

**THE
DIGITAL
DAILY**

www.irs.gov

- Download forms and publications.
- Ask tax-related questions.
- Read summaries of tax regulations in plain English.
- Read news releases.
- Send your comments directly to the IRS on-line.
- Download statistics of income database.
- Learn about electronic services.
- Use the W-4 calculator to figure withholding allowances.
- Visit the *Tax Professional's Corner* for practitioners.
- Subscribe to the *Digital Dispatch* — an e-mail newsletter or the Local News Net.

IRS centralized telephone organization

The IRS' centralized telephone organization, the Joint Operations Center, is located in Atlanta. The mission of the Joint Operations Center is to provide toll free telephone customers optimum access to the resource best able to meet their needs for toll free phone lines.

The latest technology is used to monitor the status of call traffic on a nationwide basis. The system provides both initial call routing for each incoming call and post-routing of calls based on customer topic selections. Post routing enables customers to be routed to assistors with the skills needed to answer their questions with the least amount of wait time.

IRS toll-free numbers

Tax Law Assistance
1.800.829.1040

Get assistance with tax questions, 24 hours a day, seven days a week.

Automated Refund Information
1.800.829.4477

Current year refund information is available 24 hours a day, seven days a week. Wait at least four weeks after filing a return before calling to check on the status of a refund to allow for processing.

Recorded Tax Information
1.800.829.4477

Hear recorded information on tax subjects such as earned income credit, child care credit, credit for the elderly, dependents, innocent spouse relief or other topics such as electronic filing, which form to use, or what to do if you can't pay your taxes.



Account Questions
1.800.829.8815

IRS Notices or Letters

1.800 number printed on notice or letter

If you call the toll-free number on the notice or letter, have the latest notice or letter available and the Power of Attorney (CAF identification number) information ready if you are calling for the taxpayer.

Forms and Publications
1.800.829.3676

For free copies of current and prior year forms, instructions and publications. Order should arrive within 10

NEW

Appeals

1.877.457.5055

For help with questions when preparing an appeal of an IRS Collection or Examination matter.

NEW

Taxpayer Advocate
1.877.777.4778

For help in resolving a problem that hasn't been resolved by prior contacts with the IRS.

Informants Line
1.800.829.0433

Hearing Impaired Taxpayers
1.800.829.4059

For tax assistance help.

2001 Filing Season Practitioner Hotline Numbers

State	Phone Number	Hours Local Time
Alabama	205.912.5150	8:30 a.m.-4:30 p.m.
Alaska	206.220.5786	8:00 a.m.-5:30 p.m.
Arizona	602.207.8828	8:00 a.m.-4:30 p.m.
Arkansas	405.297.4141	8:00 a.m.-4:30 p.m.
California	949.389.4618	8:00 a.m.-4:30 p.m.
	510.444.4906	8:00 a.m.-5:30 p.m.
	510.444.4972	8:00 a.m.-5:30 p.m.
	510.271.0781	8:00 a.m.-5:30 p.m.
	213.576.4532	8:00 a.m.-4:15 p.m.
	559.452.4210	8:00 a.m.-3:30 p.m.
Colorado	303.820.3940	8:00 a.m.-4:30 p.m.
Connecticut	860.756.4476	8:00 a.m.-4:30 p.m.
DC	410.727.7965	7:30 a.m.-4:30 p.m.
Delaware	302.573.6421	7:30 a.m.-4:30 p.m.
Florida	954.423.7763	8:00 a.m.-4:15 p.m.
	904.399.5531	8:15 a.m.-4:00 p.m.
	305.982.5242	8:00 a.m.-4:15 p.m.
	678.530.7799	8:00 a.m.-4:00 p.m.
	206.220.5786	8:00 a.m.-5:30 p.m.
Idaho	303.820.3940	8:00 a.m.-4:30 p.m.
Illinois	312.435.1110	8:00 a.m.-4:30 p.m.
Indiana	317.377.0027	8:00 a.m.-5:00 p.m.
Iowa	314.342.9325	8:00 a.m.-4:30 p.m.
Kansas	314.342.9325	8:00 a.m.-4:30 p.m.
Kentucky	502.582.5284	8:00 a.m.-5:00 p.m.
Louisiana	504.558.3050	8:00 a.m.-4:30 p.m.
Maine	617.720.4147	8:00 a.m.-4:30 p.m.
Maryland	410.727.7965	7:30 a.m.-4:30 p.m.
Massachusetts	617.720.4147	8:00 a.m.-4:30 p.m.
Michigan	313.628.3870	8:00 a.m.-4:30 p.m.
Minnesota	314.342.9325	8:00 a.m.-4:30 p.m.
Mississippi	601.292.4944	8:00 a.m.-4:30 p.m.
Missouri	314.342.9325	8:00 a.m.-4:30 p.m.
Montana	303.820.3940	8:00 a.m.-4:30 p.m.

