Communication & Liaison
LEGISLATIVE AFFAIRS

IRS Congressional Update

News for members of Congress and their staffs...October 2020

IRS mails special letter to estimated 9 million nonfilers, urging them to claim Economic Impact Payment at IRS.gov

In late September, the Internal Revenue Service mailed letters to roughly 9 million Americans who typically don't file federal income tax returns who may be eligible for, but have not registered to claim, an Economic Impact Payment.

The letters urge recipients to register at IRS.gov in order to receive their payment by the end of the year. Individuals can receive up to $1,200, and married couples can receive up to $2,400. People with qualifying children under age 17 at the end of 2019 can get up to an additional $500 for each qualifying child.

The letters are being sent to people who haven't filed a return for either 2018 or 2019. Based on an internal analysis, these are people who don't typically have a tax return filing requirement because they appear to have very low incomes, based on Forms W-2, 1099 and other third-party statements available to the IRS. But many in this group are still eligible to receive an Economic Impact Payment.

The letter, officially known as IRS Notice 1444-A, is written in English and Spanish and includes information on eligibility criteria and how eligible recipients can claim an Economic Impact Payment on IRS.gov. To help address fraud concerns, a **copy of the letter (.pdf)** is available on IRS.gov.

If those receiving letters haven't done so already, this letter urges eligible individuals to register for a payment by using the free **Non-Filers: Enter Payment Info Here** tool, available in English and Spanish and only on IRS.gov. About 7 million people have used the nonfilers tool so far to register for a payment. Those unable to access the nonfilers tool may submit a simplified paper return following the procedures described in the Economic Impact Payment FAQs on IRS.gov.

The IRS reminds recipients that receiving a letter is not a guarantee of eligibility for an Economic Impact Payment. An individual is likely eligible if he or she is a U.S. citizen or resident alien; has a work-eligible Social Security number; and can't be claimed as a

dependent on someone else's federal income tax return. However, there can be a variety of situations that could affect an individual's eligibility. For more information on eligibility requirements, recipients should read the Economic Impact Payment **eligibility FAQs** on IRS.gov.

People can wait until next year and claim it as a credit on their 2020 federal income tax return by filing in 2021.

The IRS emphasizes that anyone required to file either a 2018 or 2019 tax return should file the tax return and not use the nonfilers tool.

Find disaster tax relief information

Disaster tax relief information can be found on the **Tax Relief in Disaster Situations** page on IRS.gov. Find information on the most recent tax relief provisions for taxpayers affected by disaster situations. See **FAQs for Disaster Victims** for information about the definition of an affected taxpayer.

New tool for business owners to determine tax relief eligibility due to COVID-19

Earlier this year, Congress enacted several laws to provide tax relief and help to businesses and their employees affected by the COVID-19. Parts of the Coronavirus Aid, Relief, and Economic Security Act are designed to encourage eligible employers to keep employees on their payrolls, despite experiencing financial hardship due to COVID-19. Some provisions in the law allow for an immediate dollar-for-dollar tax offset against payroll taxes to help pay for employees' sick leave, while other provisions are designed to help employers keep employees on their payrolls.

Some business owners may qualify for one or more **business tax relief options** listed on IRS.gov under **Businesses and Tax-Exempt Entities Financially Impacted by the Coronavirus**. Business owners may use the **COVID-19 Business Tax Relief Tool** to:

- Determine potential eligibility for available tax relief,
- Learn about beneficial tax relief options, and
- Get valuable information about how to claim relief.

Although the tool is not intended to replace formal guidance, provide an official eligibility determination, or cover every unique situation, it provides general information.

It only takes a few minutes for owners to answer simple questions. Based on the answers the business owner provides, the tool will indicate whether he or she is likely qualified for certain tax relief options. The tool provides links to more information, including any necessary forms the owner may need to claim the relief.

Business owners may visit IRS.gov for information about **COVID-19 tax relief**, including relief for **businesses and tax-exempt entities**. The Taxpayer Advocate Service also has **related tax relief** information on its website.

October 15 deadline approaching for taxpayers who requested extensions

Taxpayers who requested a filing extension should complete their tax returns and file on or before the October 15 deadline. Convenient **electronic filing options**, including IRS **Free File**, are still available.

Filing electronically is easy, safe and the most accurate way to file taxes. There are a variety of electronic filing options. Those options include purchasing **commercial software** or choosing a reputable tax professional who is also an **authorized e-file provider**.

