

Instructions for Payments of Essential Services Assessment (ESA) Using Electronic Funds Transfer (EFT) Credit

If you selected Electronic Funds Transfer (EFT) Credit as the method of payment for ESA, please provide a copy of the procedure ([FORM 2329](#)) to your EFT provider or financial institution to ensure proper formatting of EFT credit payments made to the Michigan Department of Treasury- ESA unit. Many financial institutions require at least 24 hours advance notice before a transmission is completed. Make sure to contact your financial institution for proper lead times and specific deadlines to ensure a timely payment is received by Treasury either on or before the due date.

An eligible claimant is required to make electronic payment in full via MTO, Electronic Funds Transfer (EFT) credit, or e-File by August 15th. Statute does not allow payments of ESA liability or late payment penalty to be mailed to the Department of Treasury. An eligible claimant who fails to submit a certified electronic *Statement* and pay the ESA tax in full via MTO, EFT, or e-File by August 15th shall be subject to late payment penalty at a rate of 3% per month, up to a maximum of 27%, of the total amount due and unpaid. For an eligible claimant's first assessment year, the penalty shall be waived if the *Statement* and full payment are submitted by September 15th. An eligible claimant can pay the ESA tax by using MTO or Electronic Funds Transfer (EFT) credit with late payment penalty no later than April 15th of the year following the assessment year. Eligible claimants who fail to submit a certified *Statement* and pay ESA in full, including any late payment penalties by April 15th of the year following the assessment year via MTO or e-file shall be subject to rescission of their personal property tax exemption.

ESA EFT/ACH Credit Codes

- Tax Type Code: 02045
- Routing Transit Number (JP Morgan Chase): 072000326
- Financial Institution Account Number: 754037133
- Debit Blocker/Company ID: 9037133001
 - *Some financial institutions offer a "Debit Blocking" or "Debit Filtering" service to prevent unauthorized debits (withdrawals) from an account. If an account has a debit block or filter, any unauthorized debit transactions will not be processed. The taxpayer needs to contact their financial institution and have the ACH transaction identified with the Company ID 9037133001 authorized to debit the account. Failure to make these arrangements may result in payment request being rejected by the financial institution.*

Michigan CCD+ Addenda Record Format

- The Michigan Department of Treasury (Treasury) requires the use of the ACH Cash Concentration and Disbursement Plus (CCD+) format for EFT Credit payments. The plus (of the CCD+) represents the Addenda Record used to transmit your payment information. In an effort to provide greater uniformity to multi-state payers, this addenda record format further follows the TXP convention recommended by the Federation of Tax Administrators. When creating the payment file, this record must be formatted according to the Michigan CCD+ TXP Addenda Format specifications. See [Form 5329, Page 2](#) for additional details.

EXAMPLES OF PROPERLY FORMATTED ADDENDA RECORDS

Example 1: You are ABC Manufacturing Inc. (FEIN 12-3456789) and are making an ESA payment, for 2021, in the amount of \$15,000.00.

- The Addenda Record should be:
 - TXP*123456789*02045*211231*T*1500000\
 - Addenda Record always starts with "TXP", follow by a "*", then FEIN
 - "02045" is ESA Tax Code
 - "211231" is tax year 2021
 - 2022 will be "221231"
 - "T" means Tax

Example 2: You are ABC Manufacturing Inc. (FEIN 12-3456789) are making a late ESA payment, for 2021, in the amount of \$19,050.00 (\$15,000 tax liability plus 27% late payment penalty) on April 3rd, 2022. The tax amount is \$15,000.00 and the late payment penalty amount is \$4,050.00.

- The Addenda Record should be:
 - TXP*123456789*02045*211231*T*1500000*P*405000\
 - "P" means Penalty

For additional ESA information, links to statutes, forms, and to sign up for the ESA List Serv, please visit www.michigan.gov/esa. If you have any questions, contact the Essential Services Assessment Unit at ESAQuestions@michigan.gov or 517-241-0310.