

IRS TAX TIP 2001-10

NEW 1040 CHECKBOX IMPROVES COMMUNICATIONS, REDUCES IRS NOTICES

WASHINGTON – A new checkbox feature on this year's tax forms will give taxpayers the option of allowing their paid preparers to directly answer tax processing questions. This change will improve communication and reduce the number of IRS letters to taxpayers.

Taxpayers may check this box to authorize the IRS to discuss processing problems over the phone directly with the paid preparer who signs the return.

With more than half of tax returns coming from paid preparers, this change eliminates a barrier that slowed communication between taxpayers, practitioners and the IRS.

By checking the "Yes" box in the signature area of the tax return, you authorize the IRS to call the paid preparer to answer questions that may arise during the processing of your return. You authorize the paid preparer to:

- Give the IRS any information that is missing from your return.
- Call the IRS for information about the processing of your return or the status of your refund or payment.
- Respond to certain IRS notices that you have shared with the preparer about math errors, offsets and return preparation. However, these notices will not be sent to the preparer.

Using the checkbox does not authorize the paid preparer to receive any refund check, bind you to anything (including any additional tax liability) or otherwise represent you before the IRS. If you want to expand the paid preparer's authorization, see Publication 947, "Practice Before the IRS and Power of Attorney," available in the "Forms and Pubs" section of the IRS Web site at www.irs.gov.

The checkbox authorization will automatically end no later than the due date (without regard to extensions) for filing your 2001 tax return. This is April 15, 2002 for most people. The checkbox authorization cannot be revoked.