

# 2002 TAX HINTS

Practitioner's Guide to the Filing Season

## WELCOME TO TAX HINTS

The IRS is continuing its modernization process by implementing significant changes in its service center and call site operations — changes that are intended to improve efficiency and accuracy. In this edition of **TAX HINTS**, you will find information about these and other changes which will help you and your clients during the 2002 filing season.

Produced jointly by the IRS' Operating and Functional divisions and Communications and Liaison, this electronic newsletter contains information about the IRS' structure, points of contacts, useful telephone numbers, explanations of changes and improvements for the 2002 filing season and hints about making it a smooth one.

We hope this information will make your job easier and that your experiences with the IRS this filing season will be pleasant and helpful to you and your clients.

## New credits, services highlight 2002 filing season

### IRS encourages fresh look at *e-filing*

The 2002 tax filing season features new and expanded services and credits to help taxpayers. IRS encourages taxpayers and tax practitioners to take a fresh look at *e-filing* following a new study spotlighting the program's growing popularity with users.

Early in January IRS mailed more than 40 million tax packages and 23 million computer-filing brochures to the nation's mailboxes in advance of the April 15 tax deadline for individuals. In all, IRS expects to receive about 132 million individual returns this year.

"We are working hard to improve and expand service to taxpayers," said IRS Commissioner Charles O. Rossotti. "We want to take as much of the headache out of tax time as possible. The IRS' *e-file* program is better than ever, and I highly recommend that taxpayers and practitioners try it."

Rossotti urged taxpayers to use IRS *e-file* this year following a new study showcasing the program as an example of high customer satisfaction among government agencies. The American Customer Satisfaction Index placed the satisfaction rate for electronic filers at 77, marking the third year in a row taxpayers using IRS *e-file* expressed increased satisfaction.

The electronic score helped the IRS post an 11 percent increase in overall

customer satisfaction among all individual tax filers since 2000 and a 22 percent increase since 1999.

The IRS had the largest favorable gain out of the 30 government agencies surveyed.

In addition, the IRS electronic score came in nearly seven points higher than the national score for private-sector services.

"The secret is getting out about *e-file*," Rossotti said. "People who use it like it. It's fast, accurate and dependable and delivers refunds in as little as 10 days."

This year, there's even more to like about *e-filing*. In all, 29 more forms and schedules have been added to allow access to *e-file* for virtually all individual taxpayers. An estimated 45 million taxpayers will use the safe, secure *e-filing* system, which delivers refunds in half the time of paper tax returns. When combined with direct deposit, using *e-file* delivers refunds in as few as 10 days.

Rossotti encourages taxpayers and tax practitioners who already use computers to consider *e-filing*. About 40 million tax returns are prepared on computer but are still sent in on paper. With little effort, these returns could be sent electronically.



**Charles O. Rossotti**  
Commissioner of  
Internal Revenue

*Continued on page 2*

**INSIDE  
THIS  
ISSUE**

**2002 Filing Season** ..... 1

**Privacy Advocate** ..... 3

**The New IRS** ..... 5

**What's New for 2002** ..... 8

**Electronic Information Services**.....11

**Centralized Telephone Operations** ..... 16

**Tele-TIN/Fax-TIN** ..... 17

**ITINs/ATINs/PTINs** ..... 18

**Donors to charities for disaster relief**..... 20

**Extensions and Installment Agreements** ..... 21

**Disclosure Initiative on Tax Shelters** ..... 21

**Earned Income Credit** .... 22

**Taxpayer Advocate Service** .....24

**Taxpayer Advocate Contacts** ..... 25

**Power of Attorney** ..... 27

**Highlights of 2002 filing season**

*Continued from page 1*

Other highlights taxpayers should watch for as they file tax returns for 2001:

**Higher child tax credit.** This year, eligible parents will get a maximum \$600 tax credit per child, a \$100 increase from the previous year.

**Easier problem solving.** A new feature on Form 1040 allows a taxpayer to designate a trusted family member, friend or tax professional to talk directly to the IRS about any tax return processing questions. Last year, 37 million filers selected a smaller-scale version of the timesaving feature.

**Tax rate reductions.** Due to lower tax rates, most people received an Advance Payment check last year and will not need to do anything on their 2001 tax returns. However, those who did not get the maximum check amount (\$300, \$500 or \$600, depending on filing status) may be able to get the tax cut benefit on their 2001 returns. The IRS has added other features to provide taxpayers and tax practitioners with better service. The IRS has adjusted its toll-free telephone service hours to provide assistance during periods of heaviest use. Taxpayer Assistance Centers across the country will provide face-to-face help

for resolving taxpayer problems. And tax practitioners will have access to the new Practitioner Priority Service, a nationwide, toll-free technical support system.

More information on these features and an array of other IRS changes is available as part of *News for You 2002*. The feature showcases 13 fact sheets highlighting service improvements and changes affecting individual and business taxpayers as well as tax practitioners. The latest updates of *News for You 2002* are posted at [www.irs.gov](http://www.irs.gov).

As part of this year's efforts, IRS redesigned its Web site. The new look adds new navigation tools and useful information to help taxpayers visit one of the world's busiest Web sites.

"Our Web site is evolving to meet the changing needs of taxpayers and tax practitioners," Rossotti said. "We offer fast, free access any time to forms, publications and answers to frequently asked questions."

Rossotti urges taxpayers to get an early start on their taxes and not wait until the last minute.

"Our advice is simple," he said. "Start early, take your time, try *e-filing*, and remember, we're here to help."

*The IRS Mission*

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.



**INSIDE  
THIS  
ISSUE**

**Refund Checks.....28**

**Taxpayer Assistance  
Centers.....28**

**Transcripts and  
Photocopies .....29**

**Decedent Returns .....29**

**Estate and Gift Tax .....30**

**Offers in Compromise.....30**

**Top 10 Errors .....32**

**Underreporter Program..33**

**Statute of Limitations .....34**

**Estimated Tax  
Penalties .....34**

**Installment Agreement ...36**

**Reasonable Cause .....36**

**Refund Hold Program .....37**

**Lockbox Processing.....37**

**Lockbox Addresses .....38**

**e-file Fraud and Abuse ....45**

**Digital Dispatch/Local  
News Net.....46**

**IRS Office of the Privacy  
Advocate: Working to Build  
Public Trust**

The Office of the Privacy Advocate promotes and supports privacy programs and awareness throughout the IRS. The Office establishes IRS privacy policy, creates and supports an awareness of privacy policies throughout the IRS, ensures employees are trained on privacy issues and policies and promotes the privacy rights of all taxpayers.

