2001 TAX HINTS

Practitioner's Guide to the Filing Season

WELCOME TO TAX HINTS

The IRS is changing to meet the demands of our changing economy. In this edition of **TAX HINTS**, you will find some information that will help you navigate the new IRS and anticipate some of the issues emerging for the 2001 filing season.

This is the first electronic newsletter for practitioners that has been produced jointly by the IRS service centers and National Headquarters. This document contains information about the new structure of the IRS, including points of contact. It also explains changes for the upcoming filing season and offers hints about how to make it a smooth one.

We hope the hints and suggestions you find here will make your job easier, and that experiences with IRS service centers will be pleasant and helpful to you and your clients.

IRS
Department of the Treasury
Internal Revenue Service
www.irs.gov/

A message from the Commissioner of Internal Revenue

Looking back over the past three years, we have made significant improvements to our system of tax administration. As a result of a great deal of effort, we're in a far different situation today than we were last year or the year before. To a considerable extent, the foundation of the new IRS has been laid, and we must now take the next step and successfully execute our plans for the 2001 filing season.

One of our biggest goals for this coming filing season is to conduct most of our internal and external transactions electronically. To meet this objective, we must make it not only technologically possible, but also attractive to the public to make a permanent change from paper to electronic means. Toward that end, here are some of the things we're rolling out this year and planning for the future.

- For the 2001 filing season, we are adding 23 additional forms to the 1040 *e-file* program. We plan to roll out the remaining 40 forms and schedules for 2002. This means we will open *e-file* eligibility to 99.1 percent of all taxpayers, potentially adding 3.8 million new *e-filers* to the growing rolls.
- The IRS will eliminate the requirement for a separate paper document with the *e-file* return. The IRS has successfully tested the use of a PIN code as the taxpayer's signature. With a few exceptions, the 2001 filing season program will extend this option to all taxpayers nationwide who will be able to select their own PIN, then file electronically without any paper. In addition, we have a Taxpayer Authorization Form through which taxpayers can give an electronic return originator the authority to enter their PIN Code.

Charles O. Rossotti
Commissioner of Internal Revenue

- This past filing season, more electronic payments options were made available. These include accepting debit payments through TeleFile and accepting credit cards for Forms 1040ES, estimated tax payments, and Forms 4868, extensions of time to file. We will continue to offer these options and build on these successes.
- We're prototyping a secure messaging system that will provide participating practitioners with a Web-based means for resolving account-related issues. One of our major priorities is to build a secure infrastructure that will permit authorized practitioners to exchange information with the IRS through the Internet.

We have much to show for these three years. Although we can be proud of these accomplishments, we can't be satisfied. The real work has just begun, and I'm convinced that if we stay the course, we will succeed. I wish you all the best for the upcoming filing season.

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The IRS Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.

Internal Revenue Service

What the modernized IRS means to you

The IRS is undergoing the most significant reorganization in its history, and the agency is especially grateful for the support it has received from the practitioner community since the beginning of the modernization effort.

Practitioners are a critical part of the tax system and are essential in providing the IRS with insights and input throughout the modernization process. Practitioners are also major communicators of the modernization program not only to their clients, but to all taxpayers. The IRS values its relationships with tax professionals and will work to enhance these relationships in the future.

The current IRS structure established in 1952 succeeded in accomplishing its purpose of administering the nations tax laws. Today, the IRS collects about $1.8 trillion in federal taxes and has a voluntary compliance rate of approximately 98 percent. However, despite consistently fulfilling its purpose, the IRS has been the subject of a great deal of study and criticism in recent years. These studies revealed a wide range of problems including inadequate technology, poor service to taxpayers, violations of taxpayer rights, lack of adequate training and resources and the inappropriate use of enforcement statistics.

Beginning with the IRS Restructuring and Reform Act of 1998, and culminating with the stand-up of four new operating divisions last year, the IRS has designed and implemented changes that are intended to better serve taxpayers. The central tenet of modernization lies in the belief that by understanding the taxpayer's point of view, the Service will be in a better position to collect the appropriate amount of tax while at the same time more effectively using limited resources. The cornerstone of this effort was the establishment of three strategic goals. These goals are:

- Service to each taxpayer.
- Service to all taxpayers.
- Increased productivity through a quality work environment.

In order to implement these goals, the IRS has adopted five guiding principles. These principles are to:

- Understand and solve problems from the taxpayer's point of view.
- Enable managers to be accountable.
- Align measures of performance at all organizational levels.
- Foster open, honest communication.
- Insist on total integrity.

Finally, the spirit of this effort is embodied by the new IRS mission statement: "Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all."

One of the Service's main objectives is to assist stakeholders and improve the overall consistency and quality of stakeholder interactions. Over the last few months, the IRS has evaluated current relationships with external stakeholders across the country and has designated specific points of contact within the agency that will be responsible for reaching out to them and maintaining open lines of communication during the upcoming filing season. These points of contact will include employees from all four operating divisions, as well as the commissioner's representatives in all 50 states, and will

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CONTACTING THE NEW IRS

IRS Leadership Team

View our organizational structure and find out whom to contact to learn more about each IRS organization. **(www.irs.gov/bus_info/tax_pro/iod/1/index.html)**

The IRS in your state

See how the different services offered by the IRS are distributed across your state and learn whom to contact to meet your business needs. **(www.irs.gov/bus_info/tax_pro/iod/2/index.html)**

Small Business and Self-Employed

Contact points for taxpayers filing Forms 1120S (S-corporations); 1065 (partnerships), 1120 (small corporations); 2106 (business expenses); Schedule C (self-employed); Schedule E (rental real estate and royalties); Schedule F (farmers), estate and gift tax, fiduciary returns or international tax returns. **(www.irs.gov/bus_info/tax_pro/iod/5/index.html)**

Large & Mid-Sized Business

Contact points for taxpayers requiring sophisticated tax planning such as corporations, sub-chapter S corporations and partnerships with assets greater than $5 million. **(www.irs.gov/bus_info/tax_pro/iod/6/index.html)**

Tax Exempt and Government Entities

Contacts points for questions about returns pertaining to Employee Plans, Exempt Organizations and Government Entities. **(www.irs.gov/bus_info/tax_pro/iod/7/index.html)**

What the modernized IRS means to you

Continued from page 2

actively seek to develop preferred relationships, meet stakeholder needs and provide stakeholders access to the IRS. The goal for the future is not only to maintain existing relationships but to build on them and ensure that they continue to grow.

This new strategy is called Relationship Management, and it takes customer service to the next level. It is a type of account management that emphasizes a proactive approach whereby IRS relationship managers reach out to customers and get to know business needs and industry characteristics. A major part of the strategy is to provide stakeholders with points of entry into the IRS — people they can call when they need assistance. The practitioner hotline *(See page 19.)* will remain in place, but efforts are underway to vastly improve access to all parts of the Service. Toward this end, the Service has developed what promises to be one of the most useful communications tools available to our stakeholders — an interactive telephone directory of IRS managers and executives that is accessible on our Web site. This directory provides the names and numbers of key IRS points-of-entry on a state-by-state basis. Eventually, it will include numbers for customer service and taxpayer education and communication staff for each operating division, as well as contact information for executives on the local, regional and national levels.

The agency's new mission required a fundamental change in its structure. In the new IRS, taxpayers will interact with four operating divisions (ODs) that will focus on the specific needs of its customers. The ODs are: Wage and Investment (W&I), Small Business/Self-Employed (SB/SE), Large and Mid-Size Business (LMSB) and Tax Exempt/Government Entities (TE/GE). Additional components of the new structure are the four functional divisions (FDs). The FDs will be responsible for handling issues agencywide and will provide support and service to the ODs. The four functional divisions are Appeals, Communications and Liaison, Criminal Investigation and the Taxpayer Advocate Service. For detailed information about the ODs, please see the At-a-Glance fact sheets on the following pages.

IRS offers Daily Tax Tips

The IRS is offering a new, daily series of Tax Tips for the 2001 filing season.

IRS Tax Tips offer concise, useful information on topics affecting millions of taxpayers. These easy-to-read tips cover a wide range of topics, from child credits and higher education benefits to Individual Retirement Accounts and Social Security issues.

Sample topics include:

- Free tax help from the IRS.
- What to do if you can't pay your tax.
- Education credits.
- Charitable contributions.
- Common errors.
- Mortage implications of alimony payments.

More than 70 Tax Tips are available, a new one for each business day until the April tax deadline. (One early tip — this year's due date for returns is April 16 because April 15 falls on a Sunday.)

The Tax Tips are available at the IRS Web site at **www.irs.gov** under the "IRS Newsstand" section or find the tips by going directly to **www.irs.gov/prod/news/tips.html**

LMSB At-a-Glance

Mission:
The Large & Mid-Size Business Operating Division will be a world class organization responsive to the needs of customers in a global environment, while applying innovative approaches to customer service and compliance. It will apply the tax law with integrity and fairness through a highly skilled workforce, and will foster an environment of inclusion where each employee can make a maximum contribution to the mission of the team.

Strategic Priorities:
- Globalization — Build a tax administration to effectively deal with the global economy.
- Issue Management — Develop a strategy to resolve disputes sooner with taxpayers or eliminate controversy sooner in the process.
- Employee Skills and Satisfaction — Recruit and retain a highly qualified, skilled and satisfied workforce.
- Abusive Corporate Tax Shelters — Strengthen our ability to deal with corporate tax shelters.

Management Team:

Larry R. Langdon
Commissioner
Deborah M. Nolan
Deputy Commissioner

LMSB Headquarters Office:
New Mint Building, 4th Floor
801 9th St. NW
Washington, DC 20001

Carol Dunahoo
Director, International
Keith Jones
Director, Field Specialists
Arlene Kay
Director, Quality Assurance and Performance Management
Gerald Reese
Director, Prefiling and Technical Guidance
Dick Teed
Deputy Director, Strategy, Research and Program Planning
Susan Linden
Director, Communications & Liaison
Jim O'Malley
Director, Management and Finance
Jim Gaul
Division Information Officer
Julie Rushin
Director, Business Systems Planning
JoAnne Johnson-Shaw
Director, EEO & Diversity

Industry Operations:

Retailers, Food and Pharmaceutical
Robert E. Brazzil
Industry Director
Downers Grove, IL
Richard Goelz
Director, Field Operations
Downers Grove, IL
Kathy Petronchak
Director, Field Operations
Laguna Niguel, CA

Natural Resources
Bobby L. Scott
Industry Director
Houston, TX
Paul Cordova
Director, Field Operations
Houston TX
Steve Burgess
Director, Field Operations
Springfield NJ

Financial Services & Healthcare
David B. Robison
Industry Director
New York, NY
Paul DeNard
Director, Field Operations
New York, NY
Marsha Ramirez
Director, Field Operations
Downers Grove, IL
Mary Tapley
Director, Field Operations
Laguna Niguel, CA

Heavy Manufacturing, Construction & Transportation
Thomas J. Smith
Industry Director
Springfield, NJ
Karen Ammons
Director, Field Operations
Springfield, NJ
Jack Schroeder
Director, Field Operations
Detroit, MI
Joe Brimacombe
Director, Field Operations
Laguna Niguel, CA

Communications, Technology & Media
Thomas R. Wilson, Jr.
Industry Director
Oakland, CA
Joann Bank
Director
Field Operations
Oakland, CA

Customer Profile:
- Corporations, Subchapter S corporations and partnerships with more than $5 million in assets.
- The largest business taxpayers interact with the IRS on an ongoing basis.
- Most have in-house tax divisions.

Major issues are tax law interpretation, accounting and regulatory issues. Many operate in a global environment.

SB/SE At-a-Glance

Mission:
The mission of the Small Business/Self-Employed (SB/SE) Operating Division is to provide SB/SE customers top-quality service by educating and informing them of their tax obligations, developing educational products and services, and helping them understand and comply with applicable laws, and to protect the public interest by applying the tax law with integrity and fairness to all.

Strategic Priorities:
- Meet the public's expectations by always being responsive and always performing with integrity when dealing with customers.
- Recognize the need for continuous training, skills enhancement and open communications between employees and management.
- Encourage compliance by partnering with the taxpayer from the "start-up" business phase and throughout the business life cycle.
- Stabilize and improve business results.

Headquarters:
New Carrollton, Maryland

Management Team:

Joseph Kehoe
Commissioner

Dale Hart
Deputy Commissioner

Jerry Songy
Director, Taxpayer Education and Communication

Bobby Hunt
Deputy Director, Taxpayer Education and Communication

John Ressler
Director, Customer Account Services

Brien Downing
Deputy Director, Customer Account Services

Glenn Henderson
Director, Compliance

Tom Hull
Deputy Director, Compliance

Chuck Peterson
Director, Strategy Program Planning and Quality

Rob Wilkerson
Director, Business Systems Planning

Rich Morgante
Director, Management and Finance

JoAnn Innis
Director, EEO and Diversity

Heather Rosenker
Director, Communications

Kevin Brown
Division Counsel (SB/SE)

Charles Valentino
Division Information Officer

Area Headquarters Offices:
Baltimore, Dallas, Jacksonville, Nashville, Seattle, Boston, Denver, Laguna Niguel, Philadelphia, St. Paul, Chicago, Detroit, Manhattan, San Francisco Bay area, Washington, International area office in Puerto Rico, Field Offices throughout the nation

Taxpayer Profile:
- Approximately 45 million taxpayers.
- About 33 million full or partially self-employed.
- About 7 million small businesses with assets of $5 million or less.
- Have some of the most complex issues due to tax law requirements and the number of forms and schedules required.
- Have 4–60 routine transactions with the IRS per year

The SB/SE Operating Division will serve this taxpayer segment through three organizations:
- *Taxpayer Education and Communication (TEC)*: a customer-focused organization that will continuously research and analyze taxpayer trends to ensure that products and services are tailored to meet the needs of SB/SE taxpayers.
- *Customer Account Services (CAS):* focus on processing returns timely and accurately, assisting taxpayers with account specific questions and adjusting accounts when necessary.
- *Compliance:* focus on problem prevention and early intervention to increase overall compliance and fairness by providing educational guidance and outreach programs focusing on small business needs.

W&I At-a-Glance

Mission:
Wage and Investment Operating Division (W&I) will educate and assist our customers in understanding and satisfying their tax responsibilities. We will provide this service in a high quality, fair and equitable manner through partnership between management, employees and stakeholders.

Strategic Priorities:
- Meeting demands for assistance by providing better and more specialized services to individual taxpayers and emphasis on customer segment needs.
- Earlier and more accurate account resolution through integrated case processing and utilization of linkages within the service.
- Implementing appropriate compliance processes.
- Improving electronic filing and communications services.
- Provide the W&I workforce with the necessary tools for servicing taxpayers and administering the tax code and enhance employee skills through training.

Headquarters:
Atlanta, Georgia

Management Team:
John Dalrymple Commissioner
John Duder
Deputy Commissioner
Linda Stiff
Senior Operations Advisor
Ty Ayers
Director, Communications, Assistance, Research and Education
Ron Watson
Director, Customer Account Services
Jane Warriner
Director, Compliance
Terry Lutes
Director, Electronic Tax Administration

Area Headquarters Offices:
Hartford, Indianapolis, St. Louis, Greensboro, New Orleans, San Francisco Bay area.

Taxpayer Profile:
- Some 90 million filers, representing 116 million customers, including those who file jointly.
- Most pay taxes through withholdings and interact with the IRS once a yaer.
- More than half prepare their own returns and receive refunds.

TE/GE At-a-Glance

Mission: To provide TE/GE customers top quality service by helping them understand and comply with applicable tax laws and to protect the public interest by applying the tax law with integrity and fairness to all.

Strategic Priorities:
- Ensure the accuracy of the Exempt Organizations Master File.
- Address Employee Plans determination workload.
- Establish Government Entities organization and programs.
- Recruit, develop and retain a highly qualified and skilled workforce.

