# Automated Clearing House (ACH) Credit Specifications

## ACH Credit Option

The ACH credit transaction requires you to send supplemental information along with the payment in a special format called a tax payment addendum convention or TXP record. The National Automated Clearing House Association (NACHA) approved the TXP record, and it is therefore widely used by states that accept ACH credit transactions. Please refer to pages 4 and 5 for an example of the TXP record and field descriptions.

You need to verify your bank's ability to initiate ACH credit transactions before choosing this option. If your bank cannot send an ACH credit transaction, please contact a representative at the Portland Revenue Division.

As a reminder, certain fields of your ACH credit transaction change every month. You will need to change the tax period and payment amount each time you enter a payment transaction with your financial institution.

## Cost/responsibility

You initiate the transfer through your bank; therefore, you and your bank assume the responsibility of being the ACH originator. There may be set up and/or transaction costs involved by using this option, depending on the bank you use. Please contact your bank for information related to fees associated with this payment method.

## Payment Deadline

You are responsible for contacting your bank to ensure funds are deposited in the Revenue Division's bank no later than 5:00 p.m. PST on the payment due date. As each bank has their own guidelines for payments, you will be responsible for determining payment initiation deadlines. If funds have not been deposited to the Revenue Division's bank account by the payment due date, a late payment penalty will be assessed.

## Transaction Verification

After your transaction is complete, you will receive a verification (trace) number from the ACH Network. Keep the verification (trace) number for your records. This number is used in the event your payment must be traced.

## Requirements

You must send supplemental filing information with the funds transfer. Your bank needs to use the Cash Concentration or Disbursement Plus (CCD+) with TXP format in the addenda record to ensure that your account is properly credited. This includes identification of the taxpayer (registration number), reporting frequency, type of tax being paid, tax period covered, amount of the remittance, etc.

## Portland Revenue Division's Bank Information

The receiving institution should be listed as "City of Portland." The Revenue Division's bank is Wells Fargo.

Portland will provide a UPIC number upon request. This request process is still being defined.

# ACH Credit Addenda Record

1. Record Type:
7

2. Addenda Type Code:
05

3. Segment Identifier:
TXP

4. Taxpayer ID (FEIN/SSN):
123456789

5. Tax Account ID:
SHW1234567890

6. Withholding Account Type

7. Tax Period End Date
(YYMMDD): 210331

8. Amount Type Code: T

9. Payment Amount: 457822

705TXP*123456789*SHW1234567890*SHW*210331*T*457822*\

If you have any questions regarding this format, please refer to the NACHA rulebook, your financial institution, or the Portland Revenue Division at employerwithholding@portlandoregon.gov

| Item Number | Field Name | Example/ Format | Length (Bytes) | Comments |
|---|---|---|---|---|
| 1 | Record Type | 7 | 1 | Must have a value of 7, which identifies the item as a special addenda record. |
| 2 | Addenda Type Code | 05 | 2 | Must have a value of 05, which identifies the item as a special addendum applying to the CCD (Cash Concentration or Disbursement) entries. |
| 3 | Segment Identifier | TXP | 3 | Must have a value of TXP, which identifies this transaction as a tax payment. |
| * | Separator | * | 1 | The asterisk * identifies this field as a separator. |
| 4 | Taxpayer ID | ######### | 9 | Contains the Taxpayer's FEIN or SSN |
| * | Separator | * | 1 | The asterisk * identifies this field as a separator. |
| 5 | Withholding Account ID | SHW######### or MCW######### | 13 | The Taxpayer's withholding account number (if available). If you do not know this, leave this field blank. |
| * | Separator | * | 1 | The asterisk * identifies this field as a separator. |
| 6 | Withholding Account Type | SHW or MCW | 3 | The Tax type the payment is for (See Appendix A) |
| * | Separator | * | 1 | The asterisk * identifies this field as a separator. |
| 7 | Tax Period End Date | YYMMDD | 6 | Indicates the tax period for which the payment is being made. It should always be the last day of the tax period (the quarter or year), not the due date for the return. The tax period will always be six characters long. The format is Year, Month, Day (YYMMDD). |
| * | Separator | * | 1 | The asterisk * identifies this field as a separator. |
| 8 | Amount Type Code | T | 1 | Must be a T to indicate that the payment is a tax payment. |
| * | Separator | * | 1 | The asterisk * identifies this field as a separator. |
| 9 | Payment Amount | $$$$$$$CC | Variable | Refers to the amount transferred and can be up to ten digits in length. There is no decimal point; the last two digits are always read as cents. (For example, 1100100 is $11,001.00.) Do not include edit characters. This field contains numeric data only. Remember the amount field is variable in length. |
| 10 | Separator | * | 1 | The asterisk * identifies this field as a separator. |
| 11 | Segment Terminator | \ | 1 | Must be a \ to identify it as terminating the information. |

## Appendix A: ACH Credit Withholding Tax Type Codes

| Tax Type | Tax Code |
|---|---|
| **Metro Supportive Housing Withholding Tax** | SHW |
| **Multnomah County Preschool for All Withholding Tax** | MCW |

Note: Currently ACH Credits are only supported for Withholding taxes and are the recommended format for Bulk filing providers.