

Electronic Funds Transfer Guide

*Automated Clearing House (ACH) Credit Method
Application Form and Instructions Included*



**JOB
SERVICE**
North Dakota



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INTRODUCTION

NOTE - Effective with reports for the quarter ending March 31, 2008 those making payments on behalf of others must make those payment electronically.

Job Service North Dakota (JSND) has developed a program to accept Unemployment Insurance (UI) tax payments through electronic funds transfer (EFT). EFT reduces both the time and expense involved in generating and handling paper checks and allows for quicker application of tax payments.

EFT is a method of directing a financial institution to transfer funds from one account to another. Private business and the federal government have been using EFT technology for many years. For example, the direct deposit of employees' wages and Social Security payments are made through EFT. Many corporations also use EFT to pay their suppliers for goods and services.

The Job Service North Dakota EFT program employs the Automated Clearing House (ACH) credit transaction method, which is a national standard for the electronic transfer of funds using the ACH network.

The information contained in this program guide is designed to provide you with specific information on our EFT program. Contents include participation guidelines, registration information, payment method, tax form filing requirements, standard file and record formats, as well as an application form.

We hope you find this program guide to be a helpful resource and encourage you to become a part of the Job Service EFT program.

Note: This guide provides instructions and an application form for ACH Credit. You can also download the guide from our Internet website. The guide is in Adobe Acrobat format. Our web address is www.jobsnd.com.

REGISTRATION

How to register. To register for our EFT program, please complete the Application for ACH Credit Transfer. Mail your completed form to: Job Service North Dakota, EFT Coordinator JSND/Tax & Field Services, PO Box 5507, Bismarck, ND 58506-5507. Or you can FAX your form to us by dialing 701-328-1882. Our staff will review your application and mail or email you a notice confirming your registration. The confirmation notice will also contain the information you will need in order to make correct EFT transmissions. If you need more information, please call 1-800-472-2952 or 701-328-2814.

If you have changes to the EFT such as contact person, mailing address, telephone number, etc. report them immediately to Job Service North Dakota, EFT Coordinator UI/Tax & Field Services, PO Box 5507, Bismarck, ND 58506-5507 or email at jsuits@nd.gov or fax to 701-328-1882 or call 1-800-472-2952 or 701-328-2814.

Hours of operation. Normal working hours are 8:00 a.m. to 5:00 p.m. Central Time. Fax 701-328-1882 and email (jsuits@nd.gov) is available for off-hours communication.

PAYMENT METHOD—AUTOMATED CLEARING HOUSE (ACH) CREDIT

Definition. The ACH Credit method allows you to transfer funds by instructing your financial institution (technically referred to as the “Originating Depository Financial Institution”, ODFI) to debit your account and to credit the Job Service North Dakota Unemployment Insurance bank account.

Cost. You must pay any fees charged by your financial institution for ACH Credit transactions.

Record formats. In order to report your tax payment correctly, your financial institution must originate your payment using the “Cash Concentration or Disbursement” (CCD) format. Check with your financial institution to make sure they can transfer your tax payment using this record format.

How to report a payment by ACH Credit. Contact your financial institution for specific procedures regarding the electronic payment of taxes. Before your financial institution can send your payment, you must provide them with the filing information required to complete the ACH CCD records (i.e., CCD Entry Detail Record Format (shown on page 4) along with all the information that goes in these records). The record format for the CCD entry detail is included in this program guide. In order to receive Job Service North Dakota’s bank routing/transit and bank account numbers you must file your EFT application with Job Service North Dakota. We will mail or email you a confirmation notice with our bank routing transit number and our designated account number.

This ACH Credit program guide and your confirmation notice should be taken to your financial institution before submitting your first payment.

Pre-notifications (Pre-note) and tests. It is strongly recommended that taxpayers make an error-free pre-note transaction before commencing the electronic transmission of funds to Job Service North Dakota. A pre-note transaction is a zero-dollar payment in a CCD format. CCD depositors will be notified if errors are found in pre-note transaction(s) or upon request.

