

What is an ITIN?

Presented by
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- **Purpose of the ITIN**
- **IRS Interim Changes 06-22-12**
- **ITIN Program News Highlights**
- **W-7 and the W-2 Changes**
- **New Work Permit Policy**
- **W-7 Common Errors**
- **Questions and Answers**

Purpose of ITIN

- Tax Processing Number
- Play a Critical Role
- Does Not Authorize Work
- Does Not Provide SSA benefits
- Not Valid for ID
- Does not change Immigration Status

Purpose of ITIN Contd.

- new series of ITIN numbers (middle digits 90-92, 94-99)
- Taxpayer number should be "Taxpayer Identification Number (TIN)
- Individuals applying for an ITIN must have a
 - valid filing requirement or
 - withholding requirement or
 - claim for a refund

06-22-12 IRS Announcement

- Interim to end of 2012
- Testing the “waters” to strengthen and protect the integrity of the ITIN process while minimizing the impact on taxpayers.
- IRS wants feedback
- Impact on T/P, Preparers, CAA
- Final Rules before 2013

What Are the Changes?

- Accept Original Documentation Only
- Copies certified by issuing agency
- Notarized Copies No Longer Accepted
- CAA Must Attach Originals Only
- IRS will return within 65 days
- 800-908-9982 or 267-941-1000

What Are the Changes?

- Some Are Not Affected
- Military Spouses and Dependents
- Nonresident Aliens & Tax Treaties
- Subject to third-party withholding
- Already filed?
- IRS will contact for more info

ITIN Program News Highlights

- Emailed to all AAs April 20, 2012
- Open Season to Renew
- W-7 COA
- New POA
- Acceptable W-2s

New Work Permit Policy

- President Announced on June 15, 2012
- Affects Children of Illegal Aliens
- Affects 800,000 to 1,000,000 Individuals
- USCIS Will Accept Applications
- Details Have Not Been Announced
- How Does This Affect Your Practice?

Examples of who needs an ITIN

- Non resident alien
- eligible for a reduced tax rate
- not eligible for a SSN
- required to file U.S. Federal Income
- substantial presence test
- an alien spouse
- alien dependent not eligible for SSN
- nonresident alien student.

How to apply for an ITIN

- W-7 attached to 1040EZ, 1040A, 1040
- Mail with proof of identity documents
- Visit an IRS Taxpayer Assistance Center
- IRS Authorized Acceptance Agent
- Telephone assistance 1-800-829-1040
- International Help 1-267-941-1000

Obtaining W-7/W-7(SP)

- Information included
- Reason for applying
- Applicant's full name
- Applicant's foreign address
- Applicant's country of citizenship
- Applicant's mailing address

- Applicant's date and place of birth
- Information about a passport or visa
- Signature of applicant
- Dependent's signature under 18 years
- Power of Attorney
- Appropriate identification documents
- Valid US Federal Income tax return
- Exceptions

Attach to US Federal income tax return

- W-7s to the FRONT of your return
- Attach multiple W-7s in same order as tax return
- Mail to: Internal Revenue Service
ITIN Operations
P.O. Box 149342
Austin, TX 78714-9342

Private delivery service, UPS, FedEx

Internal Revenue Service

ITIN Operations

Mail Stop 6090-AUSC

3651 S. Interregional, Hwy 35

Austin, TX 78741-0000

- Do not send a copy to 1040 address

Only the IRS issues ITIN

- IRS does not require payment
- AA or CAA may charge a fee
- Apply for ITIN when ready to file taxes
- IRS issues 6 to 10 weeks
- Call 1-800-829-1040 for status after 6 weeks

E-file using an ITIN

- Calendar year following year received
- January 2012 IRS will accept prior years
- Modern eFile (MeF)
- 2011, 2010, 2009
- Ask your software provider

Required Documentation

- Passport
- USCIS photo identification
- Visa issued by US Department of State
- U.S. driver's license
- U.S. military I.D. card
- Foreign driver's license
- Foreign military I.D. card
- National identification card
- i.e. Mexican Matricula card

Required Documentation

- U.S. state identification card
- Foreign voter's registration card
- Civil birth certificate
- Medical records (dependent only)
 - under 14 or under 18 if student
- School records (dependent only)
 - under 14 or under 18 if student
- U.S. Mexico, or Canada

Credits, Etc.

- ITIN is not eligible for EITC
- Married must file MFJ or MFS
- Claimant, Spouse, qualifying child(ren)
- Must have valid “work related” SSN(s)
- Child Tax Credit
- Additional Child Tax Credit
- Child must be U.S. citizen, U.S. National, U.S. resident for Child Tax Credit

Credits, Etc.

- Valid for delinquent or amended returns
- Accepted for dependents for delinquent or amended returns
- New SSN will become primary number
- IRS will void the ITIN
- All prior tax information will be associated with new SSN
- Exhibits

Common Errors and Exceptions

Presented by,
Andres Santos, RTRP
Manager

- Publication 4520 – Acceptance Agent Guide
- Form 14154 Form W-7 Checklist
- Publication 4857 Top (10) Reasons
- Publication 4859 Understanding Your ITIN
- Publication 4860 What ITIN is all about

Thank You

Questions & Answers

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