Headquarters:
Washington, DC

Leadership Team:
Evelyn A. Petschek
Commissioner
Darlene R. Berthod
Deputy Commissioner
Carol D. Gold
Director, Employee Plans
Steven T. Miller
Director, Exempt Organizations
Edward J. Weiler
Director, Government Entities
John Ricketts
Director, Customer Accounts Service
Steve Pyrek
Dir., Communications & Liaison

Operating Units Headquarters:
Headquarters, Washington, DC
Customer Account Services, Cincinnati
EP Exam Headquarters, Baltimore
EO Exam Headquarters, Dallas
GE Headquarters, Washington, DC

Customer Profile:
- 3 million customers that range from small local community organizations and municipalities to major universities, huge pension funds, state governments and complex tax exempt bond deals.
- Pay more than $220 billion in employment tax and income tax withholding.
- Control $6.7 trillion in assets.
- Employee Plans taxpayers represent private and public retirement plans with $4.1 trillion in assets.
- Exempt Organization taxpayers represent more than 1.5 million tax exempt organizations, including 350,000 religious organizations with $1.3 trillion in assets.
- Government Entities taxpayers include outstanding tax exempt bonds with a total value of $1.4 trillion, 86,000 federal, state and local entities and more than 550 federally recognized Indian tribes.

DIRECT DEPOSIT OF REFUNDS

Enter all the required information to insure the refund is credited to the correct bank account. If an incorrect bank account number and/or Routing Transit Number (RTN) is entered by the taxpayer, preparer or electronic return originator, the IRS does not have the authority to recover the refund from the account holder that receives the refund in error. *Taxpayers must contact their financial institution to resolve the erroneous deposit.*

Taxpayers will receive a paper refund check and a notice if:

- Required information is missing or incomplete.
- RTN does not match the master list of valid RTNs.
- RTN is for a foreign bank.
- Power of Attorney is on file and third party is authorized to receive refund.
- Return is a decedent return.
- Return is for a prior year.
- $10,000 or more in withholding and zero tax is owed.
- Math error of more than $50.
- More than two direct deposits are requested for the same account.

What's new for 2001

Capital Gains distributions — Form 1040A

- Beginning in 2000, certain capital gain distributions can be reported on line 10 of Form 1040A. Because of this change, there is a conflict with the *caution* included in the instructions on the back of Copy B of the 2000 Form 1099-DIV. The caution tells recipients if there is an amount in Box 2a (total capital gain distributions), they must file Form 1040 and cannot use Form 1040A. However, because of the addition of line 10 on the 2000 Form 1040A, a recipient of Form 1099-DIV with an amount in box 2a may be able to file Form 1040A.
- The instructions for Form 1040A will contain a Capital Gains Tax Worksheet to figure the tax. The worksheet is similar to the one in the 1999 Form 1040 instructions.

Deducting student loan interest

If you paid interest on a qualified student loan, you may be able to deduct up to $2,000 of the interest.

IRA deductions

You may be able to take an IRA deduction if you were covered by a retirement plan and your modified adjusted gross income is less than the amount shown below that applies to you.

- Single, head of household, or married filing separately and you lived apart from your spouse for all of 2000 — $42,000
- Married filing jointly or qualifying widow(er) — $62,000.

Mailing returns

You may be mailing returns to a different service center this year because the IRS has changed the filing location for several areas. If your clients receive an envelope with their tax package, please use it. Otherwise, see *Where Do You File?* on the back cover of the instruction booklet or the chart on pages 9 and 10.

Standard mileage rate

The rate for business use of a vehicle during 2000 is $32^1/_2$ cents per mile.

Earned Income Credit (EIC)

You may be able to take this credit if you earned income and modified adjusted gross income are less than $31,152 (less than $10,380 if you do not have any qualifying children).

Eligible foster child

Beginning in tax year 2000, a child is an eligible foster child for the earned income credit (EIC) and the child tax credit if all the following apply:

1. The child is your brother, sister, stepbrother or stepsister (or a descendant of your brother, sister, stepbrother or stepsister) or has been placed with you by an authorized placement agency.
2. You cared for that child as you would your own child.
3. The child lived with you for the whole year, except for temporary absences.

Previously, the child only had to meet 2. and 3. to be an eligible foster child.

Paid preparer authorization

If a taxpayer wants to allow the IRS to discuss their 2000 tax return with the paid preparer who signed it, they must check the *Yes* box in the signature area of the return.

CREDIT CARD PAYMENT OPTIONS

Taxpayers who charge payments made with automatic extensions of time to file or estimated tax payments on a credit card should not file paper Forms 4868 or 1040-ES.

The first-ever government Web site to provide the public with easy, one-stop access to all U.S. government resources.

REMEMBER:

Make checks payable to *United States Treasury* — not the IRS.

2001 TAX HINTS

TAX HINTS was produced with assistance from many sources, including employees in the Operating and Functional Divisions, as well as the tax professional community. Thanks to all who contributed and special thanks to the Austin Service Center Communications staff who contributed to the development and production of this document.

Service center transition changes filing locations

Some taxpayers will start sending their returns to a different address beginning with the 2001 filing season as the Internal Revenue Service (IRS) reorganizes its service center operations to focus on specific customer segments.

Taxpayers and their representatives will continue to contact the IRS in the same ways they do now. *(See the list of Practitioner Hotline telephone numbers by state on page 19.)* Also, taxpayers may continue to call any IRS toll-free number to get their account information. The call will automatically be routed to the IRS office responsible for providing the information.

In 2001, taxpayers should send their returns to the service center whose address is printed on the envelope in their tax package, listed in the instructions for each type of return or contained in the software used to prepare their electronic returns.

In the past, the 10 service centers received and processed tax and information returns, managed taxpayer accounts and conducted simple audits through correspondence and other enforcement actions. The IRS assigned these activities to a specific center based on the taxpayer's geographic location, without regard for the type of return.

As part of the modernization process, these activities will be assigned to a center based on two factors:

- Whether the return is an individual or business return.
- The taxpayer's geographic location.

This move allows the service centers to build experience in their particular customer segments and to improve the quality of work and the service delivered to taxpayers.

When the transition is completed in the 2002 filing season, eight centers — Andover, Atlanta, Austin, Brookhaven, Fresno, Kansas City, Memphis and Philadelphia — will handle only the receipt and processing of individual returns (Forms 1040, 1040A 1040EZ and Forms 4868 and 2888, extensions). Cincinnati and Odgen will handle only the receipt and processing of business returns. Business returns include employment, estate and gift tax returns (Forms 706, 709, 940/940 EZ, 941/943/945, 1041, 1065, 1120 and 7004).

For the 2001 filing season, individuals in 12 states and businesses in 16 states will be affected. The following year, individual taxpayers in an additional 13 states and business taxpayers in an additional 18 states will be affected. At that point, all business filers will be sending their returns to either the Ogden or Cincinnati centers. Please refer to the following charts for a listing of affected states. Additional information is available on the IRS Web site at **www.irs.gov/bus_info/tax_pro/index.html.**

Get answers to all the most frequently asked questions about Tax Year 2000 at www.irs.gov/tax_edu/faq/index.html

2000 - 2001 FILING SEASONS
SERVICE CENTER FILING LOCATIONS BY STATE

STATE OF TAXPAYER	1040, 1040A, 1040EZ 2000	1040, 1040A, 1040EZ 2001	706/709 2000	706/709 2001	940/940EZ, 941/943/945 1041, 1065, 1120, 7004 2000	940/940EZ, 941/943/945 1041, 1065, 1120, 7004 2001
Alabama	Memphis	Memphis	Memphis	Memphis	Memphis	Memphis
Alaska	Ogden	Fresno	Ogden	Ogden	Ogden	Ogden
Arizona	Ogden	Ogden	Ogden	Ogden	Ogden	Ogden
Arkansas	Memphis	Memphis	Memphis	Cincinnati	Memphis	Ogden
California (except Sac)	Fresno	Fresno	Fresno	Fresno	Fresno	Fresno
California (only Sac)	Ogden	Ogden	Ogden	Ogden	Ogden	Ogden
Colorado	Ogden	Austin	Ogden	Ogden	Ogden	Ogden
Connecticut	Andover	Andover	Andover	Andover	Andover	Andover
Delaware	Philadelphia	Brookhaven	Philadelphia	Cincinnati	Philadelphia	Cincinnati
Florida	Atlanta	Atlanta	Atlanta	Atlanta	Atlanta	Atlanta
Georgia	Atlanta	Atlanta	Atlanta	Atlanta	Atlanta	Atlanta
Hawaii	Fresno	Fresno	Fresno	Cincinnati	Fresno	Ogden
Idaho	Ogden	Austin	Ogden	Ogden	Ogden	Ogden
Illinois	Kansas City	Kansas City	Kansas City	Kansas City	Kansas City	Kansas City
Indiana	Cincinnati	Philadelphia	Cincinnati	Cincinnati	Cincinnati	Cincinnati
Iowa	Kansas City	Kansas City	Kansas City	Cincinnati	Kansas City	Ogden
Kansas	Austin	Kansas City	Austin	Austin	Austin	Austin
Kentucky	Cincinnati	Memphis	Cincinnati	Cincinnati	Cincinnati	Cincinnati
Louisiana	Memphis	Memphis	Memphis	Cincinnati	Memphis	Ogden
Maine	Andover	Andover	Andover	Andover	Andover	Andover
Maryland	Philadelphia	Philadelphia	Philadelphia	Cincinnati	Philadelphia	Cincinnati
Massachusetts	Andover	Andover	Andover	Andover	Andover	Andover
Michigan	Cincinnati	Cincinnati	Cincinnati	Cincinnati	Cincinnati	Cincinnati
Minnesota	Kansas City	Kansas City	Kansas City	Cincinnati	Kansas City	Ogden
Mississippi	Memphis	Memphis	Memphis	Cincinnati	Memphis	Ogden
Missouri	Kansas City	Kansas City	Kansas City	Cincinnati	Kansas City	Ogden
Montana	Ogden	Austin	Ogden	Ogden	Ogden	Ogden

2000 - 2001 FILING SEASONS
SERVICE CENTER FILING LOCATIONS BY STATE

STATE OF TAXPAYER	1040, 1040A, 1040EZ 2000	1040, 1040A, 1040EZ 2001	706/709 2000	706/709 2001	940/940EZ, 941/943/945 1041, 1065, 1120, 7004 2000	940/940EZ, 941/943/945 1041, 1065, 1120, 7004 2001
Nebraska	Ogden	Memphis	Ogden	Ogden	Ogden	Ogden
Nevada	Ogden	Ogden	Ogden	Ogden	Ogden	Ogden
New Hampshire	Andover	Andover	Andover	Andover	Andover	Andover
New Jersey	Brookhaven	Brookhaven	Brookhaven	Cincinnati	Brookhaven	Cincinnati
New Mexico	Austin	Austin	Austin	Austin	Austin	Austin
New York (Albany, Buffalo)	Andover	Andover	Andover	Andover	Andover	Andover
New York (Brklyn, Manh)	Brookhaven	Brookhaven	Brookhaven	Brookhaven	Brookhaven	Brookhaven
North Carolina	Memphis	Memphis	Memphis	Cincinnati	Memphis	Cincinnati
North Dakota	Ogden	Ogden	Ogden	Ogden	Ogden	Ogden
Ohio	Cincinnati	Cincinnati	Cincinnati	Cincinnati	Cincinnati	Cincinnati
Oklahoma	Austin	Austin	Austin	Austin	Austin	Austin
Oregon	Ogden	Kansas City	Ogden	Ogden	Ogden	Ogden
Pennsylvania	Philadelphia	Philadelphia	Philadelphia	Cincinnati	Philadelphia	Cincinnati
Rhode Island	Andover	Andover	Andover	Andover	Andover	Andover
South Carolina	Atlanta	Atlanta	Atlanta	Cincinnati	Atlanta	Cincinnati
South Dakota	Ogden	Ogden	Ogden	Ogden	Ogden	Ogden
Tennessee	Memphis	Memphis	Memphis	Memphis	Memphis	Memphis
Texas	Austin	Austin	Austin	Cincinnati	Austin	Ogden
Utah	Ogden	Ogden	Ogden	Ogden	Ogden	Ogden
Vermont	Andover	Andover	Andover	Andover	Andover	Andover
Virginia	Philadelphia	Philadelphia	Philadelphia	Philadelphia	Philadelphia	Philadelphia
Washington	Ogden	Ogden	Ogden	Ogden	Ogden	Ogden
Washington, DC	Philadelphia	Philadelphia	Philadelphia	Cincinnati	Philadelphia	Cincinnati
West Virginia	Cincinnati	Atlanta	Cincinnati	Cincinnati	Cincinnati	Cincinnati
Wisconsin	Kansas City	Kansas City	Kansas City	Cincinnati	Kansas City	Cincinnati
Wyoming	Ogden	Austin	Ogden	Ogden	Ogden	Ogden

DATE OF BIRTH VALIDATION

For processing year 2001 (tax year 2000), the IRS will generally accept an electronically filed return with a Self-Select PIN even though there is not an exact match on the date of birth (DOB). However, returns *e-filed* through the On-line Filing Program must still have an exact DOB match, whether or not they include a Self-Select PIN.

The DOB field on all electronically filed returns using the Self-Select PIN for *e-file* will be verified. If the DOB does not match, but all other requirements are met, the return **will not be rejected**.

An indicator on the Acknowledgment File will identify if the primary, secondary or both taxpayers have invalid dates of birth. These taxpayers need to be advised to contact the Social Security Administration to have their records verified and corrected as necessary prior to the 2002 filing season.

The Acknowledgment Key record will contain the following on accepted and rejected returns.

Date of Birth Validity Code (Field 0117) values:
0 DOB validation not required
1 DOB(s) valid
2 Primary DOB Invalid
3 Spouse DOB Invalid
4 Both DOBs Invalid

Processing for Reject Codes 673 and 674 will be bypassed.

What's new for 2001

IRS simplifies tax deposit rules for small business

Beginning Jan. 1, 2001, many small businesses will be allowed to make employment tax payments on a quarterly basis instead of making monthly deposits.

Under the new rules, the IRS will allow businesses that file Forms 941 to make payments every three months if they have less than $2,500 in quarterly employment taxes. It replaces the current standard, which allows quarterly payments only if businesses have less than $1,000 in quarterly employment taxes. Small businesses above the new threshold must make payments on a monthly basis.

The difference between the $1,000 and $2,500 thresholds affects payment requirements for about 1 million businesses. In all, these businesses deposit $6.6 billion, about 13 percent of the $52.7 billion in total employment tax deposits.

One way small businesses will benefit from this change is that quarterly deposits greatly reduce their burden of making frequent monthly deposits.

Small businesses with employment taxes that are less than $2,500 per quarter may pay the employment taxes when they file Form 941, *Employer's Quarterly Federal Tax Return.* Only employers with employment taxes of $2,500 or more per quarter must deposit the tax with an authorized financial institution. Form 943 filers may pay with the return if the taxes are less than $2,500 per calendar year.

New Taxpayer Rights Corner on the Web

The IRS has created a new Web section for taxpayers seeking information about their rights when dealing with the nation's tax agency. The *Taxpayer Rights Corner* can be accessed at **www.irs.gov/ind_info/txpyr_rights/index.html**

The new page is designed to be an easy, one-stop shop that brings a variety of taxpayer rights issues into one convenient place. Previously, much of the material was located in different parts of the IRS Web site. The topics included on the page range from basic taxpayer information to detailed steps on how to get help from the IRS. You could find it useful as a quick reference tool, or you could refer your clients to the page for detailed explanations of their rights. The Web page reflects the agency's continuing commitment to safeguarding taxpayer rights.

Among the areas highlighted on the Web page:

- Know Your Rights spells out basic taxpayer rights.
- The notice section gives quick links to understanding IRS notices.
- For examination and collection issues, the Taxpayer Rights Corner connects to publications detailing step-by-step IRS processes.
- If taxpayers have a disagreement with the IRS, information is available in the Appeal Rights section.
- Taxpayers with difficulty solving their problems through normal IRS channels can contact the Taxpayer Advocate Service.
- The site also has information on questions involving legal representation and confidentiality privileges.

The IRS will no longer accept paper returns in the 1040PC format

Beginning in the 2001 processing year, the IRS will no longer accept returns in the 1040PC format.

The Form 1040PC is a condensed, computer-generated paper return illustrating only those lines used by a taxpayer. This discontinuation parallels the IRS's decision to support Electronic Tax Administration as the preferred way of doing business for the future, particularly electronic filing (*e-file*) and payment options for individual taxpayers. The availability of IRS *e-file* from a personal computer and the addition of more complex returns to the IRS *e-file* program have further reduced the need for the Form 1040PC format.

Taxpayers and tax preparers accustomed to the Form 1040PC format should note that this paper filing option will not exist for the 2001 filing season and instead are encouraged to consider IRS *e-file* — the fastest, most accurate way to file!

