



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

OFFICE OF THE CHIEF COUNSEL

April 13, 2012

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Dear _____ :

This responds to your letter of March 21, 2012, to Commissioner Shulman. You asked that we provide guidance to former customers of _____, so they can comply with their federal tax filing obligations.

Your letter indicated that many of the former customers had not yet received Forms 1099 indicating the activity within their accounts for the year. We understand that the trustees subsequently issued these forms, and that the former customers should have received them by March 23, 2012. The Forms 1099 the former customers received generally should give them the information they need to file their returns by the April 17 due date for calendar-year taxpayers.

Based on your correspondence, many former customers of _____ are apparently farmers or fisherman for tax purposes. The tax law provides that farmers and fisherman can avoid a penalty for failure to pay the proper amount of estimated tax during the year by filing their return by March 1, along with one estimated tax payment. Recognizing that many taxpayers received their 1099s after March 1, 2012, we recently announced that farmers and fishermen whom the _____ bankruptcy affected can ask to have estimated tax penalties waived. We also provided instructions on how to request this waiver. I am enclosing a copy of this guidance.

We are closely following the developments in this matter, including the liquidation proceedings the trustee is conducting. As further information develops, we will consider providing additional guidance to assist _____ customers.

I hope this information is helpful. If you have questions, please contact me

Sincerely,

John P. Moriarty
Chief, Branch 1
Office of Associate Chief Counsel
(Income Tax & Accounting)