

APPENDIX F

**Oklahoma Tax Commission
Retail Image Lockbox
General Processing Guidelines**

1. Lockbox Collection Instructions and Delivery of Returns:

- a. P.O. Box 269027 and P.O. Box 26860 are picked up from the post office by the Vendor's Lockbox Courier. Both boxes contain tax types for Estimated taxes (ITE) and Withholding taxes (ITW) and will be processed thru Lockbox.
- b. P.O. Box 26850, PO Box 26920 and P.O. Box 26930 will be picked up from the post office by the Oklahoma Tax Commission- Central Processing Division. These items will be sorted by OTC employees and placed in the designated area for the Lockbox Courier to pick-up between 7:00am – 7:30 am:
2501 N. Lincoln Blvd.
Oklahoma City, OK 73194
3rd Floor
- c. Vendor's Lockbox Courier will return any items that cannot be processed to OTC the following day to the same location listed in b.
- d. Logging Counts On Statistics Sheet:
All items returned by the Lockbox Courier are to be logged on the proper line of the statistics sheet (see attached) and provided to OTC personnel upon delivery (prefer email). The Oklahoma Tax Commission and the Vendor will discuss in detail the statistics log for further clarification.

2. Time Line Requirements:

- a. Same day processing - The Oklahoma Tax Commission and the Vendor will establish timeline requirements after the award.
- b. Exception item OTC availability for processing – Next day by 7:00am
- c. All files transmission deadline – Next day by 7:00am. This includes Data, Remittance and Image files.
- d. Unprocessable transactions – Return to OTC within 24 hours.

3. Rules for Mail Processing:

Rules stated below should be followed as general guidelines but is not an all-inclusive listing of processing rules.

- a. Batches should contain no more than 100 coupons/returns/transactions
- b. Separate batches will be created for:
 - i. Single check and single return/coupon.
- c. Multiple check and/or multiple return/coupon transactions. Each payment and return/coupon will receive a unique document locator number (DLN). The format of the DLN will be agreed on by (OTC & Vendor) both parties.
 - i. Must be 11 digits
 - ii. Every item should have a different DLN
 - iii. The DLN can skip sequence
 - iv. The DLN will not duplicate

Rules for Mail Processing (cont'd):

d. Postmark Rules

- i. Withholding Tax (WTH) and Sales Tax (STS) are due the 20th of each month
- ii. Grace period of 5 days. On the 26th, envelopes are checked to see if they are postmarked after the 25th. If postmarked after the 25th, the postmark is recorded in pencil in the "office use only" area on the coupon
- iii. Postmarks for delinquent returns from a prior month should always be recorded.

4. **Processable transactions:**

- a. Remittance Discrepancy – if the amount of the coupon does not balance with the check amount, these items can be deposited to the account. The amount that is represented on the check should be recorded as represented.
 - i. Verification is required to confirm this is a valid transaction. (i.e. payor on check corresponds to return)
- b. Acceptable Payees – reasonable variations, combination or abbreviation of Oklahoma Tax Commission, i.e. Tax Commission; OTC, OK State Tax, etc.

5. **Reject/Unprocessable transactions:**

- a. Envelopes that do not contain a payment are should be sent back to OTC as a "No Check".
- b. The following is a list of items that are to be sent back to OTC as a reject/unprocessable:
 - i. Return only (no taxpayer check)
 - ii. Taxpayer Check only (no return/coupon)
 - iii. Foreign Items – Any checks or money orders drawn in foreign currency will be considered as unprocessable and returned to OTC.
 - iv. Notification of deceased taxpayer
 - v. Post Dated/Stale Dated Checks
 - vi. Anything other than what has been agreed upon as a valid transaction for processing.

6. **Out of Balance Transactions:**

- a. The coupon should be processed and transmitted for the amount written by the taxpayer.
- b. All checks should be made payable to the Oklahoma Tax Commission. However, we do accept variations such as OTC, Tax Commission, etc. As long as it is payable to the Oklahoma Tax Commission or any variation of our business name, the check (s) should be processed and transmitted for the amount written by the taxpayer.

7. **Exception Item Processing:**

Exception transactions will be made available to the Oklahoma Tax Commission for corrections/updates. The following is a list of exceptions:

- a. Transactions missing required data (i.e. Name Change, Address, if required, Account Number)

8. **Reports:**

All reports emailed to OTC (detailed reporting requirements and listing of individuals to receive reports will be decided and provided upon award of bid)

- a. Retail Image Lockbox process will provide OTC with a detailed report of all remittance data electronically daily. Required reports as listed but OTC may require additional reports as well,
 - i. All items processed – by tax/form type & deposit amounts
 - ii. Extract Summary – by batch/form type

- iii. Exception Work Items – Worked by OTC via web application – by tax/form type and to include return and remittance amounts.
 - iv. Monthly billing requirements will be provided to OTC and consist of a detailed listing of all charges by tax/form type.
- a. OTC will require a text file that consists of the data elements keyed, captured or hard coded for a data transmission or indexing of remittance information received from taxpayer. The text file should be created daily and provided with the transmission to identify the number of data elements in each transmission. The text file will provide the number of data elements, number of spaces, and a total.
 - b. OTC will require an image file of all transactions processed and will include indexing requirements as provided upon award of bid.
9. Data, remittance and image files for OTC will be available for pick-up the next day as agreed by both parties.
10. **Additional requirements:**
- a. All check remittances received will be endorsed per OTC requirements and details provided upon award of bid.
 - b. Any Correspondence Records included in the submitted payment must be imaged or returned to OTC.
 - c. Check Return Items must be automatically re-deposited one time unless specifically instructed in writing to do otherwise. Return items for the Retail Image Lockbox will be sent to Oklahoma State Treasurer's office.

