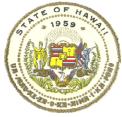


State of Hawaii  
Bulk Filing System  
Reporting Agents  
And  
Transmitters  
Handbook



Release Date 09/2018 (V1.0)



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## SECTION 1: INTRODUCTION

The State of Hawaii Department of Taxation (DOTAX) Bulk Filing System (HBFS) is a system of hardware, software and procedures which enables transmitters and reporting agents to file electronically by transmitting a ZIP file containing multiple tax returns via Secure File Transfer Protocol (SFTP).

Bulk filing eliminates the requirement to submit hardcopy documents and reduces administrative cost and is FREE!!

Key features:

1. Convenient ability to submit multiple filings for:
  - a. HW-14, Withholding Period Tax Return
  - b. HW-3, Withholding Annual Return and Reconciliation
    - i. For W-2 specifications refer to the
      - Publication EF-10
        - a. Social Security Administration's EFW2 and EFW2C format
        - b. Hawaii Form W-2 and W-2C Electronic Filing Specifications
2. Faster processing with less errors
3. ACH Debit bulk withholding payments capability
4. 24/7 Secured access
5. Confirmation/Rejections via ACKs



## SECTION 2: CONTACT INFORMATION

For information relating to Bulk Filing testing and certification contact:

Electronic Processing Section  
P.O. Box 259  
Honolulu, Hawaii 96809-0259  
E-mail address: [tax.efile.test.bulk@hawaii.gov](mailto:tax.efile.test.bulk@hawaii.gov)

Physical address:

830 Punchbowl Street, Room #126  
Honolulu, Hawaii 96813

## SECTION 3: CONTACT HOURS AND HOLIDAYS

Our contact hours are Monday through Friday, 8:00 a.m. to 4:00 p.m. Hawaii Standard Time. Our office will be closed on weekends and on all National and State of Hawaii holidays.

Holidays	2018	2019
New Year's Day		Jan. 1, Tuesday
Dr. Martin Luther King, Jr. Day		Jan. 21, Monday
Presidents' Day		Feb. 18, Monday
Prince Jonah Kuhio Kalaniana'ole Day		Mar. 26, Tuesday
Good Friday		Apr. 19, Friday
Memorial Day		May. 27, Monday
King Kamehameha Day		Jun. 11, Tuesday
Independence Day		Jul. 4, Thursday
Statehood Day	Aug. 17, Friday	Aug. 16, Friday
Labor Day	Sept. 3, Monday	Sept. 2, Monday
General Election Day	Nov. 6, Tuesday	N/A
Veterans' Day	Nov. 12, Monday	Nov. 11, Monday
Thanksgiving	Nov. 22, Thursday	Nov. 28, Thursday
Christmas	Dec. 25, Tuesday	Dec. 25, Wednesday



## SECTION 4: PARTICIPANT ELIGIBILITY

In order to participate in the Hawaii Bulk Filing System (HBFS) you must meet at least one of the categories listed below.

- 4.1. Reporting Agent - Tax preparer, property management company, payroll company and others who prepare returns for multiple clients or multiple locations for the same client. A Reporting Agent may also be its own transmitter.
- 4.2. Transmitter - Enables reporting agents to file via the HBFS by “transmitting” bulk files to DOTAX on their behalf.
- 4.3. Software Developer – Creates and maintains software applications.

## SECTION 5: CERTIFICATION

### 5.2. CERTIFICATION PROCESS

- 5.1.1. Submit Form EF-2, Hawaii Bulk Filing System Registration Form
- 5.1.2. Login credentials for the test server will be provided upon approving of the EF-2 form application.
- 5.1.3. Submit a bulk file sample that will be run through a certification test.
- 5.1.4. Production credentials will be provided once testing is successfully completed.
- 5.1.5. Production files will not be accepted until testing is completed and approved.

