



South Carolina Sales XML Program

Implementation Guide for Software Development

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Overview

The South Carolina Department of Revenue (SCDOR) uses an XML schema set for e-filing Sales Tax returns through our Sales XML Program. The program follows standards developed under the sponsorship of the Federation of Tax Administrators (FTA).

A **schema** is an XML document that describes the content and formatting of another XML document. A **schema set** is a collection of related schemas used together to create a complete XML document specification. You are required to develop your software product in accordance with SC Sales XML schema set available on the SCDOR's Software Developer's website at dor.sc.gov/sales-tax-xml-dev.

The SCDOR partners with a Value Added Network (VAN), Baca Stein White and Associates (BSWA), to process Sales XML filings. Sales XML files are uploaded directly to BSWA. To participate in the SCDOR's Sales XML Program, you must first submit an application to our office and undergo a testing and certification process. Review the Testing Procedures section beginning on page 2 of this document for more details.

Taxpayers have two payment options available as part of their XML filing for the Sales XML program – ACH Debit and ACH Credit.

- ACH Debit – The software you develop is required to capture the taxpayer's banking information within the XML document. From the XML, BSWA builds an ACH record and transmits it to the SCDOR's bank. The bank originates the transaction, while BSWA translates the XML and transmits the return and payment record to the SCDOR.
- ACH Credit – The software you develop is required to code the XML document to indicate the use of ACH Credit. The taxpayer must be advised to instruct their bank to initiate their ACH Credit payment to the SCDOR. Upon receipt of the XML, BSWA translates the XML and transmits the return to the SCDOR.

The SCDOR's Sales XML Program accepts e-filed returns for the ST-3, ST-388, and ST-455 along with their applicable schedules. Taxpayers cannot file amended returns through the Sales XML program at this time. If you need to submit an amended return, visit our free online tax portal, MyDORWAY, at MyDORWAY.dor.sc.gov.

Application & Testing

Application Process

Email a completed **D-138, Software Developer Application** to the SCDOR at **XML@dor.sc.gov**. By submitting a completed application, you agree to meet the SCDOR's standards for software development and certification. Developers should stay up to date on all information regarding South Carolina's Sales Tax, including but not limited to local taxes and deductions. Complete information is available at dor.sc.gov/sales-and-use.

The SCDOR may deny your application, remove your organization as an approved software vendor, or reject all electronic returns that were submitted using your products if you fail to meet both the registration and certification requirements for the Sales XML Program.

Testing Procedures

The SCDOR requires you to certify your software with our agency using our testing procedures prior to the release of your software to South Carolina taxpayers. After your application has been approved and you have developed your software using the SC Sales XML schema package, you are ready to test. Contact the SCDOR at **XML@dor.sc.gov** to begin the testing process.

Important Information for Testing

- The SCDOR will contact BSWA to authorize a Software Vendor ID that you will use for testing purposes. The assignment of a unique Software Vendor ID is critical to our processes.
- Once you receive your Software Vendor ID, contact BSWA at **bswa_all@bswa.com** to register for your transmission method.
 - You're required to register a Secure File Transfer Protocol (SFTP) with BSWA if your software will be designed to transmit XML filings in bulk on behalf of your clients.
 - You may use a SecureNet registration with BSWA if your software will be designed for clients/users to receive their XML from you and submit it themselves, directly to BSWA. SecureNet may also be used if you are designing software for your company's individual use.
- The SCDOR will provide a test package to you with sample returns common to taxpayers of South Carolina. When you have prepared your test returns, upload them directly to BSWA. You will receive a response from BSWA within 48 hours of your upload. The response method will depend on your BSWA registration.
 - SFTP Registrations will receive confirmations within your assigned BSWA SFTP folder.
 - SecureNet Registrations will receive an acknowledgement email and an email to review the manifest. See the **BSWA SecureNet Guide**, available at dor.sc.gov/sales-tax-xml-dev for additional assistance.
- If you cannot upload your file to BSWA, email **bswa_all@bswa.com** or call 1-281-342-2646 for additional support. All other questions should be directed to **XML@dor.sc.gov**.

Our team will work with you through the testing process and notify you of your results. Files are pulled each business day, translated, and sent to the SCDOR for review. Once you have submitted your files to BSWA, notify the SCDOR at **XML@dor.sc.gov**. This helps our team actively monitor and review your test files. Continued testing is often required.

Technical Specifications

Requirements

Technical specifications for the SCDOR's Sales XML Program are detailed within the schema set available on the SCDOR's Software Developers website. Visit dor.sc.gov/sales-tax-xml-dev to obtain South Carolina's:

- Sales XML Schema Set
- Sales XPath Document

An **XPath** is an expression language designed to support the query or transformation of XML documents. It helps you navigate the XML structure. For line item detail mapping between the South Carolina tax forms and the schemas, including various edits and notes, see the Sales XPath Document within the Sales XML Software Developers Package.

The Sales XML Schema Set includes multiple folders detailing requirements on different parts of the schema set.

- Common – contains schema files designed by the FTA that are common among all state Full Electronic Return (FER) programs
- ExtendedCommon – contains additional common schema files created for state FER programs by the FTA
- FER – contains state-specific return schema files
- SCCommon – contains common schema files applicable to South Carolina
 - Wherever deductions are taken, the type of deduction must be coded from the enumerated list present in the published SC Common schema.