For practitioner-prepared returns: Where to file 2000 Forms 1040, 1040A and 1040EZ only

If your client lives in:	Without payment	With payment
Florida, Georgia, South Carolina, West Virginia	Atlanta, GA 39901-0002	P.O. Box 105093 Atlanta, GA 30348-5093
Delaware, New Jersey, New York (New York City and Counties of Nassau, Rockland, Suffolk, and Westchester)	Holtsville, NY 00501-0002	P.O. Box 1187 Newark, NJ 07101-1187
New York *(all other counties)*, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Andover, MA 05501-0002	P.O. Box 371361 Pittsburgh, PA 15250-7361
Illinois, Iowa, Kansas, Minnesota, Missouri, Oregon, Wisconsin	Kansas City, MO 64999-0002	P.O. Box 970011 St. Louis, MO 63197-0011
District of Columbia, Indiana, Maryland, Pennsylvania, Virginia	Philadelphia, PA 19255-0002	P.O. Box 8530 Philadelphia, PA 19162-8530
Michigan, Ohio	Cincinnati, OH 45999-0002	P.O. Box 6223 Chicago, IL 60680-6223
Colorado, Idaho, Montana, New Mexico, Oklahoma, Texas, Wyoming	Austin, TX 73301-0002	P.O. Box 970016 St. Louis, MO 63197-0016
Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Nevada, North Dakota, South Dakota, Utah, Washington	Ogden, UT 84201-0002	P.O. Box 7704 San Francisco, CA 94120-7704
California (all other counties), Alaska, Hawaii	Fresno, CA 93888-0002	P.O. Box 60000 Los Angeles, CA 90060-6000
Alabama, Arkansas, Kentucky, Louisiana, Mississippi, Nebraska, North Carolina, Tennessee	Memphis, TN 37501-0002	P.O. Box 1214 Charlotte, NC 28201-1214
All APO and FPO addresses, American Samoa, nonpermanent residents of Guam or the Virgin Islands*, Puerto Rico (or if excluding income under IRC section 933), a foreign country: U.S. citizens and those filing Form 2555, 2555-EZ, or 4563	Philadelphia, PA 19255-0215 USA	P.O. Box 7328 Philadelphia, PA 19162-7328

* Permanent residents of Guam should use: Department of Revenue and Taxation, Government of Guam, P.O. Box 23607, GMF, GU 96921; permanent residents of the Virgin Islands should use: V.I. Bureau of Internal Revenue, 9601 Estate Thomas, Charlotte Amalie, St. Thomas, VI 00802

ON-LINE DIRECTORY

The Interactive Organizational Directory is a tool that gives taxpayers and practitioners the ability to obtain telephone contact information about the IRS executive who is best positioned to give them assistance. For example, to contact the SB/SE territory manager in Milwaukee, practitioners and taxpayers can now just look them up through the IRS' Web page. Information on both headquarters and field contacts is now immediately available through the directory, located on the Tax Professionals Corner in the IRS' Digital Daily at **www.irs.gov/prod/bus_info/tax_pro/iod**.

In the near future, this directory will become a much more prominent feature in the IRS' overall Internet strategy. It will be linked to IRS' main employee, stakeholder and organization databases where it will give taxpayers access to real time information on IRS employees and contacts. The new system will be completely automated and will therefore adjust to changes in telephone numbers and organization structure as it evolves.

IRS electronic information services

As digital communication becomes more and more a part of our lives, the IRS continues to come up with new and improved ways to use new technology to make life easier for taxpayers and tax preparers.

The Tax Professional's Corner (**www.irs.gov/bus_info/tax_pro/index.html)** is designed to help practitioners find what they need on the IRS Web site. The site has fill-in-the-blank forms as well as forms to download and print. There is also a W-4 calculator to help taxpayers determine the number of exemptions to take.

IRS Local News Net

The latest communications tool from the IRS is the *Local News Net* — an offshoot of the very successful *Digital Dispatch,* which delivers IRS news of national importance directly to e-mail subscribers. The Local News Net is an electronic news system designed to provide its subscribers with up-to-the-minute *local* news. Each IRS office, Submission Processing, Customer Service and Accounts Management center has personalized it's own Local News Net and has its own subscription list. The centers issue periodic alerts to their subscribers about filing processes, changes in tax law and updates to phone numbers, addresses, etc.

All you need is Internet access and an e-mail address to subscribe. Click on **www.irs.gov/bus_info/tax_pro/where_list/index.html** and click on the state you want information from.

To subscribe to the *Digital Dispatch* for national news, visit the IRS Web site at **www.irs.gov/help/newmail/maillist.html.**

We strongly urge you to subscribe to both of these services.

Tax forms on CD-ROM

Publication 1796, *Federal Tax Products CD-ROM,* contains fill-in-the-blank tax forms, portions of the Internal Revenue Manual, market segment guides and tools for the tax professional.

Pub. 1796 can be purchased from the National Technical Information Service (NTIS) for $21 through the IRS Web site at **www.irs.gov/cdorders** or by calling **1.877.233.6767** for $21 (plus $5 handling fee).

Order your Package X on-line

Tax professionals can electronically update their order for Package X, *Reference Copies of Federal Tax Forms and Instructions,* at the Tax Professionals Corner at **www.irs.gov/bus_info/tax_pro/index.html**.

Only *current* participants can use this method by using their account number shown on the mailing label of Pub. 1045. If you have an address change or are a new participant in the program, you must submit a paper Form 3975, *Tax Professionals Annual Mailing List Application and Order Blank,* to the nearest IRS Area Distribution Center as listed on the form. Form 3975 can be found in Publication 1045.

Electronic payment options for individuals

Electronic payment options — direct debit (electronic withdrawal from checking or savings account) or credit card — are convenient, safe and secure methods for paying individual income taxes and give taxpayers an alternative to paying taxes by check or money order.

Taxpayers may file Form 1040 series balance due returns or Forms 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, electronically and simultaneously pay by direct debit or credit card via tax preparation software or a tax

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professional. A taxpayer also may *e-file* a tax return and pay by credit card via phone or the Internet through a service provider.

Taxpayers may *e-file* their Form 1040 and Form 1040-ES, *Estimated Tax for Individuals,* and simultaneously pay by direct debit via tax preparation software or a tax professional. They may also make a Form 1040-ES payment by credit card via phone or the Internet through a service provider.

Making a payment electronically eliminates the need to send in the paper Form 1040-V, Form 4868 or Form 1040-ES. Payments must be at least $1. Payments for prior tax years are not accepted at this time.

When can electronic payments be made?

- Form 1040 series — including Forms 1040A, 1040EZ, 1040 and TeleFile users — payment options begin Jan. 12, 2001 and end Oct. 15, 2001.
- Form 4868 payment options, except TeleFile, begin Jan. 12, 2001 and end April 16, 2001.
- The TeleFile direct debit payment option begins April 1, 2001 and ends April 16, 2001. Form 4868 payments made through TeleFile will be effective on April 16, 2001.
- Form 1040-ES direct debit payment option begins January 12, 2001. Taxpayers can choose one of the following payment effective dates: April 16, June 15 or Sept. 17, 2001. The credit card payment option begins March 1, 2001 and ends Jan. 23, 2002.
- Payments can be made 24 hours a day, seven days a week.

If a taxpayer chooses to pay using direct debit

- The taxpayer authorizes the U.S. Department of the Treasury (through a Treasury Financial Agent) to transfer money from their bank account to the Treasury account.
- Funds are automatically withdrawn on the payment date selected. However, if a weekend or bank holiday is designated, the payment will not be withdrawn until the next business day.
- Direct debit payments will be withdrawn in a single transaction, not installments.

Cancellations, errors and questions

- Taxpayers can call the Treasury Financial Agent at **1.888.353.4537** toll free to cancel a payment or to report problems such as bank closures, lost or stolen bank account numbers, closed bank accounts or unauthorized transactions.
- Once the IRS *e-file* return is accepted, the scheduled payment date cannot be changed. If the date needs to be changed, the only option is to cancel the payment transaction and choose another payment method (credit card, check or money order).
- Scheduled payments can be cancelled up to 8:00 p.m. Eastern Time two business days before the scheduled payment date.
- The cancellation must be authorized by the taxpayer or by a person with access to the taxpayer's Social Security Number, payment amount and bank account number.
- Taxpayers can also call the above number to inquire about payments through Oct. 17, 2001. Taxpayers should wait at least five days after the *e-file* return is accepted before making inquiries.
- Taxpayers will be notified if a payment is returned by the financial institution due to insufficient funds, incorrect account information, closed accounts, etc. If this occurs, the IRS will send a notification letter to the address on the tax return explaining why the payment could not be processed. The letter will include instructions for sending a check to a unique address that has been established for this initiative.
- In the event the financial institution is unable to process the transaction, the taxpayer will be responsible for the tax payment and for any penalties and interest.
- Contact the IRS immediately at **1.800.829.1040** if there is an error in the amount withdrawn.
- In the event Treasury causes an incorrect amount of funds to be withdrawn from the bank account, Treasury is responsible for returning any improperly transferred funds.

How to make a credit card payment

- The *e-file* and credit card option is available through a number of tax preparation software packages and through tax professionals. For more information about *e-filing* and paying all at once (including convenience fees and accepted credit cards), taxpayers can refer to tax preparation software or a tax professional.
- Pay-by-phone and Internet options are available through credit card payment service providers.
- When paying by phone, a recorded script will guide taxpayers through the call.
- When paying by Internet, taxpayers will be prompted to fill in the necessary entry fields.
- For more information about

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paying by phone or Internet and/or to make a payment, taxpayers can contact the following service providers:

- Official Payments Corporation
  1.800.2PAY.TAX®
  (1.800.272.9829)
  1.877.754.4413 (Customer Service)
  www.officialpayments.com
- PhoneCharge, Inc.
  1.888.ALL.TAXX
  (1.888.255.8299)
  1.877.851.9964 (Customer Service)
  www.About1888ALLTAXX.com
- Taxpayers can pay by phone or the Internet using a Discover® Card, American Express® Card or MasterCard®.
- To make a payment of $100,000 or greater through the Official Payments Corporation, taxpayers can call the company's Special Services Unit at **1.877.754.4420.**

Credit card convenience fees

- There is a convenience fee charged by the service providers.
- Fees are based on the amount of the tax payment and may vary by service provider.
- The IRS does not receive or charge any fees for payments.
- Taxpayers will be informed of the convenience fee amount before the payment is authorized. This fee is in addition to any charges, such as interest, that may be assessed by the credit card issuer.

If a taxpayer chooses to pay using a credit card

- Payments must be made electronically through tax preparation software, a tax professional or a credit card payment service provider (via phone or the Internet). Credit cards should not be sent to the IRS with the return nor should credit card account numbers be written on the return.
- The processors will forward the appropriate tax payment information to the IRS.
- The payment date will be the date the charge is authorized.
- Partial payments can be made by phone or Internet. A maximum of two payments per tax type (or per quarter if making estimated payments) can be made by phone or Internet.
- Some tax preparation software may not allow taxpayers to make partial payments.
- Taxpayers who *e-file* and pay should re-file rejected returns promptly in order to ensure timely payment. Otherwise, the payment may have to be reauthorized.

Cancellations, errors and questions

- Generally, credit card payments cannot be cancelled.
- Taxpayers can call the credit card issuer or credit card payment service provider's customer service number to report problems such as unauthorized charges or concerns about payment errors.
- Taxpayers can contact the IRS at **1.800.829.1040** to report problems with the amount of tax owed or any other matter concerning the tax return.
- Taxpayers may also write to the IRS office where the return would be mailed regarding income tax payment concerns. The taxpayer's Social Security Number, payment tax year and payment method should be included.
- In the event the service provider fails to forward the tax payment to the Treasury, the taxpayer will be responsible for the tax payment and for any penalties and interest.
- Voluntary or estimated payments, such as Form 4868 and Form 1040ES payments, which result in an overpayment will be resolved through normal administrative procedures.
- In most instances, Treasury will refund an overpayment to taxpayers once the return is received and processed. An overpayment may be used to settle or offset an existing debt on the taxpayer's account.

e-file ensures high quality

IRS *e-file* is a way for tax professionals to electronically file a client's tax return directly to IRS computers. It's the perfect way to increase business and provide additional customer service to an existing client base. This year, the IRS will once again provide all tax professionals who become Authorized IRS *e-file* Providers with an IRS *e-file* Marketing Tool Kit containing materials that will be helpful in promoting IRS *e-file* services.

All tax professionals who become providers automatically become a part of the Authorized IRS *e-file* Provider Database, an on-line application that allows taxpayers and tax professionals to search for providers via zip code. If you want to go a step further and electronically file federal and

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Electronic Federal Tax Payment System

EFTPS is the easiest way for businesses to make their federal tax payments. EFTPS was created by the Department of the Treasury in 1995 to modernize tax payments — moving federal tax payments from a paper-based to an electronic system.

More than 2 million business taxpayers are enrolled in EFTPS. They know the real value of paying their taxes electronically. If you haven't experienced the many benefits of EFTPS, now's the time. You will find that EFTPS is:

- ***Easy to use from anywhere*** — with a phone or PC and modem or through a program offered by your financial institution.
- ***Convenient*** — schedule payments 24 hours a day, seven days a week.
- ***Accurate*** — you verify all the information you input to ensure accuracy.
- ***Fast and economical*** — it takes less than four minutes, and you'll have no more last-minute trips to the bank or to the store for stamps or envelopes.

Anyone *may* participate in EFTPS, but they must enroll in the program. For enrollment forms or more information, call **1.800.945.8400** or **1.800.555.4477** or check the Web site: **www.irs.gov/elec_svs/eftps.html.** Enrollment forms are *not* available at IRS offices or banks.

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state returns simultaneously, Federal/State *e-file* may be the perfect addition to your portfolio of business services.

Ready to apply? See Publication 3112, *IRS e-file Application Package* (on-line at **www.irs.gov/elec_svs/efile-app.html**) or call or e-mail your local IRS *e-file* contact for assistance.

IRS *e-file* — the fastest, most accurate way to file your taxes!

What's new for 2001

The new Revenue Procedure, 2000-31, informs Authorized IRS *e-file* providers of their obligations when participating in IRS *e-file* of individual income tax returns. It includes substantive changes to the rules for participation and the definitions of participants. Many of the rules previously prescribed in Revenue Procedures 98-50 and 98-51 have been moved to Publications 1345 and 3112, which also have been revised. Participants should become familiar with the rules for participation by reading the new Revenue Procedure and the related IRS *e-file* technical publications.

For the 2001 filing season, there is a new feature, Self-Select PIN for *e-file*, which is a direct product of both the Practitioner PIN Pilot and the *e-file* Customer Number (ECN) pilot. The Self-Select PIN for *e-file* will be available for most taxpayers who file electronically using tax preparation software either by filing through an on-line filing company or by filing through a tax professional.

Direct Debit

The direct debit payment option has been expanded. Your client can *e-file* a return and authorize a direct debit payment for the balance due on their return. Whether there is a balance due or not, an estimated payment (Form 1040-ES) can be initiated when the return is *e-filed*. Your clients can also make a payment by direct debit when Form 4868 is filed electronically or through TeleFile.

Also, there are now two pay-by-phone credit card payment service providers. Your client can also pay by Internet using a credit card through these service providers.

If your client is unable to pay the total tax owed by April 16, 2001, you can electronically file Form 9465, *Installment Agreement Request*. An approved installment agreement allows your client to make a predetermined series of partial payments after April 16, 2001. However, any unpaid tax owed after April 16, 2001, is subject to penalties and interest.

What is the Self-Select PIN for *e-file*?

The Self-Select PIN for *e-file* is new for filing season 2001. It allows taxpayers to electronically sign their *e-filed* return by selecting a five-digit Personal Identification Number (PIN). It eliminates the requirement for Form 8453 in most cases, making *e-filing* returns *truly paperless* for most taxpayers.

Who can use the Self-Select PIN for *e-file*?

Self-Select PIN for *e-file* is available for most taxpayers. The following taxpayers are eligible to use the Self-Select PIN for *e-file*:

- Taxpayers who filed Form 1040, 1040A or 1040EZ for tax year 1999.
- Taxpayers who did not file for tax year 1999, but have filed previously.
- Taxpayers who are 16 or older on or before Dec. 31, 2000, who have never filed a tax return.
- Military personnel residing overseas with APO/FPO addresses.
- Taxpayers residing in the American possessions of the Virgin Islands, Puerto Rico, American Samoa, Guam and Northern Marianas or with foreign country addresses.
- Taxpayers filing a Form 2688 (additional extension of time to file) or Form 2350 (certain U.S. citizens living abroad).

