Using GovConnectIowa for Business Owners and Tax Professionals

June 14, 2023
Disclaimer

Please be advised that the information in this presentation contains informal opinions and are only applicable to the factual situations referenced and to the statutes in existence as of the date of this presentation.

The Iowa Department of Revenue may take a contrary position in the future to what is stated today. Any oral or written opinion by Department personnel not pursuant to a Petition for Declaratory Order under Iowa Administrative Code rule 701-7.24 is not binding on the Department.
Benefits of GovConnectIowa

- File various business tax returns
- Make payments & view payment history
- Add, manage and revoke third party authorization
- Add, remove or update online access permissions
- Paperless mail delivery options available
- Apply for and/or renew alcohol, lottery or food and lodging licenses
Access Types

Full Access (Business Owner, CEO, President, etc.)
- Access to all available account features on GovConnectIowa
- Can manage all logons associated to tax accounts

Administrator (Employee, Staff Accountant, Bookkeeper, etc.)
- An employee acting on behalf of a business

Account Manager (Employee, Staff Accountant, Bookkeeper, etc.)
- An employee acting on behalf of a business
- Cannot manage Administrators or other logons
Granting Access to Tax Professionals or Employees

Requirements:

• Must have your own GovConnectIowa logon AND

• Be connected to your tax accounts

• If tax professional or employee is:
  • A new user: must have an email address
  • An existing user: must have GovConnectIowa username and email address

GovConnectIowa logons are created at an individual level. Each user should have their own logon credentials.

No access code required!
Granting Access to Tax Professionals or Employees

GovConnectIowa Access
View and manage my access and access of other users to GovConnectIowa accounts and information.

- Request Access to an Account
- Enter Access Code to Connect to an Account
- View and Manage My Access
- Manage Other Users With Access to This Customer

GovConnectIowa

Customer Access
ABC COMPANY

Logons

- Add a New Logon With Access to This Customer
Granting Access to Tax Professionals or Employees

Add an Additional Logon

Access Type

Select the access type that applies:

- **Business Access**
  - Select this option if the new user is an employee or an owner of the business.

- **Other Party Access**
  - Select this option if the new user is a tax professional, accountant, or other third party representative managing the client’s account.

Enter Logon Information for Someone Else

- **Username** *
- **Name** *
- **Email** *
- **Confirm Email** *

All fields are required.
Granting Access to Tax Professionals or Employees

What’s Next?

- Tax professionals or employees will receive an email stating new access has been granted and they can log in to their GovConnectIowa account to view and manage the tax account(s).

- Emails expire in 24 hours

Reminders:

- Do not share your password
- Only grant access to known, trusted individuals
Returns

Can File on GovConnectIowa

- Business Permit and License Registration
- Withholding Tax
- Sales and Use Tax
  - Local Option Sales Tax
  - Automobile Rental Tax
  - 911 Fees
  - Hotel and Motel Tax
- Water Service Excise Tax
- Fuel Tax

Cannot File on GovConnectIowa

- Corporate Income Tax (Corporations, S Corporations, and Partnerships)
- Franchise Tax
- Composite Tax

Corporate income, franchise, and composite tax returns must be filed electronically through a service provider (MeF) or by paper, if allowed.
Returns – Tips & Reminders

• Ensure the correct tax period is chosen when filing – most common error on tax returns

• Learn your filing frequency on GovConnectIowa

• Local Option Sales Tax (LOST) should be entered as a whole dollar, not a percentage

• Verify the counties are correct – Ex: Des Moines is in Polk county, not Des Moines county

• Amending a return does not cancel the payment made with the original return
Returns – Tips & Reminders

• Hotel Motel is not subject to local option sales tax

• When a permit is cancelled, returns must be filed up to the cancellation date

• Do not mail a copy of the paper return after filing electronically

• Returns and payments can be deleted if the status is **Submitted**
We have safe, quick and easy electronic payment options. Consider alternative methods before submitting a payment through the mail.

