

2010

TAX FORUM

IRS Nationwide



e-file 101

**It's Not Too Soon to
Prepare for the e-file
Mandate**

Mandate

Enroll

e-file

Participate

- Legislation was signed in late 2009 mandating e-file for many preparers
- 2011 - preparers who expect to prepare *100 or more* returns must e-file
- 2012 - preparers who reasonably expect to prepare *more than 10* returns must e-file
- Additional guidance on exceptions, waivers, and taxpayer opt-outs



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- Enroll soon but no later than 45 days prior to e-filing
- Register for e-Services at IRS.gov and complete e-file application
- Mail required documents to the IRS
- Update e-file application within 30 days of changes

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- Authorized IRS *e-file* Providers
- Electronic Return Originator (ERO)
- Firms and individuals
- Eligibility and qualification requirements

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- Contact Software Developers and other vendors to find products
- Become familiar with electronic filing requirements
- Talk with other EROs to learn from them
- Check out state electronic filing requirements

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- Electronic signatures
- Personal Identification Number (PIN)
- Self-Select PIN
- Practitioner PIN
- Forms 8879 and 8878

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- Originate the electronic submission of only returns your firm prepared or you collected from taxpayers
- Originate only after receiving Forms W-2, W-2G, and 1099-R
- Paid preparer's identifying information including Preparer's Tax Identification Number (PTIN) must be entered
- Retain and make records available

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- IRS acknowledgments include error information, if PIN accepted or debt offset and Electronic Funds Withdrawal
- Inform taxpayer of the rejection within 24 hours to correct common errors
- Taxpayers may need to sign again if changes differ by more than \$50 to “Total income” or “AGI”, or more than \$14 to “Total tax,” “Federal income tax withheld,” “Refund” or “Amount you owe”

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- Know and adhere to IRS *e-file* rules and requirements in e-file publications and at IRS.gov
- Adhere to advertising standards
- Clearly display “doing business as” name
- Safeguard taxpayer information

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- Monitoring includes checking qualifications and adherence to rules
- Level of infraction based on seriousness
- Sanctioning includes written reprimand, suspension and expulsion, and may be immediate
- Administrative review/Appeal to the Office of Appeals

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- Anticipate and avoid issues, self-correct if possible
- Update addresses and telephone numbers
- Cooperate with the IRS personnel
- Respond timely and in writing, providing complete explanations and documentation

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- Publications 3112 and 1345, and IRS Web site, IRS.gov
- Tutorials and Help in e-Services and *e-file* Application
- e-Help at 866-255-0654

