

Sec. 12-689-2. Means of electronic funds transfer approved by the department

(a) **Approved EFT methods.** The means of EFT approved by the department are the ACH debit method and the ACH credit method. A taxpayer that is required to pay taxes by EFT shall choose either the ACH debit method or the ACH credit method.

(b) **Using the ACH debit method.**

(1) In an ACH debit transaction, the department or its designated agent originates the transaction when it gets instructions from a taxpayer. The transaction debits the taxpayer's bank account and credits the department's bank account for the payment to the department. In an ACH debit transaction, the department is responsible for the accuracy of the transmission.

(2) A taxpayer that uses the ACH debit method shall give the department's designated agent the information needed to complete a timely ACH debit transaction.

(3) The department's designated agent shall validate the payment information and give the taxpayer a confirmation number. The confirmation number verifies when the designated agent received the necessary payment information. The confirmation number is not proof of payment. The taxpayer shall keep this confirmation number.

(c) **Using the ACH credit method.**

(1) In an ACH credit transaction, the taxpayer originates the transaction through its own bank and is primarily responsible for the accuracy of the transmission.

(2) A taxpayer that uses the ACH credit method shall give its bank all the information the bank needs to complete a timely ACH credit transaction, and an addenda record for transmittal to the department's designated agent.

(3) A taxpayer using the ACH credit method shall: verify that the taxpayer's bank account was debited for the proper amount of tax; verify that the funds left the taxpayer's bank account early enough for a timely ACH credit transaction to be completed; and keep the ACH trace number, which is available from the taxpayer's bank, and shall provide it to the department in the case of a lost or late payment.

(d) **Alternate payment methods for cases of emergency.**

(1) If an emergency prevents a taxpayer that is required to pay tax by EFT from using either the ACH debit method or the ACH credit method, the taxpayer shall immediately contact the department for alternate methods of payment. The department shall include in materials it sends to the taxpayer, the name, telephone number, facsimile number and e-mail address of the appropriate department employee to contact in case of an emergency.

(2) If the taxpayer cannot prove to the commissioner's satisfaction that the emergency preventing the taxpayer from paying the tax by either the ACH debit method or the ACH credit method is due to circumstances beyond the control of the taxpayer, then the tax is subject to penalty and interest according to all applicable provisions of the Connecticut General Statutes.

(Adopted effective April 18, 2000)