



**2011**

**INDIVIDUAL TAXPAYER IDENTIFICATION  
NUMBER (ITIN) PROCESSING  
AUTO-POPULATION OF W-2 TAXPAYER  
IDENTIFICATION NUMBER (TIN)**

**Paul Mamo, Deputy Director,  
Submission Processing, W&I**

**Sandra Clifton, Chief, e-Submissions  
Branch, Submission Processing**

**Ed Dickerson, Chief, Individual e-File  
Section, Submission Processing**



2011



# What is the Issue?

---

When a tax return is filed with an ITIN and the corresponding Form W-2 is filed with a Social Security Number, the IRS is unable to verify the accuracy of the reported income because a different identification number has been used on the tax return and the Form W-2.



# Moving Towards a Solution

- In 2010, returns filed with an ITIN reported wages of over \$60 billion and income tax withholding of over \$1.78 billion.
- As a result of a Treasury Inspector General of Tax Administration (TIGTA) recommendation, the IRS agreed to develop a cross-referencing process to match ITIN tax returns to the related Forms W-2 issued using a false SSN on the Information Returns Master File for an August 31, 2011 implementation.



# To Successfully Implement a Solution, We Need....

---

In order to successfully implement the matching of the ITIN tax return to the Form W-2 containing a Social Security Number, the IRS needs:

- All Software Packages to file these types of returns properly reflecting the actual identification numbers as they appear on the return and the Form W-2.



# What We Are Seeing...

---

Further investigation/research shows:

- The auto-population feature in some Software Packages continues to insert the taxpayer's ITIN into the identification number appearing on the Form W-2 when the Form W-2 actually contains a SSN.
- The auto-population feature will continue to impede verification and compliance actions for returns with individual taxpayer identification numbers.



# Here is What We have Done...

- Instructions were included in IRS Publication 1346, Electronic Return File Specifications and Record Layouts for Individual Tax Returns (Tax Year 2010), to encourage software providers to update their software packages accordingly.
- A conference call was held in late April 2011 with several of the larger software providers where this issue was discussed.
- Further outreach efforts, such as this Software Developers Conference, are or will be conducted by the Electronic Tax Administration and Refundable Credits and Submission Processing to effect this change.



# Here is What We Need To Do....

---

We would like to thank those Software Companies that have followed the instructions in the Publication 1346 and have turned off the auto-population feature ITIN filers allowing manual entry of the actual identification numbers.

We would like to ask the remaining companies to identify obstacles that may be preventing you from implementing this request.



**QUESTIONS?**