The IRS protects taxpayer privacy by collecting only that information necessary to fulfill the Service's mission of tax administration. The IRS also ensures that any information that is collected is safeguarded and used in accordance with the law. Regarding their privacy, taxpayers can expect that the IRS:

- Will take very seriously its social responsibility to taxpayers to limit and control information usage as well as to protect public and official access
- Will keep their personal and financial information confidential
- Will not collect unnecessary personal information

**How does the IRS protect privacy over the World Wide Web?**

The IRS uses privacy notices to alert all visitors to its Web site ([www.irs.gov](http://www.irs.gov)) about the type of information that will be collected as a result of their visit. The IRS will not collect identifiable personal information from the Web site visit. The IRS does not use cookies, files placed on a visitor's drive that allow the Web site to monitor the individual's use of the site. The IRS will not share information you give it with anyone unless required by law. The IRS also will not

sell your information. Any information the IRS collects and maintains is handled in accordance with the access and privacy protection requirements of the Privacy Act, the Freedom of Information Act and the Internal Revenue Code. The IRS posts departure notices alerting visitors when they are about to leave the IRS site that other non-government or commercial Web sites may have different privacy policies.

**How does the IRS protect information from people who file returns electronically?**

Whether taxpayers choose to file a return electronically or on paper, the IRS protects taxpayer privacy on all its tax processing systems. Many taxpayers use the services of IRS industry partners, such as paid tax preparers, electronic return originators and transmitters to prepare or process their tax returns. The IRS is fully committed to protecting taxpayer information on its tax processing systems.

For questions, concerns or comments about IRS privacy practices or the way information is collected, maintained and used, contact the Office of the Privacy Advocate at:

Phone: **202.927.5170**

e-mail: [Privacy.advocate@irs.gov](mailto:Privacy.advocate@irs.gov)  
or write to:

**Office of the Privacy Advocate  
Internal Revenue Service  
1111 Constitution Avenue, NW  
Washington, DC 20224**

**HELP FOR SMALL BUSINESS/SELF-EMPLOYED**

The new Small Business/Self-Employed section of [www.irs.gov](http://www.irs.gov) is an enhanced site for employers and the business community. The new pages are a comprehensive resource for the business person starting, operating or closing a business. They contain material on industries such as childcare, construction and automotive, along with tax tips, workshop schedules and relevant Hot Topics. The contents of [Employers.gov](http://Employers.gov) have been integrated as a to provide the public with a one-stop-shop for all their small business needs.

**Small Business Resource Guide CD-ROM-2002**

The Small Business Resource Guide on CD-ROM is a must for every small-business owner or any taxpayer about to start a business. This handy, interactive CD contains all the business tax forms, instructions and publications to successfully manage a business. The CD also provides other helpful information, such as preparing a business plan, finding financing for your business and more. The CD-ROM includes a full-text and PDF search engine for navigation easier. There is valuable information concerning the IRS Disaster Relief Efforts and the Welfare-to-Work Credit. To order your copy of the Guide, call **1.800.TAX.FORM (1.800.829.3676)** or visit [www.irs.gov/prod/bus\\_info/sm\\_bus/smbus-cd.html](http://www.irs.gov/prod/bus_info/sm_bus/smbus-cd.html)

**Daily IRS Tax Tips available for 2002 filing season**

The IRS will again offer a daily series of Tax Tips for the 2002 filing season.

IRS Tax Tips offer concise, useful information on topics affecting millions of taxpayers. These easy-to-read tips cover a wide range of topics, from child credits and higher education benefits to Individual Retirement Accounts and Social Security issues.

Sample topics include:

- What's new for 2002
- Common errors to avoid when preparing your taxes
- Free tax help from the IRS
- When Social Security benefits are taxable
- What to do if you can't pay your taxes

The Tax Tips will be available on the IRS Web site at [www.irs.gov](http://www.irs.gov), in the news section. Approximately 75 tips will be available, with at least one for each business day until the April 15 tax deadline.

**Publication 17 — one stop for tax help**

Facing a lot of different tax questions this year? IRS experts have pulled together an overview of common tax issues in one convenient place — Publication 17, *Your Federal Income Tax*. This updated publication, available on the IRS Web, contains a vast array of helpful information in one guide.

From stock sales to student loans, people can get many of their questions answered in this 280-page publication. A sampling of the items covered in 38 chapters

- Need help deciphering the mysteries of the Roth IRA? Try Chapter 18 for retirement accounts.

- Do you have a new child in the house? See Chapter 35 for the Child Tax Credit.
- Are you selling stock for the first time? Check Chapter 17 for capital gains. If you're unloading losers, capital losses are there, too.
- Do you need to report the profit on your home sale? See Chapter 16 for some good news. Generally, you only need to report the sale of your home if your gain is more than \$250,000 (\$500,000 if married filing a joint return). And the best part about Publication 17? It's free.

To get a copy, visit the IRS Web site at [www.irs.gov](http://www.irs.gov) under the *Forms & Pubs* section.

Or, you can order a copy by calling **1.800.TAXFORM (1.800.829.3676)**.

**2002 TAX HINTS**

TAX HINTS was produced with assistance from many sources, including IRS employees in the operating and functional divisions, as well as the tax professional community. Thanks to all who contributed and special thanks to the W&I Austin Communications staff who contributed to the development and production of this document.

## LMSB At-a-Glance

**Mission:**

The Large & Mid-Size Business Operating Division will be a world class organization responsive to the needs of customers in a global environment, while applying innovative approaches to customer service and compliance. It will apply the tax law with integrity and fairness through a highly skilled workforce, and will foster an environment of inclusion where each employee can make a maximum contribution to the mission of the team.

**Strategic Priorities:**

- Globalization – Build a tax administration to effectively deal with the global economy.
- Issue Management – Develop a strategy to resolve disputes sooner with taxpayer(s) or eliminate controversy sooner in the process.
- Employee Skills and Satisfaction – Recruit and retain a highly qualified, skilled, and satisfied workforce.
- Abusive Corporate Tax Shelters – Strengthen our ability to deal with corporate tax shelters.
- Assess Compliance Risk – Gauge compliance risk within LMSB return populations

**Management Team:**

**Larry R. Langdon**  
Commissioner

**Deborah M. Nolan**  
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**LMSB Headquarters Office:**

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**Gerald Reese**

Director, Pre-Filing and Technical Guidance

**Dick Teed**

Deputy Director, Strategy, Research, and Program Planning

**Susan Linden**

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**Jim O'Malley**

Director, Management and Finance

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Division Information Officer

**Julie Rushin**

Director, Business Systems Planning

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Director, EEO & Diversity

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**Industry Operations:**

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**Mary Tapley**

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**Karen Ammons**

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**Jack Schroeder**

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**Thomas R. Wilson, Jr.**

Director  
Oakland, CA

**Joann Bank**

Director, Field Operations  
Oakland, CA

**John Petrella**

Director, Field Operations  
Warwick, RI

**Taxpayer Profile:**

- Corporations, Subchapter S corporations, and partnerships with more than \$10 million in assets.
- The largest business taxpayers interact with the IRS on an ongoing basis.
- Most have in-house tax divisions. Major issues are tax law interpretation, accounting, and regulatory issues. Many operate in a global environment.