- Quick Pay (non-logged in)
- Make a Payment (logged in) – Recommended
  - Tax period, balance and payment history available

**IMPORTANT:** Quick Pay should only be used to submit *tax payments* to the Iowa Department of Revenue.
Payments – Paper Checks

If you choose to mail your tax payment:
• Make checks payable to the **Iowa Department of Revenue**
• Print a payment voucher through GovConnectIowa
• Do not send cash through the mail
• Do not use staples or paper clips to affix your payment to your voucher or return
• Mail your payment to the address listed on the letter or instructions

Make sure your check includes the following information:
• Your name and address
• Account number or employer identification number
• Tax year or period
• Related tax form or notice number
Payments – Tips & Reminders

• Making a payment does **not** equate to filing a return
  • Use **File, Amend, or View Returns** to submit returns
  • Use **Make a Payment** to make estimated payments and pay outstanding balances

• View Drafts & Submissions only allows users to view their own submissions. To view returns and payments submitted by other users, go to **Manage Returns & Payments**.
## Third Party Authorization

<table>
<thead>
<tr>
<th>Form Name</th>
<th>Description</th>
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<tbody>
<tr>
<td>IA 2848 IDR Power of Attorney</td>
<td>If you want to grant authority to a representative to both obtain confidential information and make decisions on your behalf</td>
</tr>
<tr>
<td>Representative Certification</td>
<td>If you need to notify the Department of your authority to act on behalf of a taxpayer as any of the options as described on our website</td>
</tr>
<tr>
<td>IA 8821 Tax Information Disclosure Designation</td>
<td>If you want to grant permission to an individual to obtain confidential information and documents about yourself, but not to act on your behalf</td>
</tr>
<tr>
<td>Authorized Entity Representative (AER)</td>
<td>Allows the taxpayer to appoint a business entity as having authority equivalent to the IA 2848 Power of Attorney form over specified Iowa Department of Revenue state tax matters. An individual may not be appointed as an entity representative via this form.</td>
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</tbody>
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[https://tax.iowa.gov/confidentiality-disclosure-poa](https://tax.iowa.gov/confidentiality-disclosure-poa)
Addresses

Addresses can be updated via GovConnectIowa or by paper. Majority of letters are available electronically on GovConnectIowa.

- Access codes are mailed to the headquarters / primary mailing address
- If no mailing address is added, all mail will be sent to the headquarters address
- If a mailing address exists for an account, all mail pertaining to that specific account will go to that mailing address

**Recommendation:** If all mail should go to a single address, update the headquarters address and remove all secondary mailing addresses
Paperless Mailing

Paperless mailing stops most paper letters and notices from being mailed to you, and instead, you will receive those messages electronically to your GovConnectIowa account.

To view correspondence, log in, select the I Want To… tab, and click View Letters. (The same way you can view copies of mail now.)

You’ll receive a nightly email when you have received correspondence from the Department of Revenue.

You can easily opt out of paperless mailing if you prefer to receive letters through the mail.
Respond to a Letter

Instead of mailing your documents back to us, you can upload them to GovConnectIowa. This ensures they go directly where they need to, so we can process them faster.

- Click **Respond to a Letter** from the GovConnectIowa homepage, or if you are logged in to GovConnectIowa, click the **I Want To…** tab.

- Not every document that the Department of Revenue requests can be uploaded through GovConnectIowa. Refer to the letter for instructions.
Reminders

• When a business closes, the permit must be closed
• Permits cannot be reinstated or transferred
• Regularly review and update addresses – *Available on GovConnectIowa!*
• Use the correct start date on a new permit
## System Updates

<table>
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<tr>
<th>Start Date</th>
<th>Change</th>
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<tbody>
<tr>
<td>02/23/2023</td>
<td>New business registrations are available via GovConnectIowa for all users</td>
</tr>
<tr>
<td>03/24/2023</td>
<td>All GovConnectIowa users can register for and/or renew HHM permits</td>
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<tr>
<td>04/11/2023</td>
<td>Filing reminders are issued seven (7) days prior to the filing due date</td>
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eFile Mandate
Electronic Filing (eFile) Mandate
HF 2552

Tax Years ending on or after December 31, 2022
- Corporate Income (IA 1120)
- S Corp (IA 1120S)
- Partnership (IA 1065)
- Franchise (IA 1120F)