### 5.3. CHANGES TO EF-2

- 5.2.1. If there are any changes to the information that was submitted with your Form EF-2 please submit an amended Form EF-2

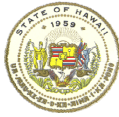


## SECTION 6: TESTING

- 6.1. A test environment will be made available 24/7 and will mimic the business validation rules in the production environment.
- 6.2. A SFTP login and PGP key will be provided for testing and will have no expiration date.
- 6.3. Email the Electronic Processing Section when submitting a test file.
- 6.4. Once testing is successfully completed, production credentials will be provided. Production files will not be accepted until testing is completed and approved.
- 6.5. If the test environment ACK's are not returned within a 2-hour timeframe, please email the Electronic Processing Section.

## SECTION 7: TAX PAYER AUTHORIZATION

- 7.1. The Reporting Agent must obtain a fully executed Form EF-3 (Hawaii Reporting Agent Authorization) from the taxpayer before filing, paying and representing the taxpayer through the HBFS.
- 7.2. Federal Form 8655 or an IRS approved substitute Form 8655 may be used in place of a Form EF-3, provided the taxpayer's Hawaii Withholding Identification number is on the substituted form.
- 7.3. The Reporting Agent should not submit this form unless requested by the DOTAX.
- 7.4. The Reporting Agent is responsible for notifying the taxpayer of the Reporting Agent's eligibility to participate in the HBFS.



## SECTION 8: PRODUCTION SERVER

8.1. The production site will be made available 24/7 and will require a PGP encryption key that has no expiration date.

8.2. Downtime (system backup, maintenance, etc) will usually be scheduled on Sundays for a few hours and will be announced in advance.

8.3. ACKs will be delivered within a 24-hour time frame and if the ACKs are not returned within the specified timeframe please email the Electronic Processing Section.

## SECTION 9: TYPE OF FILINGS ACCEPTED

### 9.1. WITHHOLDING SUBMISSION

Each individual return will be its own file that is included as part of one PGP zipped submission file. Each zipped file contains multiple return files of ONE form type (e.g., all HW-14s). Zipped files with mixed types of forms will NOT be accepted.

#### 9.1.1. FORM HW-14

- Originals
- Late original filings for periods beginning 01/01/2011 to current
- Amended
- Withholding Tax Payments

#### 9.1.2. FORM HW-3

- Originals
- Late original filings for tax years ending 12/31/2011 to current
- Amended
- Withholding Tax Payments

### 9.2. W-2 SUBMISSION

See Publication EF-10, Form W-2 and W-2C Electronic Filing Specifications, EFW2 and EFW2C Format



## SECTION 10: FILE NAMING STANDARD

### 10.1. ZIP FILES

MUST be submitted via FTP and named utilizing the following standard:

[CompanyName]\_[FormType]\_[YYYYMMDDhhmmss].pgp

FormType should be either HW3, HW14 or BLKPAY.

Example: AcmePayroll\_HW14\_20170731020345.pgp

In an effort to prevent and quickly identify any wrong environment issues, **test** files

MUST be submitted with a “**T**” added after the timestamp and before the .pgp as follows:

Example: AcmePayroll\_HW14\_20170731020345\_T.pgp

For production files replace “**T**” to a “**P**”

Example: AcmePayroll\_HW14\_20170731020345\_P.pgp

### 10.2. XML FILES

Within each zip file, all XML files MUST be named utilizing the following standard:

[CompanyName]\_[FormType]\_[Sequence]\_[YYYYMMDD].xml

Form Type should be either HW3, HW14 or BLKPAY

Examples: AcmePayroll\_HW14\_000001\_20170731.xml

AcmePayroll\_HW14\_000002\_20170731.xml





## SECTION 11: TYPE OF FILE FORMATS ACCEPTED

Utilizes the Federal-State Employment Tax (FSET) Ver. 5.3 format.

