



STATE OF NORTH CAROLINA

Department of Revenue

Invitation for Bid #: 45-PR12563224

North Carolina Withholding Coupon Booklets

Date Issued: June 27, 2023

Bid Opening Date: July 27, 2023

At 2:00 PM ET

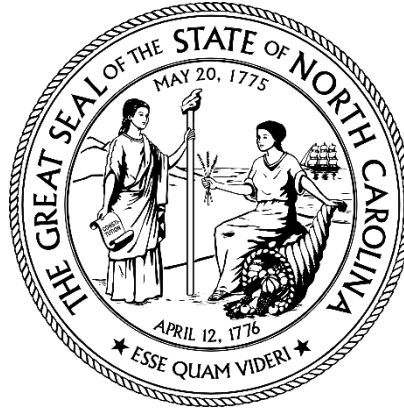
Direct all inquiries concerning this IFB to:

Kaycee D. Benson

Procurement Specialist

Email: DORProcurement@ncdor.gov

Phone: 919-814-1051



STATE OF NORTH CAROLINA

Invitation for Bids

45-PR12563224

For internal State agency processing, including tabulation of bids, provide your company's eVP (Electronic Vendor Portal) Number. Pursuant to G.S. 132-1.10(b) this identification number shall not be released to the public. **This page will be removed and shredded, or otherwise kept confidential**, before the procurement file is made available for public inspection.

This page shall be filled out and returned with your bid.
Failure to do so may subject your bid to rejection.

Vendor Name

Vendor eVP#

Note: For a contract to be awarded to you, your company (you) must be a North Carolina registered vendor in good standing. You must enter the vendor number assigned through eVP (Electronic Vendor Portal). If you do not have a vendor number, register at <https://vendor.ncgov.com/vendor/login>

STATE OF NORTH CAROLINA
Department of Revenue

Refer <u>ALL</u> Inquiries regarding this IFB to: The procurement lead through the Message Board in the Sourcing Tool. See section 2.5 for details:	Invitation for Bids # 45-PR12563224
	Bids will be publicly opened: July 27, 2023 @ 2:00 PM ET
Using Agency: Revenue	Commodity No. and Description: 141118 – Business Use Papers
Requisition No.: PR12563224	

EXECUTION

In compliance with this Invitation for Bids (IFB), and subject to all the conditions herein, the undersigned Vendor offers and agrees to furnish and deliver any or all items upon which prices are bid, at the prices set opposite each item within the time specified herein.

By executing this bid, the undersigned Vendor understands that false certification is a Class I felony and certifies that:

- this bid is submitted competitively and without collusion (G.S. 143-54),
- that none of its officers, directors, or owners of an unincorporated business entity has been convicted of any violations of Chapter 78A of the General Statutes, the Securities Act of 1933, or the Securities Exchange Act of 1934 (G.S. 143-59.2), and
- it is not an ineligible Vendor as set forth in G.S. 143-59.1.

Furthermore, by executing this bid, the undersigned certifies to the best of Vendor's knowledge and belief, that:

- it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal or State department or agency.

As required by G.S. 143-48.5, the undersigned Vendor certifies that it, and each of its sub-Contractors for any Contract awarded as a result of this IFB, complies with the requirements of Article 2 of Chapter 64 of the NC General Statutes, including the requirement for each employer with more than 25 employees in North Carolina to verify the work authorization of its employees through the federal E-Verify system.

As required by Executive Order 24 (2017), the undersigned vendor certifies will comply with all Federal and State requirements concerning fair employment and that it does not and will not discriminate, harass, or retaliate against any employee in connection with performance of any Contract arising from this solicitation.

G.S. 133-32 and Executive Order 24 (2009) prohibit the offer to, or acceptance by, any State Employee associated with the preparing plans, specifications, estimates for public Contract; or awarding or administering public Contracts; or inspecting or supervising delivery of the public Contract of any gift from anyone with a Contract with the State, or from any person seeking to do business with the State. By execution of this bid response to the IFB, the undersigned certifies, for Vendor's entire organization and its employees or agents, that Vendor are not aware that any such gift has been offered, accepted, or promised by any employees or agents of Vendor's organization.

By executing this bid, Vendor certifies that it has read and agreed to the **INSTRUCTION TO VENDORS** and the **NORTH CAROLINA GENERAL TERMS AND CONDITIONS incorporated below**. These documents can be accessed from the Ariba Sourcing Tool.

Failure to execute/sign bid prior to submittal may render bid invalid and it MAY BE REJECTED. Late bids cannot be accepted.

COMPLETE/FORMAL NAME OF VENDOR:		
STREET ADDRESS:	P.O. BOX:	ZIP:
CITY & STATE & ZIP:	TELEPHONE NUMBER:	TOLL FREE TEL. NO:
PRINCIPAL PLACE OF BUSINESS ADDRESS IF DIFFERENT FROM ABOVE (SEE INSTRUCTIONS TO VENDORS ITEM #21):		
PRINT NAME & TITLE OF PERSON SIGNING ON BEHALF OF VENDOR:		FAX NUMBER:
VENDOR'S AUTHORIZED SIGNATURE:	DATE:	E-MAIL:

Bid Number: 45-PR12563224

Vendor: _____

VALIDITY PERIOD

Offer shall be valid for at least sixty (60) days from date of bid opening, unless otherwise stated here: _____ days, or if extended by mutual agreement in writing of the parties. Any withdrawal of this offer shall be made in writing, effective upon receipt by the agency issuing this IFB.

BID ACCEPTANCE

If your bid is accepted, all provisions of this IFB, along with the written results of any negotiations, shall constitute the written agreement between the parties ("Contract"). The NORTH CAROLINA GENERAL TERMS AND CONDITIONS are incorporated herein and shall apply. Depending upon the Goods or Services being offered, other terms and conditions may apply, as mutually agreed.

FOR STATE USE ONLY: Offer accepted and Contract awarded this _____, as indicated
on the attached certification, by _____

(Authorized Representative of Department of Revenue)

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1.0 PURPOSE AND BACKGROUND

The purpose of this Invitation for Bids (IFB) is to obtain offers from qualified Vendors to establish an Agency Specific Term Contract(s) for the purpose of providing the North Carolina Department of Revenue (NCDOR) with Monthly and Quarterly Tax Withholding Coupon Books (identified herein as Lot #1) and Semiweekly Tax Withholding Coupon Books (identified herein as Lot #2) per the detailed specifications that follow.

Background: The North Carolina Department of Revenue, Submissions Processing Division, is responsible for processing tax payer's payment submissions. The division distributes tax withholding coupon booklets to tax payers who do not wish to file their taxes electronically. This option allows tax payers to receive a coupon booklet containing withholding returns and payment vouchers that can be completed allowing withholding taxpayers to accurately file with paper.

1.1 CONTRACT TERM

The Contract shall have an initial term of thirty (30) months beginning on the date of final Contract execution (the "Effective Date").

- a) The first (1st) term of the contract shall be effective upon date of execution through December 31, 2024.
- b) The second (2nd) term of the contract shall be for twelve (12) consecutive months commencing on January 1, 2025, through December 31, 2025.

At the end of the Contract's initial term, the State shall have the option, in its sole discretion, to renew the Contract on the same terms and conditions for up to two (2) additional one-year terms. The State will give the Vendor written notice of its intent to exercise each option no later than ninety (90) days before the end of the Contract's then-current term. In addition, the State reserves the right to extend a contract term after the last active term.

Bids shall be submitted in accordance with the terms and conditions of this IFB and any addenda issued hereto.

2.0 GENERAL INFORMATION

2.1 INVITATION FOR BID DOCUMENT

The IFB is comprised of the base IFB document, any attachments, and any addenda released before Contract award, which are incorporated herein by reference.

2.2 E-PROCUREMENT FEE

ATTENTION: This is an NC eProcurement solicitation facilitated by the Ariba Network. The E-Procurement fee may apply to this solicitation. See paragraph entitled ELECTRONIC PROCUREMENT of the North Carolina General Terms and Conditions.

General information on the E-Procurement Services can be found at: <http://eprocurement.nc.gov/>.

What is the Ariba Network?

The Ariba Network is a web-based platform that serves as a connection point for buyers and vendors. Vendors can log in to the Ariba Network to view purchase orders, respond to electronic requests for quotes, participate in Sourcing Events, and collaborate with buyers on contract documents.

For training on how to use the Sourcing Tool to view solicitations, submit questions, develop responses, upload documents, and submit offers to the State, Vendors should go to the following site: <http://eprocurement.nc.gov/training/vendor-training>.

2.3 NOTICE TO VENDORS REGARDING IFB TERMS AND CONDITIONS

It shall be the Vendor's responsibility to read the Instructions to Vendors, the North Carolina General Terms and Conditions, all relevant exhibits and attachments, and any other components made a part of this IFB and comply with all requirements and specifications herein. Vendors also are responsible for obtaining and complying with all Addenda and other changes that may be issued in connection with this IFB.

If Vendors have questions, or issues regarding any component within this IFB, those must be submitted as questions in accordance with the instructions in the BID QUESTIONS Section. If the State determines that any changes will be made as a result of the questions asked, then such decisions will be communicated in the form of an IFB addendum. The State may also elect to leave open the possibility for later negotiation and amendment of specific provisions of the Contract that have been addressed during the question-and-answer period.

Other than through the process of negotiations under 01 NCAC 05B.0503, the State rejects and will not be required to evaluate or consider any additional or modified terms and conditions submitted with Vendor's bid. This applies to any language appearing in or attached to the document as part of the Vendor's bid that purports to vary any terms and conditions or Vendors' instructions herein or to render the bid non-binding or subject to further negotiation. Vendor's bid shall constitute a firm offer that shall be held open for the period required herein ("Validity Period" above).

The State may exercise its discretion to consider Vendor proposed modifications. By execution and delivery of this IFB Response, the Vendor agrees that any additional or modified terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect, and will be disregarded unless expressly agreed upon through negotiations and incorporated by way of a Best and Final Offer (BAFO). Noncompliance with, or any attempt to alter or delete, this paragraph shall constitute sufficient grounds to reject Vendor's bid as nonresponsive.

2.4 IFB SCHEDULE

The table below shows the *intended* schedule for this IFB. The State will make every effort to adhere to this schedule.

Event	Responsibility	Date and Time
Issue IFB	State	June 27, 2023
Submit Written Questions	Vendor	July 10, 2023 @ 2:00 PM ET
Provide Responses to Questions	State	July 14, 2023
Submit Bids	Vendor	July 27, 2023 @ 2:00 PM ET
Contract Award	State	Mid August 2023

2.5 BID QUESTIONS

Upon review of the IFB documents, Vendors may have questions to clarify or interpret the IFB in order to submit the best bid possible. To accommodate the Bid Questions process, Vendors shall submit any such questions by the "Submit Written Questions" date and time provided in the IFB SCHEDULE Section above, unless modified by Addendum.

Questions related to the content of the solicitation, or the procurement process should be directed to the person on the title page of this document via the Sourcing Tool's message board by the date and time specified in the IFB SCHEDULE Section of this IFB. Vendors will enter "**IFB #45-PR12563224 – Questions**" as the subject of the message. Question submittals should include a reference to the applicable IFB section. This is the only manner in which questions will be received.

Questions or issues related to using the Sourcing Tool itself can be directed to the North Carolina eProcurement Help Desk at 888-211-7440, Option 2. Help Desk representatives are available Monday through Friday from 7:30 AM ET to 5:00 PM ET.

Questions received prior to the submission deadline date, the State's response, and any additional terms deemed necessary by the State will be posted in the Sourcing Tool in the form of an addendum and shall become an Addendum to this IFB. No information, instruction or advice provided orally or informally by any State personnel, whether made in response to a question or otherwise in connection with this IFB, shall be considered authoritative or binding. Vendors shall rely *only* on written material contained in an Addendum to this IFB.

2.6 BID SUBMITTAL

IMPORTANT NOTE: This is an absolute requirement. Late bids, regardless of cause, will not be opened or considered, and will be automatically disqualified from further consideration. Vendor shall bear the sole risk of late submission due to unintended or unanticipated delay. It is the Vendor's sole responsibility to ensure its bid has been received as described in this IFB by the specified

time and date of opening. Failure to submit a bid in strict accordance with instructions provided shall constitute sufficient cause to reject a Vendor's bid(s). Solicitation responses are subject to Sealed Bidding requirements.

Vendor's bids for this procurement must be submitted through the Sourcing Tool. For training on how to use the Sourcing Tool to view solicitations, submit questions, develop responses, upload documents, and submit offers to the State, Vendors should go to the following site: <https://eprocurement.nc.gov/training/vendor-training>

Questions or issues related to using the Sourcing Tool itself can be directed to the North Carolina eProcurement Help Desk at 888-211-7440, Option 2. Help Desk representatives are available Monday through Friday from 7:30 AM EST to 5:00 PM EST.

Tips for Using the Sourcing Tool

1. Vendors should review available training and confirm that they are able to access the Sourcing Event, enter responses, and upload files well in advance of the date and time response are due to allow sufficient time to seek assistance from the North Carolina eProcurement Help Desk.
2. Vendors may submit their responses early to make sure there are no issues, and then submit a revised response any time prior to the response due date and time. The State will only review the most recent response.
3. Vendors should respond to all relevant sections of the Sourcing Event. Certain questions or items are required in order to submit a response and are denoted with an asterisk. The Sourcing Tool will not allow a response to be submitted unless all required items are completed. The Sourcing Tool will provide error messages to help identify any required information that is missing when response is submitted.
4. Simply saving your response in the Sourcing Tool is not the same as submitting your response to the State. Vendors should make sure they complete the submission process and receive a message that their response was successfully submitted.

2.7 BID CONTENTS

Vendors shall provide responses to all questions and complete all attachments for this IFB that require the Vendor to provide information and upload them to the Sourcing Event in the Sourcing Tool. Vendor may not be able to submit its response in the Sourcing Tool unless all required items are addressed. Vendors shall provide authorized signatures where requested. Failure to provide all required items, or Vendor's submission of incomplete items, may result in the State rejecting Vendor's bid, in the State's sole discretion.