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APPLYING TO PARTICIPATE IN E-FILE

- Submit Form 8633, *Application to Participate in the Electronic Filing Program.*
- Apply early. It takes up to 60 days to process applications, which are accepted only from Aug. 1 through Dec. 1.
- Forms 8633 are processed at the Andover Submission Processing Center. For more information about *e-file* or the name and phone number of the *e-file* coordinator in your area, call **1.800.691.1894.**

For the latest information on *e-file,* check out The Digital Daily at **www.irs.gov/elec_svs/elf-txpro.html.**

FORMS 8453/8453OL

It is no longer necessary to submit Forms W-2 and 1099R with Forms 8453/8453OL, but Forms 8453/8453OL *must* be submitted unless the taxpayer qualifies to use the Self-Select PIN.

NOTE:

If you are an *e-filer*, your software should include an electronic version of Form 8867 or facsimile.
You may keep information that is required to be kept for three years in electronic files.

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Returns for the following taxpayers are **not eligible** for using the Self-Select PIN for *e-file*:

- Decedents.
- Legal or illegal aliens with Social Security Numbers not valid for employment.

Your clients must furnish the following information to secure their PIN:

- The Adjusted Gross Income and Total Tax from their 1999 return (prior to any adjustments).
- If your client did not file a return for tax year 1999, enter zero "0" as the amount for Adjusted Gross Income and Total Tax.

If your client is unable to return to your office to input their Self-Select PIN

Your client may authorize you to input their Self-Selected PIN by completing an IRS *e-file* Signature Authorization. Provide the Signature Authorization to the taxpayer along with a copy of the completed tax return, either personally or by mail. Instruct your client to review the tax return for accuracy and complete the Signature Authorization by providing the requested information (a self-selected five-digit PIN, pen and ink signature and date). If your client is unable to return the signed document to your office, they may return it by mail or fax. It is not necessary for both taxpayers *e-filing* a joint return to select this option.

Important announcement about the Debt Indicator

The IRS has negotiated agreements to provide a Debt Indicator (DI) in the 2001 filing season to Authorized IRS *e-file* Providers in response to proposals submitted under the Request for Agreements (RFA) process. The DI is important to Authorized IRS *e-file* Providers and financial institutions that offer bank products to taxpayers entitled to individual income tax refunds. The agreements cover not only the firm that signed the agreement but also related providers and financial institutions that do electronic filing business with the firm. For example, if a transmitter signed an agreement, all Electronic Return Originators (EROs) who use that transmitter are covered by the agreement. Providers that did not present proposals to the original RFA or are not covered under one of the announced agreements may still apply to obtain the DI for the upcoming filing season under an amendment to the RFA.

In return for the DI, covered Authorized IRS *e-file* Providers and financial institutions agreed to screen returns and return information available to them in the normal course of their business for potential fraud and abuse and report their findings to the IRS.

Other Authorized IRS *e-file* Providers and financial institutions that do electronic filing business with any of the announced firms may already qualify to obtain the DI for their taxpayers even if they did not submit a proposal. The announced firm's agreement will cover them as long as they commit to the terms of the agreement. Contact the firm for more information.

A Memorandum of Agreement that results from the original RFA or the application process is covered by Section 18 of Revenue Procedure 98-50 (IRS *e-file*) or Section 15 of Revenue Procedure 98-51 (On-Line Filing).

Contact your local e-file coordinator

Find out how to contact your local e-file coordinator at www.irs.gov/elec_svs/eta-coord.html

THE DIGITAL DAILY

www.irs.gov

- **Download forms and publications.**
- **Ask tax-related questions.**
- **Read summaries of tax regulations in plain English.**
- **Read news releases.**
- **Send your comments directly to the IRS on-line.**
- **Download statistics of income database.**
- **Learn about electronic services.**
- **Use the W-4 calculator to figure withholding allowances.**
- **Visit the *Tax Professional's Corner* for practitioners.**
- **Subscribe to the *Digital Dispatch* — an e-mail newsletter or the Local News Net.**

IRS centralized telephone organization

The IRS' centralized telephone organization, the Joint Operations Center, is located in Atlanta. The mission of the Joint Operations Center is to provide toll free telephone customers optimum access to the resource best able to meet their needs for toll free phone lines.

The latest technology is used to monitor the status of call traffic on a nationwide basis. The system provides both initial call routing for each incoming call and post-routing of calls based on customer topic selections. Post routing enables customers to be routed to assistors with the skills needed to answer their questions with the least amount of wait time.

IRS toll-free numbers

Tax Law Assistance
1.800.829.1040
Get assistance with tax questions, 24 hours a day, seven days a week.

Automated Refund Information
1.800.829.4477
Current year refund information is available 24 hours a day, seven days a week. Wait at least four weeks after filing a return before calling to check on the status of a refund to allow for processing.

Recorded Tax Information
1.800.829.4477
Hear recorded information on tax subjects such as earned income credit, child care credit, credit for the elderly, dependents, innocent spouse relief or other topics such as electronic filing, which form to use, or what to do if you can't pay your taxes.

Account Questions
1.800.829.8815

IRS Notices or Letters
1.800 number printed on notice or letter
If you call the toll-free number on the notice or letter, have the latest notice or letter available and the Power of Attorney (CAF identification number) information ready if you are calling for the taxpayer.

Forms and Publications
1.800.829.3676
For free copies of current and prior year forms, instructions and publications. Order should arrive within 10 days.

NEW

Appeals
1.877.457.5055
For help with questions when preparing an appeal of an IRS Collection or Examination matter.

NEW

Taxpayer Advocate
1.877.777.4778
For help in resolving a problem that hasn't been resolved by prior contacts with the IRS.

Informants Line
1.800.829.0433

Hearing Impaired Taxpayers
1.800.829.4059
For tax assistance help.

2001 Filing Season Practitioner Hotline Numbers

State	Phone Number	Hours Local Time
Alabama	**205.912.5150**	8:30 a.m.-4:30 p.m.
Alaska	**206.220.5786**	8:00 a.m.-5:30 p.m.
Arizona	**602.207.8828**	8:00 a.m.-4:30 p.m.
Arkansas	**405.297.4141**	8:00 a.m.-4:30 p.m.
California	**949.389.4618**	8:00 a.m.-4:30 p.m.
	510.444.4906	8:00 a.m.-5:30 p.m.
	510.444.4972	8:00 a.m.-5:30 p.m.
	510.271.0781	8:00 a.m.-5:30 p.m.
	213.576.4532	8:00 a.m.-4:15 p.m.
	559.452.4210	8:00 a.m.-3:30 p.m.
Colorado	**303.820.3940**	8:00 a.m.-4:30 p.m.
Connecticut	**860.756.4476**	8:00 a.m.-4:30 p.m.
DC	**410.727.7965**	7:30 a.m.-4:30 p.m.
Delaware	**302.573.6421**	7:30 a.m.-4:30 p.m.
Florida	**954.423.7763**	8:00 a.m.-4:15 p.m.
	904.399.5531	8:15 a.m.-4:00 p.m.
	305.982.5242	8:00 a.m.-4:15 p.m.
	678.530.7799	8:00 a.m.-4:00 p.m.
	206.220.5786	8:00 a.m.-5:30 p.m.
Idaho	**303.820.3940**	8:00 a.m.-4:30 p.m.
Illinois	**312.435.1110**	8:00 a.m.-4:30 p.m.
Indiana	**317.377.0027**	8:00 a.m.-5:00 p.m.
Iowa	**314.342.9325**	8:00 a.m.-4:30 p.m.
Kansas	**314.342.9325**	8:00 a.m.-4:30 p.m.
Kentucky	**502.582.5284**	8:00 a.m.-5:00 p.m.
Louisiana	**504.558.3050**	8:00 a.m.-4:30 p.m.
Maine	**617.720.4147**	8:00 a.m.-4:30 p.m.
Maryland	**410.727.7965**	7:30 a.m.-4:30 p.m.
Massachusetts	**617.720.4147**	8:00 a.m.-4:30 p.m.
Michigan	**313.628.3870**	8:00 a.m.-4:30 p.m.
Minnesota	**314.342.9325**	8:00 a.m.-4:30 p.m.
Mississippi	**601.292.4944**	8:00 a.m.-4:30 p.m.
Missouri	**314.342.9325**	8:00 a.m.-4:30 p.m.
Montana	**303.820.3940**	8:00 a.m.-4:30 p.m.
Nebraska	**314.342.9325**	8:00 a.m.-4:30 p.m.
Nevada	**602.207.8828**	8:00 a.m.-4:30 p.m.
New Hampshire	**617.720.4147**	8:00 a.m.-4:30 p.m.
New Jersey	**973.921.4052**	8:00 a.m.-4:30 p.m.
New Mexico	**602.207.8828**	8:00 a.m.-4:30 p.m.
New York	**518.427.4228**	8:00 a.m.-4:30 p.m.
	631.447.4960	8:00 a.m.-3:00 p.m.
	718.488.2250	8:00 a.m.-4:30 p.m.
	716.961.5151	8:15 a.m.-4:15 p.m.
	212.719.8281	9:30 a.m.-4:30 p.m.
North Carolina	**336.378.2157**	8:00 a.m.-4:30 p.m.
North Dakota	**314.342.9325**	8:00 a.m.-4:30 p.m.
Ohio	**513.263.3349**	8:00 a.m.-4:30 p.m.
	216.623.1338	8:30 a.m.-4:30 p.m.
Oklahoma	**405.297.4141**	8:00 a.m.-4:30 p.m.
Oregon	**503.222.7562**	7:30 a.m.-5:30 p.m.
Pennsylvania	**412.281.0281**	7:00 a.m.-4:30 p.m.
Rhode Island	**401.525.4113**	8:00 a.m.-4:30 p.m.
South Carolina	**803.253.3231**	7:30 a.m.-4:15 p.m.
South Dakota	**314.342.9325**	8:00 a.m.-4:30 p.m.
Tennessee	**615.781.4826**	8:00 a.m.-4:45 p.m.
	901.546.4213	8:00 a.m.-4:30 p.m.
Texas	**214.767.1501**	7:00 a.m.-10:00 p.m.
	281.721.7640	7:00 a.m.-10:00 p.m.
	512.464.3337	7:00 a.m.-10:00 p.m.
Utah	**303.820.3940**	8:00 a.m.-4:30 p.m.
	801.620.6339	8:00 a.m.-4:30 p.m.
Vermont	**617.720.4147**	8:00 a.m.-4:30 p.m.
Virginia	**804.698.5010**	8:30 a.m.-4:30 p.m.
Washington	**206.220.5786**	8:00 a.m.-5:30 p.m.
West Virginia	**804.698.5010**	8:00 a.m.-5:30 p.m.
Wisconsin	**314.342.9325**	8:00 a.m.-4:30 p.m.
Wyoming	**303.820.3940**	8:00 a.m.-4:30 p.m.

SECONDARY SSN VALIDATION

The names and Social Security Numbers (SSNs) of everyone claimed on a tax return — primary, secondary and all dependent SSNs — must *exactly match* the names on their Social Security card. In the past, the IRS has not accepted electronic returns with any name/number mismatch, whether for the taxpayer, the spouse, or a dependent. It has also reduced tax benefits claimed on paper returns when there was a name/number mismatch for the first spouse listed on a joint return or for any dependent. This year, the IRS will do the same for both spouses on a paper filed joint return. People who change their surnames for any reason — such as marriage — should get updated identification cards, unless they intend to use the former name for legal purposes. Form SS-5, *Application for a Social Security Card,* is available from the SSA Web site at www.ssa.gov, or by calling (toll free) 1.800.772.1213.

REMINDER

Refund checks will be returned to the IRS if the address on the check is not current. Advise your clients to file Form 8822, *Change of Address,* when they move.

Individual Taxpayer Identification Numbers (ITIN)

Individual Taxpayer Identification Numbers (ITINs) are used for tax purposes only and do not replace SSNs. ITIN recipients are not eligible for the Earned Income Credit (EIC). ITINs are permanent tax identification numbers and replace the former IRS temporary numbers (ISRNs). Consequently, the IRS no longer accepts IRSNs or entries such as *applied for, NRA* or *SSA205C* on tax documents and returns. Because the ITIN must be applied for and assigned prior to filing a tax return, *ITIN applied for* in the SSN field on a tax form is **not** a valid entry either.

Those taxpayers eligible for ITINs include resident and nonresident aliens who are:

- Required to file a U.S. tax return,
- Claimed as a dependent of a U.S. person on a tax return,
- The spouse of a U.S. citizen who files a joint return,
- Claimed as a spousal exemption on a U.S. tax return,
- Filing a U.S. tax return solely for a refund claim or
- Nonresidents filing a U.S. tax return to claim a treaty benefit.

Those not eligible for ITINs are U.S. citizens and U.S. resident aliens who are eligible to receive SSNs.

File a Form W-7 with the supporting documentation described below to apply for an ITIN. The revised Form W-7 reflects taxpayer feedback and is easier to understand and complete. A Spanish version, Form W-7SP, is also available.

Forms W-7 may be submitted by several methods:

- Individuals can present the completed Form W-7 and supporting documentation at any IRS Taxpayer Assistance Center in the U.S. and abroad. An IRS reviewer will examine the material and return the documentation to the applicant. The Form W-7 is then certified by the reviewing office and forwarded to the Philadelphia IRS Campus (PIRSC) for processing. An ITIN notice containing the number is generated during processing and is mailed directly to the applicant.
- Applicants may also mail their completed Forms W-7 directly to the PIRSC with the required documentation. These applicants also receive their ITINs directly from the PIRSC through the mail.
- Applicants may use the services of an Acceptance Agent who is authorized to certify Forms W-7 for the IRS and review applicants' documentation. Acceptance Agents are tax practitioners and other qualifying agents, such as educational institutions and government agencies, who file the certified Forms W-7 on behalf of the applicants, receive the assigned ITINs from the PIRSC and notify their clients of the assigned ITINs.

Acceptable documentation is defined as documentation that proves both identity and foreign status. When a single document satisfies both requirements (such as a passport), one proof will suffice; otherwise, two types of documentation are required. Types of acceptable documentation include:

- Passports
- Visas
- National identity cards
- Drivers' licenses

Original documentation received by the PIRSC ITIN Unit is reviewed for acceptance or rejection within 14 days and returned to the applicant through the U.S. Postal Service (documents returned to international addresses are sent by registered mail). In lieu of original documents, applicants may also submit quality copies of docu-

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PTIN PROGRAM

The Practitioner Identification Number (PTIN) program began in 1999 to address concerns that a preparer's SSN could be used inappropriately by clients and others having access to a prepared return.

Preparers may download Form W-7P, *Application for Preparer Tax Identification Number,* from the "Tax Professional's Corner" on the IRS Web site at **www.irs.gov** or by calling the IRS toll–free tax forms line at **1.800.829.3676.**

To ensure that the person assigned to and identified by a specific PTIN is the person applying for it, the application form asks for the preparer's name, home address, date of birth and SSN.

The PTIN is the identifying number of *only* the individual requesting it and has no relation to firms employing tax return preparers. Preparers may continue to use their PTINs year after year without reapplying. Preparers must use either their SSN or a PTIN. Do not write *PTIN applied for* in the Paid Preparer's Use Only section of the return. (Preparers are advised to consult with their respective states regarding the use of a PTIN on state tax returns.)

Mail or fax Forms W–7P to:
Philadelphia IRS Campus
PTIN Unit
P.O. Box 447, DP 2840
Bensalem, PA 19020

The PTIN customer service number is **215.516.4846.** The fax number is **215.516.1127.**

Individual Taxpayer Identification Numbers

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ments that have either been certified by the issuing agency or notarized by a U.S. Notary.

Note: If the documentation is in a foreign language, a certified translation must accompany it.

Applications and supporting documentation that are rejected will be returned to the applicant with a detailed explanation for the rejection and what additional information is needed.

More information about ITINs can be obtained from Pub. 1915, *Understanding Your Individual Taxpayer Identification Number.*

For more information on the Acceptance Agent Program and how to apply for Acceptance Agent status, tax practitioners can contact the IRS Office of Pre-Filing and Technical Guidance at **1.202.874.1800**.

Forms W-7 and documentation can be mailed to:
Philadelphia IRS Campus
ITIN Unit PO Box 447, DP 2840
Bensalem, PA 19020

The ITIN Unit Customer Service phone number is **215.516.4846.** The ITIN Unit fax number is: **215.516.3270**.