State	Phone Number	Hours Local Time
Nebraska	314.342.9325	8:00 a.m.-4:30 p.m.
Nevada	602.207.8828	8:00 a.m.-4:30 p.m.
New Hampshire	617.720.4147	8:00 a.m.-4:30 p.m.
New Jersey	973.921.4052	8:00 a.m.-4:30 p.m.
New Mexico	602.207.8828	8:00 a.m.-4:30 p.m.
New York	518.427.4228	8:00 a.m.-4:30 p.m.
	631.447.4960	8:00 a.m.-3:00 p.m.
	718.488.2250	8:00 a.m.-4:30 p.m.
	716.961.5151	8:15 a.m.-4:15 p.m.
	212.719.8281	9:30 a.m.-4:30 p.m.
North Carolina	336.378.2157	8:00 a.m.-4:30 p.m.
North Dakota	314.342.9325	8:00 a.m.-4:30 p.m.
Ohio	513.263.3349	8:00 a.m.-4:30 p.m.
	216.623.1338	8:30 a.m.-4:30 p.m.
Oklahoma	405.297.4141	8:00 a.m.-4:30 p.m.
Oregon	503.222.7562	7:30 a.m.-5:30 p.m.
Pennsylvania	412.281.0281	7:00 a.m.-4:30 p.m.
Rhode Island	401.525.4113	8:00 a.m.-4:30 p.m.
South Carolina	803.253.3231	7:30 a.m.-4:15 p.m.
South Dakota	314.342.9325	8:00 a.m.-4:30 p.m.
Tennessee	615.781.4826	8:00 a.m.-4:45 p.m.
	901.546.4213	8:00 a.m.-4:30 p.m.
Texas	214.767.1501	7:00 a.m.-10:00 p.m.
	281.721.7640	7:00 a.m.-10:00 p.m.
	512.464.3337	7:00 a.m.-10:00 p.m.
Utah	303.820.3940	8:00 a.m.-4:30 p.m.
	801.620.6339	8:00 a.m.-4:30 p.m.
Vermont	617.720.4147	8:00 a.m.-4:30 p.m.
Virginia	804.698.5010	8:30 a.m.-4:30 p.m.
Washington	206.220.5786	8:00 a.m.-5:30 p.m.
West Virginia	804.698.5010	8:00 a.m.-5:30 p.m.
Wisconsin	314.342.9325	8:00 a.m.-4:30 p.m.
Wyoming	303.820.3940	8:00 a.m.-4:30 p.m.

SECONDARY SSN VALIDATION

The names and Social Security Numbers (SSNs) of everyone claimed on a tax return — primary, secondary and all dependent SSNs — must *exactly match* the names on their Social Security card. In the past, the IRS has not accepted electronic returns with any name/number mismatch, whether for the taxpayer, the spouse, or a dependent. It has also reduced tax benefits claimed on paper returns when there was a name/number mismatch for the first spouse listed on a joint return or for any dependent.

This year, the IRS will do the same for both spouses on a paper filed joint return.

People who change their surnames for any reason — such as marriage — should get updated identification cards, unless they intend to use the former name for legal purposes. Form SS-5, *Application for a Social Security Card*, is available from the SSA Web site at www.ssa.gov, or by calling (toll free) 1.800.772.1213.

REMINDER

Refund checks will be returned to the IRS if the address on the check is not current. Advise your clients to file Form 8822, *Change of Address*, when they move.

Individual Taxpayer Identification Numbers (ITIN)

Individual Taxpayer Identification Numbers (ITINs) are used for tax purposes only and do not replace SSNs. ITIN recipients are not eligible for the Earned Income Credit (EIC). ITINs are permanent tax identification numbers and replace the former IRS temporary numbers (ISRNs). Consequently, the IRS no longer accepts IRSNs or entries such as *applied for*, *NRA* or *SSA205C* on tax documents and returns. Because the ITIN must be applied for and assigned prior to filing a tax return, *ITIN applied for* in the SSN field on a tax form is **not** a valid entry either.