## **TE/GE At-a-Glance**

**Mission:** To provide TE/GE customers top quality service by helping them understand and comply with applicable tax laws and to protect the public interest by applying the tax law with integrity and fairness to all.

**Strategic priorities:**

- Understand and improve compliance
- Meet customer needs
- Build a qualified and satisfied workforce
- Improve organizational performance
- Improve knowledge and information management

Headquarters:  
**Washington, DC**  
phone: **202.283.2500**  
fax: **202.283.9973**

**Leadership Team:**

**Evelyn A. Petschek**  
Commissioner

**Darlene R. Berthod**

Deputy Commissioner

**Carol D. Gold**

Director, Employee Plans

**Steven T. Miller**

Director, Exempt Organizations

**Edward J. Weile**

Director, Communications & Liaison

**Operating Unit Headquarters:**

Headquarters

**Washington, DC**

Customer Account Services

**Cincinnati**

EP Exam Headquarters

**Baltimore**

EO Exam Headquarters

**Dallas**

GE Headquarters

**Washington, DC**

**Customer Profile:**

- 3 million customers that range from small local community organizations and municipalities to

major universities, huge pension funds, state governments, and complex tax exempt bond deals

- Pay more than \$200 billion in employment tax and income tax withholding
- Control more than \$7.5 trillion in assets
- Employee Plans customers represent private and public retirement plans with more than \$4.0 trillion in assets
- Exempt organizations customers represent more than 1.5 million tax exempt organizations with more than \$2.0 trillion in assets
- Government Entities customers include outstanding tax exempt bonds with a total value of \$1.5 trillion, 86,000 federal, state and local entities, and more than 760 federally recognized Indian tribes

## **W&I At-a-Glance**

**Mission:**

Wage and Investment Operating Division (W&I) will educate and assist our customers in understanding and satisfying their tax responsibilities. We will provide this service in a high quality, fair and equitable manner through partnership between management, employees and stakeholders.

**Strategic Priorities:**

- Meeting demands for assistance by providing better and more specialized services to individual taxpayers and emphasis on customer segment needs.
- Earlier and more accurate account resolution through integrated case processing and utilization of linkages within the service.

- Implementing appropriate compliance processes.
- Improving electronic filing and communications services.
- Provide the W&I workforce with the necessary tools for servicing taxpayers and administering the tax code and enhance employee skills through training.

**Headquarters:** Atlanta, Georgia

**Management Team:**

**John Dalrymple**

Commissioner

**John Duder**

Deputy Commissioner

**Frank Spiegelberg**

Senior Operations Advisor

**Ty Ayers**

Director, Communications, Assistance, Relationships and Education

**Ron Watson**

Director, Customer Account Services

**Linda Stiff**

Director, Compliance

**Terry Lutes**

Director, Electronic Tax Administration

**Area Headquarters Offices:**

Hartford, Indianapolis, St. Louis, Greensboro, New Orleans, San Francisco Bay area.

**Taxpayer Profile:**

- Some 90 million filers, representing 116 million customers, including those who file jointly.
- Most pay taxes through withholdings and interact with the IRS once a year.
- More than half prepare their own returns and receive refunds.

## **SB/SE At-a-Glance**

**Mission:**

The mission of the Small Business/Self-Employed (SB/SE) Operating Division is to provide SB/SE customers top-quality service by educating and informing them of their tax obligations, developing educational products and services, and helping them understand and comply with applicable laws, and to protect the public interest by applying the tax law with integrity and fairness to all.

**Strategic Priorities:**

- Meet the public's expectations by always being responsive and always performing with integrity when dealing with customers.
- Recognize the need for continuous training, skills enhancement and open communications between employees and management.
- Encourage compliance by partnering with the taxpayer from the "start-up" business phase and throughout the business life cycle.
- Stabilize and improve business results.

**Headquarters:**

New Carrollton, Maryland

**Management Team:**

**Joseph Kehoe**

Commissioner

**Dale Hart**

Deputy Commissioner

**Jerry Songy**

Director, Taxpayer Education and Communication

**Bobby Hunt**

Deputy Director, Taxpayer Education and Communication

**John Ressler**

Director, Customer Account Services

**Brien Downing**

Deputy Director, Customer Account Services

**Martha Sullivan**

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**Tom Hull**

Deputy Director, Compliance

**John Crawford**

Deputy Director, Compliance Service

**Vacant**

Deputy Director, Compliance Policy

**Chuck Peterson**

Director, Strategy Program Planning and Quality

**Rob Wilkerson**

Director, Business Systems Planning

**Rich Morgante**

Director, Management and Finance

**JoAnn Innis**

Director, EEO and Diversity

**Vacant**

Director, Communications

**Kevin Brown**

Division Counsel (SB/SE)

**Charles Valentino**

Division Information Officer

**Area Headquarters Offices:**

Baltimore, Dallas, Jacksonville, Nashville, Seattle, Boston, Denver, Laguna Niguel, Philadelphia, St. Paul, Chicago, Detroit, Manhattan, San Francisco Bay area, Los Angeles, Washington, International area office in Puerto Rico, Field Offices throughout the nation

**Taxpayer Profile:**

- Approximately 45 million taxpayers.
- About 33 million full or partially self-employed.
- About 7 million small businesses with assets of \$10 million or less.
- Have some of the most complex issues due to tax law requirements and the number of forms and schedules required.
- Have 4-60 routine transactions with the IRS per year

**The SB/SE Operating Division will serve this taxpayer segment through three organizations:**

- *Taxpayer Education and Communication (TEC)*: a customer-focused organization that will continuously research and analyze taxpayer trends to ensure that products and services are tailored to meet the needs of SB/SE taxpayers.
- *Customer Account Services (CAS)*: focus on processing returns timely and accurately, assisting taxpayers with account specific questions and adjusting accounts when necessary.
- *Compliance*: focus on problem prevention and early intervention to increase overall compliance and fairness by providing educational guidance and outreach programs focusing on small business needs.

## DIRECT DEPOSIT OF REFUNDS

Enter all the required information to insure the refund is credited to the correct bank account. If an incorrect bank account number and/or Routing Transit Number (RTN) is entered by the taxpayer, preparer or electronic return originator, the IRS does not have the authority to recover the refund from the account holder that receives the refund in error. *Taxpayers must contact their financial institution to resolve the erroneous deposit.*

Taxpayers will receive a paper refund check and a notice if:

- Required information is missing or incomplete.
- RTN does not match the master list of valid RTNs.
- RTN is for a foreign bank.
- Power of Attorney is on file and third party is authorized to receive refund.
- Return is a decedent return.
- Return is for a prior year.
- \$10,000 or more in withholding and zero tax is owed.
- Math error of more than \$50.
- More than two direct deposits are requested for the same account.

