complete the enrollment form. Upon receipt of your enrollment form, the information is entered into the debit data base. The Department then does a test transmission. Successful completion of a test transmission enrolls you in the ACH Debit EFT Option.



# ELECTRONIC FUNDS TRANSFER ENROLLMENT FORM

PLEASE CHECK APPLICABLE BOX

- NEW ACCOUNT
- CHANGE ACH OPTION TYPE
- CHANGE BANK INFORMATION

## EMPLOYER INFORMATION

<b>Employer Name</b>	<b>Federal Employer ID</b>		
<b>Mailing Address</b>			
Street or PO Box	City	State	Zip

## CONTACT PERSON

<b>NAME</b>			
<b>Mailing Address</b>			
Street or PO Box	City	State	Zip
<b>TELEPHONE NUMBER</b>	<b>FAX NUMBER</b>	<b>EMAIL</b>	

### ACH CREDIT Option 1

**SELECT ACH OR DEBIT METHOD AND COMPLETE THAT SECTION**

I request authority to initiate ACH Credit electronic funds transfer to the State's designated bank account. I understand these transaction must conform to NACHA CCD+ format using the TXP convention, and that my bank may assess a transaction charge to the transmission to file and remit my Vermont employer income tax withholding.

<b>AUTHORIZED SIGNATURE</b>	<b>TITLE</b>	<b>DATE</b>
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### ACH DEBIT Option 2

I authorize Vermont Department of Taxes through Global Payment Systems to initiate credit or debit entries and adjustments for any credit entry to the bank account listed and the financial institution name to credit the same account. This authority remains in effect until Global Payment Systems receives written notification of termination by an authorized signer and in such manner to allow Global Payment Systems reasonable opportunity to cancel electronic transfers.

<b>FINANCIAL INSTITUTION</b>			
<input type="checkbox"/> CHECKING ACCT	<b>BANK ACCOUNT NUMBER</b>	<b>ROUTING TRANSIT #</b>	
<input type="checkbox"/> SAVINGS ACCT			
<b>AUTHORIZED SIGNATURE</b>	<b>TITLE</b>	<b>DATE</b>	

**MAIL TO: VERMONT DEPT OF TAXES  
EFT COORDINATOR  
PO BOX 547  
MONTPELIER, VT 05601-0547**

OR

**FAX TO:  
802 828 5787  
ATTN: EFT COORDINATOR**