

## Fiscal Service, Treasury

## § 203.6

TT&L depository that accepts electronic and/or paper Federal tax payments and retains a portion of the tax deposits in its TIP main account balance. An investor depository is a TT&L depository that accepts direct investments, SDIs, or dynamic investments and may accept electronic and/or paper Federal tax payments and retain a portion of those tax deposits. Collector, retainer, and investor depositories may accept term investments. Retainer and investor depositories do not have to participate in PATAX.

### § 203.4 Financial institution eligibility for designation as a TT&L depository.

(a) To be designated as a TT&L depository, a financial institution must be insured as a national banking association, state bank, savings bank, savings association, building and loan, homestead association, Federal home loan bank, credit union, trust company, or a U.S. branch of a foreign banking corporation, the establishment of which has been approved by the Comptroller of the Currency.

(b) A financial institution must possess the authority to pledge collateral to secure TT&L account balances, a TIP main account balance, an SDI account balance, or a no account balance as applicable.

(c) In order to be designated as a TT&L depository for the purposes of processing Federal tax deposits through PATAX, a financial institution must possess under its charter either general or specific authority permitting the maintenance of the TT&L account, the balance of which is payable on demand without previous notice of intended withdrawal. In addition, investor depositories and retainer depositories must possess either general or specific authority permitting the maintenance of a TIP main account balance or an SDI account balance. Investor, retainer, and collector depositories that accept term investments must possess either general or specific authority permitting the maintenance of a TIO account balance. In the case of investor and retainer depositories maintaining a TIP main account balance or an SDI account balance, the authority must permit the

maintenance of a TIP main account balance or an SDI account balance which is payable on demand without previous notice of intended withdrawal.

### § 203.5 Designation of financial institutions as TT&L depositories.

(a) *Parties to the agreement.* To be designated as a TT&L depository, a financial institution must enter into a depository agreement with Treasury or Treasury's Fiscal agent. By entering into this agreement, the financial institution agrees to be bound by this part, and procedural instructions issued pursuant to this part. Treasury will not compensate depositories for servicing and maintaining a TT&L account, or for processing tax payments through EFTPS or PATAX, unless otherwise provided for in procedural instructions.

(b) *Application procedures.* (1) An eligible financial institution seeking designation as a TT&L depository must file the forms specified in the procedural instructions with the TSC. A TT&L depository must elect to be one or more of the following:

- (i) A collector depository;
- (ii) A retainer depository;
- (iii) An investor depository.

(2) A financial institution is not authorized to maintain a TT&L account, TIP main account balance, SDI account balance, or TIO account balance until the TSC designates it as a TT&L depository.

### § 203.6 Obligations of TT&L depositories.

A TT&L depository must:

(a) Administer a TIP main account balance, SDI account balance, or TIO account balance, as applicable, if participating in the investment program.

(b) Administer a TT&L account, if participating in PATAX.

(c) Comply with the requirements of Section 202 of Executive Order 11246, entitled "Equal Employment Opportunity" (3 CFR, 1964-1965 Comp., p. 339) as amended by Executive Orders 11375 and 12086 (3 CFR, 1966-1970 Comp., p. 684; 3 CFR, 1978 Comp., p. 230), and the regulations issued thereunder at 41 CFR chapter 60.

(d) Comply with the requirements of Section 503 of the Rehabilitation Act of