## What's new for 2002

### 2001 Tax Rate Reductions and Advance Payments

The Economic Growth and Tax Relief Reconciliation Act of 2001 lowered the tax rates above the 15 percent level by one percentage point, but this reduction did not take effect until midyear. As a result, the tax rate schedules use "blended rates" of 27.5%, 30.5%, 35.5% and 39.1% for all of 2001. Taxpayers saw the effects of this change through reductions in the tax withheld from their pay in the second half of the year.

The law also created a new 10% tax rate on the first \$6,000 of taxable income (\$10,000 for a head of household; \$12,000 for a married couple). To give people this tax cut more quickly, the law directed that most taxpayers would receive this benefit as an Advance Payment check in the summer or fall of 2001. The checks were based on the taxpayers' 2000 tax returns. Thus, most people have received the full benefit of this change, and it will not affect how they complete their 2001 tax returns.

Some taxpayers who did not get the maximum amount for their 2001 filing status (\$300, \$500, or \$600) as an Advance Payment might be able to claim a Rate Reduction Credit on their returns, depending on their taxable income and tax liability for 2001. They should follow the instructions for Line 47 of Form 1040, line 30 of Form 1040A, or line 7 of Form 1040EZ.

The IRS mailed each taxpayer a notice with the Advance Payment amount before sending the check. Taxpayers who are unsure how much their Advance Payment was and who cannot locate that notice may call the IRS TeleTax system toll-free at **1.800.829.4477** to check on the amount.

Some taxpayers may have had their Advance Payments reduced or entirely offset by outstanding government debts, such as back taxes or a student loan or by past-due child support obligations. They still received the benefit of the Advance Payment in such offsets and may not claim the Rate Reduction Credit for any amount so withheld.

A taxpayer will not have to pay back any difference if the Advance Payment — which was based on the tax return for 2000 — was larger than it would have been if it had been based on the actual 2001 income.

Dependents were not eligible for the Advance Payments or the Rate Reduction Credit. However, they may qualify to get the benefit of the lower tax rate by completing a Tax Computation Worksheet in the instruction book for the form they use.

### Alternative Minimum Tax

Taxpayers who are able to take advantage of special deductions and credits to substantially reduce their taxes may have to pay an additional tax called the Alternative Minimum Tax (AMT). The exemption amounts increase for 2001 returns. This means that more of your income is exempt as income for AMT purposes, decreasing the amount of additional tax you may owe. You may have to pay the AMT if your taxable income for regular tax purposes, combined with certain adjustments and tax preferences items is more than:

- \$49,000 if your filing status is Married Filing Jointly or Qualifying Widow(er);
- \$35,750 if your filing status is Single or Head of Household; or
- \$24,500 if your filing status is Married Filing Separately.

Examples of some of those adjustments and tax preferences are:



## CREDIT CARD PAYMENT OPTIONS

**Taxpayers who charge payments made with automatic extensions of time to file or estimated tax payments on a credit card should not file paper Forms 4868 or 1040-ES.**



**FirstGov.gov** is the only official U.S. Government portal to 47 million pages of government information, services, and online transactions. The Web site offers a powerful search engine that searches every word of every U.S. government document in a quarter of a second or less.

**FirstGov.gov** also features a topical index, links to state and local government, options to contact your government and other tools to provide the public with easy, one-stop access to government resources.

- Personal exemptions;
  - Itemized deductions claimed for state and local taxes, certain interest, most miscellaneous deductions, and part of medical expenses;
  - Any refund of state and local taxes included in gross income;
  - Changes to accelerated depreciation of certain property;
  - Difference between gain or loss on the sale of property reported for regular tax purposes and AMT purposes;
  - Certain income from incentive stock options;
  - Certain depletion that is more than the adjusted basis of the property;
  - Part of the deduction for certain intangible drilling costs; and
  - Tax-exempt interest on certain private activity bonds.
- preservation of land areas for outdoor recreation;
  - the education of the general public,
  - the protection of natural habitat for fish, wildlife or plants and
  - the preservation of open spaces.

The executor of the estate of a taxpayer dying after 1997 may elect to exclude from the gross estate up to 40 percent of the value of the land subject to a qualified conservation easement. The amount that may be excluded from the gross estate is limited to \$400,000 for 2001 and will increase to \$500,000 in 2002. To qualify for the exclusion:

- the land must have been owned by the taxpayer or a member of the taxpayer's family during the 3-year period ending on the date of the taxpayer's death.
- the land must be subject to a qualified conservation easement granted by the taxpayer or a member of the taxpayer's family.

### Child Tax Credit

The Child Tax Credit increases to as much as \$600 per child through 2004. The credit is refundable to the extent that 10 percent of the taxpayer's earned income in excess of \$10,000. Taxpayers with three or more children may be entitled to a larger refundable credit. Use the worksheet and Form 8812 in the tax package to compute your Child Tax Credit.

### Qualified Conservation Easement Exclusion

Past law placed geographic restrictions on land that could be considered a qualified conservation easement. The new law eliminates those restrictions. Land located anywhere in the United States, or its possessions, is now eligible for the conservation easement exclusion. A qualified conservation easement is qualified land, which is contributed to a qualified organization exclusively for conservation purposes. Conservation purposes include:

### Combined Annual Wage Reporting (CAWR)

Taxpayers or their representatives may receive CAWR correspondence from an IRS address other than the processing center to which they sent their return. They should respond to that address. It reflects the consolidation of the program which matches information returns, such as Forms W-2, against individual and business employment tax returns, such as Forms 941, and sends notices to rectify any discrepancies. IRS Service Centers in Philadelphia, PA; Brookhaven, NY; Memphis, TN; Cincinnati, OH; and Ogden, UT are the five centers that manage the CAWR program and generate CAWR correspondence.

#### What's the benefit?

Consolidating Combined Annual Wage Reporting in just five IRS service centers expedites the process, improving service to taxpayers and their authorized representatives.

**DATE OF BIRTH  
VALIDATION**

For processing year 2002 (tax year 2001), the IRS will generally accept an electronically filed return with a Self-Select PIN even though there is not an exact match on the date of birth (DOB). However, returns *e-filed* through the On-line Filing Program must still have an exact DOB match, whether or not they include a Self-Select PIN.

The DOB field on all electronically filed returns using the Self-Select PIN for *e-file* will be verified. If the DOB does not match, but all other requirements are met, the return **will not be rejected**.

An indicator on the Acknowledgment File will identify if the primary, secondary or both taxpayers have invalid dates of birth. These taxpayers need to be advised to contact the Social Security Administration to have their records verified and corrected as necessary prior to the 2003 filing season.

The Acknowledgment Key record will contain the following on accepted and rejected returns.

Date of Birth Validity Code (Field 0117) values:

- 0 DOB validation not required
- 1 DOB(s) Valid
- 2 Primary DOB Mismatch
- 3 Spouse DOB Mismatch
- 4 Both DOBs Mismatch

Processing for Reject Codes 673 and 674 will be bypassed.