Note: Processing Forms W-7 and issuance of the assigned ITINs may take four to six weeks from receipt.

Adoption Identification Numbers

Adoption Identification Numbers (ATINs) are for taxpayers who are in the process of adopting a child and who meet the criteria for claiming dependent status for the adoptive child but are unable to apply for a SSN for the child, pending final adoption.

Note: ATINs are issued for domestic adoptions only. Taxpayers involved in international adoption must apply for an ITIN for the child.

ATINs are temporary numbers issued by the IRS and are valid only for a 2-year period or until the applicant receives an SSN for the adoptive child. Many adopting parents often have custody of the child for a period of time pending the adoption and provide sufficient financial support during the year to claim the dependency exemption or child care credit on their returns. However, because of privacy issues, they do not have access to the child's existing SSN. Additionally, because the Social Security Administration (SSA) will only issue an SSN when the adoption is final, the parents are unable to provide an SSN when filing the return.

Note: Earned Income Credit (EIC) is not allowed without a valid SSN issued by the SSA; therefore, the EIC cannot be claimed when an ATIN is used for the child. After adoption is final and the taxpayer has obtained a valid SSN for the adoptive child, the parents may file an amended return to claim the EIC for the period of pending adoption, provided all other EIC criteria are met.

Form W-7A is used by taxpayers to apply for ATINs. As with ITINs, applicants will be required to provide supporting documentation with the application. Applicants may file Form W-7A at all IRS district offices and posts of duty where field personnel will verify the information and prescreen the Form W-7A for accuracy and completeness.

Applicants may also mail the Form W-7A and supporting documentation to the ITIN Unit.

FAX-TIN AND TELE-TIN NUMBERS

Andover
Tele-TIN: 978.474.9717
Fax-TIN: 978.474.9774

Atlanta
Tele-TIN: 770.455.2360
Fax-TIN: 678.530.6156

Austin
Tele-TIN: 512.460.7843
Fax-TIN: 512.460.8000

Brookhaven
Tele-TIN: 631.447.4955
Fax-TIN: 631.447.4991

Cincinnati
Tele-TIN: 859.292.5467
Fax-TIN: 859.292.5760

Fresno
Tele-TIN: 559.452.4010
Fax-TIN: 559.443.6961

Kansas City
Tele-TIN: 816.823.7777
Fax-TIN: 816.823.7776

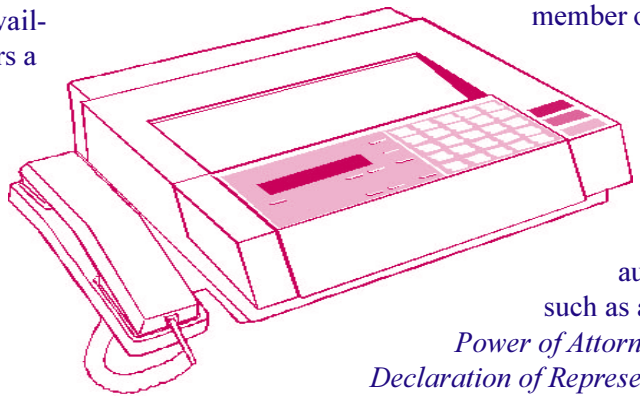
Memphis
Fax-TIN only: 901.546.3916

Ogden
Fax-TIN only: 801.620.7115
Problems: 801.620.6339

Philadelphia
Tele-TIN: 215.516.6999
Fax-TIN: 215.516.3990

Fax-TIN: EINs by fax

Taxpayers can request Employer Identification Numbers (EINs) by fax through the Fax-TIN Program. They should first complete a Form SS-4 and then fax it to the appropriate center. *(See fax numbers at left.)* The fax number is available 24 hours a day. Under most circumstances, the IRS will assign an EIN within four workdays. Be sure to provide us with your fax number so we can fax the EIN.



Fax-TIN is the safest, easiest and most accurate method of obtaining an EIN, but in an emergency you may also request an EIN by phone. Our resources allow us to have a limited number of people available to answer the phone, so we can better serve you if you fax us the EIN request.

If you must telephone us, complete Form SS-4 and then call us any weekday between the hours of 7:30 a.m. and 5:00 p.m. *(See phone numbers at left.)* The EIN will be assigned immediately, but you must still mail the completed Form SS-4 to us within 24 hours. (Be sure the Form SS-4 is completely filled out and signed by a duly authorized person. Keep a copy for your records.)

EIN disclosure laws

The Fax-TIN/Tele-TIN function is limited by strict disclosure laws, and an EIN can be given out to *a duly authorized person only.* A duly authorized person for the following types of organization is:

- Sole proprietorship – owner.
- Corporation – president, vice-president or other principal officer.
- Partnership – a partner.
- Estate or trust – administrator, executor, fiduciary or trustee.
- Other unincorporated organizations – a responsible and duly authorized member or officer of the organization.

Remember, a third party ***must*** have proper written authorization such as a Form 2848, *Power of Attorney and Declaration of Representative,* before newly assigned EINs can be released to them. *(See page 29 for Form 2848 information.)*

The guidelines for sole proprietorship EINs are now more stringent. These EINs are issued primarily to individuals who have employees (or file any other federal returns or documents); individuals who issue Forms 1099 for contract labor; or those who are required to have an EIN by the Bureau of Alcohol, Firearms and Tobacco.

COMMON FAX-TIN PROBLEMS

- Taxpayer faxes Form SS-4 and then calls Tele-TIN to request an EIN. This could cause duplicate EINs to be issued.
- Form SS-4 is not completely filled out.
- Taxpayer is uncertain about the type of entity being established.
- Callers sometimes are unable to establish that they are authorized to request an EIN for the entity they represent. An EIN can be released only to duly authorized individuals.

ASSEMBLE FORMS IN PROPER ORDER

If returns are not assembled in attachment sequence, they must be pulled apart and reassembled. Although we take care to reattach all the pages, important documentation could get lost in the process.

Form 9465, *Installment Agreement Request,* and Form 911, *Application for Taxpayer Assistance Order to Relieve Hardship*, should be attached to the front of the return. Attach other forms and schedules at the end of the return in order of the Attachment Sequence Number that is shown below the year in the upper right corner of the form or schedule. Attachment Sequence Numbers are not in the same order as form numbers. For example, Form 8801 has Attachment Sequence No. 74 and Form 8814 has Attachment Sequence No. 40.

IRS forms and schedules without attachment sequence numbers follow next in numerical order. ***Attach separate statements at the end of the return — not between forms and schedules that are in sequence.*** If these relate to previous correspondence, refer to the IRS customer service representative by name, ID number and mail stop number, where possible. *Copies of approved extensions of time to file should be attached following the IRS forms.*

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Avoid extension problems

If you file multiple Forms 4868 or 2688, be sure to complete Item 3, the explanation of why the extension is needed, for *each form*. Do not write a single cover letter of explanation for multiple forms. ***Be sure to write SSNs or EINs*** on all extensions and installment agreement requests.

If you submit a Form 4868 or Form 2688 with a copy to be date stamped and returned, include a preaddressed envelope to expedite the process.

There are four extension forms for returns other than the 1040 series, and they are not interchangeable. **Be sure to use the correct one.**

- **Form 8868*:*** extensions for various types of Forms 990 and 990-T exempt organization returns, Form 1041-A and Form 5277 (if required to be filed by the trustee of a trust) and other returns related to exempt organizations.
- **Form 8736:** extensions for Forms 1065 and 1066 and Form 1041, when it is used for a trust.
- **Form 7004:** extensions for Forms 1120 and 990T.
- **Form 2758:** extensions for a variety of excise tax, income tax, information returns and other returns, including Form 1041 when it is filed for an estate.

Be sure to check one of the boxes near the top of the form to indicate the type of return for which you are requesting an extension. Blanket extensions are not granted. Separate forms must be filed for each return.

Extensions and Installment Agreements

Taxpayers who file extensions by April 16 but are unable to pay the full amount will not be penalized if they pay 90 percent of the total tax due at the time they request the extension. Regulations require that the tax liability reported on Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, be properly estimated based on available information. The extension may be disallowed and a late filing penalty assessed if the taxpayer does not properly estimate the tax due and attach it to the request. Form 4868 is in voucher form again this year and can be sent electronically. Balance due Forms 4868 should be sent to the appropriate lockbox. *(See pages 38 and 39.)*

If a client cannot pay the taxes owed at the time of filing of the return, you can file a Form 9465, *Installment Agreement Request*, with the tax return. This form allows the taxpayer to request a monthly payment plan specifying the monthly payments.

There is a processing fee of $43 for entering into an installment agreement and $24 for restructuring or reinstating an installment agreement. ***Do not send the $43 when you send the Installment Agreement Request.*** We will send you a notice for the fee once the agreement has been approved. Form 9465 can be transmitted electronically by itself or accompanying an electronically filed return.

Attach Form 9465 to the front of the return so it can be detached and processed separately. Attach Forms W-2, W2- G and 1099R separately so they will not be inadvertently detached with the Form 9465. If you have already filed the return or are filing this form in response to a notice, File Form 9465 by itself with the IRS service center where you filed your income tax return.

PROPER ASSEMBLY OF RETURN PACKAGE

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(Ignore the sequence number on Form 2688.) Attach the remittance to the front of the return on top of Form W-2.

- Secure the return package with one staple in the top left corner. Use binder clips or large rubber bands for large documents. Do not use tape.
- Keep the upper right portion of the front page blank and free of staples. The Document Locator Number (DLN) is printed in that area. A staple can cause the DLN to be printed illegibly and can even damage the imprinting equipment. Some practitioners stamp or print a message such as "IRS File Copy" in that area in large letters which obscure the DLN.
- Do not use binders or plastic covers; these must be removed for processing and are discarded.
- Do not staple the envelope.

EITC ON THE WEB

Go directly to Earned Income Tax Credit information on the Digital Daily: www.irs.gov/eitc

Earned Income Credit

New definition of eligible foster child

Congress has redefined *eligible foster child* for purposes of the **earned income credit (EIC)** and the **child tax credit (CTC)**. The new definition appears in section 412 of the *Ticket to Work and Work Incentives Improvement Act of 1999*. For tax years after 1999, a child is an eligible foster child if **all** the following apply:

1. The child is the taxpayer's brother, sister, stepbrother, stepsister (or a descendant of the taxpayer's brother, sister, stepbrother or stepsister), or a child placed with the taxpayer by an authorized placement agency. An authorized placement agency is an agency of a state, political subdivision or tax-exempt child placement agency licensed by the state.
2. The taxpayer cared for the child as the taxpayer would care for his or her own child.
3. The child lived with the taxpayer for the entire year, except for temporary absences. (A child who was born or died during the year is considered to have lived with the taxpayer for the entire year, if the child lived with the taxpayer for the entire time the child was alive during the year.)

Before tax year 2000, the child had to meet only the second and third requirements above to be the taxpayer's eligible foster child.

Note: The IRS has free *eligible foster child* posters for you to display in your office. They are available in English (Pub. 3709) and in Spanish (Pub. 3709SP) from the IRS forms distribution centers. To order, call toll free **1.800.829.3676.**

Some things have not changed

Rules for all taxpayers

To claim the EIC, the taxpayer (and spouse, if filing a joint return) must have a valid Social Security Number (SSN) issued by the Social Security Administration (SSA). If the Social Security card says **Not Valid for Employment,** however, the taxpayer cannot claim the EIC if the number was issued so that the taxpayer could receive a federally funded benefit, such as Medicaid. If the taxpayer has a card with this legend and the taxpayer's immigration status has changed so that the taxpayer is now a U.S. citizen or permanent resident, the taxpayer should request that the SSA issue him or her a new Social Security card without the legend. Individual Taxpayer Identification Numbers (ITINs) issued by the IRS to aliens who cannot get an SSN cannot be used to claim the EIC.

To claim the EIC, the taxpayer must meet the following requirements:

- The taxpayer's filing status cannot be Married Filing Separately.
- The taxpayer must be a U.S. citizen or resident alien. An exception exists for a nonresident alien who (1) is married to a U.S. citizen or resident alien, and (2) chooses to be treated as a resident for the entire year by filing a joint return.
- The taxpayer cannot file Form 2555 or Form 2555-EZ, relating to foreign earned income.
- The taxpayer's investment income must be $2,400 or less.
- The taxpayer (and spouse, if filing a joint return) cannot be the qualifying child of another person.

Requirements for a qualifying child.

To be a qualifying child, a child must meet three the following three tests:

- Age
- Residency
- Relationship

You can find specific details for these three tests in Publication 596, *Earned Income Credit;* the instructions for Forms 1040 and 1040A; and the Schedule EIC instructions.

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Earned Income Credit

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In addition, the child must have a valid Social Security Number. *(See the first paragraph under rules for all taxpayers above.)*

Basic rules for persons with a qualifying child:

- The taxpayer's earned income and modified adjusted gross income (AGI) must both be less than $27,413 if the taxpayer has one qualifying child, and $31,152 if the taxpayer has more than one qualifying child. For 2000, the maximum credit is $2,353 if the taxpayer has one qualifying child, and $3,888 if the taxpayer has more than one qualifying child.
- The taxpayer's qualifying child cannot be the qualifying child of another person with a higher modified AGI.

Basic rules for persons without a qualifying child:

- The taxpayer's earned income and modified adjusted gross income (AGI) must both be less than $10,380. The maximum credit for 2000 is $353.
- The taxpayer (or spouse, if filing a joint return) must be at least age 25, but under age 65 at the end of the year.
- The taxpayer (and spouse, if filing a joint return) cannot be eligible to be claimed as a dependent on anyone else's return.
- The taxpayer (and spouse, if filing a joint return) must have lived in the United States more than half of the year. Members of the military on extended active duty outside the United States are considered to live in the United States during that duty period.

Disallowance of the EIC

If the IRS disallowed or reduced the taxpayer's EIC for a year after 1996 for any reason other than a mathematical or clerical error, the taxpayer may need to file Form 8862, Information To Claim Earned Income Credit After Disallowance, with his or her 2000 tax return. Form 8862 must be attached to the first return on which the taxpayer claims the EIC filed (either on paper or electronically) after the EIC was disallowed or reduced for the earlier year. If the taxpayer claims the EIC and a required Form 8862 is not attached, the EIC will be disallowed under the mathematical and clerical error procedures.

If, in addition to a denial or reduction of the taxpayer's EIC, it was determined that the taxpayer's EIC claim was due to reckless or intentional disregard of the EIC rules, the taxpayer would have been notified that he or she is ineligible to claim the EIC for the following 2 years (for a fraudulent claim, the period is 10 years). *(See chapter 5 of Publication 596 for details.)*

And last but not least, Due Diligence

On Oct. 17, 2000, the IRS issued TD 8905, which contains final regulations pertaining to due diligence requirements for paid preparers of EIC returns. The final regulations adopt the proposed regulations, TD 8798, which were issued on Dec. 21, 1998, along with temporary regulations.

EIC due diligence has applied to all returns prepared by paid preparers beginning with the 1997 tax year. For 1997, temporary rules appeared in Notice 97-65. As one of the four due diligence requirements, preparers were required to complete a checklist attached to Notice 97-65. For 1998, preparers were required to follow the rules in the temporary regulations and to complete either the checklist in Notice 97-65 or the new Form 8867, *Paid Preparer's Earned Income Credit Checklist.* For 1999 and subsequent years, preparers are required to use Form 8867, not the checklist in Notice 97-65.

Due diligence requirements

To satisfy the due diligence requirements, you must:

- Complete Form 8867 (or your own checklist, which may be electronic, as long as it provides the same information as Form 8867).
- Complete the appropriate EIC worksheet in the Form 1040, 1040A or 1040EZ instructions or in Pub. 596 (or your own worksheet, which may be electronic, as long as it provides the same information as the appropriate worksheet). The worksheets in the instructions and the publication vary. For example, either of the worksheets in Pub. 596 can be used by taxpayers filing Form 1040A, but the worksheet in the instructions for Form 1040A cannot be used by taxpayers required to use Pub. 596.
- Have no knowledge that any of the information used to determine the taxpayer's eligibility for, or the amount of, the EIC is incorrect.
- Keep the following information, either on paper or electronically, for 3 years after the June 30th following the date you gave the return to the taxpayer for his or her signature:
- Form 8867 (or your own checklist),
- The EIC worksheet (or your own worksheet), and
- A record of how, when and from whom you obtained the information used to prepare the checklist.