If you do a pre-note it must be done at least 10 calendar days before the first live EFT payment.

For questions about sending a zero-dollar test transaction, call Job Service North Dakota at 1-800-472-2952 or 701-328-2814.

Zero-dollar transactions. If you owe no tax on a payment date, you should not send a transaction through the ACH network. ACH is only for tax amounts due.

Taxpayer/service provider responsibilities. Persons remitting payments electronically should maintain adequate documentation to substantiate the initiation of an electronic funds transfer for payment of tax for all electronic funds transfer payment methods.

Taxpayers and service providers who apply to remit using the ACH credit method are responsible for ensuring that their financial institution can support the ACH credit method for payments to Job Service North Dakota. Taxpayers and service providers remitting by ACH credit method are also responsible for understanding the correct usage of the software or the service they use to remit electronically and to submit payment information contained in the ACH file in the correct format.

Note: Job Service North Dakota is not responsible for instruction on the usage and reliability of the products and services of financial institutions or other companies, nor for fees charged by financial institutions, service providers and others.

Standard Procedures

Payment due date. Your payment due date will remain the same. To be considered timely, your EFT payment must be received by Job Service North Dakota's bank no later than the payment due date for the tax period. It is the taxpayer's responsibility to determine the transfer deadline required by their financial institution for acceptance of ACH credit transactions. Check with your financial institution to determine when you should initiate your payment so it will be received on time.

If a payment due date falls on a legal holiday or weekend, the tax payment must be received on the first business day after the holiday or weekend. Timely payments are based on the settlement date (the date on which the tax has been credited). Financial institution holidays in other states may vary. Make sure to check with your financial institution.

How your payment is applied. If your account has a balance due from a past quarter the current payment will be used to pay the past due amount first then the balance of the payment will be used to pay the current quarter. Payments will be applied to penalty first, and then to contributions and interest.

Corrections. If you feel an EFT payment was made in error, contact your financial institution for their correction procedures. You must also contact our EFT Coordinator at 1-800-472-2952 or 701-328-2814. Do not attempt to reverse your transaction.

Incorrect record formats. If you remit a payment with an incorrect format, we may return your payment. A returned payment may result in it being late and thus subject to an interest charge.

Verification of timely payment. Your financial institution should provide you with verification of transferred amounts and effective dates. Job Service North Dakota will not verify receipt of routine EFT payments, but will assist in resolving payment discrepancies.

Proof of payment. If you require proof of payment, it is your responsibility to work with your financial institution to obtain verification that your funds were transferred from your account into Job Service North Dakota's Unemployment Insurance account. Your bank can supply you with a trace number that is generated for the ACH network.

Duplicate and other erroneous payments. Duplicate payments will be posted to the taxpayer's account, as will overpayments made to a valid tax account. Payments made in error will also be posted to that account. Other erroneous payments will be handled on a case-by-case basis.

Refunds and reversals. Refunds will not be issued electronically through the ACH network. No reversals will be allowed.

Record keeping requirements. Persons remitting electronically should maintain documentation to substantiate the initiation of an electronic funds transfer for payment of the tax. Mandatory record keeping requirements for EFT remitters are the same as stated for other payment methods.

FILING YOUR EMPLOYER CONTRIBUTION AND WAGE REPORTS

Quarterly Contribution and Wage Reports must still be submitted, either on paper or using electronic reporting methods. They must be mailed or sent by the specified due date.

ACH CREDIT DETAIL

Record Formats

The following information describes the data contained in the Entry Detail Record. For complete information on NACHA formats, specifications and definitions, refer to the ACH Rules Book.

You may obtain a copy of the rulebook from your financial institution or Upper-Midwest Automated Clearing House Association (UMACHA), 5701 Shingle Creek Parkway Suite 450, Brooklyn Center, MN 55430 or 1-800-348-3692. There may be a charge for this book.

CCD Entry Detail Record Format is used for ACH credit payments with no addenda record.