**What's new for 2002**

**Restitution payments to Holocaust victims and their heirs**

Any restitution payments made to Holocaust victims and their heirs are excluded from gross income. Therefore, taxpayers should not include these payments as income when filing Federal tax returns. A victim of the holocaust is anyone who was persecuted on the basis of race, religion, physical or mental disability or sexual orientation by Nazi Germany, any other Axis regime or any other Nazi-controlled or Nazi-allied country. The basis of any property received will be the fair market value of the property at the time of receipt.

**Tax Rates**

Individual tax rates (except the 15 percent rate) were reduced 1/2 percentage point in each bracket. The new effective annual rates for tax year 2001 are 15, 27.5, 30.5, 35.5 and 39.1 percent. Current law provides that the rates will continue to decrease in 2002, 2004, and 2006.

**Earned Income Credit (EIC)**

You may be able to claim this credit if your earned income and modified adjusted gross income are less than

- \$32,121 (two or more qualifying children),
- \$28,281 (one qualifying child), or
- \$10,710 (no qualifying child), and your investment income is \$2,450 or less.

**Disaster Relief toll-free number**

The IRS established a special toll-free telephone number for taxpayers whose ability to meet their federal tax obligations has been affected by the September 11 terrorist attacks. People with tax issues related to the attacks can call **1.866.562.5227**.

“This special number will help people cut through the red tape and get their tax questions answered quickly,” IRS Commissioner Charles O. Rossotti said. “We don’t want lingering tax questions to burden anyone during this challenging time.”

Taxpayers can call the number Monday through Friday during the following local times:

- In English, 7 a.m. to 10 p.m.
- In Spanish, 8 a.m. to 9:30 p.m.

Because of the unusual nature of the tragic events of September 11, it is impossible for the IRS to know every circumstance affecting taxpayers. The IRS encourages taxpayers whose ability to meet their obligations was affected by the terrorist attacks to call **1.866.562.5227**.

“We wanted to provide specialized assistance to the people directly impacted by these tragic events,” said Ron Watson, Director, Customer Account Services for the IRS Wage and Investment Division. The IRS has reached out to help taxpayers during this time. For more information on tax extensions and other tax issues visit **www.irs.gov**. Taxpayers with questions not related to the terrorist attacks should visit the IRS Web site or call the regular IRS toll-free number at **1.800.829.1040**.

## IRS electronic information services

As digital communication becomes more and more a part of our lives, the IRS continues to come up with new and improved ways to use new technology to make life easier for taxpayers and tax preparers.

The Tax Professionals' page ([www.irs.gov](http://www.irs.gov)) is designed to help practitioners find what they need on the IRS Web site. The site has fill in the blank forms as well as forms to download and print. There is also a *Withholding Calculator* to help taxpayers determine the number of exemptions to take.

### IRS Local News Net

The latest communication tool from the IRS is the *Local News Net* — an offshoot of the very successful *Digital Dispatch*, which delivers IRS news of national importance directly to e-mail subscribers. The Local News Net is an electronic news system designed to provide its subscribers with up-to-the-minute local news. Each IRS office, Submission Processing, Customer Service and Accounts Management center has personalized its own Local News Net and has its own subscription list. The center issues periodic alerts to their subscribers about filing processes, changes in tax law and updates to phone numbers, addresses, etc.

All you need is Internet access and an e-mail address. To subscribe, visit the IRS Web site at [www.irs.gov](http://www.irs.gov).

We strongly urge you to subscribe to both of these services.

### New look and feel for 2001 Tax Products CD-ROM (Publication 1796)

Publication 1796, *Federal Tax Products CD-ROM*, contains fill-in-the-blank tax forms, portions of the Internal Revenue Manual, market segment guides

and tools for the tax professional. In January 2002, tax professionals can look forward to headers for each of the pages. In late February, two new features — *Frequently Asked Questions* and *Tax Topics* — will be added.

Publication 1796 can be purchased from the National Technical Information Service (NTIS) for \$21 through the IRS Web site at [www.irs.gov](http://www.irs.gov) or by calling 1.877.233.6767 for \$21 (plus \$5 handling fee). The IRS hopes you will find Publication 1796 more user-friendly with its new look and feel.

### Electronic Payment options for individuals

Electronic payment options — electronic funds withdrawal from checking or savings account or credit card — have become a trusted, convenient, safe and secure method for paying individual income taxes and give taxpayers an alternative to paying taxes by check or money order.

Taxpayers may electronically file Form 1040 series *balance due* returns or Forms 4868, *Application for Automatic Extension of Time to File U.S. Individual Income Tax Return*, and simultaneously pay by electronic funds withdrawal or credit card via home tax preparation software or through the assistance of a tax professional. A taxpayer also may mail a tax return and separately pay by credit card via phone or the Internet through an authorized service provider.

Taxpayers can have a Form 1040-ES, *Estimated Tax for Individuals*, payment simultaneously paid by electronic funds withdrawal when they e-file the Form 1040 via home tax preparation software or through the assistance of a tax professional. They may also directly pay estimated tax by credit card via

*Continued on next page*

## ON-LINE DIRECTORY

In the near future, this directory will become a prominent feature in the IRS' overall Internet strategy. It will be linked to IRS' main employee, stakeholder and organization databases where it will give taxpayers access to real time information on IRS employees and contacts. The new system will be completely automated and will therefore adjust to changes in telephone numbers and organization structure as it evolves.

phone or the Internet through an authorized service provider.

Making a payment by credit card eliminates the need to send in the paper Form 1040-V, Form 4868 or Form 1040-ES. Payments must be at least \$1.

### When can electronic payments be made?

- Form 1040 series — including Forms 1040A, 1040EZ, 1040 and TeleFile users — payment options begin Jan. 11 and end Dec. 14, 2002.
- Form 4868 payment options, except TeleFile, begin Jan. 11 and end April 15, 2002.
- The TeleFile direct debit payment option begins March 1 and ends April 15, 2002.
- Form 1040-ES *e-file* payment option begins January 11, and taxpayers can choose payment dates of April 15, June 17 or Sept. 16, 2002. The phone and Internet credit card payment options begin March 1, 2002 and end Jan. 22, 2003.
- E-Payments can be made 24 hours a day, seven days a week.

### If a taxpayer chooses to pay using electronic funds withdrawal:

- The taxpayer authorizes the U.S. Department of Treasury (through a Treasury Financial Agent) to transfer money from their bank account to the U.S. Treasury's account.
- Funds are automatically withdrawn on the payment date selected by the taxpayer. However, if a weekend or bank holiday is selected, the payment will not be withdrawn until the next business day.
- Electronic funds withdrawal (EFT) payments will be withdrawn in a single transaction, not installments.