Taxpayer Advocate Service

The Taxpayer Advocate Service is an IRS program that provides an independent system to assure that tax problems that have not been resolved through normal channels are promptly and fairly handled. The program is headed by the national taxpayer advocate. Each state and service center has at least one local taxpayer advocate, who is independent of the local IRS office and reports directly to the national taxpayer advocate.

The goals of the Taxpayer Advocate Service are to protect individual taxpayer rights and to reduce taxpayer burden. The taxpayer advocate independently represents your interests and concerns within the IRS. This is accomplished in two ways:

- Ensuring that taxpayer problems that have not been resolved through normal channels are promptly and fairly handled.
- Identifying issues that increase burden or create problems for taxpayers: bringing those issues to the attention of IRS management and making legislative proposals where necessary.

Who may use the Taxpayer Advocate Program?

If you have a an ongoing issue with the IRS that has not been resolved through normal processes, or you have suffered, or are about to suffer, a significant hardship as a result of the application of the tax laws, contact the taxpayer advocate.

Generally, the taxpayer advocate can help if, as a result of the application of the tax laws, you:

- Are suffering, or are about to suffer, a significant hardship;
- Are facing an immediate threat of adverse action;
- Will incur significant cost (including fees for professional representation);
- Will suffer irreparable injury or long-term adverse impact;
- Have experienced a delay of more than 30 days to resolve the issue; or
- Have not received a response or resolution by the date promised.

Additionally, you may contact the taxpayer advocate if all established systems or procedures have failed to operate as intended to resolve the problem or dispute.

Hardship situations and other issues that are referred to the taxpayer advocate are reviewed on the individual merits of each case.

The Taxpayer Advocate Service is not a substitute for established IRS procedures or the formal Appeals process. The advocate cannot reverse legal or technical tax determinations.

How do I reach a Taxpayer Advocate?

- Call the telephone number listed for the office closest to you or the office with which you have been dealing. *(See next page.)*
- Call the Taxpayer Advocate's toll-free telephone number: **1.877.777.4778**
- Call the general IRS toll-free number **(1.800.829.1040)** and ask for Taxpayer Advocate assistance.
- Write the office nearest you or the one you have been dealing with. *(See next page for addresses.)*
- TTY/TTD help is available by calling: **1.800.829.4059.**
- Check the Taxpayer Advocate Web site at **www.irs.gov/ind_info/advocate.html**

or

- File Form 911, *Application for a Taxpayer Assistance Order,*
- Send a written request for assistance (if Form 911 is not available), or
- Request that an IRS employee complete a Form 911 on your behalf (in person or over the phone).

You may fax a Form 911 (or written request) to your local taxpayer advocate. Form 911 is available by calling the IRS forms-only number, **1.800.829.3676** or at the IRS Web page: **www.irs.gov.** *An Application for a Taxpayer Assistance Order* requires the advocate to determine if significant hardship exists and to review the case to determine what action should be taken to relieve the hardship. In certain situations, enforcement action may be suspended while a case is being reviewed.

The majority of cases are resolved administratively by the taxpayer advocate. Even when hardship is not a factor, the advocate is often able to help resolve the taxpayer's problem.

What can I expect from the Taxpayer Advocate?

The taxpayer advocate will listen to your point of view and will work with you to address your concerns. You can expect the advocate to provide you with:

- A *fresh look* at your problem,
- Timely acknowledgment,
- The name and phone number of the individual assigned to your case,
- Updates on progress,
- Time frames for action,
- Speedy resolution, and
- Courteous service.

Taxpayer Advocate Contacts

Do you want assistance from a taxpayer advocate? This assistance is not a substitute for established IRS procedures, formal Appeals processes, etc., but the taxpayer advocate can give your tax matter proper and prompt handling when you can't get a problem solved through normal channels. Call toll free **1.877.777.4778** or call the taxpayer advocate office nearest you listed below.

ALABAMA
Birmingham Office
801 Tom Martin Dr.
Room 150-PR
Birmingham, AL 35211
205.912.5631

ALASKA
Anchorage Office
949 East 36th Ave.
Stop A-405
Anchorage, AK 99508
907.271.6877

ARIZONA
Phoenix Office
210 E. Earll Drive
Stop 1005-PX
Phoenix, AZ 85012
602.207.8240

ARKANSAS
Little Rock Office
700 West Capitol St.
Stop 1005-LIT
Little Rock, AR 72201
501.324.6269

CALIFORNIA
Laguna Niguel Office
24000 Avila Road
Room 3362
Laguna Niguel, CA 92677
949.389.4804

Los Angeles Office
300 N. Los Angeles St.
Stop1005-LA Room 5119
Los Angeles, CA 90012
213.576.3199

Oakland Office
1301 Clay St. # 1540S
Oakland, CA 94612
510.637.2703

Sacramento Office
4330 Watt Ave.
N. Highlands, CA 95660
916.974.5007

San Jose Office
55 S. Market St.
Stop HQ000-4
San Jose, CA 95113
408.817.6850

COLORADO
Denver Office
600 17th St.
Stop 1005-DEN
Denver, CO 80202.2490
303.446.1012

CONNECTICUT
Hartford Office
135 High St.
Stop 219
Hartford, CT 06103
860.756.4555

DELAWARE
Wilmington Office
409 Silverside Rd.
Wilmington, DE 19809
302.791.4502

DISTRICT OF COLUMBIA
Baltimore Office
31 Hopkins Plaza
Baltimore, MD 21201
410.962.2082

FLORIDA
Ft. Lauderdale Office
7850 SW 6th Court
Plantation, FL 33324
954.423.7677

Jacksonville Office
400 West Bay St., STE 35045
Stop TAS
Jacksonville, FL 32202
904.665.1000

GEORGIA
Atlanta Office
401 W. Peachtree St., NW,
Summit Building Stop 202-D
Atlanta, GA 30308
404.338.8099

HAWAII
Honolulu Office
300 Ala Moana Blvd., H-405
Honolulu, HI 96850
808.539.2870

IDAHO
Boise Office
550 West Fort St., Box 041
Boise, ID 83724
208.334.1324

ILLINOIS
Chicago Office
230 S. Dearborn St.
Stop 1005.CHI
Chicago, IL 60604
312.886.9183

Springfield Office
320 W. Washington St.
Stop 1005-SPD
Springfield, IL 62701
217.527.6382

INDIANA
Indianapolis Office
575 N. Pennsylvania St.
Stop TA 770
Indianapolis, IN 46204
317.226.6332

IOWA
Des Moines Office
210 Walnut St.
Stop 1005
Des Moines, IA 50309
515.284.4780

KANSAS
Wichita Office
271 W. 3rd St., North
Stop 1005-WIC
Wichita, KS 67202
316.352.7506

KENTUCKY
Louisville Office
600 Dr. MLK Jr. Place
Federal Building-Room 622
Louisville, KY 40202
502.582.6030

LOUISIANA
New Orleans Office
600 South Maestri Pl.
Stop 2
New Orleans, LA 70130
504.558.3001

MAINE
Augusta Office
68 Sewall St., Room 313
Augusta, ME 04330
207.622.8528

MARYLAND
Baltimore Office
31 Hopkins Plaza
Baltimore, MD 21201
410.962.2082

MASSACHUSETTS
Boston Office
25 New Sudbury St.
Boston, MA 02203
617.316.2690

MICHIGAN
Detroit Office
McNamara Federal Building
477 Michigan Ave. - Room 1745
Detroit, MI 48226
313.628.3670

MINNESOTA
St. Paul Office
316 North Robert St. S
Stop 1005-STP
St. Paul, MN 55101
651.312.7872

MISSISSIPPI
Jackson Office
100 W. Capitol St., Stop JK31
Jackson, MS 39269
601.292.4800

MISSOURI
St. Louis Office
Robert A. Young Building
1222 Spruce Street
Stop 1005-STL
St. Louis, MO 63103
314.612.4610

MONTANA
Helena Office
Federal Building
301 S. Park, Stop 1005-HEL
Helena, MT 59626.0023
406.441.1044

NEBRASKA
Omaha Office
1313 Farnam
Stop 1005-OMA
Omaha, NE 68102
402.221.4181

NEVADA
Las Vegas Office
4750 West Oakey Blvd.
Room 303
Las Vegas, NV 89102
702.455.1241

NEW HAMPSHIRE
Portsmouth Office
Federal Office Building
80 Daniel St.
Portsmouth, NH 03801
603.433.0571

NEW JERSEY
Springfield Office
955 S. Springfield Ave.
Springfield, NJ 07081
973.921.4043

NEW MEXICO
Albuquerque Office
5338 Montgomery Blvd. N.E.
Stop 1005-ALB
Albuquerque, NM 87109
505.837.5505

Taxpayer Advocate Contacts

NEW YORK
Albany Office
Leo O'Brien Federal Building
Clinton Ave. & N. Pearl St.
Albany, NY 12207
518.427.5413

Brooklyn Office
10 Metro Tech Center
625 Fulton St.
Brooklyn, NY 11201
718.488.2080

Buffalo Office
201 Como Park Blvd.
Buffalo, NY 14227
716.961.4850

Manhattan Office
290 Broadway 7th floor
New York, NY 10007
212.436.1011

NORTH CAROLINA
Greensboro Office
320 Federal Place Room 125
Greensboro, NC 27401
336.378.2180

NORTH DAKOTA
Fargo Office
657 2nd Ave, N.
Stop 1005-FAR
Fargo, ND 58102
701.239.5141

OHIO
Cincinnati Office
550 Main St. Room 3530
Cincinnati, OH 45202
513.263.3260

Cleveland Office
1240 E. Ninth St. Room 423
Cleveland, OH 44199
216.522.7134

OKLAHOMA
Oklahoma City Office
55 N. Robinson
Stop 1005-OKC
Oklahoma City, OK 73102
405.297.4055

OREGON
Portland Office
1220 S.W. 3rd Ave., Stop O-405
Portland, OR 97204
503.326.2333

PENNSYLVANIA
Philadelphia Office
600 Arch St. Room 1602
Philadelphia, PA 19106
215.861.1290

Pittsburgh Office
1000 Liberty Ave.
Pittsburgh, PA 15222
412.395.5987

RHODE ISLAND
Providence Office
380 Westminster St.
Providence, RI 02903
401.525.4200

SOUTH CAROLINA
Columbia Office
1835 Assembly St.
MDP 03
Columbia, SC 29201
803.253.3029

SOUTH DAKOTA
Aberdeen Office
115 4th Ave. Southeast
Stop 1005-ABE
Aberdeen, SD 57401
605.226.7248

TENNESSEE
Nashville Office
801 Broadway
Stop 22
Nashville, TN 37203
615.250.5000

TEXAS
Austin Office
300 E. 8th St.
Stop 1005-AUS
Austin, TX 78701
512.499.5875

Dallas Office
1100 Commerce St.,
MC1005DAL
Dallas, TX 75242
214.767.1289

Houston Office
1919 Smith St.
Stop 1005-HOU
Houston, TX 77002
713.209.3660

UTAH
Salt Lake City Office
50 South 200 East
Stop 1005-SLC
Salt Lake City, UT 84111
801.799.6958

VERMONT
Burlington Office
Courthouse Plaza
199 Main St.
Burlington, VT 05401
802.860.2008

VIRGINIA
Richmond Office
400 N. 8th St. Room 916
Richmond, VA 23240
804.916.3501

WASHINGTON
Seattle Office
915 2nd Ave.
Stop W-405
Seattle, WA 98174
206.220.6037

WEST VIRGINIA
Parkersburg Office
425 Juliana St.
Parkersburg, WV 26101
304.420.6616

WISCONSIN
Milwaukee Office
310 West Wisconsin Ave.
Stop 1005-MIL
Milwaukee, WI 53203
414.297.3046

WYOMING
Cheyenne Office
5353 Yellowstone Rd.
Stop 1005-CHE
Cheyenne, WY 82009
307.633.0800

TAXPAYERS LIVING ABROAD OR IN U.S. TERRITORIES
A/C International
Mercantile Plaza Building
2 Ponce De Leon Ave.
Stop 27 1/2
Hato Rey, Puerto Rico 00918
787.622.8931
Spanish.787.622.8931
English.787.622.8940

CENTERS
Andover Center
P.O. Box 9055, Stop 121
Andover, MA 01810
978.474.5549

Atlanta Center
P.O. Box 48-549
Stop 29A
Doraville, GA 30362
770.936.4500

Austin Center
P.O. Box 934
Stop 1005-AUSC
Austin, TX 78767
512.460.8300

Brookhaven Center
P.O. Box 960
Stop 102
Holtsville, NY 11742
631.654.6686

Cincinnati Center
P.O. Box 1235, Stop 11
Cincinnati, OH 45201
859.292.5316

Fresno Center
P.O. Box 12161
Stop 01
Fresno, CA 93776
559.443.7590

Kansas City Center
P.O. Box 24551
Stop 1005-KCSC
Kansas City, MO 64131
816.926.2493

Memphis Center
P.O. Box 30309AMF
Stop 12
Memphis, TN 38130
901.395.1900

Ogden Center
P.O. Box 1640
Stop 1005
Ogden, UT 84402
801.620.7168

Philadelphia Center
P.O. Box 16053
DP #1300
Philadelphia, PA 19114
215.516.2499
215.516.2677

SEND COMPLETED FORMS 2848

Andover Centers
310 Lowell St. Stop 321
Andover, MA 01810
fax: 978.474.9701

Atlanta Centers
PO Box 47-421 Stop 98
Doraville, GA 30362
fax: 678.530.6392

Austin Centers
PO Box 1231 Stop 6737
Austin, TX 73301
fax: 512.460.0176

Brookhaven Centers
1040 Waverly Ave. Stop 534
Holtsville, NY 11742
fax: 631.654.6583

Fresno Centers
PO Box 12067 Stop 65103
Fresno, CA 93776
fax: 559.454.6334

Kansas City Centers
PO Box 24551 Stop 6800
Annex 1
Kansas City, MO 64131
fax: 816.823.7863

Philadelphia Centers
CAF Unit DP 6211
11601 Roosevelt Blvd.
Philadelphia, PA 19154
fax: 215.516.5994

Excise Tax
Cincinnati Centers
CAF Unit Stop 530
Cincinnati, OH 45999
fax: 606.292.5185

Employee Plans
Memphis Centers
CAF/FTD Unit, Stop 5324
5333 Getwell Road
Memphis, TN 38118
fax: 901.546.4115

Exempt Organizations
Ogden Centers
PO Box 9941 Stop 6737
Ogden, UT 84409
fax: 801.620.4249/4250/4251

Power of Attorney processing and CAF procedures

Form 2848, *Power of Attorney and Declaration of Representation,* is the only form required to appoint a representative. It can be used by enrolled or unenrolled preparers and certain others.

Form 8821, *Tax Information Authorization (TIA)*, allows taxpayers to authorize individuals, corporations, firms, organizations or partnerships to inspect or receive confidential information. Unlike Form 2848, it does not give permission to act on behalf of the taxpayer.

You may mail or fax the forms to the appropriate center. Faxed Forms 2848 and 8821 will be added to the center's Centralized Authorization File (CAF) within 48 hours of receipt. All others will be processed within five calendar days. During the peak season, processing may take up to 21 calendar days.

Special request: If you fax a Form 2848, please don't mail a hard copy. Don't send a POA for each client as a standard operating procedure — send one only when it is really needed.

Form 2848 requirements

- Taxpayer's name, address, TIN and phone number.
- Representative's name and address.
- Type of taxes.
- Federal tax form numbers and years requested.
- Declaration of representative.
- Representative's signature, date and designation.
- Taxpayer's signature and date. (Both taxpayers' signatures if married filing jointly.)

Did you know?

If a taxpayer wants the representative to receive a refund check on their behalf, they must specifically authorize the representative to receive the refund by initialing Box 6. ***Reminder:*** Be sure to list the name of the representative who should receive the refund check.

If you submit a Form 2848

- For a return, submit the form to the center where the return was filed.
- In response to a notice, submit the form to the center with collection responsibility.
- For excise tax issues, submit the form to the Cincinnati Submission Processing Center.
- For employee plan issues, submit the form to the Memphis Submission Processing Center.
- For exempt organization issues, fax the form to the Ogden Center.

Form 2848 common errors

Joint Returns

- Both taxpayers did not sign and date the Form 2848.
- Didn't indicate taxpayer's ex-spouse status from a joint return.