Vendors shall upload the following items and attachments in the Sourcing Tool:

- a) Completed and signed version of EXECUTION PAGES, including the body of the IFB. All IFB pages must be uploaded to the NCEP Sourcing Event. Failure to upload all pages of the IFB and/or to sign the Execution Page, shall result in a non-responsive bid.
- b) Signed receipt pages of any addenda released in conjunction with this IFB, if required to be returned.
- c) Vendor to respond within document: Sections 4.5, 4.8, 5.1, 5.2 and 6.1
- d) Completed version of ATTACHMENT A: PRICING FORM
- e) ATTACHMENT B: INSTRUCTION TO VENDORS
- f) ATTACHMENT C: NORTH CAROLINA STATE GENERAL TERMS AND CONDITIONS
- g) Completed and signed version of ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION
- h) Completed and signed version of ATTACHMENT E: CUSTOMER REFERENCE FORM
- i) Completed and signed version of ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR
- j) Completed and signed version of ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION
- k) Completed and signed version of ATTACHMENT H: VENDOR REQUEST FOR EO50 PRICE-MATCHING, if applicable
- l) ATTACHMENT I: IRS PUB 1075, EXHIBIT 7

m) ATTACHMENT J: SAMPLE ART WORK

2.8 ALTERNATE BIDS

Unless provided otherwise in this IFB, Vendor may submit alternate bids for comparable Goods, various methods or levels of Service(s), or that propose different options. Alternate bids must specifically identify the IFB requirements and advantage(s) addressed by the alternate bid. Each bid must be for a specific set of Goods and Services and must include specific pricing. Each bid must be complete and independent of other bids offered. If a Vendor chooses to respond with various offerings, Vendor shall follow the specific instructions for uploading Alternate Bids in the Sourcing Tool

3.0 METHOD OF AWARD AND BID EVALUATION PROCESS

3.1 METHOD OF AWARD

North Carolina G.S. 143-52 provides a general list of criteria the State shall use to award contracts, as supplemented by the additional criteria herein. The Goods or Services being procured shall dictate the application and order of criteria; however, all award decisions shall be in the State's best interest.

All responsive bids will be reviewed, and award or awards will be based on the responsive bid(s) offering the lowest price that meets the specifications provided herein, to include any required verifications set out herein such as but not limited to past performance, references, and financial documents.

While the intent of this IFB is to award a Contract(s) to a single Vendor for all line items, the State reserves the right to make separate awards to different Vendors for one or more line items, to not award one or more line items or to cancel this IFB in its entirety without awarding a Contract, if it is considered to be most advantageous to the State to do so.

If a Vendor selected for award is determined by the State to be a non-resident of North Carolina, all responsive bids will be reviewed to determine if any of them were submitted by a North Carolina resident Vendor who requested an opportunity to match the price of the winning bid, pursuant to Executive Order #50 and G.S. 143-59 (for more information, please refer to ATTACHMENT H: VENDOR REQUEST FOR EXECUTIVE ORDER #50 PRICE MATCHING. If such bid(s) are identified, the State will then determine whether any such bid falls within the price-match range, and, if so, make a Contract award in accordance with the process that implements G.S. 143-59 and Executive Order #50.

The State reserves the right to waive any minor informality or technicality in bids received.

3.2 CONFIDENTIALITY AND PROHIBITED COMMUNICATIONS DURING EVALUATION

While this IFB is under evaluation, the responding Vendor, including any subcontractors and suppliers, is prohibited from engaging in conversations intended to influence the outcome of the evaluation. See the Paragraph of the Instructions to Vendors entitled COMMUNICATIONS BY VENDORS.

Each Vendor submitting a bid to this IFB, including its employees, agents, subcontractors, suppliers, subsidiaries and affiliates, is prohibited from having any communications with any person inside or outside the using agency; issuing agency; other government agency office or body (including the purchaser named above, any department secretary, agency head, members of the General Assembly and Governor's office); or private entity, if the communication refers to the content of Vendor's proposal or qualifications, the content of another Vendor's proposal, another Vendor's qualifications or ability to perform a resulting contract, and/or the transmittal of any other communication of information that could be reasonably considered to have the effect of directly or indirectly influencing the evaluation of proposals, the award of a contract, or both.

Any Vendor not in compliance with this provision shall be disqualified from evaluation and award. A Vendor's proposal may be disqualified if its subcontractor and/or supplier engage in any of the foregoing communications during the time that the procurement is active (*i.e.*, the issuance date of the procurement until the date of contract award or cancellation of the procurement). Only those discussions, communications or transmittals of information authorized or initiated by the issuing agency for this IFB or inquiries directed to the purchaser named in this IFB regarding requirements of the IFB (prior to proposal submission) or the status of the award (after submission) are excepted from this provision.

3.3 BID EVALUATION PROCESS

Only responsive submissions will be evaluated.

The State will conduct an evaluation of responsive Bids, as follows:

Bids will be received according to the method stated in the Bid Submittal section above.

All bids must be received by the issuing agency not later than the date and time specified in the IFB SCHEDULE Section above, unless modified by Addendum. Vendors are cautioned that this is a request for offers, not an offer or request to contract, and the State reserves the unqualified right to reject any and all offers at any time if such rejection is deemed to be in the best interest of the State.

At the date and time provided in the IFB SCHEDULE Section above, unless modified by Addendum, the bids from each responding Vendor will be opened publicly and all offers (except those that have been previously withdrawn, or voided bids) will be tabulated. The tabulation shall be made public at the time it is created. When negotiations after receipt of bids is authorized pursuant to G.S. 143-49 and 01 NCAC 05B.0503, only the names of offerors and the Goods and Services offered shall be tabulated at the time of opening. Cost and price shall become available for public inspection at the time of the award. Interested parties are cautioned that these costs and their components are subject to further evaluation for completeness and correctness and therefore may not be an exact indicator of a Vendor's pricing position.

At their option, the evaluators may request oral presentations or discussions with any or all Vendors for clarification or to amplify the materials presented in any part of the bid. Vendors are cautioned, however, that the evaluators are not required to request presentations or other clarification—and often do not. Therefore, all bids should be complete and reflect the most favorable terms available from the Vendor. Prices bid cannot be altered or modified as part of a clarification.

Bids will generally be evaluated, based on completeness, content, cost, and responsibility of the Vendor to supply the requested Goods and Services. Specific evaluation criteria are listed in Section 3.1 METHOD OF AWARD.

Upon completion of the evaluation process, the State will make Award(s) based on the evaluation and post the award(s) to IPS under the IFB number for this solicitation. Award of a Contract to one Vendor does not mean that the other bids lacked merit, but that, all factors considered, the selected bid was deemed most advantageous and represented the best value to the State.

The State reserves the right to negotiate with one or more Vendors, or to reject all original offers and negotiate with one or more sources of supply that may be capable of satisfying the requirement, and in either case to require Vendor to submit a Best and Final Offer (BAFO) based on discussions and negotiations with the State.

3.4 PERFORMANCE OUTSIDE THE UNITED STATES

Vendor shall complete ATTACHMENT F: LOCATION OF WORKERS UTILIZED BY VENDOR. In addition to any other evaluation criteria identified in this IFB, the State may also consider, for purposes of evaluating proposed or actual contract performance outside of the United States, how that performance may affect the following factors to ensure that any award will be in the best interest of the State:

- a) Total cost to the State
- b) Level of quality provided by the Vendor
- c) Process and performance capability across multiple jurisdictions
- d) Protection of the State's information and intellectual property
- e) Availability of pertinent skills
- f) Ability to understand the State's business requirements and internal operational culture
- g) Particular risk factors such as the security of the State's information technology
- h) Relations with citizens and employees
- i) Contract enforcement jurisdictional issues

3.5 INTERPRETATION OF TERMS AND PHRASES

This IFB serves two functions: (1) to advise potential Vendors of the parameters of the solution being sought by the State; and (2) to provide (together with other specified documents) the terms of the Contract resulting from this procurement. The use of phrases such as “shall,” “must,” and “requirements” are intended to create enforceable contract conditions. In determining whether bids should be evaluated or rejected, the State will take into consideration the degree to which Vendors have proposed or failed to propose solutions that will satisfy the State’s needs as described in the IFB. Except as specifically stated in the IFB, no one requirement shall automatically disqualify a Vendor from consideration. However, failure to comply with any single requirement may result in the State exercising its discretion to reject a bid in its entirety.

4.0 REQUIREMENTS

This Section lists the requirements related to this IFB. By submitting a bid, the Vendor agrees to meet all stated requirements in this Section, as well as any other specifications, requirements, and terms and conditions stated in this IFB. If a Vendor is unclear about a requirement or specification or believes a change in a requirement would allow for the State to receive a better bid, the Vendor is encouraged to submit these items in the form of a question during the question and answer period in accordance with the Bid Questions Section above.

4.1 PRICING

Bid price shall constitute the total cost to the State for delivery fully assembled and ready for use, including all applicable charges for shipping, delivery, handling, administrative and other similar fees. Complete ATTACHMENT A: PRICING FORM and upload in the Sourcing Tool. The pricing provided in ATTACHMENT A, or resulting from any negotiations, is incorporated herein and shall become part of any resulting Contract.

4.2 ESTIMATED QUANTITIES

The quantities indicated herein are annual estimates only and are provided for informational purposes based on the anticipated usage during the previous two (2) year period. No maximum or minimum quantities are guaranteed. It shall be understood and agreed that the State may purchase more or less than the estimated quantities during the contract period. The State reserves the right to increase or decrease the quantities as needed. The State shall not be obligated to purchase more than its normal requirements. The State will be responsible only for items requested and received.

4.3 PRODUCT IDENTIFICATION

SUITABILITY FOR INTENDED USE

Vendors are requested to offer only items directly complying with the specifications herein or comparable items which will provide the equivalent capabilities, features and diversity called for herein. The State reserves the right to evaluate all bids for suitability for the required use and to award the one best meeting requirements and considered to be in the State’s best interest.

4.4 TRANSPORTATION AND IDENTIFICATION

The Vendor shall deliver Free-On-Board (FOB) Destination to any requested location within the State of North Carolina with all transportation costs and fees included in the total bid price.

When an order is placed using a purchase order, the purchase order number shall be shown on all packages and shipping manifests to ensure proper identification and payment of invoices. If an order is placed without using a purchase order, such as via phone, the Buyer’s name shall be show on all packages. A complete packing list shall accompany each shipment. Vendors shall not ship any products until they have received an order.

4.5 DELIVERY / POSTAGE

- a) Delivery of Tax Withholding Coupon books, identified as Lot #1 and Lot #2, to post office shall be at the Vendor’s expense.

- b) Books shall be mailed standard mail (A) automation rate. Vendor to be responsible for postage at the time of mailing and will invoice NCDOR for reimbursement and include a statement from the United States Postal Service (USPS) of all eligible reimbursement postage charges.
- c) NCDOR is responsible for the postage on all books via the Enterprise Payment System ("EPS") account. Account details will be provided to the Vendor.
- d) Vendor should supply a statement indicating that it is capable for sending mail at the Standard Mail (A) automation rate for its bid submission to be considered responsive.

4.6 SAMPLES

Samples of items offered shall be furnished, free of expense **PRIOR** to bid opening, and if not destroyed will, upon request, be returned at the Vendor's expense. A written request for return shall be made no later than thirty (30) days after the bid award, and Vendor shall provide a prepaid, pre-addressed shipping label suitable for return of the sample(s). Otherwise, the samples shall become the State's property to be used or disposed of at the State's discretion. Each individual sample shall be labeled with the Vendor's name, bid number, and item number. A sample on which an award is made, will be retained until the contract is completed, and then returned, if requested as specified above.

Forward samples to:

BID NUMBER: 45-PR12563224

Attention: Kaycee Benson

Requested samples must be mailed to the following:

North Carolina Department of Revenue
501 N. Wilmington Street
Raleigh, NC 27602-0871

For bids submitted via U.S. mail, please note that the U.S. Postal Service generally does not deliver mail to a specified street address but to the State's Mail Service Center. Vendors are cautioned that bids sent via U.S. Mail, including Express Mail, may not be delivered by the Mail Service Center to the agency's purchasing office on the due date in time to meet the bid deadline. All Vendors are urged to take the possibility of delay into account when submitting bids by U.S. Postal Service, courier, or other delivery service.

4.7 BULK MAILING SCHEDULE (LOT #1)

The first monthly mailing of the contract year must be mailed in one (1) bulk mailing to the employers by the Vendor no later than **December 11, 2023**.

The first quarterly tax payment books must be mailed by the Vendor in one (1) bulk mailing as early as the third Monday in February of the following year, but under no circumstances are they to be mailed later than the first Monday of March of the following year.

Specific mailing dates will be provided to Vendor each tax year.

- a) By signature on and submission of this IFB, Vendor guarantees strict adherence to this schedule. If any of the monthly or quarterly books are not mailed within seven (7) calendar days of a scheduled mailing date because of any fact or circumstance that is or was within the control of the Vendor, NCDOR, at its discretion, may require the Vendor to mail any un-mailed books at 1st class postage rates at Vendor's expense.
- b) The Vendor shall provide a certificate of bulk mailing issued by the USPS at the time mail has been presented to the USPS for mailing, and this certificate must be submitted with all invoices submitted to NCDOR for all eligible postage reimbursement.
- c) The certificate of bulk mailing provides evidence that mail has been presented to the USPS for mailing. The certificate does not provide evidence that mail was delivered to a particular address.

4.8 BULK MAILING SCHEDULE (LOT #2)

Tax payment books must be mailed to the employers based on the following schedule:

2024 tax payment books must be mailed to the employers based on the following schedule.

<u>2024</u>	<u>TO BE MAILED</u>
1 st Qtr	1 st week of December
2 nd Qtr	1 st week of March
3 rd Qtr	1 st week of June
4 th Qtr	1 st week of September

Vendor should assume that the schedule for subsequent years will be the same unless advised to the contrary.

