eFile Authorization

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Posted Sunday, January 31, 2023

Do you remember those days when tax professionals would charge for eFiling? Probably made sense at the time. Anyway... WCG must electronically file all tax returns. **Section 6011(e)(3)** of the Internal Revenue Code requires specified tax return preparers to electronically file certain federal income tax returns if they prepare more than 100 tax returns annually.

Congratulations! You are almost done with all this hoopla. The IRS and most states continue to increase security in an attempt to curb identity theft. This page is divided into two categories; individual tax returns (Form 1040) and business entity tax returns (Form 1065, 1120, 1120S, 990).

Warning! If you recently sent us changes or additional information, DO NOT give us authorization to eFile until you've received the updated tax returns. Seriously!

Business Entity and Individual Tax Returns

There are two ways to authorize the electronic filing of your individual tax returns (Form 1040 plus the state equivalents).

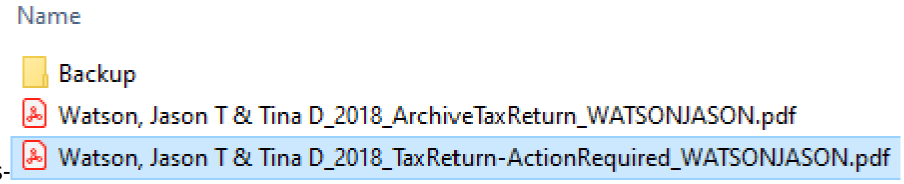
1. We automatically send an email similar to DocuSign from our workflow software called Canopy. This is our preference.
2. Print, sign, scan and upload the forms to your Sharefile.

As mentioned, #1 is our preference. When we send your tax returns via an email link, we also send your efile authorization documents. These are typically set up as a reminder where it will auto-send on Mondays for a few weeks. Be on the lookout for this email. Alternatively, you can log into your **Canopy portal** (as opposed to your Sharefile) and complete the process there.

If #2 if your preference, that is totally cool. You are not alone. This process is expanded below.

Print, Sign, Scan, Upload

Sounds easy, right!? Of course it does. A **PDF titled "Action Required"** was uploaded to your client portal. Below is a snippet of Jason and Tina's client portal highlighting the Action Required PDF. If we showed you the modified date, it would read September 9, 2019. Yeah, no self-respecting CPA files his or her own tax returns on time! Clients first! This is a 10-12 page PDF

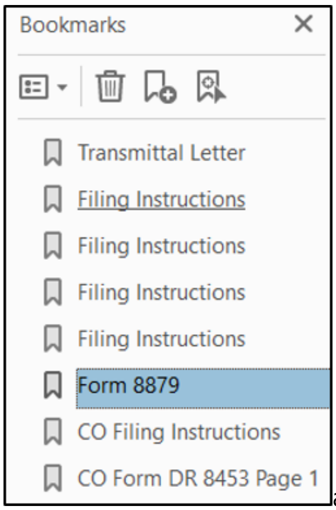


containing important instructions such as-

1. Which bank account your tax refund is going into (should you be receiving one),

2. How to make tax payments (again, should you be required to),

3. Estimated tax payments, both individual and business if applicable,



and…

4. The **eFile authorization forms** to print, sign, scan and upload to your client portal. **Form 8879** and its variants for business entities is the IRS authorization form. **Click here** to see a sample of this form. If you use Adobe as your PDF reader, you should also bookmarks to help you navigate.

To reiterate, the ActionRequired PDF is the holy grail to all that is good and true in tax. Okay, that might be a bit much… but opening that PDF and reading every page will resolve most of your questions or concerns.

State eFile Authorizations

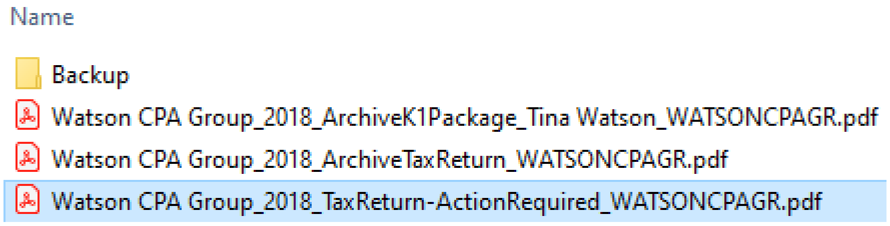
The intent of the eFile authorization is give WCG permission to file your tax returns on your behalf. They are technically your tax returns, and we are simply the facilitator in the filing process. You would like to think that completing Form 8879 above would be enough, right? Oh no… states have their own version that must printed, signed and uploaded too.

Each state is different of course; **California** calls theirs Form 8879, just like the IRS, but Colorado calls theirs Form DR 1778 or DR 8453. Most states use 8879 which is nice. Also, you might see Form 8453; this is used when a taxpayer PIN has not been entered into the electronic record but it serves the same purpose as Form 8879.

Regardless, the state eFile authorization forms are also contained in the ubiquitous ActionRequired PDF. Have we mentioned how important this PDF is?

Business Entity Tax Returns

What about business entity tax returns? Those are eerily similar. Form 8879-S is for S Corporations (1120S), Form 8879-P is for Partnerships (1065), and Form 8879-C is for… well… yup, you guessed it, Corporations (1120).



To the right is a snippet of Watson CPA Group (before our name change to **WCG CPAs & Advisors**). You can see a PDF titled "K1 Package" which is for our amazing shareholder, Tina, follower by the tax return itself, and then the Action Required PDF.

Need more help? Below is a short set of instructions similar to this, but with fancier pictures, arrows and other eye-catching colors to help you out. Sample forms are also included with signature areas highlighted.**Important!** If you get confused or have questions, that is okay! Please call us at 719-387-9800 and one of our super helpful Client Support or Tax Team peeps will walk you thru it. Easy. Like Staples Easy.