CCD Entry Detail Record Format

Use this format to create the transaction to pay the tax.

Position	Size	Contents	Date Element Name
1-1	1	6	Record Type Code. Insert the number 6
2-3	2	22 or 24	Transaction Code. Enter the number 22. (24 for a pre-note.)
4-11	8	Numeric	Job Service North Dakota's Bank Routing/Transit Number.
12-12	1	Numeric	JSND's Bank Routing/Transit Number Check Digit.
13-29	17	Alphanumeric	JSND's Bank Account Number (with trailing blanks).
30-39	10	\$\$\$\$\$\$\$ cc	Total Payment Amount. No decimal. Insert leading zeros.
40-54	15	Numeric	Your North Dakota UI Tax Account Number. Insert leading zeros.
55-76	22	Alphanumeric	Your business name as provided to the North Dakota UI program
77-78	2	Not used	Discretionary Data.
79-79	1	0	Addenda Record Indicator. Insert a zero.
80-94	15	Numeric	ACH Trace Number.

Position 1-1 — Record Type Code. This entry will always be 6.

Position 2-3 — Transaction Code. This position will be 22 in all cases unless you are sending a pre-note when it will be 24. An entry of 22 indicates the transaction is a credit and the payment is going to a checking account. An entry of 24 indicates that the transaction is a pre-note (test.)

Position 4-11 — Receiving Bank Routing/Transit Number. This eight-digit number identifies Job Service North Dakota's bank. We will give you the receiving bank routing/transit number in the confirmation notice for ACH credit once your EFT application has been received.

Position 12-12 — Receiving Bank Routing/Transit Number Check Digit. This one-digit number identifies Job Service North Dakota's bank check digit number. We will give you the receiving bank routing/transit number check digit in the confirmation notice for ACH credit once your EFT application has been received.

Position 13-29 — Receiving Bank Account Number. This entry identifies the bank where the EFT payments will be sent. It will be given to you in the confirmation notice. Insert trailing blanks.

Position 30-39 — Amount. This entry is the amount to be posted to the recipient's account. It must be right justified and zero filled. **Do not insert** a decimal point. The last two characters are always cents.

Position 40-54 — UI Tax Account Number. A numeric position that identifies the taxpayer sending the payment. This number is your North Dakota Unemployment Insurance account number. Its use is essential for your payment to be properly credited. The tax account number must be right justified and zero filled.

Position 55-76 — Employer Name. Enter your business name in this position. Use the name you have designated to Job Service North Dakota for Unemployment Insurance purposes. Insert trailing blanks.

Position 77-78 — Discretionary Data. This two-character position is not used by Job Service North Dakota.

Position 79-79 — Addenda Record Indicator. Always insert a zero, as there will not be an addendum record with this transaction.

Position 80-94 — Trace Number. A number added to the record by the originating/sending bank to trace the transaction through the system. This number is especially important in case of an error.

CTX Entry Detail Record Format allows for **multiple addenda records in one ACH credit transaction.**

CTX Entry Detail Record Format (Record 6)

Use this format to create the transaction to pay the tax for multiple addenda records.

Position	Size	Contents	Date Element Name
1-1	1	6	Record Type Code. Insert the number 6
2-3	2	22 or 24	Transaction Code. Enter the number 22. (24 for a pre-note.)
4-11	8	Numeric	Job Service North Dakota's Bank Routing/Transit Number.
12-12	1	Numeric	JSND's Bank Routing/Transit Number Check Digit.
13-29	17	Alphanumeric	JSND's Bank Account Number (with trailing blanks).
30-39	10	\$\$\$\$\$\$\$¢	Total Payment Amount. No decimal. Insert leading zeros.
40-54	15	Alphanumeric	Provider's identification number (with trailing blanks).
55-58	4	Numeric	Number of Addenda Records. insert leading zeros.
59-74	16	Alphanumeric	Your business name as provided to the North Dakota UI program
75-76	2	Not used	Reserved
77-78	2	Not used	Discretionary Data.
79-79	1	1	Addenda Record Indicator. Insert a one.
80-94	15	Numeric	ACH Trace Number.