- a) By execution and submission of this IFB, Vendor guarantees strict adherence to this schedule. If any of the books are not mailed within seven (7) calendar days of a scheduled mailing date because of any fact or circumstance that is or was within the control of the Vendor, NCDOR at its discretion may require the Vendor to mail any un-mailed books at 1st class postage rates at Vendor's expense.
- b) Address Updating Procedures: The selected vendor must provide (at Vendor's expense) the necessary address-updating processing for all addresses using a method approved by the USPS for address-updating to comply with USPS Regulations as set forth in the Domestic Mail Manual in order to qualify for most favorable postage rate of presort standard.
- c) Vendor has included with its bid a letter of certification from the Post Office used by the Vendor's production facility as described in Section 4.5 Delivery, Letter d)? ☐ Yes ☐ No

4.9 FORM DESIGN CONTENT/CD-ROM DISKS (LOT #1)

- a) Form Design and Content
 1. NCDOR will provide camera-ready copy of all forms and instructions contained in monthly and quarterly books to the Vendor. Camera-ready copy is not to be reset. In lieu of camera-ready copy, all forms and instructions may be provided by NCDOR via digital copy using Adobe InDesign CS2 or higher on a PC platform. All proofs must be output by Vendor from a PC platform.
 2. Camera-ready copy and digital copy of the withholding coupon booklet will be provided to the NCDOR Contract Manager no later than the first week of November.
 3. Camera-ready copy and digital copy of Quarterly book will be provided to NCDOR Contract Manager no later than the first week of December.
- b) Electronic Files
 1. NCDOR will furnish the Vendor with electronic files which will provide the names, address, identification numbers with check digits and filing frequency codes of the employers. The electronic files furnished will be fixed length and ASCII. The electronic file will be provided using a method determined by NCDOR.
 2. The electronic file for Monthly withholding coupon book will be provided by the NCDOR Contract Manager to the Vendor Contract Manager no later than the second week of November.
 3. The electronic file for Quarterly withholding coupon book will be provided by the NCDOR Contract Manager to the Vendor Contract Manager no later than the second week of December.
 4. Upon completion of the addressing operations by the Vendor, the electronic files furnished by NCDOR will be permanently deleted by the Vendor.

4.10 PROOFS/ACCOUNT NAME AND ID NUMBER/Electronic File/ART (LOT #2)

- a) Proofs
 1. The Vendor shall provide Proofs in duplicate in the quantity indicated below under the heading Forms and Quantity. Each proof must be clearly identified with the form name and quantity, forms must be printed and personalized to include an example of the print for an employer's name, address, identification number, report period, due date of report and scan line.

<u>Forms</u>	<u>Quantity</u>
NC-5P	200
NC-5PX	100

NC-5Q 50

2. NCDOR Contract Manager will provide an electronic art file to the Vendor, no later than the 3rd week of October.
3. The Vendor shall provide completed proofs of the forms and quantity above as specified in Section 5.0 to DOR within ten (10) working days after receipt of the electronic art file.
4. NCDOR Contract Manager shall review the proofs submitted by the Vendor for their suitability and acceptability for the intended purpose. NCDOR Contract Manager will approve or request changes within ninety-six (96) hours of receipt of completed proofs from Vendor.
5. Proofs of items offered must be furnished free of expense.

- a. Proofs are to be mailed:
Attn: Mackenzie Hurley
North Carolina Department of Revenue
PO Box 871
Raleigh, NC 27602-0871

b) Account Name and Identification Number Information

1. NCDOR Contract Manager will provide Vendor Contract Manager with an electronic file containing taxpayer records of all mailings as listed in Electronic Files below.
2. Additional electronic files for new employer and replacement book production updates will be provided monthly. Vendor must mail new employer and replacement books within ten (10) working days or less from initial receipt of the electronic file.

c) Electronic Files

1. NCDOR will furnish the Vendor an electronic file containing the names, address, identification number or social security number and filing frequency codes of the employers. The electronic file will be provided using a method determined by NCDOR.
2. The electronic file for all books as specified in Section 5.0 will be furnished by NCDOR Contract Manager no later than the dates below to the Vendor for each quarter.

<u>Quarter</u>	<u>Date</u>
1 st Qtr	First week of November
2 nd Qtr	First week of February
3 rd Qtr	First week of May
4 th Qtr	First week of August

3. The electronic file will have the following characteristics:

Format: ASC II

Record size: 625

4. Upon completion of the addressing operations by the Vendor, the electronic file(s) furnished by NCDOR will be permanently deleted by the Vendor. The Vendor agrees that it will make no other use of the electronic file(s) other than set forth and prescribed by this proposal. Any edited address over-runs or other use of the electronic file(s) which result in the printout of material other than that specifically required to be shipped by the Vendor will be held in a secure place and destroyed pursuant to directions from NCDOR. All electronic file(s) provided by NCDOR or duplicates made by the Vendor and any resultant printout must be kept accountable and under security to prevent their release to an unauthorized person. Electronic file(s) may not be duplicated in whole or in part for any purpose other than to create materials to be used in the performance of this proposal. All electronic file(s) supplied by NCDOR must be permanently deleted at Vendor's expense.

d) Art

1. NCDOR will provide camera-ready copy of all forms and instructions. Camera ready copy is not to be reset. In lieu of camera-ready copy, all forms and instructions may be provided by NCDOR via digital copy using Adobe IN Design CS2 or higher on a PC platform. All proofs must be output by Vendor from a PC platform. Camera ready

copy and digital copy of all forms and instructions will be provided to Vendor by NCDOR no later than October 15, 2023.

2. A sample of the 2023 NC Semiweekly Withholding Tax Coupon Book(s) may be viewed in Attachment J – Sample Art Work.

4.11 CONFIDENTIALITY/SECURITY

The Vendor must agree to comply with the secrecy provisions of the Revenue Laws of North Carolina (G.S. 105-259). The names, addresses and other information furnished in any format is confidential, and all necessary precautions must be taken to ensure that it remains confidential. Vendor is to ensure compliance with IRS Publication 1075, Exhibit 7. See Attachment I.

In performance of this contract the Vendor agrees to comply with and assume responsibility for compliance by its employees with the following requirements:

- a) All work will be done under the supervision of the Vendor or the Vendor's employees.
- b) All returns or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such contract will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the Vendor will be prohibited.
- c) All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.
- d) The Vendor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and no output will be retained by the Vendor at the time the work is completed. If immediate purging of all data storage components is not possible, the Vendor certifies that any State data remaining in any storage component will be safeguarded to prevent unauthorized disclosures.
- e) Any spoilage or any intermediate hard copy printout that may result during the processing of NCDOR data will be given to the agency or his or her designee. When this is not possible, the Vendor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used.
- f) The Agency will not approve a Vendor's subcontracting request.
- g) The Vendor will maintain a list of employees authorized access. Such list will be provided to the NCDOR within ten (10) days of contract award and any changes to the list throughout the term of this contract will be provided to the NCDOR Contract Manager immediately, see Section 6.1 for contract administration information.
- h) The Vendor agrees that it will make no other use of the electronic files other than set forth and prescribed by this document.
- i) Any edited address over-runs or other use of the electronic files which result in the printout of material other than that specifically required to be shipped by the Vendor will be held in a secure place and destroyed pursuant to directions from the NCDOR Contract Manager.
- j) The electronic files shall not be duplicated in whole or in part for any purpose other than to create material to be used in the performance of this proposal.
- k) All electronic files supplied by the NCDOR Contract Manager must be permanently deleted at Vendor's expense.
- l) NCDOR will have the right to void the contract if the Vendor fails to provide the safeguards described above.

4.12 OWNERSHIP

All provided copy, art, negatives, photos, proofs, electronic media, scans, etc. that are required for this job remain or shall become the property of the State of North Carolina and shall be returned to the using agency upon job completion. Where returning such material is impractical, such material must be purged and in accordance with Section 4.12 above. Printer shall be held liable for any/all damages to materials. No additional costs shall be included.

4.13 PLANNING MEETINGS

Prior to production, NCDOR may request a meeting(s) with the Vendor to review all documents prior to printing. Vendor must provide an authorized representative to attend these meetings. NCDOR shall notify the Vendor of a meeting request at least forty-eight (48) hours in advance.

4.14 TEST Electronic File/BOOKS

Prior to printing books for mailing to withholding agents, the Vendor must conduct a test run to demonstrate that all required programming and forms specifications have been met. The test must simulate a "live" run to the degree that it is possible to do so including using an electronic file of withholding agents supplied by the NCDOR Contract Manager.

4.15 QUALITY ASSURANCE/VENDOR SITE INSPECTIONS

NCDOR reserves the right to enter the Vendor's plant when work on any or all items, awarded under this proposal, is in progress to perform quality inspection of any operation or equipment including security.

4.16 EQUIPMENT BACKUP/CONTINGENCY PRACTICES

a) Equipment Backup/Contingency Procedures

With its bid submission, the Vendor may provide a detailed description of its equipment backup/contingency procedures in the event of equipment failure, significant program/printing errors, Printing - detail start/restart procedures for stoppages or breakdown in the course of a press run and for paper shortages.

b) Quality Control Procedures

With its bid submission, the Vendor may provide a detailed description of its quality control procedures for assembly of book components and mailing (inserting, sealing, presort, etc.).

4.17 COPY CHANGES

NCDOR reserves the right to make any necessary copy changes, up to press time, at no additional cost to the State. As requested, the Vendor must provide NCDOR any necessary copy changes within two (2) consecutive calendar days of request for prior written approval. Within two (2) consecutive calendar days of receipt, NCDOR shall provide the Vendor with written authorization to proceed with the approved copy changes.

4.18 ADDITION/DELETION OF PAGES

As necessary, NCDOR reserves the right to add or delete pages to the NC Semiweekly Withholding Tax Book and New Employer and Replacement Books. Vendor must provide a cost for the addition/deletion of pages on Attachment A. Additional pages shall indicate the price increase and deleted pages shall indicate the price decrease, per total quantity of pages.

4.19 HUB PARTICIPATION

Pursuant to North Carolina General Statute G.S. 143-48, it is State policy to encourage and promote the use of small, minority, physically handicapped, and women contractors in purchasing Goods and Services. As such, this IFB will serve to identify those Vendors that are minority owned or have a strategic plan to support the State's Historically Underutilized Business program by meeting or exceeding the goal of 10% utilization of diverse firms as 1st or 2nd tier subcontractors. Vendor shall complete ATTACHMENT D: HUB SUPPLEMENTAL VENDOR INFORMATION.

4.20 REFERENCES

Vendors shall upload to the Sourcing Tool at least three (3) references, using ATTACHMENT E: CUSTOMER REFERENCE FORM, for which your company has supplied the exact or similar items being offered. The State may contact these users to determine quality level of the offered items; as well as, but not limited to user satisfaction with Vendor performance. Information obtained may be considered in the evaluation of the bid.

4.21 VENDOR'S REPRESENTATIONS

If Vendor's bid results in an award, Vendor agrees that it will not enter any agreement with a third party that may abridge any rights of the State under the Contract. If any Services, deliverables, functions, or responsibilities not specifically described in this solicitation are required for Vendor's proper performance, provision and delivery of the Service and deliverables under a resulting Contract, or are an inherent part of or necessary sub-task included within such service, they will be deemed to be implied by and included within the scope of the contract to the same extent and in the same manner as if specifically described in the Contract. Unless otherwise expressly provided herein, Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and/or other Deliverables.

4.22 FINANCIAL STABILITY

As a condition of contract award, the Vendor must certify that it has the financial capacity to perform and to continue to perform its obligations under the Contract; that Vendor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Vendor that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.

Each Vendor shall certify it is financially stable by completing the ATTACHMENT G: CERTIFICATION OF FINANCIAL CONDITION. The State is requiring this certification to minimize potential performance issues from Contracting with a Vendor that is financially unstable. This Certification shall be deemed continuing, and from the date of the Certification to the expiration of the Contract, the Vendor shall notify the State within thirty (30) days of any occurrence or condition that materially alters the truth of any statement made in this Certification.

5.0 PRODUCT SPECIFICATIONS

The specific items and any specifications that the Purchasing Agency is seeking are listed below. Items offered by the Vendor must meet or exceed the listed Specifications.

5.1 SPECIFICATIONS LOT #1

Specifications	Product/Service Offered Meets Specification
<p>PRINT NC MONTHLY and QUARTERLY TAX WTHHOLDING COUPON BOOKS AS FOLLOWS:</p> <p>Approximately 110,000 coupon books (approximately 30,000 monthly and 80,000 quarterly).</p> <p>Coupon books for monthly updates of approximately 1,000 (600 monthly and 400 quarterly) per year.</p> <p>All coupon books to be laser printed, OCR encoded, personalized from NCDOR electronic files, assembled, stitched, taped, inserted into a mailing envelope and delivered to the U.S. Postal Service (per U.S. Postal Reg.) for mailing. Annual mailings will be mailed standard mail (A) automation rates - All tasks shall be completed by the Vendor.</p> <p>NOTE: The number of books specified above is an approximation based on NCDOR filing data. The Vendor should take into account that the number of books actually required for the first year (and succeeding years of the contract) may vary by up to several thousand books.</p> <p>A. Mailing Envelope</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>

Specifications	Product/Service Offered Meets Specification
<p>1. Initial Mailing - 24 lb. white wove envelope with die cut window of sufficient size for illustration of name and address on book. Return address and postal endorsement printed, one color, upper left hand corner and Departmental Postal Indicia printed in upper right hand corner. Postage will be paid by NCDOR (See Section 4.5 Delivery/Postage for more information). Size sufficient for the coupon book, CREs as indicated below in C. Customer Reply Envelope (CRE), and notice to be inserted and mailed according to U.S. Postal Regulations with no penalty at standard mail (A) automation rates. Vendor pricing submitted in Attachment A of this bid shall include the necessary processing of the name and address file in order to obtain and support the Coding Accuracy Support System (CASS) certification with zip +4 and barcode.</p> <p>2. Monthly Updates - 24 lb. white wove envelope with die cut window of sufficient size for illustration of name and address on book. Return address printed one color upper left hand corner. Postage will be paid by NCDOR (See Section 4.5 Delivery/Postage for more information). Size sufficient for the coupon book and notice to be inserted and mailed according to U.S. Postal Regulations.</p> <p>B. Tax Payment Books – Specification Information</p> <p>1. Size: 8.75" wide x 4" high overall, assembled, stitched, and taped. The length can be increased up to 9 inches if necessary to insure that perforated forms can be removed from the book without tearing at perforation.</p> <p>2. Stock: Covers - 65 # White</p> <p style="padding-left: 40px;">Paper Specifications - All Other Pages</p> <p style="padding-left: 40px;">Paper Weight: 60# uncoated white offset Opacity: 85% or more Porosity: 15 - 85 Gurley Stiffness: 50 to 100 mg (Gurley Method) Dirt count: Less than 10 parts per million and 150 Marks per 1,000 square inches Tearing: 55.0 minimum Burst: 24.0 PSI Smoothness: 85 Gurley Reflectance: 70% minimum Color: White</p> <p>3. Ink Specifications - Scan ink – Superior quality black carbon based non-magnetic and non-reflective ink. Non-scan ink - Highly reflective - Colors to be OCR PMS Pantone Red 190U dropout ink. Pantone red 190U ink is applicable to Forms NC-5 and NC-5X.</p> <p>No MICR inks to be used.</p> <p>Vendor will use dropout ink that is compatible with a BancTec XDS Series scanner.</p> <p>Outside front covers: Will be printed in black.</p>	

