



Colorado Sales & Use Tax Software System (SUTS) Operating Procedures

Definition of Terms:

- ACH = Automated Clearing House (e-check)
- NACHA = National Automated Clearing House Association is the regulating body that oversees ACH Rules and Regulations.
- VCI = VeriCheck

Daily Settlement Process

1. Taxpayer Payment is deposited into MUNIRevs SUTS escrow account.
 - a. Each tax remittance and payment is marked with a local jurisdiction ID to produce tax returns and settlements to jurisdictions.
 - b. Commercial Account Controls prohibit all withdrawals from the account except to fund outgoing ACH credits to local jurisdictions.
2. SUTS automatically reviews taxpayer payments for settlement.
 - a. System uses NACHA settlement rules (i.e. three days for ACH Debit).
3. SUTS automatically creates a batch of all tax returns to be settled to the jurisdiction.
4. SUTS automatically initiates the ACH Credit for the batch in #3 above and transmits to each jurisdiction.
5. Home Rule Jurisdiction can log into MUNIRevs SUTS to download the tax returns that match the ACH Credit Payment received.
 - a. Can be downloaded via PDF or Excel for import into external systems of record that are not directly integrated into SUTS.

ACH Returns and Credit Card Chargebacks

Dispute Process:

- All unauthorized returns come into VCI as Proof of Authorization (POA) Requests from the bank.
- Per NACHA rules, customers have 60 days after the date of the originating transaction to make the claim that the transaction is unauthorized.
- This POA request must be responded to in 10 business days from the time it is received by processor.
- MUNIRevs receives notice from the processor, pulls the affidavit on the tax form including the language authorizing payment; and sends it to the processor.
- Notice is given concurrently to the appropriate jurisdictions when the rebuttal is sent to the processor.
- Jurisdictions will pay applicable amounts back to the SUTS System within five banking days of notification of return.