Tax years ending on or after December 31, 2023
- Fiduciary (IA 1041)

Tax years ending on or after December 31, 2024
- Moneys and Credits
Electronic Filing (eFile) Mandate Thresholds

All taxpayers (IA 1120, IA 1065, IA 1120S, IA 1120F, IA 1041)
- Gross receipts $250,000+
- Iowa Credits reported on the return $25,000+

Pass throughs (IA 1065, IA 1120S, IA 1041)
- Required to issue 10+ Iowa K-1s

Consolidated Iowa return (IA 1120, status 3)
- Always required

Moneys and Credits
- Always required
Electronic Filing (eFile) Mandate Rules

- IDR’s administrative rules have been adopted in ARC 6640C
  - Adopted filing was published November 16, rules took effect on December 21.
- Provides definition of “total gross receipts” for eFile mandate determination
- Impacted returns not properly eFiled are considered invalid.
  - Will be treated as nonfiler: May incur late-file and other penalties, unlimited statute of limitations (SOL) to assess tax.
- Exceptions to eFile mandate
  - May be granted for “good cause”. Inadequate tax preparation software not considered a “good cause”.
  - New eFile mandate exception request form under development
    - Must be submitted before return is filed
    - IDR will notify taxpayer of approval/denial in writing. Deemed accepted if IDR doesn’t respond within 90 days.
  - Temporary one-time relief
    - Applies to tax years ending on or before 12/31/23
    - If impacted return improperly paper filed, taxpayer has 30 days from notification by IDR to eFile, and IDR will deem original paper-filed return a valid return.
  - Order 2023-01
Limited Relief from the eFile Mandate

- Original Returns
- Due during calendar year 2023
- Filed on or before the statutory due date
  - Not including extensions
  - Last day of the 4th month for most
- Commercial tax preparation software provider does not support electronic filing of one or more forms required
- Submit [Electronic Filing Requirement Exception Request](#) form
  - Before filing the return
  - List “Order 2023-01 as the reason for exception
  - List software provider and forms not offered
Tips & Reminders

• Encourage clients to create their own GovConnectIowa logon and gain access to their tax accounts, they can grant immediate access online.

• Access codes will be mailed to the headquarters or primary mailing address.

• Third party authorization forms must be on file before the Department can disclose confidential information about a taxpayer.

• Returns and payments can be deleted if they are in a **Submitted** status.
Accountant Center

- Only available to Other Party Administrators with access to 2 or more clients

Go to the Accountant Center

Use the Accountant Center to view and complete open actions for all clients in one place and share your access with other users.
Secondary Logons - for Other Party Administrators

What are secondary logons?

• Perform work on your behalf.
• May only have access to customers and accounts that you have access to.
• Will lose access to customers and accounts that you lose access to.
• Will have their logons cancelled when your logon is cancelled.
• Can have their access managed for all customers and accounts.

GovConnectIowa logons are created at an individual level. Each user should have their own logon credentials.
Secondary Logons - Security Groups

What’s a security group?
• Security groups are used to group clients and their accounts together for easier staff management

Important Information
• Secondary logons are by default given access to all account types that are, or could be, associated with the administrator
• Secondary logons can be associated with more than one security group
Recommendations

- Designate one or more administrators within your firm to manage employees
- Each employee should have their own GovConnectIowa logon

**Note:** Secondary logons cannot manage other GovConnectIowa users or request access to additional tax accounts
Rollout 3: Individual Filers

Program Timeline

- Business Case 2019
- Procurement 2020
- Program Kick-Off November 2020
- Rollout 1: Business Filers November 2021
- Rollout 2: Corporate Filers November 2022
- Rollout 3: Individual Filers November 2023
- Rollout 4: Misc. Fees & Taxes November 2024
- Continuous Improvement

Complete \hspace{1cm} In Progress \hspace{1cm} Future

tax.iowa.gov/modernization
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About  |  Contact Us  |  Taxpayer Rights  |  Website Policies  |  Intern Program
Subscribing

Topics Include:
• Newsroom
• Tax Information
• GovConnectIowa
• Due Date Reminders
• Electronic Filing
• Economic, Fiscal, and Statistical Information