### Cancellations, Errors and Questions

- Taxpayers can call the Treasury Financial Agent at **1.888.353.4537** toll free to cancel a payment or to report problems such as bank closures, lost of stolen bank account numbers, closed bank accounts or unauthorized transactions.
- Once the IRS *e-file* return is accepted, the associated scheduled payment date cannot be changed. If the date needs to be changed, the only option is to cancel the payment transaction and choose another payment method (credit card, check or money order).
- Scheduled payments can be cancelled up to 8:00 p.m. Eastern Time two business days before the scheduled payment date.
- The cancellation must be authorized by the taxpayer or by an authorized person with access to the taxpayer's Social Security Number, payment amount and bank account number.
- Taxpayers can also call the above number to inquire about payments at any time up through Oct. 15, 2002. Taxpayers should wait at least five days after the *e-file* return is accepted before making inquiries.
- Taxpayers will be notified, by letter, if a payment is returned by the financial institution due to insufficient funds, incorrect account information, closed accounts, etc. The IRS will send a notification letter to the address on the tax return explaining why the payment could not be processed. The letter will include instructions for sending a check to a unique address that has been established for this purpose.
- In the event the financial institu-

tion is unable to process the transaction, the taxpayer will be responsible for the tax payment and for any penalties and interest.

- Contact the IRS immediately at **1.800.829.1040** if there is an error in the amount withdrawn from the bank account, Treasury is responsible for returning any improperly transferred funds.
- IRS employees are subject to fine, imprisonment and lost of employment if involved in improperly withdrawing funds from a taxpayer's account.

### How to make a credit card payment

- The *e-file* and credit card option is available through a number of tax preparation software packages and through tax professionals. For more information about paying through e-filing (including convenience fees and accepted credit cards), taxpayers can refer to tax preparation software or a tax professional.
- Direct pay-by-phone and Internet options are available through authorized credit card payment service providers.
- When paying by touch-tone phone, a recorded script will guide taxpayers through the call.
- When paying by Internet, taxpayers will be prompted to fill in the necessary information.
- For more information about paying by phone or Internet, taxpayers can contact the following authorized service providers:
- Official Payments Corporation  
**1.800.2PAY.TAX**  
**(1.800.272.9829)**  
**1.877.754.4413** (Customer Service)  
**www.officialpayments.com**
- PhoneCharge, Inc.  
**1.888.ALL.TAXX**  
**(1.888.255.8299)**

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**1.877.851.9964** (Customer Service)

**www.1888ALLTAXX.com**

- Taxpayers can pay by phone or the Internet using a Discover Card™, American Express Card™ or MasterCard™. Each software product has information about credit cards accepted through IRS *e-file*.
- To make a payment of \$100,000 or greater through the Official Payments Corporation, taxpayers can call the company's Special Services Unit at **1.877.754.4420**.

## Credit Card Convenience Fee

- There is a convenience fee charged by the service providers — no charge by the U.S. Treasury.
- Fees are based on the amount of the tax payment and may vary by service provider.
- The IRS does not receive or charge any fees for payments.
- Taxpayers will be informed, on line, of the convenience fee amount before the payment is authorized. This fee is in addition to any charges, such as interest, on carryover balances that may be assessed by the bank that issued the credit card.

## If a taxpayer chooses to pay using a credit card

- Payments must be made electronically through tax preparation software, a tax professional or an authorized credit card payment service provider via phone or the Internet. Credit cards should not be sent to the IRS with the tax return nor should credit card account numbers be written on the tax return.
- If paying by phone or Internet, the processors will forward the appropriate tax payment information to the IRS.

- The payment date will be the date the charge is authorized.
- Partial payments can be made by phone or Internet. A maximum of two payments per tax type (or per quarter if making estimated payments) can be made by phone or Internet.
- Some tax preparation software may not allow taxpayers to make partial payments.
- Taxpayers who *e-file* and pay should re-file rejected returns promptly in order to ensure timely payment. Otherwise, the payment may have to be reauthorized.

## Cancellations, Errors and Questions

- Generally, credit card payments cannot be cancelled.
- Taxpayers can call the credit card issuer or credit card payment service provider's customer service number to report problems such as unauthorized charges or concerns about payment errors.
- Taxpayers can contact the IRS at **1.800.829.1040** to report

## *e-file* ensures high quality

**I**RS *e-file* is a way for tax professionals to electronically file a client's tax return directly to IRS computers. It's the perfect way to increase business and provide additional customer service to an existing client base. This year, more than 99 percent of the forms and schedules related to Form 1040 can be filed electronically.

All tax professionals who become Authorized IRS *e-file* Providers will receive an IRS *e-file* Marketing Tool Kit containing materials that will be helpful in promoting IRS *e-file* services. Also, they will automatically become a part of the Authorized IRS *e-file* Providers Locator Service, an online applica-

tion which allows taxpayers and tax professionals to search for providers via zip code. If you want to go a step further and electronically file federal and state returns simultaneously, Federal/State *e-file* may be the perfect addition to your portfolio of business services.

- Taxpayers may also write to the IRS office where the return would be mailed regarding income tax payment concerns. The taxpayer's Social Security Number, payment tax year and payment method should be included.
- In the event the credit card service provider fails to forward the tax payment to the Treasury, the taxpayer will be responsible for the tax payment and for any penalties and interest.
- Estimated payments, such as Form 4868 and Form 1040ES payments, which result in overpayment, will be resolved through normal administrative refund procedures.
- In most instances, Treasury will refund an overpayment to taxpayers once the associated tax return is received and processed. An overpayment may be used to settle or offset an existing debt on the taxpayer's account.

## Contact your local *e-file* coordinator

Find out how to contact your local *e-file* coordinator: Click on the *e-file* symbol on the front page of [irs.gov/](http://irs.gov/).

**Electronic  
Federal Tax  
Payment  
System**

**E**FTPS is the easiest way for businesses to make their federal tax payments. EFTPS was created by the Department of the Treasury in 1995 to modernize tax payments — moving federal tax payments from a paper-based to an electronic system.

More than 2 million business taxpayers are enrolled in EFTPS. They know the real value of paying their taxes electronically. If you haven't experienced the many benefits of EFTPS, now's the time.

You will find that EFTPS is:

- **Easy to use from anywhere** — with a phone or PC and modem or through a program offered by your financial institution.
- **Convenient** — schedule payments 24 hours a day, seven days a week.
- **Accurate** — you verify all the information you input to ensure accuracy.
- **Fast and economical** — it takes less than four minutes, and you'll have no more last-minute trips to the bank or to the store for stamps or envelopes.

Anyone *may* participate in EFTPS, but they must enroll in the program. For enrollment forms or more information, call **1.800.945.8400** or **1.800.555.4477** or check the Web site: **www.eftps.gov/**.

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**What's new for 2002**

**Redesigned Digital Daily Web site!**

**T**he IRS has redesigned the Digital Daily Web site. *Internal Revenue Service — The Digital Daily* is found at **www.irs.gov**.