11.1. Forms HW-14 and HW-3 – FSET StateWH schema

11.2. Payments – FSET FinancialTransaction schema

11.3. Download the following documents:

11.3.1. [Hawaii FSET Layouts \(XLSX\)](#), March 30, 2018

- <http://files.hawaii.gov/tax/eservices/fset/FSET Layouts.xlsx>

11.3.2. [Hawaii FSET Business Rules \(XLSX\)](#), October 11, 2017

- <http://files.hawaii.gov/tax/eservices/fset/FSET Business Rules.xlsx>

11.3.3. [Hawaii FSET Schemas \(ZIP\)](#), June 23, 2017

- <http://files.hawaii.gov/tax/eservices/fset/Hawaii FSET Schemas.zip>

11.3.4. [Hawaii Sample IDs \(XLSX\)](#), July 18, 2017

- <http://files.hawaii.gov/tax/eservices/fset/FSET Sample Ids.xlsx>

11.3.5. HW-14 Sample transmissions:

11.3.5.1. HW-14's with no errors.

11.3.5.1.1. Transmission [HHHW14 – Negative.zip](#), July 18, 2017

11.3.5.1.2. Acknowledgment [OutHHHW14 – Negative.zip](#), July 18, 2017

- <http://files.hawaii.gov/tax/eservices/fset/HHHW14 - Negative.zip>
- <http://files.hawaii.gov/tax/eservices/fset/OutHHHW14 - Negative.zip>

11.3.5.2. HW-14's with business validation errors

11.3.5.2.1. Transmission [HHHW14 – Positive.zip](#), July 18, 2017

11.3.5.2.2. Acknowledgment [OutHHHW14 – Positive.zip](#), July 18, 2017

- <http://files.hawaii.gov/tax/eservices/fset/HHHW14 - Positive.zip>
- <http://files.hawaii.gov/tax/eservices/fset/OutHHHW14 - Positive.zip>

11.3.5.3. HW-14's with schema errors

11.3.5.3.1. Transmission [FSETHW14-PatConErr.zip](#), July 27, 2017

11.3.5.3.2. Acknowledgment [OutFSETHW14-PatConErr.zip](#), July 27, 2017

- <http://files.hawaii.gov/tax/eservices/fset/FSETHW14-PatConErr.zip>
- <http://files.hawaii.gov/tax/eservices/fset/OutFSETHW14-PatConErr.zip>

11.3.6. HW-3 Sample Transmissions:

11.3.6.1. HW-3 with no errors



- 11.3.6.1.1. Transmission [HHW3 – Negative.zip](#), July 18, 2017
- 11.3.6.1.2. Acknowledgment [OutHHW3 – Negative.zip](#), July 18, 2017
  - <http://files.hawaii.gov/tax/eservices/fset/HHW3 - Negative.zip>
  - <http://files.hawaii.gov/tax/eservices/fset/OutHHW3 - Negative.zip>
- 11.3.6.2. HW-3 with errors
  - 11.3.6.2.1. Transmission [HHW3 – Positive.zip](#), July 18, 2017
  - 11.3.6.2.2. Acknowledgment [OutHHW3 – Positive.zip](#), July 18, 2017
    - <http://files.hawaii.gov/tax/eservices/fset/HHW3 - Positive.zip>
    - <http://files.hawaii.gov/tax/eservices/fset/OutHHW3 - Positive.zip>
- 11.3.7. Bulk Sample Transmissions:
  - 11.3.7.1. Bulk Payments with no errors
    - 11.3.7.1.1. Transmission [HIPAY – Negative.zip](#), July 18, 2017
    - 11.3.7.1.2. Acknowledgment [OutHIPAY – Negative.zip](#), July 18, 2017
      - <http://files.hawaii.gov/tax/eservices/fset/HIPAY - Negative.zip>
      - <http://files.hawaii.gov/tax/eservices/fset/OutHIPAY - Negative.zip>
  - 11.3.7.2. Bulk Payments with errors
    - 11.3.7.2.1. Transmission [HIPAY – Positive.zip](#), July 18, 2017
    - 11.3.7.2.2. Acknowledgment [OutHIPAY – Positive.zip](#), July 18, 2017
      - <http://files.hawaii.gov/tax/eservices/fset/HIPAY - Positive.zip>
      - <http://files.hawaii.gov/tax/eservices/fset/OutHIPAY - Positive.zip>