Specifications	Product/Service Offered Meets Specification
<p>4. Style: Coupon book, stapled or stitched and bound at left edge. There is no preference by NCDOR for stapled or stitched. Coupon books will be varying composition containing eight (8) (quarterly books) or sixteen (16) (monthly books) tear-out coupons.</p> <p>Perforations: Detachable vouchers and forms are to be micro perforated for easy tear-out. Perforations are to be of such quality as for easy removal from book yet not to separate in handling or tear vouchers at the perforated edge in any way. The importance of voucher removal from booklet without tearing cannot be overemphasized.</p> <p>The following forms will be perforated vertically ¼” from left edge, (½ “if the book is 9 inches wide):</p> <ul style="list-style-type: none"> a. Business Address Correction b. Out of Business Notification c. Forms NC-5 (12 for monthly and 4 for quarterly books) Forms NC-5X (2 in each book) <p>The following will not be perforated: Front and back cover; Header Page; 2 pages of instructions; Payment register.</p> <p>Die-Cut: Cover of book to include a die-cut of sufficient size to show mailing name and address. As an alternate, the name and mailing address may be displayed on the cover of the book without a die-cut.</p> <p>Proofs: Proofs in duplicate will be required. In addition to proofs, Vendor must also furnish one-hundred (100) of each of the following forms printed and personalized to include an example of the print for an employer's name, address, identification number, report period, due date of report and scanline within thirty (30) days after contract award:</p> <p><u>Forms</u> NC-5 NC-5X</p>	<p>By checking yes or no in the following boxes the Vendor guarantees that it can meet the provision for perforations.</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>
<p>5. Quantity: Approximately 110,000 books to be mailed initially; approximately 30,000 monthly books and 80,000 quarterly books. Approximately 600 monthly and 400 quarterly updates thereafter will be mailed on a monthly basis per year.</p> <p>6. OCR Scan Line: Per State's specifications, Forms NC-5 and NC-5X will contain OCR-A font scanline, 12 point (10 cpi) monospaced font size. All imaged data in the scanline will have a minimum resolution of 240 dpi x 240 dpi or better with a +/- 1/32” maximum variance on placement of the image. The bottom of the scanline will be exactly ½” from the trim edge of each voucher. The horizontal position of the scanline will begin exactly ½” from the left edge of the perf and end exactly 5” from the right edge of the voucher.</p> <p>Vendor must guarantee that the OCR-A scanline on vouchers will be of such quality as to assure a reject rate of less than 5% when vouchers are scanned on a BanTec XDS Series scanner.</p>	<p>By checking yes or no in the following boxes the Vendor guarantees that it can meet this provision above for OCR-A scanline.</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>

Specifications	Product/Service Offered Meets Specification												
<p>The scan line and other imaged data must be printed using a laser printer.</p> <p>Contents of scanline to be provided to Vendor.</p> <p>7. Collating Sequence</p> <p>Monthly book will contain 22 sheets-includes covers Quarterly book will contain 13 sheets- includes covers</p> <p>a. Front Cover -outside - printed Front Cover - inside – printed</p> <p>b. Header Page - Name and address-maximum 5 lines Personalized to include filing frequency, period and due date of report and withholding ID number.</p> <p>c. Address Correction Notification – Personalized Printed front only – screened light gray</p> <p>d. Out of Business Notification - Personalized Printed front only – screened light green</p> <p>e. Instructions for Forms NC-5 and 5X Printed front and back.</p> <p>f. Tax Return Vouchers - Personalized</p> <table> <tr> <td><u>Quarterly</u></td><td><u>Quantity</u></td></tr> <tr> <td>NC-5</td><td>4</td></tr> <tr> <td>NC-5X</td><td>2</td></tr> </table> <table> <tr> <td><u>Monthly</u></td><td><u>Quantity</u></td></tr> <tr> <td>NC-5</td><td>12</td></tr> <tr> <td>NC-5X</td><td>2</td></tr> </table> <p>g. Important Reminder Regarding Form NC-3</p> <p>h. Payment Register – Monthly book - 1 sheet printed front and back. Separate page for copy of amended reports, printed front only.</p> <p>Quarterly book – 1 sheet printed front only includes copy of amended reports.</p> <p>i. Back Cover - inside printed Back Cover - outside printed</p> <p>NOTE: “Personalized” indicates that the form requires at least employer's name, address and North Carolina ID number with scanline on Forms NC-5 and NC-5X.</p> <p>C. Customer Reply Envelope (CRE) for all books:</p> <p>Vendor to furnish, print, and insert 12 CREs with Monthly booklets and 4 CREs with Quarterly booklets</p> <p>Envelope: 8 ¾” long by 4 ¼ “ high; white 24# white wove with cellophane covered window aligning with “File By” field on Form NC-5. Printed with return address,</p>	<u>Quarterly</u>	<u>Quantity</u>	NC-5	4	NC-5X	2	<u>Monthly</u>	<u>Quantity</u>	NC-5	12	NC-5X	2	
<u>Quarterly</u>	<u>Quantity</u>												
NC-5	4												
NC-5X	2												
<u>Monthly</u>	<u>Quantity</u>												
NC-5	12												
NC-5X	2												

Specifications	Product/Service Offered Meets Specification
<p>machine readable delivery barcode (eleven-digit zip) per postal regulations and other copy as may be specified by customer. CRE contains a color band (pantone 389 U) at top left of envelope. Vendor will set type for envelope.</p> <p>CRE envelopes will be processed through an OPEX extractor, Model 150. Therefore, they must be manufactured to OPEX standards. Customer will provide sample of required envelope.</p> <p>No MICR inks to be used in printing of envelopes. Vendor must provide a sample of CRE as specified above that will be used within thirty (30) days upon contract award to the NCDOR Contract Manager, See Section 4.6 for mailing information. Quantity requested: twenty- five (25).</p>	

5.2 SPECIFICATION LOT #2

Specifications	Product/Service Offered Meets Specification
<p>PRINT NC SEMIWEEKLY WITHHOLDING TAX COUPON BOOKS AS FOLLOWS:</p> <p>Approximately, 6,500 semi-weekly tax books produced and mailed each quarter; 26,000 annually.</p> <p>In addition, approximately 10 new employer and/or replacement books are produced and mailed each month.</p> <p>All Semiweekly Withholding Tax Coupon Books to be laser printed, OCR encoded, personalized from NCDOR electronic files assembled and glued, stapled or stitched, inserted into a mailing envelope and delivered to the U.S. Postal Service (per U.S. Postal Reg.) for mailing – all tasks shall be completed by the Vendor.</p> <p>Note: The number of books specified above is an approximation based on the books needed for the previous year. The Vendor should take into account that the number of books actually required for the first year (and succeeding years of the contract) may vary by up to several thousand books.</p> <p>Alternate Designs: In lieu of inserting booklet in an envelope NCDOR will consider alternatives such as an integrated package that achieves the desired result of providing all required forms and instructions to employers. NCDOR will also consider a single sheet statement design that can be inserted into an envelope (See Section 2.8: ALT IFB).</p> <p>A. ENVELOPES</p> <p>1. <u>Semiweekly Tax Books</u></p> <p>24 lb. white wove envelope with die cut window of sufficient size for illustration of name and address on book. Return address printed one color upper left-hand corner and Departmental Postal Indicia printed in the center or pursuant to USPS requirements. NCDOR will pay postage costs. (See Section 4.5 for more details about postage payment and reimbursement). Size sufficient for the book to be inserted and mailed according to U.S. Postal Regulations with no penalty at standard mail (A) automation rates. The pricing shall include the necessary processing of the name and address file in order to obtain and support the Coding Accuracy Support System (CASS) certification with zip + 4 and barcode. (See Alternate Designs above).</p> <p>2. <u>New Employer and Replacement Books</u></p> <p>24 lb. white wove envelope with die cut window of sufficient size for illustration of name and address on book. Return address printed one color upper left-hand corner. NCDOR will reimburse Vendor for postage costs. (See Section 4.5 for more details about postage payment and reimbursement). Size sufficient for the book to be inserted and mailed according to U.S. Postal Regulations with no penalty at 1st class rate.</p> <p>3. <u>Return Envelope for Quarterly Income Tax Withholding Return (NC-5Q)</u></p> <p>Furnish, print, and insert in or with each quarterly booklet mailing or each update booklet mailing one (1) 9 ½" wide x 4 ½" high 24 lb. white wove envelope. The envelope is to be printed with a Pantone 198U color band 1/2" wide (3/8" front and 1/8" back) at the top of the envelope and a machine-readable delivery point bar code per postal regulations. Vendor will set type for envelope. (See Section 4.5 for more details regarding postage payment and reimbursement).</p> <p>B. SPECIFICATIONS: SEMIWEEKLY TAX BOOKS, NEW EMPLOYER AND REPLACEMENT BOOKS</p> <p>1. <u>Size:</u> 9" wide x 12" high overall, assembled and glued, stapled or stitched. Stapled is the preferred method.</p>	<p><input type="checkbox"/> YES <input type="checkbox"/> NO</p>

Specifications	Product/Service Offered Meets Specification
<p>2. Stock: Cover and header page - 24 # White Bond Return Address Labels - 45 # solid tint or screened Davac Stock.</p> <p>Paper Specifications - All Other Pages</p> <p>Paper Weight: 60# uncoated white offset Opacity: 85% or more Porosity: 15 - 85 Gurley Stiffness: 50 to 100 mg (Gurley Method) Dirt count: Less than 10 parts per million and 150 marks per 1000 square inches Tearing: 55.0 minimum Burst: 24.0 PSI Smoothness: 85 Gurley Reflectance: 70% minimum Color: White</p> <p>3. Ink Specifications</p> <ul style="list-style-type: none"> a. Scan ink – Superior quality black carbon based non-magnetic and non-reflective ink b. Non-scan ink - Highly reflective - Colors to be OCR PMS Pantone Red 190U dropout ink. c. Pantone red 190U ink is applicable to Forms NC-5P, NC-5PX, and NC-5Q. d. No MICR inks to be used. e. Vendor will use dropout ink that is compatible with a Banctec XDS Series scanner. <p>4. Style: Book - stapled, glued, or stitched at left edge.</p> <p>5. Perforations: Detachable vouchers are to be micro perfed for easy tear-out. Perforations are to be of such quality as for easy removal from book yet not to separate in handling.</p> <p>6. Quantity: Approximately 6,500 books to be mailed quarterly (approximately 26,000 for the year). In addition to the larger quarterly mailings, approximately 10 new employer and replacement books will be produced and mailed each month.</p> <p>7. OCR Scan Line</p> <ul style="list-style-type: none"> a. Per State's specifications, Forms NC-5P and NC-5PX will contain OCR-A font scanline, 12 point (10 cpi) monospaced font size. b. All imaged data in the scanline will have a minimum resolution of 240 dpi x 240 dpi or better with a +/- 1/32" maximum variance on placement of the image. c. The bottom of the scanline will be exactly ½" from the trim edge on perforated edge of each voucher. d. The horizontal position of the scanline will begin exactly ½" from the left edge of the perf and end exactly 5" from the right edge of the voucher. Vendor must guarantee that the OCR-A scanline on vouchers will be of such quality as to assure a reject rate of less than 5% when vouchers are scanned on a Banctec XDS Series scanner. e. The scan line and other imaged data must be printed using a laser printer. Importance of exact placement of the scanline cannot be overemphasized. f. Contents of scanline to be provided to Vendor with Art CD no later than October 15, 2023. 	

Specifications	Product/Service Offered Meets Specification
<p>C. COLLATING SEQUENCE: SEMIWEEKLY TAX COUPON BOOKS</p> <ol style="list-style-type: none"> Front Cover - Printed front and back. Personalized on front with name and address information. Header Page - Change of Address/Out of Business Notification form to be perforated so that it can be removed from page. Printed front and back. The form perfs vertically and horizontally resulting in a tear out size voucher of 8 ½" x 3 ½". Form is personalized. Return Address Labels - Book will contain one page of return address gum labels (2 across and 12 down for a total of 24). Labels will be screened Pantone 1565U with black ink used for name, address and delivery point bar code. Bar Code to be printed above Department's address. Vendor to set type. Label size: 1" x 4" NC-5P Withholding Payment Vouchers <ol style="list-style-type: none"> Prints one side in black ink and PMS 190U Pantone red dropout ink. Perfs vertically from left edge and partial horizontal perfs every 3", beginning at vertical perf. Tear out size of voucher: 8 ½" x 3". Personalized* with name, address, filing frequency data, and scanline. Six sheets with 4 vouchers per sheet for a total of 24 vouchers. NC-5PX Amended Withholding Payment Voucher <ol style="list-style-type: none"> Personalized* with name, address, and filing frequency information. One sheet with 4 vouchers. NC-5Q Quarterly Income Tax Withholding Return <ol style="list-style-type: none"> Prints both sides – the front in black ink and PMS 190U Pantone red dropout ink and the back in black ink only. Full vertical perf ½" from left. Personalized* on front with name, address, and filing frequency data. Back cover <ol style="list-style-type: none"> Prints in black ink on outside back cover only. <p>NOTE: "Personalized*" indicates that the form requires at least employer's name, address, North Carolina ID number or social security number, and scanline. In addition, form NC-5Q must show the quarter ending date and the due date.</p>	

5.3 DEVIATIONS

The nature of all deviations from the Specifications listed herein shall be clearly described by the Vendor. Otherwise, it will be considered that items offered by the Vendor are in strict compliance with the Specifications provided herein, and the successful Vendor shall be required to supply conforming goods. Deviations shall be explained in detail below or on an attached sheet. However, no implication is made or intended by the State that any deviation will be acceptable. Do not list objections to the North Carolina General Terms and Conditions in this section.