**irs.gov** is more intuitive and user-friendly. Information is easier to target, and the number of clicks to access information is reduced.

**irs.gov still offers the capability to:**

- Download forms and publications
- Ask tax-related questions
- Read summaries of tax regulations in plain English
- Download statistics of income database
- Learn about electronic services
- Use the Withholding Calculator to figure withholding allowances
- Visit the Tax Professionals' Page for practitioners
- Subscribe to the Local News Net

**Note:** *Your old bookmarks for the Digital Daily may not work on the redesigned site, which has been designed to help you quickly and easily get what you need. As you explore the new site, bookmark the pages you intend to use frequently.*

**Subscribe to the QuickAlerts e-file Messaging System**

You could have been one of the 1,190 people who have been receiving *e-file* and service center messages since the beginning of January. If you haven't signed up yet, then you've already missed some important *e-file* messages. Don't be one of the last to get on the bandwagon.

*QuickAlerts* disseminates mass messages to a defined audience. This push technology is being used to proactively communicate messages to software developers and transmitters who service individual and business *e-file* customers. The *QuickAlerts*

Messaging System provides three categories of information:

**Alerts**—Submission programming or processing delays, delays in hanging ACK files and telephone router problems, etc.

**General Notification**—Seminars, conferences, changes to Publication 1346 and the marketing toolkit, availability of revised IRS technical publications and

**General IRS e-file service center messages**—IRS *e-file* program updates, general information, service center maintenance schedules, IRS *e-file* Help Desk phone numbers and hours, etc.

With *QuickAlerts*, you can indicate

- *how* you want to receive your messages — email, cell phone, fax or telephone
- *when* you want to receive your messages — Sunday through Monday from Midnight through 11:59 p.m. After you select your message categories on the Subscription page, you can apply the *Default Schedule* which provides 24/7 timeframe coverage — or set your own schedule. Midnight to midnight assures you of receiving messages around the clock.

Remember! Pay close attention when setting up your own schedule; you will only receive messages during the timeframe you have chosen. Let *QuickAlerts* assist you during the *e-file* season by keeping you in touch with firsthand knowledge of processing delays, the moment they happen. Subscribe now at **www.envoyprofiles.com/QuickAlerts** or through the links provided on the *software developers and transmitters e-file information sites* at **www.irs.gov**.

*Continued on next page*

## Ready to apply to participate in e-file?

- Submit Form 8633, *Application to Participate in the Electronic Filing Program*.
- Apply early. It takes up to 45 days to process applications, which are accepted from August 1 through May 31.
- Forms 8633 are processed at the Andover Submission Processing Center. For more information about e-file or the name and phone number of the e-file coordinator in your area, call **1.800.691.1894**.

For the latest information on e-file, check out the IRS Web site at [www.irs.gov/](http://www.irs.gov/)

## FORMS 8453/ 8453OL

**It is no longer necessary to submit Forms W-2 and 1099R with Forms 8453/8453OL, but Forms 8453/8453OL must be submitted unless the taxpayer qualifies to use the Self-Select PIN.**

### NOTE:

**If you are an e-filer, your software should include an electronic version of Form 8867 or facsimile. You may keep information that is required to be kept for three years in electronic files.**

*Continued from page 14*

## Electronic Funds Withdrawal

The electronic funds withdrawal option has been expanded. Your client who is abroad can e-file a Form 2350, *Application for Extension of Time to File U.S. Income Tax Return*, and authorize an electronic funds withdrawal from their checking or savings account for the amount due.

## Credit Card

Starting in January 2002, your clients who have an active installment agreement can pay monthly installment amounts via their credit card. Installment payment for tax years 1998-2001 will be accepted and can be made with a Discover Card™ or MasterCard™. Also, taxpayers with a tax year 2001 balance due or delinquent tax notice can pay by credit card. These payments can be made only through Official Payments Corporation's phone or Internet applications (**1.800.2.PAY.TAX** or [www.officialpayments.com](http://www.officialpayments.com)).

## Debt Indicator

Beginning with filing season 2002, the debt indicator code (DI) will be present in all IRS e-file acknowledgment files. In prior years, the DI was made available to taxpayers whose authorized IRS e-file providers were participating in a pilot program. The DI indicates whether the taxpayer owes a debt to the IRS or one of the agencies managed by the Financial Management Service (FMS). This field will be either N (none), I (IRS), F (FMS) or B (Both). FMS debts are for past due student loans, child support, federal taxes, state taxes or other governmental agency debts. If the taxpayer is expecting a refund, it may be offset if a debt is owed. The debt indicator code may be shared with the taxpayer.

## Electronic Federal Tax Payment System

*Continued from page 14*

Enrollment forms are *not* available at IRS offices or banks.

System-OnLine (EFTPS-OnLine) at [www.eftps.gov](http://www.eftps.gov) is the new online option for paying individual and business federal taxes. Officially launched in September 2001, it is designed to allow businesses and individuals the ability to pay federal taxes through a secure Web site. Features include:

- Payments can be scheduled in advance (120 days for businesses and 365 days for individuals).
- Any payment paid electronically — whether by phone, modem or Internet — can be researched online through the 120-day history file at [www.eftps.gov](http://www.eftps.gov).
- Businesses and individuals can find out all about EFTPS-OnLine and enroll by visiting the Web site. After successful enrollment, users will receive a confirmation package in the mail with instructions for obtaining an Internet password. A personal identification number will be mailed separately to new users for additional security.
- For businesses, the new system satisfies the requirement to pay federal taxes such as payroll taxes at a federal depository bank.
- Individuals who pay quarterly estimated taxes are most likely to benefit from the new online system.

A batch functionality is not included in this release but may be available in a future release.

**THE  
DIGITAL  
DAILY**

[www.irs.gov](http://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 online.
- Download statistics of income database.
- Learn about electronic services.
- Use the W-4 calculator to figure withholding allowances.
- Visit the Tax Professional's page.
- Subscribe to the Digital Dispatch – an email 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 assistants with the skills needed to answer their questions with the least amount of wait time.

**IRS toll-free numbers**

Except where noted, all times are local. Alaska and Hawaii: Pacific Time.