Those taxpayers eligible for ITINs include resident and nonresident aliens who are:

- Required to file a U.S. tax return,
- Claimed as a dependent of a U.S. person on a tax return,
- The spouse of a U.S. citizen who files a joint return,
- Claimed as a spousal exemption on a U.S. tax return,
- Filing a U.S. tax return solely for a refund claim or
- Nonresidents filing a U.S. tax return to claim a treaty benefit.

Those not eligible for ITINs are U.S. citizens and U.S. resident aliens who are eligible to receive SSNs.

File a Form W-7 with the supporting documentation described below to apply for an ITIN. The revised Form W-7 reflects taxpayer feedback and is easier to understand and complete. A Spanish version, Form W-7SP, is also available.

Forms W-7 may be submitted by several methods:

- Individuals can present the completed Form W-7 and supporting documentation at any IRS Taxpayer Assistance Center in the U.S. and abroad. An IRS reviewer will examine the material and return the documentation to the applicant. The Form W-7 is

then certified by the reviewing office and forwarded to the Philadelphia IRS Campus (PIRSC) for processing. An ITIN notice containing the number is generated during processing and is mailed directly to the applicant.

- Applicants may also mail their completed Forms W-7 directly to the PIRSC with the required documentation. These applicants also receive their ITINs directly from the PIRSC through the mail.
- Applicants may use the services of an Acceptance Agent who is authorized to certify Forms W-7 for the IRS and review applicants' documentation. Acceptance Agents are tax practitioners and other qualifying agents, such as educational institutions and government agencies, who file the certified Forms W-7 on behalf of the applicants, receive the assigned ITINs from the PIRSC and notify their clients of the assigned ITINs.

Acceptable documentation is defined as documentation that proves both identity and foreign status. When a single document satisfies both requirements (such as a passport), one proof will suffice; otherwise, two types of documentation are required. Types of acceptable documentation include:

- Passports
- Visas
- National identity cards
- Drivers' licenses

Original documentation received by the PIRSC ITIN Unit is reviewed for acceptance or rejection within 14 days and returned to the applicant through the U.S. Postal Service (documents returned to international addresses are sent by registered mail). In lieu of original documents, applicants may also submit quality copies of docu-

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PTIN PROGRAM

The Practitioner Identification Number (PTIN) program began in 1999 to address concerns that a preparer's SSN could be used inappropriately by clients and others having access to a prepared return.

Preparers may download Form W-7P, *Application for Preparer Tax Identification Number*, from the "Tax Professional's Corner" on the IRS Web site at www.irs.gov or by calling the IRS toll-free tax forms line at **1.800.829.3676**.

To ensure that the person assigned to and identified by a specific PTIN is the person applying for it, the application form asks for the preparer's name, home address, date of birth and SSN.

The PTIN is the identifying number of *only* the individual requesting it and has no relation to firms employing tax return preparers. Preparers may continue to use their PTINs year after year without reapplying. Preparers must use either their SSN or a PTIN. Do not write *PTIN applied for* in the Paid Preparer's Use Only section of the return. (Preparers are advised to consult with their respective states regarding the use of a PTIN on state tax returns.)

Mail or fax Forms W-7P to:
**Philadelphia IRS Campus
 PTIN Unit
 P.O. Box 447, DP 2840
 Bensalem, PA 19020**

The PTIN customer service number is **215.516.4846**. The fax number is **215.516.1127**.

Individual Taxpayer Identification Numbers

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ments that have either been certified by the issuing agency or notarized by a U.S. Notary.

Note: If the documentation is in a foreign language, a certified translation must accompany it.

Applications and supporting documentation that are rejected will be returned to the applicant with a detailed explanation for the rejection and what additional information is needed.

More information about ITINs can be obtained from Pub. 1915, *Understanding Your Individual Taxpayer Identification Number*.

For more information on the Acceptance Agent Program and how to apply

for Acceptance Agent status, tax practitioners can contact the IRS Office of Pre-Filing and Technical Guidance at **1.202.874.1800**.

Forms W-7 and documentation can be mailed to:

**Philadelphia IRS Campus
 ITIN Unit PO Box 447, DP 2840
 Bensalem, PA 19020**

The ITIN Unit Customer Service phone number is **215.516.4846**. The ITIN Unit fax number is: **215.516.3270**.

Note: Processing Forms W-7 and issuance of the assigned ITINs may take four to six weeks from receipt.

Adoption Identification Numbers

Adoption Identification Numbers (ATINs) are for taxpayers who are in the process of adopting a child and who meet the criteria for claiming dependent status for the adoptive child but are unable to apply for a SSN for the child, pending final adoption.