Position 1-1 — Record Type Code. This entry will always be 6.

Position 2-3 — Transaction Code. This position will be 22 in all cases unless you are sending a pre-note when it will be 24. An entry of 22 indicates the transaction is a credit and the payment is going to a checking account. An entry of 24 indicates that the transaction is a pre-note (test.)

Position 4-11 — Receiving Bank Routing/Transit Number. This eight-digit number identifies Job Service North Dakota's bank. We will give you the receiving bank routing/transit number in the confirmation notice for ACH credit once your EFT application has been received.

Position 12-12 — Receiving Bank Routing/Transit Number Check Digit. This one-digit number identifies Job Service North Dakota's bank check digit number. We will give you the receiving bank routing/transit number in the confirmation notice for ACH credit once your EFT application has been received.

Position 13-29 — Receiving Bank Account Number. This entry identifies the bank where the EFT payments will be sent. It will be given to you in the confirmation notice. Insert trailing blanks.

Position 30-39 — Amount. This entry is the amount to be posted to the recipient's account. It must be right justified and zero filled. **Do not insert** a decimal point. The last two characters are always cents.

Position 40-54 — Providers Identification Number. An alphanumeric position that identifies the provider sending the payment. Insert trailing blanks.

Position 55-58 — Number of Addenda Records. A numeric position that identifies the number of addenda records. Insert leading zeros.

Position 59-74 — Employer Name. Enter your business name in this position. Use the name you have designated to Job Service North Dakota for Unemployment Insurance purposes.

Position 75-76 — Reserved. This two-character position is not used by Job Service North Dakota.

Position 77-78 — Discretionary Data. This two-character position is not used by Job Service North Dakota.

Position 79-79 — Addenda Record Indicator. Always insert a one. A value of “1” indicates that one or more addenda records follow.

Position 80-94 — Trace Number. A number added to the record by the originating/sending bank to trace the transaction through the system. This number is especially important in case of an error.

CTX ADDENDA RECORD (Record 7)

Position	Size	Contents	Date Element Name
1-1	1	7	Record Type Code. Insert the number 7
2-3	2	05	Addenda Type Code. Insert the number 05
4-10	7	Numeric	Employer’s ND UI Tax Account Number. Insert leading zeros.
11-20	10	\$\$\$\$\$\$\$øø	Dollar amount posted to employer’s account. No decimal. Insert leading zeros.
21-29	9	Numeric	Employer’s Federal Employer Identification Number (FEIN)
30-59	30	Alphanumeric	Employer’s business name (with trailing blanks).
60-83	24	Not used	Not read by Job Service North Dakota
84-87	4	Numeric	Addenda Sequence Number. Insert leading zeros.
88-94	7	Numeric	Entry Detail Sequence Number.

Position 1-1 — Record Type Code. This entry will always be 7.

Position 2-3 — Addenda Type Code. This entry will always be 05.

Position 4-10 — Employer’s ND UI Account Number. This is a seven-digit numeric position that identifies the employer for whom the payment is being made. Its use is essential for your payment to be properly credited. The tax account number must be right justified and zero filled.

Position 11-20 — Dollar Amount Posted To Employer’s Account. This position is ten-digits. It must be right justified and zero filled. **Do not insert** a decimal point. The last two characters of the ten digits are always cents.

Position 21-29 — Employer’s Federal Employer Identification Number (FEIN). This nine-digit position is the employer’s FEIN.

Position 30-59 — Employer’s Business Name. This thirty-digit position is for the employer’s business name. Insert trailing blanks.

Position 60-83 — Reserved. This twenty-four digit position is not read by Job Service North Dakota.

Position 84-87 — Addenda Sequence Number. This four-digit position identifies the number of the addenda record. Insert leading zeros.

Position 88-94 — Entry Detail Sequence Number. This seven-digit number is the same as the last seven digits of the trace number of the related Entry Detail Record (Record 6).

