

2010

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# Power of Attorney and Other Third Party Authorizations

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# Common Types of 3<sup>rd</sup> Party Authorizations

- Power of Attorney (POA)
- Tax Information Authorization (TIA)
- Third Party Designee (or Checkbox)

# Form 2848

## Power of Attorney and Declaration of Representative

- Authorizes representation based on eligibility to practice
- Representative must be an individual
- May allow substitution / re-delegation of representation
- Taxpayer retains accountability



# Form 8821

## Tax Information Authorization

- Designates an “Appointee”, which can be an individual, firm, etc.
- Allows “Specific Use” request
- Oral Tax Information Authorization can be established
- Taxpayer retains accountability

# Third Party Designee / Checkbox

- “Checkbox” authority given to a “designee” on original return / form
- Limited to processing, payment and refund issues on that return
- Duration limited to one year from original return due date excluding any extensions

# Form 2848

## Common Reasons for Rejection

- Missing signature/signature date
- Improper identification of Tax Periods/Tax Matters
- Previous form not attached for retention of prior POA
- Missing delegation code, jurisdiction, or enrollment number

# Form 8821

## Common Reasons for Rejection

- Missing taxpayer signature and/or date
  - Page 4 of Form 8821 Instructions provide requirements for the signature and date
- Incorrect EIN/SSN for taxpayer or business, and IRS unable to perfect



# Unenrolled Return Preparers as Representatives

- Can use Form 2848 to be named as Level H Representative only if:
  - Prepared return(s) listed on Form 2848
  - Listed return(s) are under Examination
- Authority for Level H Representative is limited to discussion of issue with Customer Service Representatives, Revenue Agents, and other Examination employees



# Third Party Authorizations Hints

- Notify the CAF or RAF Function in writing if you have a change of address
  - CAF/RAF are not updated when address is changed on other IRS systems
- Can't remember your CAF number?
  - Call Practitioner Priority Service (PPS)
- Exercise care on “Specific Use Only” for Forms 2848 or Form 8821
  - Specific Use requests are not recorded on CAF

# Successful Input on DA Hints

- Confirm accuracy of taxpayer information on TP Information Screen
- Use previously assigned CAF number
- Use care when checking boxes on Powers Information Screen
- Entry in “Authorized Acts” box of Powers Information Screen creates modified POA
  - TDS and EAR access not available with modified POA

# Authorization Withdrawal / Revocation

- Must be in writing
- Must list all tax periods and matters that are being withdrawn or revoked
- Must be dated and signed
- Easiest method for complete withdrawal – use “marked” original Form 2848 or Form 8821



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# Resources

- **Publication 947**, *Practice Before the IRS and Power of Attorney*
- **Publication 4245**, *Power of Attorney*
- **Publication 4019**, *Third Party Authorizations*
- **Circular 230**