Note: ATINs are issued for domestic adoptions only. Taxpayers involved in international adoption must apply for an ITIN for the child.

ATINs are temporary numbers issued by the IRS and are valid only for a 2-year period or until the applicant receives an SSN for the adoptive child. Many adopting parents often have custody of the child for a period of time pending the adoption and provide sufficient financial support during the year to claim the dependency exemption or child care credit on their returns. However, because of privacy issues, they do not have access to the child's existing SSN. Additionally, because the Social Security Administration (SSA) will only issue an SSN when the adoption is final, the parents are

unable to provide an SSN when filing the return.

Note: Earned Income Credit (EIC) is not allowed without a valid SSN issued by the SSA; therefore, the EIC cannot be claimed when an ATIN is used for the child. After adoption is final and the taxpayer has obtained a valid SSN for the adoptive child, the parents may file an amended return to claim the EIC for the period of pending adoption, provided all other EIC criteria are met.

Form W-7A is used by taxpayers to apply for ATINs. As with ITINs, applicants will be required to provide supporting documentation with the application. Applicants may file Form W-7A at all IRS district offices and posts of duty where field personnel will verify the information and pre-screen the Form W-7A for accuracy and completeness.

Applicants may also mail the Form W-7A and supporting documentation to the ITIN Unit.

**FAX-TIN
AND
TELE-TIN
NUMBERS**

Andover

Tele-TIN: 978.474.9717

Fax-TIN: 978.474.9774

Atlanta

Tele-TIN: 770.455.2360

Fax-TIN: 678.530.6156

Austin

Tele-TIN: 512.460.7843

Fax-TIN: 512.460.8000

Brookhaven

Tele-TIN: 631.447.4955

Fax-TIN: 631.447.4991

Cincinnati

Tele-TIN: 859.292.5467

Fax-TIN: 859.292.5760

Fresno

Tele-TIN: 559.452.4010

Fax-TIN: 559.443.6961

Kansas City

Tele-TIN: 816.823.7777

Fax-TIN: 816.823.7776

Memphis

Fax-TIN only: 901.546.3916

Ogden

Fax-TIN only: 801.620.7115

Problems: 801.620.6339

Philadelphia

Tele-TIN: 215.516.6999

Fax-TIN: 215.516.3990

Fax-TIN: EINs by fax

Taxpayers can request Employer Identification Numbers (EINs) by fax through the Fax-TIN Program. They should first complete a Form SS-4 and then fax it to the appropriate center. (See fax numbers at left.) The fax number is available 24 hours a day. Under most circumstances, the IRS will assign an EIN within four work-days. Be sure to provide us with your fax number so we can fax the EIN.

Fax-TIN is the safest, easiest and most accurate method of obtaining an EIN, but in an emergency you may also request an EIN by phone. Our resources allow us to have a limited number of people available to answer the phone, so we can better serve you if you fax us the EIN request.

If you must telephone us, complete Form SS-4 and then call us any weekday between the hours of 7:30 a.m. and 5:00 p.m. (See phone numbers at left.) The EIN will be assigned immediately, but you must still mail the completed Form SS-4 to us within 24 hours. (Be sure the Form SS-4 is completely filled out and signed by a duly authorized person. Keep a copy for your records.)

EIN disclosure laws

The Fax-TIN/Tele-TIN function is limited by strict disclosure laws, and an EIN can be given out to a *duly authorized person only*. A duly authorized person for the following types of organization is:

- Sole proprietorship – owner.
- Corporation – president, vice-

president or other principal officer.

- Partnership – a partner.
- Estate or trust – administrator, executor, fiduciary or trustee.
- Other unincorporated organizations – a responsible and duly authorized member or officer of the organization.

Remember, a third party **must** have proper written

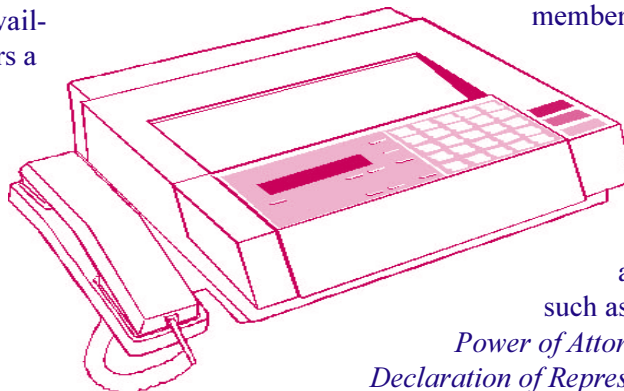
authorization

such as a Form 2848,

Power of Attorney and

Declaration of Representative, before newly assigned EINs can be released to them. (See page 29 for Form 2848 information.)