**Oklahoma Tax Commission
Estimated Tax (ITE) Payments
Processing Procedures**

1. **Document Types:**

- a. ITE 05001/OW-8-ES – Oklahoma Individual Estimated Tax
- b. ITE 05001/OW-8-SC– Oklahoma Corporate Estimated Tax

2. **Time Line Requirements:**

- a. Same day processing – please see General Processing Rules - Time Line Requirements.
- b. Exception item OTC availability for processing – Next day by 7:00am
- c. All files transmission deadline – Next day as agreed by both parties
- d. Unprocessable transactions – Return to OTC following day; please see General Processing Rules - Time Line Requirements.

3. **OTC Postal Information:**

- a. PO Box 269027
Oklahoma City, OK 73126-9027
- b. A courier will pick up the PO Box 269027 mail at various times each day of the week including weekends.

4. **Processable Transactions:**

The transaction type (ITE) is located in the upper left hand corner of the document. ITE's will contain different periods within a single year, however, all periods within a single year can be combined in a bundle. Each bundle will contain no more than 100 coupons or transactions.

- a. Single ITE-I Coupon/Single Check
- b. Single ITE-I Coupon/Multiple Checks
- c. Multiple ITE-I Multiple Coupons/Single Check
- d. Multiple ITE-I Multiple Coupons/Multiple Checks
- e. Single ITE-C Coupon/Single Check
- f. Single ITE-C Coupon/Multiple Checks
- g. Multiple ITE-C Multiple Coupons/Single Check
- h. Multiple ITE-C Multiple Coupons/Multiple Checks

5. **Transaction Sorts:**

These items should be separated into two categories, Oklahoma Individual Estimated Tax and Oklahoma Corporate Estimated Tax. The transaction type is located in the upper left hand corner of the document.

- a. Oklahoma Individual Estimated Tax transactions must be separated by year (current and previous year only). Each tax year must be bundled separately with no more than 100 coupons or transactions in a single bundle.
- b. Oklahoma Corporate Estimated Tax transactions must be separated by year (current and previous year only). Each tax year must be bundled separately with no more than 100 coupons or transactions in a single bundle.

6. **Rules for ITE Mail Processing:**

The following information should be captured/assigned to the check:

- a. DLN
- b. Media Number/Account Number/Social Security Number/Federal ID Number

- c. Postmark Date
- d. Deposit Date
- e. Payment Amount
- f. Check Number
- g. Bank Routing Number
- h. Bank Account Number

7. **Unprocessable Transactions:**

All transactions which do not meet the processable transactions requirements above must be reinserted into the envelope the tax payment was received in. The tax payment and envelope are returned to the Oklahoma Tax Commission based on the designated timeline requirements established.

- a. Examples of unprocessable transactions:
 - i. Return Coupon only (no taxpayer check)
 - ii. Taxpayer Check only (no return coupon)
 - iii. Notification of deceased taxpayer
 - iv. Transactions that contain documentation (notes, letters, etc.) or returns that are a different form type than BLC.

- b. The number of unprocessable transactions are logged and returned to the Oklahoma Tax Commission.

**Oklahoma Tax Commission
Retail Image Lockbox
Billing Coupon (BLC) Payments
Processing Guidelines**

1. **Document Type:**

- a. BLC 90001 – Billing Coupon Payments

2. **Time Line Requirements:**

- a. Same day processing - please see General Processing Rules - Time Line Requirements.
- b. Exception item OTC availability for processing – Next day by 7:00am
- c. All files transmission deadline – Next day by 7:00am
- d. Unprocessable transactions – Return to OTC following day; please see General Processing Rules - Time Line Requirements.

3. **OTC Postal Information:**

- a. PO Box 26930
Oklahoma City, OK 73126-0930
- b. A courier will pick up the PO Box 26930 mail at various times each day of the week including weekends.

4. **Processable Transactions:**

The transaction type (BLC) is located in the upper left hand corner of the document. BLC's will contain different tax types, different periods, however, all tax types and periods can be combined in a bundle. Each bundle will contain no more than 100 coupons or transactions.