GLOSSARY OF TERMS

ACH. “Automated Clearing House” (ACH) means any entity that operates as a clearing house for the electronic clearing of debits and credits between financial institutions pursuant to an agreement with an association that is a member of the National Automated Clearing House Association.

ACH Credit. The “ACH Credit” is a method by which money is transferred electronically through the Automated Clearing House (ACH) network. An ACH credit transaction is one in which you, the taxpayer, through your bank, originate an entry to credit (deposit) funds in the designated bank account and debit (withdraw) funds from your own account for the amount of the tax payment.

CCD. “Cash Concentration or Disbursement” is a standard National Automated Clearing House Association data format used to make ACH credit/debit transactions.

Deposit Date. See "Settlement Date."

EFT. “Electronic Funds Transfer” is a term that identifies any system used to transfer payments or funds electronically. EFT refers to any transfer of funds, other than a transaction originated by check, draft or similar paper instrument, that is initiated through an electronic terminal, telecommunications instrument, computer or magnetic tape, to order, instruct or authorize a financial institution to debit or credit an account.

FRB. “Federal Reserve Bank” is the central banking system of the United States, consisting of 12 regional reserve banks and member depository institutions that are subject to Reserve requirements.

NACHA. The “National Automated Clearing House Association” is the organization that establishes the standards, rules and procedures governing the ACH Network.

Payment date. See "Settlement Date."

Pre-note Test. A pre-notification (pre-note) test is a zero-dollar entry sent through the ACH network to verify banking information. A pre-note test must be done at least 10 calendar days before the first live EFT payment.

Service Provider. An entity that performs accounting services, prepares tax documents, performs similar services, and remits tax payments on behalf of its clients. Examples of service providers are payroll processors such as; accountants; third party withholders such as banks; and bill-paying services.

Settlement Date. The date an electronic payment is deposited in a bank account for deposit of electronic tax payments. The dates also include the date a pre-note transaction occurs.

UI Tax Account Number. The account number assigned by Job Service North Dakota to an employer's Unemployment Insurance tax account.



**ELECTRONIC FUNDS TRANSFER (ACH CREDIT)
UNEMPLOYMENT INSURANCE**
JSND/UNEMPLOYMENT INSURANCE
SFN 52490 (R. 10-06)

JOB SERVICE NORTH DAKOTA
UI/TAX & FIELD SERVICES
PO BOX 5507 BISMARCK ND 58506-5507
701-328-2814 OR 800-472-2952
TTY 800-366-6888 (Toll Free in ND) FAX: 701-328-1882

Check our Web Page at
www.jobsnd.com

- Please type or print clearly in ink.
- Return your completed application to the address listed below.

Business Name		North Dakota Unemployment Insurance Account Number	
Address			
City	State	ZIP Code	
Contact Person		Telephone Number ()	
E-mail Address		Fax Number ()	

I (we) contacted my (our) bank and confirmed that the bank can initiate Automated Clearing House transactions that meet Job Service North Dakota requirements. For verification, Job Service may contact:

Name of Bank	Bank Contact Person	Telephone Number ()
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I (we) request that Job Service North Dakota grant authority to the above named business to initiate Automated Clearing House credit transactions to the bank account of the Unemployment Insurance Program. I (we) understand transactions must be in the National Automated Clearing House Association (NACHA) CCD format and may only be initiated for payment of Unemployment Insurance contributions. I (we) understand that the above named business is responsible for paying the cost of initiating such transactions that may be charged by the business' financial institution. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Authorized Signature X	Title	Date
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Send your completed application to:

**EFT Coordinator
Job Service North Dakota
UI/Tax & Field Services
PO Box 5507
Bismarck, ND 58506-5507**

KEEP A COPY OF THIS AGREEMENT FOR YOUR RECORDS



Unemployment Insurance
JSND 4038 (R 01-08)

Job Service is an equal opportunity employer/program provider.
Auxiliary aids and services are available upon request to individuals with disabilities.