## SECTION 12: TIMELINESS & DATE RECEIVED OF RETURN & PAYMENT

### 12.1. RETURNS

To be considered timely filed, a return must be acknowledged as accepted, or accepted with errors, no later than 11:59 p.m. (Hawaii Standard Time) on the due date. This also applies to the retransmission of returns that were previously acknowledged as rejected. The HBFS records the date and time a transmission is complete. If a return is acknowledged as accepted or accepted with errors, this date and time is used as the date and time the return is received by Hawaii. If a return is acknowledged as rejected, the return is considered not filed. If the rejected return included payment information as part of the file, the payment is also rejected and must be retransmitted. Both the return and payment must be transmitted, and payment settled by the due date in order to avoid any penalty or interest.

Participants should ensure that the return transmission is started early enough to be completed and acknowledged prior to the end of the day (11:59 p.m. Hawaii Standard Time) on the return due date. To avoid late filing, it is recommended that participants schedule transmissions to allow for timely correction and retransmission in the case of a rejected transaction.

### 12.2. PAYMENTS

An electronic payment transmitted and accepted with a settlement date before 11:59 pm HST of the due date, will be considered timely paid. We recommend payments be transmitted two days before the due date in order to provide ample time to correct any business validation failures that may occur.

Participants should ensure that the debit authorization data contains a settlement date no later than the due date. To avoid late payment, DOTAX recommends that participants schedule debit authorization transmissions to allow for timely correction and retransmission in the case of a rejected debit transaction.

Reporting Agents may use the bulk withholding payment option to make electronic payments through ACH Debit. For the HBFS ACH Debit, it is an FSET XML format where the taxpayer authorizes DOTAX's financial institution to debit the taxpayer's bank account and credit DOTAX's bank account for the purpose of making a tax payment. International ACH transactions are not supported by Hawaii Bulk File Electronic System. Make sure that the taxpayer's financial institution allows ACH transactions from:

State of Hawaii

Department of Taxation

ID# 6990303111



The Department continues to accept all methods of EFT payments including the ACH Credit method where the taxpayer authorizes their bank to credit DOTAX's bank account by debiting their own account for the purpose of making a tax payment. There is no requirement to report these transactions in the XML transmission. However, ensure that the settlement date for the transaction is before 11:59 pm HST of the due date.

## SECTION 13: SUBMISSION/TRANSMISSION PROTOCOL

- 13.1 The Secure File Transfer Protocol (SFTP) will be used for all Returns, Payments, and acknowledgment files.
- 13.2 A separate location will be used for the test and production environments.
- 13.3 Each environment will utilize a separate user name and PGP encryption keys that will be provided once the bulk filing transmitter completes the required actions.
- 13.4 There may be times during the month when DOTAX may need to perform maintenance on the site. The maintenance period will be announced to the transmitters and reporting agents in advance.

## SECTION 14: FILE TRANSMISSION RECEIPTS AND ACKNOWLEDGEMENTS (ACKS)

- 14.1 An ACK will be sent to acknowledge the receipt of the zip file that contained the multiple return files.
- 14.2 Individual ACKs will be returned in a single zip file that will contain one ACK file per return file contained in the submitted zip file.
- 14.3 ACKs in production will be sent within 24-hours of the submission with ACKs in the test environment being sent more frequently.
- 14.4 ACKs will be encrypted with a public PGP key provided to DOTAX by the transmitter to ensure that only the transmitter will be able to decrypt the ACK file.