6.0 CONTRACT ADMINISTRATION

All Contract Administration requirements are conditioned on an award resulting from this solicitation. This information is provided for the Vendor's planning purposes

NCDOR Contract Manager Point of Contact

Contract Manager Point of Contact	
Name:	Mackenzie Hurley
Office Phone #:	919-814-1066
Mobile Phone #:	919-814-1066
Email:	Mackenzie.Hurley@ncdor.gov

6.1 CONTRACT MANAGER

The Vendor shall designate and make available to the State a contract manager. The contract manager shall be the State's point of contact for Contract related issues and issues concerning performance, progress review, scheduling, and service.

Contract Manager Point of Contact	
Name:	
Office Phone #:	
Mobile Phone #:	
Email:	

6.2 CONTINUOUS IMPROVEMENT

The State encourages the Vendor to identify opportunities to reduce the total cost the State. A continuous improvement effort consisting of various ideas to enhance business efficiencies as performance progresses.

6.3 ACCEPTANCE OF WORK

Performance of the work and delivery of Goods shall be conducted and completed at least in accordance with the Contract requirements and recognized and customarily accepted industry practices. Performance shall be considered complete when the Services or Goods are approved as acceptable by the NCDOR Contract Manager.

The NCDOR Contract Manager shall have the obligation to notify Vendor, in writing ten (10) calendar days following completion of such work or delivery of a deliverable described in the Contract that it is not acceptable. The notice shall specify in reasonable detail the reason(s) it is unacceptable. Acceptance by the State shall not be unreasonably withheld; but may be conditioned or delayed as required for reasonable review, evaluation, installation, or testing, as applicable to the work or deliverable. Final acceptance is expressly conditioned upon completion of all applicable assessment procedures. Should the work or deliverables fail to meet any specifications, acceptance criteria or otherwise fail to conform to the Contract, the State may exercise any and all rights hereunder, including, for Goods deliverables, such rights provided by the Uniform Commercial Code, as adopted in North Carolina.

6.4 INVOICES

Vendor shall invoice the Purchasing Agency. The standard format for invoicing shall be Single Invoices meaning that the Vendor shall provide the Purchasing Agency with an invoice for each order. Invoices shall include detailed line item information to allow Purchasing Agency to verify pricing at point of receipt matches the correct price from the original date of order. Invoices shall be sent electronically to DORProcurement@ncdor.gov.

At a minimum, the following fields shall be included on all invoices:

Vendor's Billing Address, Customer Account Number, NC Contract Number, Order Date, Item Descriptions, Price, Quantity, USPS Certifications, and Unit of Measure.

INVOICES MAY NOT BE PAID UNTIL AN INSPECTION HAS OCCURRED AND THE GOODS ACCEPTED.

6.5 DISPUTE RESOLUTION

During the performance of the Contract, the Parties agree that it is in their mutual interest to resolve disputes informally. Any claims by the Vendor shall be submitted in writing to the State's Contract Manager for resolution. Any claims by the State shall be submitted in writing to the Vendor's Project Manager for resolution. The Parties shall agree to negotiate in good faith and use all reasonable efforts to resolve such dispute(s).

During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. The Parties will agree on a reasonable amount of time to resolve a dispute. If a dispute cannot be resolved between the Parties within the agreed upon period, either Party may elect to exercise any other remedies available under the Contract, or at law. This provision, when agreed in the Contract, shall not constitute an agreement by either party to mediate or arbitrate any dispute.

6.6 PRICE ADJUSTMENTS

Prices proposed by the Vendor shall be firm against any increase for eighteen (18) months from the effective date of the Contract.

Price increase requests shall be submitted in writing to the Contract Lead, which shall include the reason(s) for the request and contain supporting documentation for the need. Price increases will be negotiated and agreed to by both the State and Vendor in advance of any price increase going into effect. The State is not obligated to accept pricing adjustments or increases and reserves the right to accept or reject them in part or in whole. Price de-escalation or decreases may be requested by the State at any time.

It is understood and agreed that orders will be shipped at the established Contract prices in effect on the date an order is placed. Invoicing that deviates from this provision may result in Contract to cancellation.

6.7 CONTRACT CHANGES

Contract changes, if any, over the life of the Contract shall be implemented by contract amendments agreed to in writing by the State and Vendor.

6.8 ATTACHMENTS

Attachments to this IFB are the copies found within the Ariba Sourcing Tool as well as attached, and are incorporated herein, and shall be submitted by responding in the Sourcing Tool.

The remainder of this page is intentionally left blank

ATTACHMENT I: IRS Pub 1075, Exhibit 7

Internal Revenue Service Publication 1075, Exhibit 7 Safeguarding Contract Language

The North Carolina Department of Revenue ("NCDOR" or "Agency") has determined that in the performance of this contract or agreement, contractor will be provided data that is classified as Federal Taxpayer Information, State Taxpayer Information, and/or Personal Identifying Information, herein referred to as "FTI", "STI", "PII", or collectively as "return or return information" or "NCDOR data."

Prior to NCDOR granting a contractor access to NCDOR data, contractor agrees to the following:

I. PERFORMANCE

In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:

- (1) All work will be done under the supervision of the contractor.
- (2) The contractor and contractor's officers or employees to be authorized access to return or return information must meet background check requirements defined in IRS Publication 1075. The contractor will maintain a list of officers or employees authorized access to return or return information. Such list will be provided to the agency and, upon request, to the IRS.
- (3) Any return or return information in hardcopy or electronic format shall be used only for the purpose of carrying out the provisions of this contract or agreement. Return or return information in any format shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract or agreement. Inspection or disclosure to anyone other than the contractor or the contractor's officers or employees authorized is prohibited.
- (4) Return and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output and products will be given the same level of protection as required for the source material.
- (5) The contractor will certify that the data processed during the performance of this contract or agreement will be completely purged from all physical and electronic data storage with no output to be retained by the contractor at the time the work is completed. If immediate purging of all physical and electronic data storage is not possible, the contractor will certify that any return or return information in physical or electronic storage will remain safeguarded to prevent unauthorized disclosures.
- (6) Any spoilage or any intermediate hard copy printout that may result during the processing of return or return information will be given to the agency. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency with a statement containing the date of destruction, description of material destroyed, and the destruction method.
- (7) All computer systems receiving, processing, storing or transmitting return or return information must meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to return or return information.

- (8) Prior to providing access to return or return information, NCDOR requires the contractor's officers or employees providing services under this contract or agreement to complete DOR Security Awareness Training (DORSAT) and sign the NCDOR Non-Disclosure Agreement and Security Awareness Training Acknowledgement form. As part of the certification process, contractors are advised of the provisions of Internal Revenue Code §§7431, 7213, and 7213A. Contractors must maintain their access authorization through annual recertification. See Section II, Paragraph 5 below.
- (9) No work involving return or return information furnished under this contract will be subcontracted without prior written approval of the IRS.
- (10) Contractor will ensure that the terms of return or return information safeguards described herein are included, without modification, in any approved subcontract of work involving return or return information.
- (11) To the extent the terms, provisions, duties, requirements, and obligations of this contract or agreement apply to performing services with return or return information, the contractor shall assume toward the subcontractor all obligations, duties, and responsibilities that the agency under this contract or agreement assumes toward the contractor, and the subcontractor shall assume toward the contractor all the same obligations, duties, and responsibilities which the contractor assumes toward the agency under this contract or agreement.
- (12) In addition to the subcontractors obligations and duties under an approved subcontract, the terms and conditions of this contract apply to the subcontractor, and the subcontractor is bound and obligated to the contractor hereunder by the same terms and conditions by which the contractor is bound and obligated to the agency under this contract or agreement.
- (13) For the purposes of this contract, the term "contractor" includes any officer or employee of the contractor with access to or who uses return or return information, and the term "subcontractor" includes any officer or employee of subcontractor with access to or who uses return or return information.
- (14) The agency will have the right to void the contract if the contractor fails to provide the safeguards described above.

II. CRIMINAL/CIVIL SANCTIONS

- (1) Each officer or employee of a contractor to whom return or return information is or may be disclosed shall be notified in writing that return or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such return or return information for a purpose not authorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution.
- (2) Each officer or employee of a contractor to whom return or return information is or may be accessible shall be notified in writing that any return or return information accessible to such office or employee may be accessed only for the purpose and to the extent authorized herein, and that access/inspection of return or return information without an official need-to-know for a purpose no authorized herein constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution.
- (3) Each officer and employee of a contractor to whom return or return information is or may be disclosed shall be notified in writing that any such unauthorized access, inspection, or disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each unauthorized access, inspection, or disclosure or the sum of actual

damages sustained as a result of such unauthorized access, inspection, or disclosure, plus in the case of a willful unauthorized access, inspection, or disclosure or an unauthorized access/inspection which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC §§ 7213, 7213A and 7431 and set forth in 26 CFS 301.6103(n)-1.

- (4) Additionally, it is incumbent of the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.
- (5) Granting a contractor access to return or return information must be preceded by certifying that each officer or employee understands the agency's security policy and procedures for safeguarding return or return information. A contractor and each officer or employee must maintain their authorization to access return or return information through annual recertification of their understanding of the agency's security policy and procedures for safeguarding return or return information. The initial certification and each recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, a contractor and each officer or employee must be advised of the provisions of IRC §§ 7213, 7213A, and 7431. (See IRS Publication 1075 Exhibit 4, *Sanctions for Unauthorized Disclosure*, and Exhibit 5, *Civil Damages for Unauthorized Disclosure*.) The training on the agency's security policy and procedures provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See IRS Publication 1075 Section 1.8, *Reporting Improper Inspections or Disclosures*.) For the initial certification and each annual recertification, the contractor and each officer or employee must sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

III. INSPECTION

The IRS and the NCDOR shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work with return or return information under this contract or agreement for compliance with requirements defined in IRS Publication 1075. The IRS's right of inspection shall include the use of manual and/or automatic scanning tools to perform compliance and vulnerability assessments of information technology (IT) assets that access, store, process, or transmit return or return information. Based on the inspection, specific corrective actions may be required in cases where the contractor is found to be noncompliant with contract safeguards.

For additional information on IRS Publication 1075, along with detailed requirements and standards for Tax Information Guidelines for Federal, State and Local Agencies, please see <http://www.irs.gov/pub/irs-pdf/p1075.pdf>.

In addition to IRS Publication 1075 Exhibit 7 Safeguarding Requirements, please be advised of the following with respect to STI and PII:

The confidential STI that NCDOR will be providing to the contractor is covered by North Carolina General Statutes and contractor may be subject to fines for unauthorized disclosures of this information as listed below:

NC Gen. Stat. § 105-259 (c) Punishment. - A person who violates this section is guilty of a Class 1 misdemeanor. If the person committing the violation is an officer or employee, that person shall be dismissed from public office or public employment and may not hold any public office or public employment in this State for five years after the violation.

The confidential PII that NCDOR will be providing to contractor is covered by North Carolina General Statutes and contractor may be subject to fines for unauthorized disclosures of this information as listed below:

NC Gen. Stat. § 75-65 – entitled “Protection from Security Breaches” provides disclosure and reporting requirements for Identity Theft security breaches (later referred to as PII laws).

As stated in NC Gen. Stat. § 75-66(d)(e)

"Any person whose property or person is injured by reason of a violation of this section may sue for civil damages pursuant to the provisions of NC Gen. Stat. § 1-539.2C. (2007-534, s. 2; 2012-142, s. 6A.7A(h).)"

As stated in NC Gen. Stat. § 1-539.2C. Damages for identity theft

(a) Any person whose property or person is injured by reason of an act made unlawful by Article 19C of Chapter 14 of the General Statutes, or a violation of NC Gen. Stat. § 75-66, may sue for civil damages. For each unlawful act, or each violation of NC Gen. Stat. § 75-66, damages may be

(1) In an amount of up to five thousand dollars (\$5,000), but no less than five hundred dollars (\$500.00), or

(2) Three times the amount of actual damages, whichever amount is greater.

Burden of Security Breach Notifications:

The contractor must notify NCDOR of any real or suspected security breach immediately, and will coordinate with NCDOR any external communications or notifications to affected individuals. The contractor will be responsible and bear the financial cost of mailing out any required notifications to any affected taxpayers involved in a security breach or unauthorized disclosure while data is in the possession of the Vendor. See NC Gen. Stat. §. 75-65 Protection from security breaches, for details on who is required to be notified and how those notifications are to be made in the event of a PII security breach. However, NCDOR will be responsible for reporting to any related agencies or entities.

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ATTACHMENT J: Sample Art Work

Monthly Withholding Tax Payment Booklet Sample



**NC-AC
Business Address Correction**

Account ID: _____

Fill in all applicable circles:

- ☐ All Business Accounts
- ☐ Franchise and Corporate Income
- ☐ Partnership
- ☐ Sales and Use*

Effective date of change: _____

If business has moved to another N.C. county, indicate new county: _____

New street address (include city, state, and zip):

New mailing address (if different from street address):

SAMPLE

*If you registered via the Streamlined Sales Tax Registration System, do not use this form. Any updates must be made at www.sstregister.org. Do not send this form with a tax return. Mail this form in a separate envelope to North Carolina Department of Revenue, P.O. Box 25000, Raleigh, NC 27640-0001.



**2023
Monthly Withholding Tax Payment Forms**
North Carolina Department of Revenue

SAMPLE

You can file your return and pay your tax online. For details visit www.ncdor.gov.