Business Returns

- Didn't indicate the title of authorizing signature. (Box 9)

Any Return

- Both representative and taxpayer have not signed and dated Form 2848, parts I and II. (Box 9)
- Didn't include correct name, address and SSN or EIN.
- Didn't specify tax years, tax periods

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When calling the toll-free number on notices (available 7 days a week, 24 hours a day):

- **Have POA (CAF identification number) information ready.**
- **Have all IRS-related documents ready, especially the latest notice.**
- **For quicker service, call on Wednesday, Thursday or Friday between 7:30 a.m. and 7:30 p.m.**

WHERE TO CALL FOR HELP

- ***To order forms, instructions and publications:*** Call **1.800.829.3676** to order current and prior year forms, instructions and publications.
- ***To ask tax questions:*** Call the IRS with your tax questions at **1.800.829.1040**.
- ***To ask questions about a notice:*** Call the IRS with questions about your balance due at **1.800.829.8815.**
- ***TeleTax topics:*** Call **1.800.829.4477** to listen to prerecorded messages covering various tax topics.
- ***TTY/TDD equipment:*** If you have access to TTY/TDD equipment, call **1.800.829.4059** to ask tax questions or to order forms and publications.

REMEMBER:

Treasury Department *Circular No. 230* contains the rules governing the practice of attorneys, CPAs, enrolled agents, enrolled actuaries, appraisers and other persons representing taxpayers before the IRS. It authorizes the Director of Practice to grant or deny enrollment and to institute disciplinary proceedings.

Power of Attorney cont'd.

Continued from page 29

and tax forms you want covered by the authorization. (The IRS cannot process Forms 2848 with general references to *all years, all periods, all taxes* or *specific issues*. Example of correct reference: *Income Tax, Form 1040, for calendar years 2000 and 2001.)*

Form 8821 requirements

- Taxpayer's name, address, TIN and phone number.
- Appointee's name, address and phone number.
- Type of taxes, form number and starting and ending dates.
- Disclosure of Tax Information Authorization.
- Taxpayer's signature and date (only one spouse's signature is required).
- Must be received by the IRS within 60 days of taxpayer's signature.

Form 8821 common error

- Didn't answer item 4 correctly. If the box is checked, the authorization will not be entered on the CAF. If the authorization is not for a specific use, do not check this box.

Revocations

- When you no longer represent a taxpayer, the power of attorney must be revoked to avoid unauthorized disclosures. The only people who can revoke a power of attorney are the taxpayer or the representative. Until the power of attorney is revoked, the representative will continue to receive copies of notices and letters
- You can use a copy of a previously submitted Form 2848 or 8821 to revoke an authorization. Write **REVOKE** across the top of the copy in bold letters. It must also be signed and dated.

Facts about refund checks

A refund check will be returned to the IRS if the address on the check is not the most current. The refund will not be reissued until the center is notified of the new address. Complete and return Form 8822, *Change of Address,* to notify the IRS. If a refund check is lost or stolen, a completed Form 3911, *Taxpayer Statement Regarding Refund*, or a detailed letter must be sent to the Center.

Reminders:

- Allow for the normal processing time before you inquire about refunds:
  - Paper – 6 weeks
  - *e-file*/TeleFile – 3 weeks
  - 1040X – 8-12 weeks
  - Business Returns – 6 weeks
- If a check was issued for a joint return, both signatures must be present on the Form 3911.
- The IRS and Financial Management Service (FMS) determine if the check has been cashed. If the original check has not been cashed, a replacement check will be issued. If the check has been cashed, a photocopy of the check will be mailed to the taxpayer with a claim Form 1133. The completed form should be returned to FMS at the address provided. The investigation of lost or stolen refund checks that have been cashed is a time-consuming process. Taxpayers can expect a delay of three months to a year before another check is issued.
- Refund checks that are not cashed within one year of the issuance date are automatically cancelled.
- Refund checks will not be split because of a family dispute, even though a divorce decree or other civil action may so direct.
- Overpayments will offset federal tax debts and nontax debts such as child support before the refund is issued.

TRANSCRIPTS & COPIES

Andover
310 Lowell Street Stop 679
Andover, MA 01810
fax: 978.474.9405
fax: 978.474.5982
fax: 978.474.5986

Atlanta
4800 Buford Hwy. Stop 91
Doraville, GA 30362
fax: 678.530.5326
fax: 678.530.5327

Austin
3651 S. IH-35 Stop 6716
Austin, TX 78741
fax: 512.460.2272
fax: 512.460.2354

Brookhaven
1040 Waverly Ave. Stop 532
Holtsville, NY 11742
fax: 631.654.6325
fax: 631.447.4405

Cincinnati
PO Box 145500 Stop 2801A
Cincinnati, OH 45250
fax: 859.292.3592

Fresno
5045 E. Butler Stop 28105
Fresno, CA 93888
fax: 559.443.7822
fax: 559.443.7823

Kansas City
2306 E. Bannister Rd.
Stop 6700 Annex 1
Kansas City, MO 64131
fax: 816.823.7667

Memphis
PO Box 30309 Stop 5318
Memphis, TN 38130
fax: 901.546.4175

Ogden
PO Box 9941 Stop 6734
Odgen, UT 84409
fax: 801.334.4178

Philadelphia
11601 Roosevelt Blvd. DP 536
Philadelphia, PA 19255
fax: 215.516.1311

The Tax Return Transcript

What is a tax return transcript?

It's a copy of tax return information that can be used for a loan, scholarship or other financial aid. A tax return transcript is a quick way to verify your tax information from the IRS — a line-by-line printout of the information on the original tax return.

It's fast, easy and free

- Dial **1.800.829.1040.** If you reach a customer service representative, tell them you wish to order a transcript of your tax return.
- If you reach an automated voice message, you will hear a menu of options. Listen for the option that says ". . . for questions about your personal tax records . . ." Press the number for that option.
- Continue to follow the voice prompts until you are asked to enter your Social Security Number. (If you filed a joint return, enter the first SSN that you entered on the return.)
- You will hear a voice prompt ". . . to request a transcript of your tax return . . ." Press the number for that option.
- Your transcript should arrive by mail within 10 to 15 days.

Paper request for a transcript

Complete IRS Form 4506 (Rev. 5-97), *Request for Copy or Transcript of Tax Form.* Form 4506 is available from the IRS Web site at **www.irs.gov/** or by calling **1.800.829.3676**. The taxpayer's signature is required. For even faster service, fax your request. *(See addresses and fax numbers at left.)* Remember, there are no charges for tax return transcripts.

How to request copies of tax returns

Requests for photocopies of tax returns may *not* be submitted via fax. Full payment of **$23.00 per return** along with the completed, signed and dated Form 4506 should be mailed to the center where the return was filed. Allow 30 to 60 days for delivery.

Other important information

- Allow at least 10 weeks processing time after the original return is filed before requesting a copy or other information.
- Allow at least 30 days for a delivery when requesting prior year returns.
- Form W-2 information is available nine months after the end of the tax year, and requests take six to eight weeks to process.
- Form 1099 information cannot be requested with Form 4506 and should be obtained from the payer if possible.
- To request tax account information, ***do not*** submit Form 4506. Instead, write or visit the nearest IRS office. Tax account information shows any later changes that you or the IRS made to the original return.
- Requests for copies of tax returns will not be processed without the appropriate payment attached.

Remember: *The Freedom of Information Act and Privacy Act do not provide any greater access to confidential tax information than is otherwise available under the Internal Revenue Code. Copies of returns, as filed, can be requested by submitting a completed Form 4506 and are available under the IR Code Section 6103(c) and (e).*

DECEDENT RETURNS

Delays in processing returns filed for deceased taxpayers can be reduced or eliminated by writing the decedent's name, the word ***deceased*** and the date of death in the top left margin of page 1, Form 1040. Also include a completed Form 1310 if required. See Publication 559, *Tax Information for Survivors, Executors and Administrators,* for additional information. Including all of the required information will eliminate delays caused by corresponding for missing or incomplete information.

TOP 1040 ERRORS

- **Taxpayer identification numbers or names for dependents didn't match IRS or SSA records. We didn't allow the exemptions.**
- **Child tax credit was figured or entered incorrectly.**
- **Refund amount or the amount owed was figured incorrectly.**
- **Tax amount wasn't the correct amount from the tax table for the taxable income.**
- **Earned Income Credit was figured or entered incorrectly.**

Estate and Gift Tax

The Estate and Gift Tax Staff provides information, assistance and technical support to representatives of estates and practitioners. Their work includes problem resolution on issues involved in processing, tax compliance, penalty abatements, examination, closing letters, and determination of tax and interest due by estates electing installment payment of estate tax under Internal Revenue Code (IRC) Section 6166.

Estate and Gift Stock Valuation:

This compliance project reviews estate and gift returns reporting ownership of large dollar values in publicly traded stocks and bonds. Values of these securities are verified using third-party software. A correspondence examination process handles deficiencies attributed to any undervaluation.

Deferred Payment of Estate Tax Under IRC Section 6166:

The Taxpayer Relief Act of 1997 changed the four percent rate on the first $1 million (less exemption equivalent) to two percent. The interest on the balance of deferred tax is at a rate which is 45 percent of the interest rate on tax deficiencies. The change is in effect for estates of decedents who die after December 31, 1997.

Helpful Hints when preparing Forms 706 (Estate) and 709 (Gift) returns:

- When preparing Form 706, verify that the SSN is correct. When two decedents' returns are filed using the same number, long delays in processing may result, including delays in issuing federal closing letters.
- Provide complete descriptions of assets and include CUSIP numbers for publicly traded stocks and bonds. Provide the number of shares and par value for stock and/or face value and interest rate for bonds.
- When reporting closely held business interests, family partnerships or fractional interest in property, provide detailed schedules to show how returned values were determined and provide current appraisals, if available.
- If claiming the state death tax credit on Form 706, provide verification of the payment of tax. The IRS charges nonrefundable federal interest on the credit amount from the due date until the balance is paid. Federal credit interest is not paid on refunds of tax based solely on the state credit.

> **"If claiming the state death tax credit on Form 706, provide verification of the payment of tax."**

- When filing Forms 709 for both husband and wife where consent or gift splitting is involved, include a copy of the donor spouse's return with the other return so annual exclusions for donees can be verified. Not including a copy may cause long delays in processing.
- When filing Form 709, include the basis amount under Schedule A, Part 1, or else indicate "zero." This information is required on the form, and if not provided may cause long delays. The basis established by the donors allows the donees to reduce the sale of the property by the basis.

Underreporter Program analyzes unreported income

The Underreporter Program analyzes and processes returns with potential underreported income. The returns are identified in the Information Returns Program (IRP). After all current year tax returns are processed, they are computer matched to the corresponding IRP documents (Forms W-2, W-2P, 1099, 1098, etc.). For example, a W-2 for wages is compared to the wages reported on the return, and a 1099-INT for interest is compared to the interest reported on the return.

When amounts reported on the return do not match amounts on IRP documents, an information return listing is sent to an automated database showing all income that the taxpayer reported to the IRS for the year in question. The database also includes a history of the accounting which is updated weekly.

In screening, a tax examiner performs an in-depth analysis of the case. The examiner determines if all income in question can be identified satisfactorily on the tax return. If it can be found, the case is closed and the taxpayer is never contacted. If the income cannot be located anywhere on the return or cannot be readily identified, we send the taxpayer a CP-2501 or CP-2000 depending on the issues involved.

The CP-2501 asks the taxpayer to explain where on the return the income is reported. This notice has no figures or proposed balance due amounts. If the discrepancy can be explained or supporting documentation is enclosed, the case is closed. The taxpayer is informed that all is resolved. If there is no response or the information from the taxpayer is not sufficient, a CP-2000 is issued.

The CP-2000 is a proposal to change the income, deductions, tax credits or payments reported on the return. It is not a demand for payment. The taxpayer is asked to respond within 30 days from the date of the notice. Many cases are closed agreed with a signed consent statement and/or full payment. There are also partially agreed cases, where the taxpayer agrees to some of the income inquired about and satisfactorily explains the remaining issue(s).

Many cases are closed with no change to the tax liability because the taxpayer provided sufficient documentation that the income is not taxable or the underreported amount is not sufficient to change the tax.

If, in the course of verifying income, the examiner finds that the taxpayer made an error on the return which calls for a refund, the IRS will issue one.

If the original notice comes back undelivered or we have not received a response from the taxpayer, we issue a 90-day Statutory Notice of Deficiency. Before generating statutory notices, we check for payments and new addresses. Notices are sent to the most current address on file with the IRS. If full payment is found, we can close the case at that time. If there is no indication of a response or full payment, we will mail the Statutory Notice of Deficiency. If taxpayers disagree with the notice, they have 90 days to petition the U.S. Tax Court. Whether or not they petition the court, we will still consider any information the taxpayer submits to resolve the disagreement.

If there is no response, or the certified statutory notice is unclaimed at the post office, the tax, interest and penalties are assessed by default after the 90-day deadline is past. A balance due notice is then sent to the taxpayer. The case goes to collection if no payment is received.

Even though the case is now in collection status, the taxpayer can still disagree with the assessment and send correcting statements, letters from banks, etc., for consideration to have the tax, penalties or interest reduced or abated. This program is also worked in the Underreporter area.

We don't recommend that taxpayers file an amended return as a response to the statutory notice; however, if the taxpayer files a Form 1040X, it will be considered when the case is processed. Taxpayers are requested on the notice not to file an amended return, because a Form 1040X can delay processing. We can take all necessary actions with the taxpayer's response.

Statute of Limitations

The Internal Revenue Code states that the IRS will assess tax, allow overpayments and collect taxes within a specific time period, known as the Statute of Limitations. When the Statute of Limitations expires for a tax return, the IRS can no longer allow the taxpayer's claim for overpayment or assess additional tax for that return.

Normally, the Assessment Statute Expiration Date (ASED) is three years from the tax period due date, or three years from the received date of the original return, whichever is later. The Statute will not expire until the taxpayer files a return and three years have elapsed. Tax Forms 941, 942 and 943 are exceptions. The ASEDs for these tax returns are three years from April 15 of the year following their due date, or from the received date, whichever is later.

Generally, the Refund Statute Expiration Date (RSED) expires within three years from the original due date of the tax return or two years from the date the tax was paid, whichever was later. Exception: The IRS must receive an original delinquent return, claiming a refund/credit of prepaid credits (federal tax withheld, timely estimated tax payments, earned income tax credit, etc.) within three years of the Return Due Date (RDD), plus extensions, including the time of extension granted by a Presidentially Declared Disaster. To be timely, a claim for refund/credit must be filed within three years of the original return. While the claim may be timely for the decrease in tax, the refund/credit may be limited. Prepaid credits may not be refunded or offset unless claimed within three years of the due date or extended due date of the return. If the original return was filed late and the claim is being filed within three years of the original, the amount of refund/credit may be limited to the amount of tax paid within the three years immediately preceding the filing of the claim, plus any extensions of time for filing. If the original return was filed timely and the claim is being filed more than three years after the original, the amount of refund/credit is limited to the amount of the tax paid within the two years immediately preceding the filing of the claim. If no return was filed, the claim is allowable when filed within two years from the date the tax was paid.

The RRA '98, Section 3202, allows for the suspension of the statute on filing overpayment claims during periods of disability. Section 3202 suspends the running of the statute of limitations on refunds during the time the taxpayer is medically, physically, or emotionally unable to handle their financial affairs. The disability must be medically determinable and must continually last for not less than 12 months or result in the death of the taxpayer. It does not suspend the statute of limitations for taxpayers that have a spouse or other guardian to act for them during the periods of disability. Section 3202 does not apply to any claim for refund or credit that is barred as of the date of enactment, July 22, 1998.

The Collection Statute Expiration Date (CSED) is ten years from the date of assessment of tax. If no return is filed for a tax period, the CSED cannot be computed and will not expire.

Estimated tax penalties

Individuals, trusts, and certain estates

If you expect to owe tax of $1,000 or more for the tax year, you must prepay the tax by having tax withheld or by making estimated tax payments. We charge a penalty when the total tax you pay during the year doesn't meet the requirements of the law.

Generally, to meet the requirements of the law (and avoid the penalty), you must make estimated tax payments if you expect to owe at least $1,000 in tax for 2001 (after subtracting your withholding and credits) and you expect your withholding and credits to be less than the smaller of:

- 90 percent of the tax shown on your 2001 tax return, or
- The tax shown on your 2000 tax return (110 percent of that amount if you are not a farmer or fisherman and the adjusted gross income shown on that return is more than $150,000 or, if married filing separately for 2001, more than $75,000). (**Note:** This item does not apply if you did not file a 2000 tax return or that return did not cover 12 months.)