- a. Single BLC Coupon / Single Check
- b. Single BLC Coupon / Multiple Checks
- c. Multiple BLC Coupons / Single Check
- d. Multiple BLC Coupons / Multiple Checks

5. **Rules for BLC Mail Processing:**

The following information should be captured/assigned to the check:

- a. DLN
- b. Media Number /Account Number/Social Security Number/Federal ID Number
- c. Postmark Date
- d. Deposit Date
- e. Payment Amount
- f. Check Number
- g. Bank Routing Number
- h. Bank Account Number

6. **Unprocessable Transactions:**

All tax transactions which do not meet the processable transactions requirements above must be reinserted into the envelope the transaction was received in. The transaction and envelope are returned to the Oklahoma Tax Commission based on the designated timeline requirements established.

- a. Examples of unprocessable transactions
 - i. Coupon only (no taxpayer check)
 - ii. Taxpayer Check only (no return coupon)
 - iii. Notification of deceased taxpayer
 - iv. Transactions that contain documentation (notes, letters, etc.) or returns that are a different form type than BLC.

- b. The number of unprocessable transactions are logged and returned to the Oklahoma Tax Commission.

**Oklahoma Tax Commission
Retail Image Lockbox
Withholding Tax (WTH) Payments
Processing Guidelines**

1. **Document Type:**

- a. WTH10001 – Oklahoma Wage Withholding Tax

2. **OTC Postal Information:**

- a. PO Box 26860
Oklahoma City, OK 73126-0860
- b. A courier will pick up the PO Box 26860 mail at various times each day of the week including weekends.

3. **Processable Transactions:**

The transaction type (WTH) is located in the upper left hand corner of the document. WTH will contain different periods, however, all periods can be combined in a bundle. Each bundle will contain no more than 100 returns or transactions.

- a. Single WTH Return/Single Check
- b. Single WTH Return/Multiple Checks
- c. Multiple WTH Return/Single Check
- d. Multiple WTH Return/Multiple Checks

4. **Rules for WTH Mail Processing:**

The following information should be captured/keyed from the coupon/return/envelope:

- a. Media Number (Characters 6-16 in OCR line)
- b. Postmark Date
- c. Number of Employees
- d. Wages Paid
- e. Tax Withheld
- f. Interest
- g. Penalty
- h. Total Due
- i. Out of Business
- j. Change of Address
- k. Amended Report

5. The following information should be captured/assigned to the check:

- a. DLN
- b. Media Number (Populated from the coupon associated with the check)
- c. Postmark Date
- d. Deposit Date
- e. Payment Amount
- f. Check Number
- g. Bank Routing Number
- h. Bank Account Number

6. **Unprocessable Transactions**

All tax transactions which do not meet the processable transactions requirements above must be reinserted into the envelope the transaction was received in. The transaction and envelope are returned to the Oklahoma Tax Commission based on the designated timeline requirements established.

- a. Examples of unprocessable transactions

- i. Return only (no taxpayer check)
 - ii. Taxpayer Check only (no return coupon)
 - iii. Notification of deceased taxpayer
 - iv. Transactions that contain documentation (notes, letters, etc.) or returns that are a different form type than WTH.
- b. The number of unprocessable transactions are logged and returned to the Oklahoma Tax Commission.

**Oklahoma Tax Commission
Retail Image Lockbox
Sales Tax (STS) Payments
Processing Guidelines**

1. **Document Type:**

- a. STS 20003– Oklahoma Sales Tax

2. **OTC Postal Information:**

- a. PO Box 26850
Oklahoma City, OK 73126-0850
- b. A courier will pick up the PO Box 26850 from OTC between 7:00 a.m.- 7:30 a.m. each week day.

3. **Transaction Sorts:**

The transaction type (STS) is located in the upper left hand corner of the document. STS will contain different periods, however, all periods can be combined in a bundle. Each bundle will contain no more than 100 returns or transactions.

- a. Single STS Return/Single Check
- b. Single STS Return/Multiple Checks
- c. Multiple STS Return/Single Check
- d. Multiple STS Return/Multiple Checks

4. **Rules for STS Mail Processing:**

The following information should be captured/keyed from the coupon/return/envelope:

- a. DLN
- b. Media Number (Characters 6-16 in OCR line)
- c. Postmark Date
- d. Total Sales
- e. Deduct Non-Taxable Sales
- f. Net Taxable Sales
- g. Tax
- h. Discount
- i. Interest
- j. Penalty
- k. Total Due
- l. Off-Premise Beer Sales
- m. Out of Business
- n. Change of Address
- o. Amended Report

5. The following information should be captured/assigned to the check:

- a. DLN
- b. Media Number (Populated from the coupon associated with the check)
- c. Postmark Date
- d. Deposit Date
- e. Payment Amount
- f. Check Number
- g. Bank Routing Number
- h. Bank Account Number

6. **Unprocessable Transactions:**

All tax transactions which do not meet the processable requirements must be reinserted into the envelope the transaction was received in. The transaction and envelope are returned to the Oklahoma Tax Commission based on the designated timeline requirements established.

- a. Examples of unprocessable transactions
 - i. Return only (no taxpayer check)
 - ii. Taxpayer Check only (no return coupon)
 - iii. Notification of deceased taxpayer
 - iv. Transactions that contain documentation (notes, letters, etc.) or returns that are a different form type than STS.
- b. The number of unprocessable transactions are logged and returned to the Oklahoma Tax Commission.