NC-AC Business Address Correction

Account ID: _____

Fill in all applicable circles:

- ☐ All Business Accounts
- ☐ Franchise and Corporate Income
- ☐ Partnership
- ☐ Sales and Use*

Effective date of change: _____

If business has moved to another N.C. county, indicate new county: _____

New street address (include city, state, and zip):

New mailing address (if different from street address):

SAMPLE

*If you registered via the Streamlined Sales Tax Registration System, do not use this form. Any updates must be made at www.sstregister.org. Do not send this form with a tax return. Mail this form in a separate envelope to North Carolina Department of Revenue, P.O. Box 25000, Raleigh, NC 27640-0001.



NC-BN Out-of-Business Notification

Account ID: _____

1. If permanently closed, enter the date closed.* _____

2. If a seasonal business has temporarily closed, fill in circle(s) for months business is open:

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

file returns for the months the business is open.

h circle for accounts that are seasonal or closed:

and Use Tax*

ined General Rate Sales and Use Tax (Utility, Liquor, Gas, and Other)

Vehicle Lease and Rental Tax

☐ Scrap Tire Disposal Tax

☐ White Goods Disposal Tax

☐ Withholding Tax

☐ Other _____

SAMPLE

*If you registered via the Streamlined Sales Tax Registration System, do not use this form. Any updates must be made at www.sstregister.org. Do not send this form with a tax return. Mail this form in a separate envelope to North Carolina Department of Revenue, P.O. Box 25000, Raleigh, NC 27640-0001.

Instructions for Forms NC-5 and NC-5X

Employers who withhold an average of **at least \$250 but less than \$2,000** of North Carolina income tax per month must file a withholding return and pay the tax monthly.

You can file Form NC-5 and pay the tax online.
For details, visit www.ncdor.gov.

Important: Use only black or blue ink to fill in withholding forms.

1. **General:** Forms in this book are preprinted with a withholding tax period and due date. Please use the return which corresponds to the period for which you are filing. Do not use another employer's pre-numbered return. You must file a return for each month, including the month in which your application for registration was filed, so a check for failure to file will not be mailed to you. If you file a return a month late, you must still file a return with zero on Line 4. Please do not write "no tax due" on the return. **Important: If your business and you withhold tax only during certain months or the year, your withholding book will contain returns for each month of the year. However, you should file returns only for the months in which you withheld tax.**
2. **Due Date:** Monthly returns and payments are due on or before the 15th day of the following month, except for December, which is due on January 31.

3. **Final Return:** If this is your last return, complete **Form NC-BN, Out-of-Business Notification**, and include it with the final return. Within thirty days of the last payment of compensation, you are required to electronically file the annual return, Form NC-3, with the required copies of the W-2 and 1099 statements and furnish the employees and contractors their copies of the statements.

Prepare an Original Withholding Return, Form NC-5:

Withheld: Enter amount of North Carolina income tax required to be withheld.

Line 2 - Penalty: A penalty of 5% of the amount required to be withheld is imposed for failure either to withhold or to pay when due. The penalty for failure to timely file a withholding return is 5% of the tax due per month (maximum 25%). In addition, criminal penalties are provided for willful failure to comply with the withholding statutes. The Department will

Continued Instructions

publish a notification if these penalties change.

Line 3 - Interest: If payment is late, interest will accrue at the current rate set by the Secretary of Revenue.

5. **How to Prepare an Amended Withholding Return, Form NC-5X:**

Line 1 - Enter the corrected North Carolina income tax to be withheld.

Line 2 - Enter the tax withheld as originally reported, adjusted.

Line 3 - If Line 2 is more than Line 1, subtract and enter the overpayment. You will receive a refund if there is an overpayment on Line 3.

Line 4 - If Line 1 is more than Line 2, subtract and enter the additional tax due.

Line 5 - If additional tax is due, enter the accrued interest.

Line 6 - Enter the total amount due and payable.

6. **Filing Returns:** Mail the return and the total amount due in the envelope provided. Be sure to insert the payment behind the return so the due date shows through the window of the envelope.

Note: Form NC-5X, Amended Return, is no longer required to be filed when preparing the annual withholding return if you have an overpayment or additional tax. Form NC-3 will allow you to enter the overpayment or additional tax due on the form. Form NC-3 is filed quarterly; it should not be filed for each quarter.

Do not staple, tape, paper clip or otherwise attach your check to the return. Do not fold your return or payment.



Filing Frequency:		<h2 style="margin: 0;">Withholding Return</h2> <p style="margin: 0;">North Carolina Department of Revenue</p>		<div style="border: 1px solid black; padding: 2px; font-size: 0.8em;"> DOR Use Only </div>
Period Ending	File By			
Account ID:		This return must be filed even if no tax has been withheld.		

Use the return only for the Period Ending date specified above.
If address is incorrect, complete NC-AC, Business Address Correction.

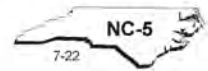
<div style="text-align: center; font-size: 2em; color: red; transform: rotate(-5deg); border: 2px solid red; padding: 10px; display: inline-block;"> SAMPLE </div>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">1. Tax Withheld</td> <td style="width: 5%; text-align: center;">▶</td> <td style="width: 30%; text-align: right;"> <div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> </td> <td style="width: 5%; text-align: right;">.00</td> </tr> <tr> <td> <i>State</i></td> <td></td> <td style="text-align: right;"> <div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> </td> <td style="text-align: right;">.00</td> </tr> <tr> <td> <i>Local</i></td> <td></td> <td style="text-align: right;"> <div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> </td> <td style="text-align: right;">.00</td> </tr> <tr> <td>4. Total Due</td> <td style="text-align: center;">\$</td> <td style="text-align: right;"> <div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div> </td> <td style="text-align: right;">.00</td> </tr> </table>	1. Tax Withheld	▶	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00	<i>State</i>		<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00	<i>Local</i>		<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00	4. Total Due	\$	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00
1. Tax Withheld	▶	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00														
<i>State</i>		<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00														
<i>Local</i>		<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00														
4. Total Due	\$	<div style="border: 1px solid black; display: inline-block; width: 100px; height: 20px;"></div>	.00														

Signature: _____	Date: _____
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I certify that, to the best of my knowledge, this return is accurate and complete.

Title: _____	Phone: () _____
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MAIL TO: P.O. Box 25000 - Raleigh, NC 27611-0000



Filing Frequency	Period Ending	<h2 style="margin: 0;">Amended Withholding Return</h2> <p style="margin: 0;">North Carolina Department of Revenue</p>	
Account ID			
		<div style="border: 1px solid black; padding: 5px;"> <p>1. Tax Withheld as Corrected ▶ .00</p> <p>2. Tax Withheld as Originally Reported or Previously Adjusted ▶ .00</p> <p style="text-align: right;">(more than Line 1, enter Overpayment)</p> <p>Tax Due ▶ .00</p> <p style="text-align: right;">(more than Line 2, enter Tax Due)</p> <p>6. Total Amount Due .00</p> <p style="text-align: right;">(Add Lines 4 and 5)</p> </div>	

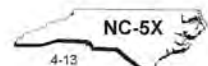
Signature: _____ **Date:** _____

I certify that, to the best of my knowledge, this return is accurate and complete.

Title: _____ **Phone:** () _____

MAIL TO: P.O. Box 25000, Raleigh, NC 27615

You will receive a refund if you have an Overpayment on Line 3.



Important Reminder regarding Form NC-3 - Annual Withholding Reconciliation and Form NC-3X - Amended Annual Withholding Reconciliation.

Form NC-3 reconciles the total North Carolina income tax withheld as reported on W-2 and 1099 statements with the amount reported as withheld for the year. Form NC-3 and W-2 and various 1099 statements, collectively ("Form NC-3") must be filed electronically.

Form NC-3 must be filed by January 31 of the succeeding year. If an employer terminates its business, Form NC-3 is due on or before the last day of the month following the end of the calendar year.

Form NC-3X is used to amend a previously filed W-2 or 1099 statements, the corrected W-2 and 1099 statements, collectively ("Form NC-3X") may be filed electronically.

SAMPLE

A taxpayer that fails to file Form NC-3 in the format prescribed by the Secretary is subject to a penalty of \$200. A taxpayer that fails to file Form NC-3 on or before the due date is subject to a penalty of \$50 per day, up to a maximum penalty of \$1,000. See the instructions for Form NC-3 on the Department's website at www.ncdor.gov for additional details.

Please visit the Department's website at www.ncdor.gov for additional details about electronic filing and payment methods. The Department's website also provides specific details about filing requirements, due dates, and applicable penalties.

Copy for Period January	Copy for Period February	Copy for Period March	Copy for Period April	Copy for Period May	Copy for Period June
Check No.	Check No.	Check No.	Check No.	Check No.	Check No.
Check Date	Check Date	Check Date	Check Date	Check Date	Check Date

1. Tax Withheld	1. Tax Withheld	SAMPLE	1. Tax Withheld	1. Tax Withheld
2. Penalty	2. Penalty		2. Penalty	2. Penalty
3. Interest	3. Interest		3. Interest	3. Interest
4. Total Due	4. Total Due		4. Total Due	4. Total Due

Copy for Period July	Copy for Period August	Copy for Period September	Copy for Period October	Copy for Period November	Copy for Period December
Check No. _____	Check No. _____	Check No. _____	Check No. _____	Check No. _____	Check No. _____
Check Date _____	Check Date _____	Check Date _____	Check Date _____	Check Date _____	Check Date _____
1. Tax Withheld	1. Tax Withheld	1. Tax Withheld	1. Tax Withheld	1. Tax Withheld	1. Tax Withheld
2. Penalty	2. Penalty	2. Penalty	2. Penalty	2. Penalty	2. Penalty
3. Interest	3. Interest	3. Interest	3. Interest	3. Interest	3. Interest
4. Total Due	4. Total Due	4. Total Due	4. Total Due	4. Total Due	4. Total Due

SAMPLE

Copy for Amended Returns	Copy for Amended Returns	Copy for Amended Returns
Check No. _____	Check No. _____	Check No. _____
Check Date _____	Check Date _____	Check Date _____
1. Tax Withheld as Corrected	1. Tax Withheld as Corrected	1. Tax Withheld as Corrected
2. Tax Withheld as Originally Reported or Previously Adjusted	2. Tax Withheld as Originally Reported or Previously Adjusted	2. Tax Withheld as Originally Reported or Previously Adjusted
3. Overpayment	3. Overpayment	3. Overpayment
4. Additional Tax Due	4. Additional Tax Due	4. Additional Tax Due
5. Interest	5. Interest	5. Interest
6. Total Tax Due	6. Total Tax Due	6. Total Tax Due

SAMPLE

North Carolina Department of Revenue Contact Information

Additional information about withholding tax and tax forms may be obtained from the Department's website at www.ncdor.gov. Taxpayers may also call the Department at 1-877-252-3052 (toll free) to obtain the information and to request forms.

Taxpayers may receive other important information and related tax matters by subscribing to the Department's Tax Update Email and related tax matters by subscribing to the Department's website at www.ncdor.gov and sign up for E-Alerts.

SAMPLE

Quarterly Withholding Tax Payment Booklet Sample

NCDOR

2023

Quarterly Withholding Tax Payment Forms

North Carolina Department of Revenue

SAMPLE

You can file your return and pay your tax online. For details visit www.ncdor.gov.

This book contains the following:

- Form NC-AC, Business Address Correction
- Form NC-BN, Out-of-Business Notification
- Instructions for preparing quarterly withholding returns
- Original and amended returns, Forms NC-5 & NC-5X

Use only black or blue ink to fill in the forms in this book.

The period covered is printed on each return; therefore, use the correct return for each period. If the correct return is not available, go to www.ncdor.gov to obtain the correct form.

To insure proper credit, please do not fold, staple, tape, or paper clip returns or payments.

North Carolina Department of Revenue
Submissions Processing Division
P.O. Box 25000
Raleigh, North Carolina 27640-0001

Paying Your Tax Online or by EFT Method

In lieu of using Form NC-5 in this book, you can file and pay your tax online using the Department's website or you can pay by the Electronic Funds Transfer (EFT) method. Go to www.ncdor.gov or call toll-free 1-877-308-9103.

This booklet contains your income tax withholding forms for 2023. Please check them for accuracy and completeness.

SAMPLE

Important: Form NC-5 must be filed for each quarter. If you do not owe tax for a quarter, you must still file a return showing zero (0.00) on Line 4. Please do not write "no tax due" or any other text on the return.



NC-AC Business Address Correction

Account ID: _____

Fill in all applicable circles:

- ☐ All Business Accounts
- ☐ Franchise and Corporate Income
- ☐ Partnership
- ☐ Sales and Use*
- ☐
- ☐

Effective date of change: _____

If business has moved to another N.C. county, indicate new county: _____

New street address (include city, state, and zip):

New mailing address (if different from street address):

SAMPLE

*If you registered via the Streamlined Sales Tax Registration System, do not use this form. Any updates must be made at www.sstregister.org. Do not send this form with a tax return. Mail this form in a separate envelope to North Carolina Department of Revenue, P.O. Box 25000, Raleigh, NC 27640-0001.



NC-BN Out-of-Business Notification

Account ID: _____

1. If permanently closed, enter the date closed.* _____

2. If a seasonal business has temporarily closed, fill in circle(s) for months business is open:

Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

turns for the months the business is open.

SAMPLE

Circle for accounts that are seasonal or closed:

Use Tax*

General Rate Sales and Use Tax (Utility, Liquor, Gas, and Other)

- ☐ Motor Vehicle Lease and Rental Tax
- ☐ Scrap Tire Disposal Tax
- ☐ White Goods Disposal Tax
- ☐ Withholding Tax
- ☐ Other _____

*If you registered via the Streamlined Sales Tax Registration System, do not use this form. Any updates must be made at www.sstregister.org. Do not send this form with a tax return. Mail this form in a separate envelope to North Carolina Department of Revenue, P.O. Box 25000, Raleigh, NC 27640-0001.

Instructions for Forms NC-5 and NC-5X

Employers who withhold an average of **less than \$250** of North Carolina income tax per month must file a withholding return and pay the tax quarterly.

Important: Use only black or blue ink to fill in withholding forms.

You can file Form NC-5 and pay the tax online.
For details, visit www.ncdor.gov.