Exception: You do not have to make estimated tax payments if you had no tax liability for the full 12-month 2000 tax year. Also, an individual must be a U.S. citizen or resident alien for all of 2000.

Due dates and additional information

For 2001, estimated tax payments for calendar year taxpayers are due April 16, June 15 and Sept.17, 2001 and Jan. 15, 2002. You do not have to make the Jan. 17, 2002 payment if

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Estimated tax penalties

Continued from page 34

you file your 2001 tax return by Jan. 31 and pay the entire balance due with your return. For due dates for fiscal year taxpayers and additional information about estimated taxes and your 2001 tax liability, see Form 1040-ES, *Estimated Income Tax for Individuals*, or Form 1041-ES, *Estimated Income Tax for Estates and Trusts.*

For more information on when the estimated tax penalty may be reduced or removed, see the instructions for Form 2210, *Underpayment of Estimated Income Tax by Individuals and Fiduciaries*.

Corporations

A corporation with tax of $500 or more that fails to pay a correct installment of estimated tax in full by the due date may be subjected to an estimated tax penalty. The penalty rate applies to the period of underpayment for any installment. Compute the penalty at the rate of interest published quarterly by the IRS.

For tax years beginning after December 31, 1993, the estimated tax payment required in installments is the lessor of:

1. 100 percent of the tax shown on the return for the preceding year, if that year was a 12 month tax year, and a return filed for that year showed a tax liability greater than zero.
2. 100 percent of the tax shown for the current year (the current year tax may be determined on the basis of actual income or annualized income).

Note: The fact that your prior year's tax was zero does not exempt you from this penalty. In this case, you should annualize your income.

Large Corporation — For purposes of paymemt of estimated tax, a large corporation is one with at least $1 million of taxable income in any of the last three years. A large corporation is prohibited from using their prior year's tax liability (method (1) above), except in determining the first installment of their tax year. Any reduction in a large corporation's first installment, as a result of using the prior year's tax, must be recaptured in the corporation's second installment. In applying the $1 million test, taxable income is computed without regard to net operating loss carryovers or capital loss carrybacks.

Form 2220, *Underpayment of Estimated Tax by Corporations,* is used to determine if the corporation is subject to the penalty for underpayment of estimated tax and, if so, the amount of the penalty. Generally, a corporation does not have to file this form because the IRS will figure the amount of the penalty and bill the corporation. A corporation should complete and attach this form to their return if:

- The annualized income installment method and/or the adjusted seasonal installment method is used, or
- The corporation is a large corporation, computing their first installment based on their prior year's tax.

The corporation should attach their annualized income worksheet to Form 2220.

Abatement of penalties

The Internal Revenue Code, Section 6651 authorizes the abatement of penalties for failure to file tax returns and/or failure to pay tax, if that failure is due to reasonable cause and not willful neglect. Individuals requesting reasonable cause consideration for a penalty must submit a written support statement. You may request abatement of penalties for reasonable cause, but interest cannot be removed for reasonable cause.

The statement should be filed with the director of the service center where the tax return was required to be filed. The declaration must be made under penalties of perjury and must fully explain the facts related to the reasonable cause. Abatement requests for certain penalties may be made by telephone to a toll-free number shown on the penalty notice. **Note:** The tax must be paid before the request can be considered.

Forgiveness of penalties is decided on a case-by-case basis. Generally, if the taxpayer exercised ordinary business care and prudence, and was nevertheless unable to file the return timely, the delay is considered due to reasonable cause. A failure to pay may also be due to reasonable cause, if the taxpayer exercised ordinary business care and prudence but could not pay the tax liability. They must show reasonable efforts to conserve sufficient assets in a marketable form in an attempt to pay the tax due before a failure to pay penalty will be abated.

If the IRS determines that failure to file was due to reasonable cause and not willful neglect, this penalty will not be assessed. The taxpayer would still be responsible for the tax owed plus interest due.

Note: Late payment penalty and interest will be charged on any tax paid after the original return due date. Even if you are granted an extension to file, you still must pay all of your tax by the original return due date. You may be granted an extension to file, but not to pay. Extensions to pay are only granted to

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INSTALLMENT AGREEMENT REDUCES PENALTIES

Taxpayers who don't pay their taxes when they are due may be subject to a failure-to-pay penalty of .50 percent of their unpaid taxes for each month or part of a month the tax is not paid. Beginning in 2000, if they file their return on time and enter into an installment agreement with the IRS, this penalty will be reduced to .25 percent. Note: If the installment agreement defaults or is terminated, the normal failure to pay penalty charges will resume.

REMEMBER:

Using labels saves time and increases efficiency. None of the information on an IRS preprinted label affects whether taxpayers are audited.

IRS INTEGRITY HOTLINE

The IRS expects its employees to conform to the highest standards of integrity. If you have reason to believe that an IRS employee is engaging in misconduct, call: 1.800.752.7001 ext. 968

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United States Estate Tax Returns (Form 706).

Penalty appeals procedures

If an abatement of a penalty has been denied and you want to receive further consideration by an Appeals officer, a brief written statement of the disputed issue must be submitted to the service center Appeals coordinator.

Provide the following information:

- The name and SSN or EIN of the taxpayer.
- A statement that you want to appeal the findings to Appeals.
- A statement of facts supporting your position in any contested factual issues and
- Any documentation supporting why you filed/paid your taxes late.
- If available, include a statement outlining the law or other authority on which you relied.

The statement of facts should be detailed and complete, including specific dates, names, amounts, locations, etc. It must be declared true under penalties of perjury. You may do this by adding the following signed declaration to the protest:

"Under penalties of perjury, I declare that the facts presented in my written protest, which are set out in the accompanying statement of facts, schedules, and other statements are, to the best of my knowledge and belief, true, correct and complete."

If an authorized representative sends the protest, the following declaration may be substituted:

"That he or she prepared the protest and accompanying documents, and whether he or she knows personally that the protest and accompanying documents are true and correct."

Attach *Power of Attorney and Declaration of Representative* (Form 2848) or similar written authorization to your written statement. Send your request to:

Internal Revenue Service Center
Penalty Appeals Coordinator

The coordinator will review your additional information to determine whether the penalty should be reduced. If the request for appeal cannot be resolved immediately with the additional information, the coordinator will forward the written statement to the Appeals Office servicing your district.

Refund Hold Program

The IRS now has an automated program freezing refunds of more than $300 when a taxpayer account indicates an open tax delinquency inquiry within the last five years.

The IRS sends letters to taxpayers requesting they file the delinquent return or explain why no return should be filed. If we don't receive a response, we prepare a substitute for return on the missing periods. These cases involve refunds due to taxpayers who file only when they expect a refund.

To avoid delays, delinquent returns should be mailed to the office that sent the refund hold letter — not to a local office. There is no need to send another current year return; doing so may only complicate the process. The earliest the taxpayer could expect a current year refund is one full month after the delinquent return is processed. However, if the delinquent return shows a balance due, the held refund will be applied.

Practitioners should provide the taxpayer's daytime phone number and the best hours to call. If there is a problem with the return, it can be resolved more quickly by calling the phone number listed on the notice rather than by correspondence.

PAYMENT TIPS

Help your clients ensure that their payments are properly credited by stressing the importance of writing the following information on their check or money order:

- **SSN or EIN.**
- **Tax period covered by the payment.**
- **Current mailing address.**
- **Correct name of the tax account.**
- **Type of tax form associated with the payment.**
- **Make the check or money out to United States Treasury — *not the IRS*.**

It is even more important to provide identifying information if you use a money order.

The fastest, easiest and most accurate way to file!

Reasonable cause abates penalties

If a taxpayer asks for relief from paying penalties, they must follow specific guidelines. Internal Revenue Code, Section 6651, authorizes the abatement of penalties for failure to file tax returns and for failure to pay tax if the failure is due to reasonable cause and not willful neglect. Individuals requesting reasonable cause consideration for a penalty abatement normally must submit a written supporting statement to their service center.

CFR Section 301.6651 requires a written statement, signed by the taxpayer or representative with a Power of Attorney, under penalty of perjury, that explains the facts related to the reasonable cause. However, in the interest of fairness, the IRS accepts unsigned and oral requests (if the penalty is $250 or less) with the appropriate documentation by the employee handling the case when no reason exists to question the legitimacy of the request.

Reasonable cause determinations are based on the facts and circumstances of each case. Generally, if the taxpayer exercised ordinary business care and prudence and was still unable to file the return on time, the delay is considered due to reasonable cause. A failure to pay also may be due to reasonable cause if the taxpayer exercised ordinary business care and prudence, yet could not pay the tax liability in a timely manner. The tax due must be paid before a late payment penalty will be abated. If the IRS determines that failure to file was due to reasonable cause and not willful neglect, the penalty will be abated. The taxpayer is still responsible for the tax owed plus interest.

LOCKBOX PROCESSING

Tax practitioners should mail all types of Form 1040 returns with a remittance to the lockbox. There are procedures in Package X for preparation and mailing of the 1040-V with lockbox mailing instructions and addresses. These procedures not only provide for expanding lockbox volumes but also provide consistent procedures for tax preparers. Installment agreement payments and fees should also be mailed to the appropriate lockbox address. Not all individual tax packages contain lockbox mailing instructions.

Individual tax packages are limited in scope regarding which taxpayers will receive the lockbox two-label envelope. Other taxpayers will receive the usual address envelope. Regardless of the package received by your clients, mail your Form 1040-V remittance returns to the lockbox address. If your clients receive a preprinted Form 1040-V package, encourage them to use the preprinted Form 1040-V with their remittance returns. The preprinted voucher can be read through high-speed computer scanning equipment, eliminating the need for data entry, thus ensuring fast and accurate posting of the payment information.

Forms 4868, *Extension Requests,* with remittances are processed at the lockbox. *(See the list of lockbox addresses on the next two pages.)*

LOCKBOX ADDRESSES

Note: All PO Box addresses preceded by Internal Revenue Service

Andover Center

Form 940
PO Box 371307
Pittsburgh, PA 15250-7307

Form 940-EZ
PO Box 371324
Pittsburgh, PA 15250-7324

Form 941
PO Box 371493
Pittsburgh, PA 15250-7493

Form 943
PO Box 371475
Pittsburgh, PA 15250-7475

Form 1040
PO Box 371361
Pittsburgh, PA 15250-7361

Form 1040-ES
PO Box 371999
Pittsburgh, PA 15250-7999

Form 4868
PO Box 371410
Pittsburgh, PA 15250-7410

Form CP 521/523
PO Box 371429
Pittsburgh, PA 15250-7429

Atlanta Center

Form 940
PO Box 105887
Atlanta, GA 30348-5887

Form 940-EZ
PO Box 105659
Atlanta, GA 30348-5659

Form 941
PO Box 105703
Atlanta, GA 30348-5703

Form 943
PO Box 105094
Atlanta, GA 30348-5094

Form 1040
PO Box 105093
Atlanta, GA 30348-5093

Form 1040-ES
PO Box 105900
Atlanta, GA 30348-5900

Form 4868
PO Box 105073
Atlanta, GA 30348-5073

Form CP 521/523
PO Box 105572
Atlanta, GA 30348-5572

Austin Center

Form 940
PO Box 970017
St. Louis, MO 63197-0017

Form 940-EZ
PO Box 970017
St. Louis, MO 63197-0017

Form 941
PO Box 970013
St. Louis, MO 63197-0013

Form 943
PO Box 970015
St. Louis, MO 63197-0015

Form 1040
PO Box 970016
St. Louis, MO 63197-0016

Form 1040-ES
PO Box 970001
St. Louis, MO 63197-0001

Form 4868
PO Box 970027
St. Louis, MO 63197-0027

Form 1041-ES
PO Box 970002
St. Louis, MO 63197-0002

Form CP 521/523
PO Box 970022
St. Louis, MO 63197-0022

Brookhaven Center

Form 940
PO Box 1365
Newark, NJ 07101-1365

Form 940-EZ
PO Box 210
Newark, NJ 07101-0210

Form 941
PO Box 416
Newark, NJ 07101-0416

Form 943
PO Box 254
Newark, NJ 07101-0254

Form 1040
PO Box 1187
Newark, NJ 07101-1187

Form 1040-ES
PO Box 162
Newark, NJ 07101-0162

Form 4868
PO Box 22423
Newark, NJ 07101-2423

Form CP 521/523
PO Box 22421
Newark, NJ 07101-2421

Cincinnati Center

Form 940
PO Box 6977
Chicago, IL. 60680-6977

Form 940-EZ
PO Box 6796
Chicago, IL. 60680-6796

Form 941
PO Box 7329
Chicago, IL. 60680-7329

Form 943
PO Box 6538
Chicago, IL. 60680-6538

Form 1040
PO Box 6223
Chicago, IL. 60680-6223

Form 1040-ES
PO Box 7422
Chicago, IL. 60680-7422

Form 4868
PO Box 6252
Chicago, IL. 60680-6252

Form 2290
PO Box 6229
Chicago, IL. 60680-6229

Form CP 521/523
PO Box 6220
Chicago, IL 60680-6220

Fresno Center

Form 940
PO Box 60378
Los Angeles, CA 90060-0378

Form 940-EZ
PO Box 60150
Los Angeles, CA 90060-0150

Form 941
PO Box 60407
Los Angeles, CA 90060-0407

Form 943
PO Box 60819
Los Angeles, CA 90060-0819

Form 1040
PO Box 60000
Los Angeles, C . 90060-6000

Form 1040-ES
PO Box 54030
Los Angeles, CA 90054-0030

Form 4868
PO Box 54916
Los Angeles, CA 90054-0916

Form CP 521/523
PO Box 30507
Los Angeles, CA 90030-0507

Kansas City Center

Form 940
PO Box 970010
St. Louis, MO 63197-0010

Form 940-EZ
PO Box 970010
St. Louis, MO 63197-0010

Form 941
PO Box 970007
St. Louis, MO 63197-0007

Form 943
PO Box 970009
St. Louis, MO 63197-0009

Form 1040
PO Box 970011
St. Louis, MO 63197-0011

Form 1040-ES
PO Box 970006
St. Louis, MO 63197-0006

Form 4868
PO Box 970028
St. Louis, MO 63197-0028

Form CP 521/523
PO Box 970024
St. Louis, MO 63197-0024

Memphis Center

Form 940
PO Box 1210
Charlotte, NC 28201-1210

Form 940-EZ
PO Box 1210
Charlotte, NC 28201-1210

Form 941
PO Box 70503
Charlotte, NC 28272-0503

Form 943
PO Box 1212
Charlotte, NC 28201-1212

Form 1040
PO Box 1214
Charlotte, NC 28201-1214

Form 1040-ES
PO Box 1219
Charlotte, NC 28201-1219

Form 4868
PO Box 1236
Charlotte, NC 28201-1236

Form CP 521/523
PO Box 1233
Charlotte, NC 28201-1233

Ogden Center

Form 940
PO Box 7024
San Francisco, CA 94120-7024

Form 940-EZ
PO Box 7028
San Francisco, CA 94120-7028

Form 941
PO Box 7922
San Francisco, CA 94120-7922

Form 943
PO Box 7353
San Francisco, CA 94120-7353

Form 1040
PO Box 7704
San Francisco, CA 94120-7704

Form 1040-ES
PO Box 510000
San Francisco, CA 94151-5100

Form 4868
PO Box 7122
San Francisco, CA 94120-7122

Form CP 521/523
PO Box 7125
San Francisco, CA 94120-7125

Philadelphia Center

Form 940
PO Box 8726
Philadelphia, PA 19162-8726

Form 940-EZ
PO Box 8738
Philadelphia, PA 19162-8738

Form 941
PO Box 8786
Philadelphia, PA 19162-8786

Form 943
PO Box 8526
Philadelphia, PA 19162-8526

Form 1040
PO Box 8530
Philadelphia, PA 19162-8530

Form 1040-ES
PO Box 8318
Philadelphia, PA 19162-8318

Form 4868
PO Box 7990
Philadelphia, PA 19162-7990

Form CP 521/523
PO Box 8669
Philadelphia, PA 19162-8669

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1111 Constitution Avenue NW
Washington, DC 20224
***public_liaison@irs.gov (e-mail)**

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