

IRS**News Release****Media Relations Office****Washington, D.C.****Tel. 202.622.4000****For Release: 1/14/02****Release No: IR-2002-04****FORM 1040 CHANGE HELPS SOLVE PROCESSING PROBLEMS**

WASHINGTON – This year’s tax form for individuals contains a small change that IRS officials hope will make a big difference to the millions of Americans who make minor errors filling out their returns.

Taxpayers who fill out a new Form 1040 box selecting a third party designee will enable that person – be it friend, family member or paid preparer – to talk directly with the IRS to correct questions during the processing of the return.

Such errors include simple math errors and data omissions, such as an incorrect Social Security Number. The designation also enables the third party to discuss the status of a refund, payment or other notice with IRS representatives.

“This new option balances the taxpayer’s need for privacy with the reality that for millions of people a friend, family member or tax professional plays a key role in the preparation of their return,” said IRS Commissioner Charles O. Rossotti. “The taxpayer retains privacy but has the ability to make it easier to resolve routine problems. The bottom line is this improves customer service and reduces headaches for taxpayers, practitioners and the IRS.”

The new third party designation, located just above the signature line of Form 1040, expands on the success of the paid-preparer checkbox on last year’s Form 1040 by enabling the taxpayer to designate a friend or a family member as well.

More than 37 million taxpayers marked the checkbox option during last year’s tax season.

The third party designation does not eliminate the need for a Power of Attorney for issues dealing with examinations, under reported income, appeals and collections notices.

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