- 1. General:** Forms in this book are preprinted with a withholding tax period and due date. Please use the return which corresponds to the period for which you are filing. Do not use another employer's pre-numbered return. File a return for each quarter, including the quarter in which registration was filed, so a delinquent notice will not be mailed to you. If you do not owe tax, you must still file a return with zero (0.00). Please do not write "no tax due" or any other

you are required to electronically file the annual reconciliation, Form NC-3, with the required copies of the W-2 and various statements and furnish the employees and contractors with copies of the statements.

Prepare an Original Withholding Return, Form NC-5:

Withheld: Enter amount of North Carolina income tax required to be withheld.

- 2. Due Date:** Quarterly returns and payments are due on or before the last day of the month following the end of the calendar quarter.
- 3. Final Return:** If this is your last return, complete **Form NC-BN, "Out-of-Business Notification,"** and include it with the final return. Within thirty days of the last payment of compensation,

Line 2 - Penalty: A penalty of 5% of the amount required to be withheld is imposed for failure either to withhold or to pay when due. The penalty for failure to timely file a withholding return is 5% of the tax due per month (maximum 25%). In addition, criminal penalties are provided for willful failure to comply with the withholding statutes. The Department will publish a notification if these penalties change.

Continued Instructions

Line 3 - Interest: If payment is late, interest will accrue at the current rate set by the Secretary of Revenue.

5. How to Prepare an Amended Withholding Return, Form NC-5X:

Line 1 - Enter the corrected North Carolina income tax required to be withheld.

Line 2 - Enter the tax withheld as originally reported, adjusted.

Line 3 - If Line 2 is more than Line 1, subtract overpayment. You will receive a refund overpayment on Line 3.

Line 4 - If Line 1 is more than Line 2, subtract and enter the additional tax due.

Line 5 - If additional tax is due, enter the accrued interest.

Line 6 - Enter the total amount due and payable.

- 6. Filing Returns:** Mail the return and the total amount due in the envelope provided. Be sure to insert the payment behind the return so the due date shows through the window of the envelope.

Note: Form NC-5X, Amended Return, is no longer required to be filed when preparing the annual withholding reconciliation if you have an overpayment or additional tax. Form NC-3 will allow you to enter the overpayment tax due on the form. Form NC-3 is filed annually and should not be filed for each quarter.

Use a staple, tape, paper clip or otherwise attach your check to the return. Do not fold your return or payment.



Filing Frequency:	
Period Ending	File By
Account ID:	

Use the return only for the Period Ending date specified above.
If address is incorrect, complete NC-AC, Business Address Correction.

Withholding Return

North Carolina Department of Revenue

This return must be filed even if no tax has been withheld.

DOR
Use
Only

1. Tax Withheld	▶	<input type="text"/>	.00
		<input type="text"/>	.00
		<input type="text"/>	.00
4. Total Due	\$	<input type="text"/>	.00

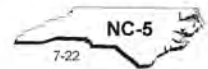
(Add Lines 1, 2, and 3)

SAMPLE

Signature: _____ Date: _____
I certify that, to the best of my knowledge, this return is accurate and complete.

Title: _____ Phone: () _____

MAIL TO: P.O. Box 25000, Raleigh, NC 27611-0019



Filing Frequency	Period Ending
Account ID	

If address is incorrect, complete NC-AC, Business Address Correction.

Amended Withholding Return

North Carolina Department of Revenue

1. Tax Withheld as Corrected	▶	<input type="text"/>	.00
2. Tax Withheld as Originally Reported or Previously Adjusted	▶	<input type="text"/>	.00
3. Amount Due (More than Line 1, enter Overpayment)	▶	<input type="text"/>	.00
4. Tax Due (More than Line 2, enter Tax Due)	▶	<input type="text"/>	.00
5. Total Amount Due	\$	<input type="text"/>	.00

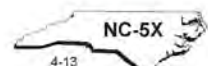
(Add Lines 4 and 5)

SAMPLE

Signature: _____ Date: _____
I certify that, to the best of my knowledge, this return is accurate and complete.

Title: _____ Phone: () _____

MAIL TO: P.O. Box 25000, Raleigh, NC 27611-0015



You will receive a refund if you have an Overpayment on Line 3.

Important Reminder regarding Form NC-3 - Annual Withholding Reconciliation and Form NC-3X - Amended Annual Withholding Reconciliation.

Form NC-3 reconciles the total North Carolina income tax withheld as reported on W-2 and 1099 statements with the amount reported as withheld for the year. Form NC-3 and W-2 and various 1099 statements, collectively ("Form NC-3") must be filed electronically.

Form NC-3 must be filed by January 31 of the succeeding year. If an employer terminates its business, Form NC-3 is due on or before the last day of the month following the end of the calendar year.

Form NC-3X is used to amend a previously filed Form NC-3. If a taxpayer has filed a Form NC-3 and later determines that the information is incorrect, Form NC-3X may be filed electronically to amend a previously filed W-2 or 1099 statements, the corrected and 1099 statements, collectively ("Form NC-3X") may be filed electronically.

A taxpayer that fails to file Form NC-3 in the format prescribed by the Secretary is subject to a penalty of \$200. A taxpayer that fails to file Form NC-3 on or before the due date is subject to a penalty of \$50 per day, up to a maximum penalty of \$1,000. See the instructions for Form NC-3 on the Department's website at www.ncdor.gov for additional details.

Please visit the Department's website at www.ncdor.gov for additional details about electronic filing and payment methods. The Department's website also provides specific details about filing requirements, due dates, and applicable penalties.

Copy for Period 3 / 31 / 23	Copy for Period 6 / 30 / 23	Copy for Period 9 / 30 / 23	Copy for Period 12 / 31 / 23	Copy for Amended Reports
Check No. _____	Check No. _____	Check No. _____	Check No. _____	Check No. _____
Check Date _____	Check Date _____	Check Date _____	Check Date _____	Check Date _____

1. Tax Withheld	1. Tax Withheld	1. Tax Withheld	1. Tax Withheld	1. Amount Withheld as Corrected
2. Penalty	2. Penalty	2. Penalty	2. Penalty	2. Tax Withheld Originally Reported or Previously Adjusted
3. Interest	3. Interest	3. Interest	3. Interest	3. Overpayment
4. Total Due	4. Total Due	4. Total Due	4. Total Due	4. Additional Tax Due
				5. Interest
				6. Total Tax Due

North Carolina Department of Revenue Contact Information

Additional information about withholding tax and tax forms may be obtained from the Department's website at www.ncdor.gov. Taxpayers may also call the Department at 1-877-252-3052 (toll free) to obtain the information and to request forms.

Taxpayers may receive other important notices about law changes and related tax matters by subscribing to the Department's Tax Update Email List. Go to the Department's website at www.ncdor.gov and sign up for E-Alerts.

SemiWeekly Withholding Tax Payment Booklet Sample

N C DEPARTMENT OF REVENUE
P.O. BOX 25000
RALEIGH, NC 27640-0001

SAMPLE



This booklet contains your 2023 North Carolina semiweekly withholding forms.

Important Information Regarding Withholding Filing Frequency

If this is the first time you have received this semiweekly withholding booklet, it may be because your filing frequency has changed to semiweekly based on the amount of taxes you withheld in the twelve-month period that ended June 30. The Department uses a twelve-month lookback period that ends on June 30 to determine the appropriate filing frequency. The law requires an employer who withholds an average of \$2,000 or more of North Carolina income tax each month to pay the withholding tax at the same times it is required to file the reports and pay the tax withheld on the same wages for federal income tax purposes.

File and Pay Your Withholding Tax Electronically

eFile - You can file Form NC-5P and pay your withholding tax online. The Department's **eFile** system offers the convenience of filing the form and paying the tax 24 hours a day, 7 days a week. Payments can be made online by bank draft and credit or debit card using MasterCard or Visa. Go to the Department's website at www.ncdor.gov for additional information.

EFT - See the back of this booklet for information on paying withholding tax by the Electronic Funds Transfer (EFT) method. This booklet includes withholding instructions for semiweekly payers and the **Quarterly Income Tax Withholding Return (Form NC-5Q)**.

Form NC-5Q - You can file Form NC-5Q electronically via the Department's eNC5Q Application. If you need to make a payment for the tax due amount reported on your Form NC-5Q, you must complete and file a paper Form NC-5PX. The completed Form NC-5PX and the payment for the tax and interest due must be mailed to the Department. Go to the Department's website at www.ncdor.gov for additional details.

Withholding Tax Telephone Numbers

General withholding tax questions1-877-252-3052 (Toll-free)
 Electronic Funds Transfer Helpline1-877-308-9103 (Toll-free)
 Online Filing and Payment Assistance1-877-308-9103 (Toll-free)

You may also go to the DOR website: www.ncdor.gov

or write: North Carolina Department of Revenue
 Withholding Tax Section
 P. O. Box 25000
 Raleigh, NC 27640-0001

General Information

Employers who average withholding North Carolina income tax of \$2,000 or more each month are required to file their withholding tax reports and pay the tax withheld at the same times they are required to file the reports and pay the tax withheld on the same wages for federal income tax purposes. Prior to the beginning of each calendar quarter, you will receive a forms packet containing payment vouchers and a quarterly withholding tax return. The forms packet also includes a "Change of Address/Out of Business Notification" form, labels to be used for mailing payment vouchers, and a return envelope for the quarterly tax return.

Making Payments of North Carolina Income Tax Withheld

Payment Due Dates

Withholding from wages: You are required to withhold North Carolina income tax from salaries and wages of all residents regardless of where earned and from wages of nonresidents for services performed in this State. However, North Carolina withholding is not required from wages paid to a resident for services performed in another state if that state requires the employer to withhold.

The due dates for reporting and paying North Carolina income tax withheld are determined by the due dates for depositing federal employment taxes (income tax withheld and FICA). Each time you are required to deposit federal employment taxes, you must remit the North Carolina income tax withheld on those same wages, regardless of the amount of State tax withheld. You must mail or deliver payment of North Carolina income tax withheld by the due date for depositing the federal taxes. For federal tax purposes, if you withhold \$100,000 or more, the deposit is required on the next banking day. North Carolina law did not adopt that provision of federal law, and the State income tax withholding is due to be mailed on or before the normal federal semiweekly due date for those wages.

Withholding from non-wage compensation paid to a payee: If you pay compensation other than wages of more than \$1,500.00 during a calendar year to a payee for services in North Carolina, you are required to deduct and withhold State income taxes of 4% of the compensation paid to the payee. A payee is defined as any of the following: (a) a person identified by an Individual Taxpayer Identification Number (ITIN), including applied for and expired number; (b) a person whose taxpayer identification number is invalid, and the person's taxpayer identification number is invalid, and the person is a nonresident contractor; (c) a nonresident contractor defined as a nonresident contractor who is performing services in North Carolina relating to a performance, an entertainment, an athletic event, a speech, or the creation of a film, radio, or television production; (d) a person who is temporarily admitted to the United States to perform agricultural labor or services under an H-2A visa and who is not subject to federal income tax withholding under section 1441 of the Code. An ITIN is issued to a person who is required to have a taxpayer identification number but does not have and is not eligible to obtain a social security number. The due dates for filing North Carolina withholding returns and paying the tax withheld from payees are the same as the general due date for other North Carolina income tax withholdings. See Publication NC-30, North Carolina Income Tax Withholding Tables and Instructions for Employers, for more information on withholding from payees.

Withholding on pension payments: A pension payer required to withhold federal income tax under Section 3405 of the Internal Revenue Code on a pension payment to a North Carolina resident must also withhold State income tax from the pension payment. A pension payer that fails to withhold or remit tax that is withheld is liable for the tax. In the case of a **periodic payment**, you must withhold as if the recipient's filing status is "Single" with zero allowances unless the recipient provides an exemption certificate (Form NC-4P) reflecting a different filing status or number of allowances. For a **nonperiodic distribution**, including an eligible rollover distribution, four percent (4%) of the distribution must be withheld. A recipient may elect not to have income tax withheld from a pension payment unless the pension payment is an eligible rollover distribution. A recipient of a pension payment that is an eligible rollover distribution does not have the option of electing not to have State tax withheld from the distribution. See Publication NC-30, North Carolina Income Tax Withholding Tables and Instructions for Employers, for more information on withholding from pension payments.

Making your Payments: Enclosed are 24 vouchers for paying North Carolina income tax withheld. Enter the day and month compensation was paid and the payment amount. **Although your payment may cover more than one payday in the same semiweekly period, enter the latest date that compensation was paid.** Example: You have a biweekly payroll on Wednesday, January 4, and a weekly payroll on Friday, January 6. The federal tax withheld on the compensation is due to be deposited on Wednesday, January 11. Submit payment of the North Carolina tax withheld along with a payment voucher on or before January 11. Enter 01 - 06 - 2023 on the voucher as date compensation paid.

If a quarterly return period ends on a day other than Tuesday or Friday, employment taxes accumulated on the days covered by the return period just ending are subject to one deposit obligation, and employment taxes accumulated on the days covered by the new return period are subject to a separate deposit obligation. For example, if one quarterly return period ends on Thursday and a new quarter begins on Friday, employment taxes accumulated on Wednesday and Thursday are subject to one deposit obligation and taxes accumulated on Friday are subject to a separate obligation. Separate Forms NC-5P are required for each deposit because two different quarters are affected. Be sure to fill out the payment record stub for each Form NC-5P voucher used. You will need this information when filing Form NC-5Q, North Carolina Quarterly Income Tax Withholding Return.

Late payments: A penalty of 5% of the tax will be assessed for failure to make timely payment of the income tax withheld. Interest will be assessed at a daily rate from the due date until paid. The Department will publish a notification if this penalty changes.

Change of Address / Out of Business Notification

North Carolina Department of Revenue Withholding Tax

If the business is permanently closed, enter the date closed: _____ If business has moved to another N.C. county, enter new county: _____

Account ID: _____

New street address

New mailing address (if different from street address):

Mail to: NCDOR, Submissions Processing Division, P.O. Box 25000, Raleigh NC 27640-0001

Adjustments: If you discover that you underpaid the tax for a previous period, complete Form NC-5PX and include the additional tax and interest with the voucher. (Note: A late-payment penalty does not apply when additional tax due is paid upon discovery.) If your payment falls under the "shortfall" provisions of Federal Regulation 31.6302-1, you will not be subject to interest on the additional tax due. If you overpaid the tax withheld for a prior payday, you may reduce the payment of the tax withheld for a subsequent payday by that amount, if in the same quarter. If you do not make an adjustment for the overpayment during the quarter, the overpayment will reflect on your quarterly tax return.