XML Structure Overview

The schema set includes three different sales tax forms, each with their own Transmission, ReturnState and ReturnDataState.

1. ST-3 with ST-389 (optional)
2. ST-388 with ST-3T (required) and ST-389 (optional)
3. ST-455 with ST-593 (required) and ST-389 (optional)

The **TransmissionHeader** identifies the Transmitter by:

1. Giving the primary taxpayer identification for the entire transmission, including all separate retail returns,
2. Assigning a unique identifying number to the particular transmission,
3. Indicating “Test” or “Production” status, and
4. Including a return count for the transmission.

The **ReturnState** schema is the actual return, which can occur multiple times in the transmission, and is made up of four elements.

1. The SubmissionID data field is a unique identifying number assigned to each return in the transmission by the software creating the return.
2. The ReturnHeaderState schema contains “top of the form” information such as the filing jurisdiction (South Carolina), period covered, return preparer (if not the taxpayer), and identifying data for the taxpayer.
3. The ReturnDataState schema contains the actual Sales Tax form data.
4. The FinancialTransaction schema contains the data fields necessary for either an ACH debit or credit payment.

Depending on your XML viewer or application, you should be able to access diagrams that depict the overall structure of the schema. Use the schema set and XPath document to develop your product accordingly.

Additional Software Guidance

The SC Sales XML Schema Set shows most of your XML requirements. For example, all data elements of type USDecimalAmountNN must be numeric and non-negative, all data elements of type DateType must be valid dates in MMDDYY format, and all codes must be from the lists given. However, additional edits required by the SCDOR are listed below.

- **Return Figures:** All dollar fields must be numeric and in dollars and cents, with the period entered between dollars and cents amounts.
 - Rounding and negative figures are never allowed.
 - Local taxable sales can never exceed State taxable sales.
- **Deductions:** In any of the tax form schemas, the sum of the DeductAmount (deductions) as given in the TotalDeductAmount field cannot be greater than the amount of gross proceeds as shown in the TotalGrossProceeds field.
 - You must use valid deduction codes found within the schema. An additional resource for deduction codes with effective dates can also be found on MyDORWAY.
- **Local Tax Codes:** The table of valid County and Municipality and jurisdictional codes is located in the **ST-389 Instructions**, available at dor.sc.gov/forms. Use current year instructions. The taxpayer must be able to report Local Option Sales Tax under the County codes **OR** the Municipality codes.
 - Local Option Sales Tax should be reported under the Municipality's 4-digit code if the goods being delivered are being delivered within a Municipality.
 - If goods are being delivered to a location not located within a Municipality, sales would be reported under the County's 4-digit code.
- **Taxpayer's Discount:** A taxpayer's discount may be claimed for filing an ST-3, ST-388, or ST-455 return on time when the taxes due on the return are paid in full and by the due date. **No discount** is allowed if the return or payment is received after the due date. Refer to the ST-3 Instructions, available at dor.sc.gov/forms, for information on how to calculate the Taxpayer's Discount. The discount for the ST-388 and ST-455 is computed using the same logic found in the ST-3 Instructions.
- **ACH Debit Warehousing:** The SCDOR provides a warehousing capability for debit taxpayers. To utilize warehousing, RequestedPaymentDate must be a date greater than the projected date of transmission. If not, BSWA will default to next banking day for settlement.
- **Error Messages:** It is critical that software programs be capable of translating error messages into user-friendly language for correction purposes. If codes are not translated within the software, taxpayers will be referred to software developers for translation of any error messages.

Production

Once you have successfully completed the testing process, the SCDOR will issue a Certification Notice that includes your authorized Production Software Vendor ID. At that time, you can make your software available for taxpayer use.

If your software is designed for clients/users to submit their XML files directly to BSWA through SecureNet, provide users with the **BSWA SecureNet Guide** found dor.sc.gov/sales-tax-xml-dev.

Developers are responsible for staying up to date on all information regarding South Carolina Sales Tax, including but not limited to local tax and deduction changes. Visit dor.sc.gov/sales-and-use for important notices, updates, and information on Sales Tax.

The SCDOR reserves the right to suspend certifications and require retesting of your software any time we identify significant errors as a result of your product. This could result in the rejection of all electronic returns submitted using your products.

Who to contact?

- For general questions or support, contact the SCDOR at **XML@dor.sc.gov** or **803-896-1715**.
 - When troubleshooting client/user issues, determine if BSWA's manifest indicates an Accepted return for the client. Provide a copy of the applicable manifest along with the BSWA File Trace number to the SCDOR for review if you need assistance researching transmitted returns.
- If you cannot upload a file to BSWA, email their office at **bswa_all@bswa.com**.

Software Updates

Any time there is a change to the SC Sales XML Schema Set, the SCDOR will notify you, and you will be required to recertify with our agency. In these instances, you must submit an updated D-138 application, and testing will be required to ensure your software meets the latest SC schema version.

You must also notify the SCDOR of independent version changes to your software by resubmitting a D-138 application and selecting the appropriate designation. You may be required to undergo additional testing with the SCDOR to ensure accuracy and reliability for your users.