Although October 15 is the last day for most people to file, some may have more time. They include:

- Members of the military and others serving in a **combat zone**. They typically have 180 days after they leave the combat zone to file returns and pay any taxes due.
- Taxpayers in federally declared disaster areas who already had valid extensions. For details, see the **disaster relief page** on IRS.gov.

Extension filers can file when they are ready and don't have to wait until October 15 to file. Taxpayers who did not request an extension and have yet to file a 2019 tax return can generally avoid additional penalties and interest by filing the return as soon as possible and paying any taxes owed.

For those with a balance due:

IRS **Direct Pay** offers taxpayers a fast way to pay what they owe. Direct Pay is free and allows individuals to securely pay their tax bills or make quarterly estimated tax payments online directly from checking or savings accounts without any fees or preregistration.

Taxpayers can also pay by **debit or credit card**. While the IRS does not charge a fee for this service, the payment processer does. Other payment options include the **Electronic Federal Tax Payment System** (enrollment is required) and **electronic funds withdrawal**, which is available when e-filing. Taxpayers can also pay what they owe using the **IRS2Go mobile app**. Those choosing to pay by check or money order should make the payment out to the "United States Treasury."

Eligible taxpayers can set up an **online payment agreement** in a matter of minutes to pay tax, interest and penalties they may owe. There is no application fee to setup payment plans lasting 120 days or less.

IRS expands tax help into more languages

As part of a larger effort to reach underserved communities, the Internal Revenue Service is taking aggressive steps to expand information and help available to taxpayers in additional languages, including providing the Form 1040 in Spanish for the first time.

In addition to being available in English and Spanish, the 2020 Form 1040 will also give taxpayers the opportunity to indicate whether they wish to be contacted in a language other than English. This is a new feature available for the first time this coming filing season.

Other changes include **Publication 1, Your Rights as a Taxpayer**, is now available in 20 languages. The 2020 version of **Publication 17, Your Federal Income Tax**, will be available early next year in seven languages – English, Spanish, Vietnamese, Russian, Korean and Chinese (Simplified and Traditional).

The agency's newly expanded multilingual initiative is a key part of helping the IRS reach its goal of helping everyone, no matter where they live, what their background is, or what language they speak.

“Our diverse workforce is extremely proud to be able ease the inherent burden on taxpayers attempting to voluntarily comply with their tax responsibilities, including people who are more comfortable with other languages,” said IRS Commissioner Chuck Rettig. “We are continually increasing the information and services available in other languages as well as expanding our interpreter services so that we can interact in a more respectful manner with taxpayers in their most comfortable language. We expect to continue these important efforts as we work to earn the trust and respect of every American.”

As part of this expansion, many of the pages on the IRS.gov site are now available in seven languages and basic tax information is newly available in **20 languages**. It also means that taxpayers who interact with an IRS representative now have access to **over-the-phone interpreter services** in more than 350 languages. The IRS has also recently begun inserting information about translation services and other multilingual options into the high-volume notices that the IRS sends to taxpayers.

For more information about tax help in other languages, visit **IRS.gov**.

Reminders

A tax checklist for newly married couples

Get answers to Economic Impact Payment questions

Economic Impact Payments: Partner and Promotional Materials

Coronavirus-related relief for retirement plans and IRAs questions and answers

13.9 million Americans to receive IRS tax refund interest; taxable payments to average $18

IRS launches marijuana industry page on IRS.gov

People should have tax withheld from unemployment now to avoid a tax-time surprise

Last round of ITINs will expire in 2020; IRS encourages early renewal to prevent refund delays

IRS adds six more forms to list that can be signed digitally; 16 now available

IRS urges employers to choose carefully when selecting a payroll service provider" & "Employers' use of payroll service providers

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Help on IRS.gov

Filing – **Payments** – **Refunds** – **Credits & Deductions** – **Forms & Instructions** – **Tax Questions**

IRS in other languages

Spanish - **Chinese** - **Korean** - **Russian** - **Vietnamese** - **ASL** (YouTube)

IRS on social media

YouTube – Twitter – Instagram - Facebook

IRS2Go **is the official mobile app of the IRS, available in both English and Spanish.**

The *IRS Congressional Update* is a monthly newsletter, prepared by IRS Legislative Affairs. For information on resolving taxpayer account issues, visit Taxpayer Advocate Service.

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