Filing Your North Carolina Quarterly Income Tax Withholding Return, Form NC-5Q

Filing Requirements/Due Dates: The North Carolina Quarterly Income Tax Withholding Return, Form NC-5Q, reconciles the tax paid for the quarter with the tax withheld for the quarter. You can now file Form NC-5Q electronically via the Department's eNC5Q Application. If you prefer to file a paper Form NC-5Q, this forms packet contains a quarterly tax return. Form NC-5Q must be filed each quarter on or before the last day of the month following the close of the quarter. Due dates for Form NC-5Q are the same as your federal quarterly returns (Federal Form 941). You have 10 additional days to file Form NC-5Q if you made all your required payments during the quarter and no additional tax is due.

No Payroll: If you did not have a payroll during the quarter, complete Form NC-5Q and enter "0" on lines 1 and 2.

Final Payroll: If you have stopped doing business or are changing your North Carolina withholding tax account by completing and returning the "Change of Address/Out of Business Notification" form, you must file Form NC-5Q.

Adjustments: When completing Form NC-5Q, the taxpayer must enter the correct North Carolina tax required to be withheld, regardless of the amount paid. If the tax withheld exceeds the tax paid, the additional amount due must be submitted with Form NC-5PX. Do not send payment with the quarterly return, Form NC-5Q. If you paid more than the correct amount for a quarter, the overpayment will be refunded to you.

Amended Returns: Blank copies of Form NC-5Q are available for filing amended returns. Amended returns must be clearly marked "amended" at the top of Form NC-5Q.

Filing the Annual Withholding Reconciliation, Form NC-3, and Amended Annual Withholding Reconciliation, Form NC-3X

Annual Withholding Reconciliation, Form NC-3, reconciles the total North Carolina income tax withheld as reported on W-2 and 1099 statements with the amount reported as withheld for the year. Form NC-3 and W-2 and various 1099 statements, collectively ("Form NC-3") must be filed electronically.

Form NC-3 must be filed by January 31 of the succeeding year. If an employer terminates its business, Form NC-3 is due on or before the last day of the month following the end of the calendar quarter in which the business closed. Form NC-3 is filed annually, not quarterly.

Amended Annual Withholding Reconciliation, Form NC-3X, is used to amend a previously filed Form NC-3. If corrections were made to a previously filed W-2 or 1099 statements, the corrected statements are required to be filed with Form NC-3X. Form NC-3X and corrected W-2 and 1099 statements, collectively ("Form NC-3X") may be filed electronically.

Penalties: A taxpayer that fails to file Form NC-3 in the format prescribed by the Secretary is subject to a penalty of \$200. A taxpayer that fails to file Form NC-3 on or before the due date is subject to a penalty of \$50 per day, up to a maximum penalty of \$1,000. See the instructions for Form NC-3 on the Department's website at www.ncdor.gov for additional details.

Please visit the Department's website at www.ncdor.gov for additional details about electronic filing and payment methods. The Department's website also provides specific details about filing requirements, due dates, and applicable penalties.

Additional information

Change of Address/Out of Business Notification: Use the "Change of Address/Out of Business Notification" form included in this packet to notify the Department of Revenue that you have moved, changed your address, or that you are no longer in business. Do not use Form NC-5P or Form NC-5Q to notify the Department of an address or trade name change since such information is not recorded during the automated processing of payment vouchers and quarterly tax returns.

For More Information on Income Tax Withheld: This forms packet does not contain complete information about North Carolina income tax withholding laws. Additional information is available in Publication NC-30, *North Carolina Income Tax Withholding Tables and Instructions for Employers*. Publication NC-30 is available on the Department of Revenue website at www.ncdor.gov.

Instructions

Use this form to report any change in address or that you are no longer in business. Once the Department has been notified, the Department's file and next quarter's mailing list will be updated.

If a change of ownership has occurred, you may need a new withholding account identification number. Please see the instructions in the Publication NC-30, Income Tax Withholding Tables and Instructions for Employers, for more information.

Mail the completed form to: NCDOR
Submissions Processing Division
P. O. Box 25000
Raleigh, NC 27640-0001

SAMPLE

N.C. DEPARTMENT OF REVENUE
P.O. BOX 25000
RALEIGH NC 27640-0050

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P.O. BOX 25000
RALEIGH NC 27640-0050

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RALEIGH NC 27640-0050

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P.O. BOX 25000
RALEIGH NC 27640-0050

LE DEPARTMENT OF REVENUE
X 25000
iH NC 27640-0050

N.C. DEPARTMENT OF REVENUE
P.O. BOX 25000
RALEIGH NC 27640-0050

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RALEIGH NC 27640-0050

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RALEIGH NC 27640-0050

N.C. DEPARTMENT OF REVENUE
P.O. BOX 25000
RALEIGH NC 27640-0050

SAMPLE

Date: _____ Amount: _____

Withholding Payment Voucher

North Carolina Department of Revenue

Signature: _____
 I certify that, to the best of my knowledge, this return is accurate and complete.
 Title: _____
 MAIL TO: P.O. Box 25500, Raleigh, NC 27602-0500

Date: _____
 Phone: () _____

Enter Date Compensation Paid

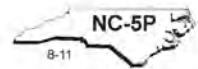
2023

Amount of this Payment

\$.00



3080101012



Date: _____ Amount: _____

Withholding Payment Voucher

North Carolina Department of Revenue

Signature: _____
 I certify that, to the best of my knowledge, this return is accurate and complete.
 Title: _____
 MAIL TO: P.O. Box 25500, Raleigh, NC 27602-0500

Date: _____
 Phone: () _____

Enter Date Compensation Paid

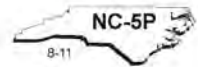
2023

Amount of this Payment

\$.00



080101012



Date: _____ Amount: _____

Withholding Payment Voucher

North Carolina Department of Revenue

Signature: _____
 I certify that, to the best of my knowledge, this return is accurate and complete.
 Title: _____
 MAIL TO: P.O. Box 25500, Raleigh, NC 27602-0500

Date: _____
 Phone: () _____

Enter Date Compensation Paid

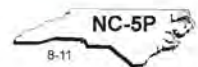
2023

Amount of this Payment

\$.00



3080101012



Date: _____ Amount: _____

Withholding Payment Voucher

North Carolina Department of Revenue

Signature: _____
 I certify that, to the best of my knowledge, this return is accurate and complete.
 Title: _____
 MAIL TO: P.O. Box 25500, Raleigh, NC 27602-0500

Date: _____
 Phone: () _____

Enter Date Compensation Paid

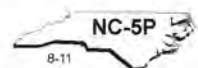
2023

Amount of this Payment

\$.00



3080101012

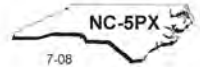


Amount: _____
Date: _____

Amended Withholding Payment Voucher

North Carolina Department of Revenue

<p>Signature: _____ Date: _____</p> <p>I certify that, to the best of my knowledge, this return is accurate and complete.</p> <p>Title: _____ Phone: () _____</p> <p><small>MAIL TO: P.O. Box 25000, Raleigh, NC 27615-0050</small></p>	<p>Enter Date Compensation Paid</p> <p style="text-align: center;"> <input type="text"/>-<input type="text"/>-<input type="text"/> <small>(MM-DD-YY)</small> </p> <p>1. Additional Tax ▶ .00</p> <p>2. Interest .00</p> <p>3. Total Due \$.00</p>
--	--



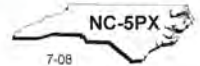
Amount: _____
Date: _____

Amended Withholding

North Carolina Department of Revenue

SAMPLE

<p>Signature: _____ Date: _____</p> <p>I certify that, to the best of my knowledge, this return is accurate and complete.</p> <p>Title: _____ Phone: () _____</p> <p><small>MAIL TO: P.O. Box 25000, Raleigh, NC 27615-0050</small></p>	<p>Compensation Paid</p> <p style="text-align: center;"> <input type="text"/>-<input type="text"/> <small>(MM-DD-YY)</small> </p> <p>1. Additional Tax ▶ .00</p> <p>2. Interest .00</p> <p>3. Total Due \$.00</p>
--	--

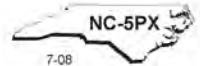


Amount: _____
Date: _____

Amended Withholding Payment Voucher

North Carolina Department of Revenue

<p>Signature: _____ Date: _____</p> <p>I certify that, to the best of my knowledge, this return is accurate and complete.</p> <p>Title: _____ Phone: () _____</p> <p><small>MAIL TO: P.O. Box 25000, Raleigh, NC 27615-0050</small></p>	<p>Enter Date Compensation Paid</p> <p style="text-align: center;"> <input type="text"/>-<input type="text"/>-<input type="text"/> <small>(MM-DD-YY)</small> </p> <p>1. Additional Tax ▶ .00</p> <p>2. Interest .00</p> <p>3. Total Due \$.00</p>
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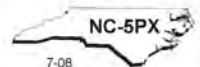


Amount: _____
Date: _____

Amended Withholding Payment Voucher

North Carolina Department of Revenue

<p>Signature: _____ Date: _____</p> <p>I certify that, to the best of my knowledge, this return is accurate and complete.</p> <p>Title: _____ Phone: () _____</p> <p><small>MAIL TO: P.O. Box 25000, Raleigh, NC 27615-0050</small></p>	<p>Enter Date Compensation Paid</p> <p style="text-align: center;"> <input type="text"/>-<input type="text"/>-<input type="text"/> <small>(MM-DD-YY)</small> </p> <p>1. Additional Tax ▶ .00</p> <p>2. Interest .00</p> <p>3. Total Due \$.00</p>
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**NC-5Q**
Quarterly Income Tax Withholding Return

This return is for semiweekly payers only.

DOR
Use
Only

Account ID	Date Quarter Ended	Do not send payment with this form. Use Form NC-5PX to pay additional tax and interest.
Business Name and Address		

SAMPLE

SAMPLE

1. Total tax required to
(From Line IV on reverse of this form)

▶ .00

2. Total payments to North Carolina for quarter

.00

3. If Line 1 is more than Line 2, subtract
and enter underpayment

.00

4. If Line 1 is less than Line 2, subtract and enter overpayment
The overpayment will be refunded

.00

MAIL TO: North Carolina Department of Revenue, Post Office Box 25000, Raleigh, North Carolina 27640-0605

Signature: _____ **Date:** _____

I certify that, to the best of my knowledge, this return is accurate and complete.

Title: _____ **Phone:** () _____

This form must be filed on or before the last day of the month following the close of the quarter.

NC-5Q Reverse

Employer's Record of State Tax Liability

See NC-30 for more information about withholding tax returns.

Complete this schedule by entering the N.C. income tax required to be withheld each payday, not payments.

I. Tax Withheld - First Month of Quarter									
1	.00	8	.00	15	.00	22	.00	29	.00
2	.00	9	.00	16	.00	23	.00	30	.00
3	.00	10	.00	17	.00	24	.00	31	.00
4	.00	11	.00	18	.00	25	.00		
5	.00	12	.00	19	.00	26	.00		
6	.00	13	.00	20	.00	27	.00		
7	.00	14	.00	21	.00	28	.00		
I. Total tax required to be withheld for first month of quarter								I.	.00
II. Tax Withheld - Second Month of Quarter									
1	.00	8	.00	15	.00	22	.00	29	.00
2	.00	9	.00	16	.00	23	.00	30	.00
3	.00	10	.00	17	.00	24	.00	31	.00
4	.00	11					.00		
5	.00	12					.00		
6	.00	13					.00		
7	.00	14	.00	21	.00	28	.00		
II. Total tax required to be withheld for second month of quarter								II.	.00
III. Tax Withheld - Third Month of Quarter									
1	.00	8	.00	15	.00	22	.00	29	.00
2	.00	9	.00	16	.00	23	.00	30	.00
3	.00	10	.00	17	.00	24	.00	31	.00
4	.00	11	.00	18	.00	25	.00		
5	.00	12	.00	19	.00	26	.00		
6	.00	13	.00	20	.00	27	.00		
7	.00	14	.00	21	.00	28	.00		
III. Total tax required to be withheld for third month of quarter								III.	.00
IV. Total for Quarter (Add Lines I, II, and III; enter here and on Line 1 on front)								IV.	.00

Withholding Tax Instructions For Employers Subject To The Electronic Funds Transfer (EFT) Requirement

Employers who remitted more than \$240,000.00 in North Carolina withholding taxes during a twelve month period will be notified of the requirement to remit payments by electronic funds transfer (EFT).

As an employer subject to the electronic funds transfer requirement, you will no longer file **Form NC-5P, Withholding Payment Voucher**. The payment information which accompanies the funds transfer constitutes the filing of the NC-5P.

You must continue to file the **North Carolina Quarterly Income Tax Withholding Return, Form NC-5Q**. You can now file Form NC-5Q electronically via the Department's eNC5Q Application. If you prefer to file a paper Form NC-5Q, please use Form NC-5Q included in this packet. If you need additional copies, Form NC-5Q is available on the Department's website at www.ncdor.gov. Form NC-5Q must be filed by the required due dates.

In general, **Annual Withholding Reconciliation, Form NC-3**, must be filed by January 31. Additional information is available on the Department's website at www.ncdor.gov.

Please refer to the section of this document entitled "Making Payments of North Carolina Income Tax Withheld" for information concerning payment due dates, penalty and interest, and adjustments.

Employers who are not required to remit payments by EFT may voluntarily participate in EFT. Call (toll-free) 1-877-308-9103 for more information. Local callers dial (919) 814-1501. You may also go to the Department's website at www.ncdor.gov for additional information.

SAMPLE

North Carolina Department of Revenue Contact Information

Additional information about withholding tax and tax forms may be obtained from the Department's website at www.ncdor.gov. Taxpayers may also call the Department at 1-877-252-3052 (toll free) to obtain the information and to request forms.

Taxpayers may receive other important notices about law changes and related tax matters by subscribing to the Department's Tax Update Email List. Go to the Department's website at www.ncdor.gov and sign up for E-Alerts.