The guidelines for sole proprietorship EINs are now more stringent. These EINs are issued primarily to individuals who have employees (or file any other federal returns or documents); individuals who issue Forms 1099 for contract labor; or those who are required to have an EIN by the Bureau of Alcohol, Firearms and Tobacco.



COMMON FAX-TIN PROBLEMS

- Taxpayer faxes Form SS-4 and then calls Tele-TIN to request an EIN. This could cause duplicate EINs to be issued.
- Form SS-4 is not completely filled out.
- Taxpayer is uncertain about the type of entity being established.
- Callers sometimes are unable to establish that they are authorized to request an EIN for the entity they represent. An EIN can be released only to duly authorized individuals.

ASSEMBLE FORMS IN PROPER ORDER

If returns are not assembled in attachment sequence, they must be pulled apart and reassembled. Although we take care to reattach all the pages, important documentation could get lost in the process.

Form 9465, *Installment Agreement Request*, and Form 911, *Application for Taxpayer Assistance Order to Relieve Hardship*, should be attached to the front of the return. Attach other forms and schedules at the end of the return in order of the Attachment Sequence Number that is shown below the year in the upper right corner of the form or schedule. Attachment Sequence Numbers are not in the same order as form numbers. For example, Form 8801 has Attachment Sequence No. 74 and Form 8814 has Attachment Sequence No. 40.

IRS forms and schedules without attachment sequence numbers follow next in numerical order. **Attach separate statements at the end of the return — not between forms and schedules that are in sequence.** If these relate to previous correspondence, refer to the IRS customer service representative by name, ID number and mail stop number, where possible. *Copies of approved extensions of time to file should be attached following the IRS forms.*

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Avoid extension problems

If you file multiple Forms 4868 or 2688, be sure to complete Item 3, the explanation of why the extension is needed, for *each form*. Do not write a single cover letter of explanation for multiple forms. **Be sure to write SSNs or EINs** on all extensions and installment agreement requests.

If you submit a Form 4868 or Form 2688 with a copy to be date stamped and returned, include a preaddressed envelope to expedite the process.

There are four extension forms for returns other than the 1040 series, and they are not interchangeable. **Be sure to use the correct one.**

- **Form 8868:** extensions for various types of Forms 990 and 990-T exempt organization returns, Form 1041-A and Form 5277 (if required to be filed by the trustee of a trust)

and other returns related to exempt organizations.

- **Form 8736:** extensions for Forms 1065 and 1066 and Form 1041, when it is used for a trust.
- **Form 7004:** extensions for Forms 1120 and 990T.
- **Form 2758:** extensions for a variety of excise tax, income tax, information returns and other returns, including Form 1041 when it is filed for an estate.

Be sure to check one of the boxes near the top of the form to indicate the type of return for which you are requesting an extension. Blanket extensions are not granted. Separate forms must be filed for each return.

Extensions and Installment Agreements

Taxpayers who file extensions by April 16 but are unable to pay the full amount will not be penalized if they pay 90 percent of the total tax due at the time they request the extension. Regulations require that the tax liability reported on Form 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, be properly estimated based on available information. The extension may be disallowed and a late filing penalty assessed if the taxpayer does not properly estimate the tax due and attach it to the request. Form 4868 is in voucher form again this year and can be sent electronically. Balance due Forms 4868 should be sent to the appropriate lockbox. (See pages 38 and 39.)

If a client cannot pay the taxes owed at the time of filing of the return, you can file a Form 9465, *Installment Agreement Request*, with the tax return. This form allows the taxpayer

to request a monthly payment plan specifying the monthly payments.

There is a processing fee of \$43 for entering into an installment agreement and \$24 for restructuring or reinstating an installment agreement. **Do not send the \$43 when you send the Installment Agreement Request.** We will send you a notice for the fee once the agreement has been approved. Form 9465 can be transmitted electronically by itself or accompanying an electronically filed return.

Attach Form 9465 to the front of the return so it can be detached and processed separately. Attach Forms W-2, W-2-G and 1099R separately so they will not be inadvertently detached with the Form 9465. If you have already filed the return or are filing this form in response to a notice, File Form 9465 by itself with the IRS service center where you filed your income tax return.