**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 24 hours a day 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.*

**Forms and Publications  
1.800.829.3676**

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



**TaxFax**

**1.703.368.9694**

*Dial for fax copies of forms (not a toll-free number.)*

**Tax Law Assistance  
1.800.829.1040**

Get assistance with tax questions:

*Mon.–Fri., 7:00 a.m.–10:00 p.m.*

*Saturdays, 9:00 a.m. – 5:00 p.m.*

*(Jan. 2 through April 15)*

*President's Day, Feb. 18*

*7:00 a.m.–10:00 a.m.*

*Sundays April 7 and 15*

*(Hours to be determined.)*

**Account Questions  
1.800.829.8815**

*Mon.–Fri., 7:00 a.m. - 10:00 p.m.*

*Saturdays, 9:00 a.m. - 5:00 p.m.*

*(Jan. 2 through April 15)*

*President's Day, Feb. 18,*

*7:00 a.m.–10:00 a.m.*

*Sundays April 7 and 15*

*(hours to be determined.)*

**IRS Notices or Letters  
1.800 number printed on notice or letter**

*Mon.–Fri., 7:00 a.m.–10:00 p.m.*

*Saturdays, 9:00 a.m.–5:00 p.m.*

*(Jan. 2 through April 15)*

*President's Day, Feb. 18,*

*7:00 a.m.–10:00 a.m.*

*Sundays April 7 and 15*

*(Hours to be determined.)*

*If you call the toll-free number on the notice or letter, have the latest notice*

*Continued on page 17*



*Continued from page 16*

*or letter available and the Power of Attorney (CAF identification number) information ready if you are calling for the taxpayer.*

**Appeals**

**1.877.457.5055**

*For help with questions when preparing an appeal of an IRS Collection or Examination matter. Mon.–Fri. 8:00 a.m.–4:30 p.m. ET.*

**Taxpayer Advocate**

**1.877.777.4778**

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

*Mon.–Fri., 7:00 a.m.–10:00 p.m.*

*Saturdays, 9:00 a.m.–5:00 p.m.*

*(January 2 through April 15)*

*President's Day, Feb. 18,*

*7:00 a.m. to 10:00 a.m.*

*Sundays April 7 and 15*

*(Hours to be determined.)*

**Informants Line**

**1.800.829.0433**

*Mon.–Fri., 7:00 a.m. - 10:00 p.m.*

*Saturdays, 9:00 a.m. - 5:00 p.m.*

*(January 2 through April 15)*

*President's Day, Feb. 18,*

*7:00 a.m. to 10:00 a.m.*

*Sundays April 7 and 15*

*(Hours to be determined.)*

**Hearing Impaired Taxpayers**

*For tax assistance help.*

*Mon.–Fri., 7:00 a.m. - 10:00 p.m.*

*Saturdays, 9:00 a.m. - 5:00 p.m.*

*(January 2 through April 15)*

*President's Day, February 18,*

*7:00 a.m. to 10:00 a.m.*

*Sundays April 7 and 15*

*(Hours to be determined.)*

**EINs now easier to obtain**

**B**y simply calling a toll-free number (**1.866.816.2065**), which is answered in three IRS Service Centers, taxpayers can get an Employee Identification Number (EIN). Calls are answered Monday–Friday from 7:30 a.m. to 5:30 p.m. local time. (Pacific Time for Hawaii and Alaska.)

Taxpayers can also fax requests for an EIN 24 hours a day, seven days a week by dialing the fax number at the location accepting applications from their state. Instructions on the Form SS-4, *Application for Employer I.D. Number*, indicate which location will accept your faxed request.

- Brookhaven, NY, **631.447.8960**
- Cincinnati, OH, **859.669.5760**

- Philadelphia, PA, **215.516.3990**

Taxpayers located outside the United States will continue to call directly to the Philadelphia Service Center at **215.516.6999**.

Taxpayers can also mail Form SS-4 to get an EIN. Instructions on the form provide the correct address.

Remember, third parties can receive an EIN on a client's behalf by completing the new *Third Party Designee* section and obtaining the client's signature on Form SS-4. New versions of the form have specific instructions on where to mail or fax the form. (See the list below for the address and phone and fax numbers of the three centers which process EINs.)

**Tele-TIN and Fax-TIN Numbers**

**I**f your principal business, office or agency or legal residence, in the case of an individual, is located in:

Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia:

write, call or fax:

**Attn: IRS EIN Operation**

**Holtsville, NY 00501**

**Tele-TIN 866.816.2065**

**Fax-TIN 631.447.8960**

Illinois, Indiana, Kentucky, Michigan:

write, call or fax:

**Attn: IRS EIN Operation**

**Cincinnati, OH 45999**

**Tele-TIN 866.816.2065**

**Fax-TIN 859.669.5760**

Alabama, Alaska, Arizona, Arkansas, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, Puerto Rico, South Dakota, Tennessee, Texas, Utah, Washington, Wisconsin, Wyoming: write, call or fax:

**Attn: IRS EIN Operation**

**Philadelphia, PA 19255**

**Tele-TIN 866.816.2065**

**Fax-TIN 215.516.3990**

If you have no legal residence, principal place of business, or principal office or agency in any state (outside the U.S.),

write, call or fax:

**Attn: IRS EIN Operation**

**Philadelphia, PA 19255**

**Tele-TIN 215.516.6999**

**Fax-TIN 215.516.3990**

## 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 cards. 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](http://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 documents that

*Continued on page 19*

## 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](http://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

*Continued from page 18*

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

**A**doption 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.

## ASSEMBLE FORMS IN PROPER ORDER

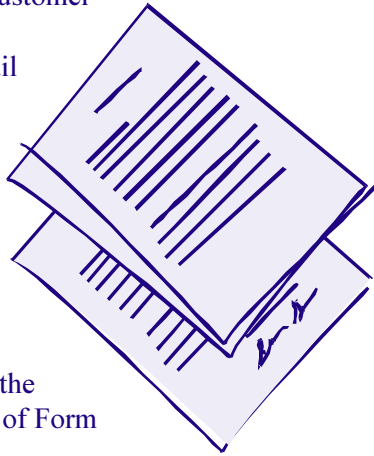
If returns are not assembled in attachment sequence, they must be pulled apart and reassembled. Although we take care to reattach all the pages, important documentation could get lost in the process.

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.*

(Ignore the sequence number on Form 2688.)

Attach the remittance to the front of the return on top of Form W-2.



- Secure the return package with one staple in the top left corner. Use binder clips or large rubber bands for large documents. Do not use tape.
- Keep the upper right portion of the front page blank and free of staples. The Document Locator Number (DLN) is printed in that area. A staple can cause the DLN to be printed illegibly and can even damage the imprinting equipment. Some practitioners stamp or print a message such as “IRS File Copy” in that area in large letters which obscure the DLN.
- Do not use binders or plastic covers; these must be removed for processing and are discarded.

## Tax Information for donors and charities that provide disaster relief

With the tremendous outpouring of support for charities following the September 11 terrorist attacks, donors and charities should keep in mind tax laws that may affect them and their contributions:

- Taxpayers may claim a deduction for contributions to charitable organizations only if they itemize deductions on Schedule A of their Form 1040 individual income tax return.
- The public can find out whether a particular organization is qualified to receive tax-deductible contributions by calling the IRS Exempt Organizations’ toll-free phone number for customer assistance, **1.877.829.5500**, or by checking the IRS Web site, **www.irs.gov**.
- Those who itemize deductions for contributions on their tax return must have evidence of a donation. Cancelled checks or credit card receipts offer the best evidence, but contemporaneous notes of small cash contributions are normally sufficient.
- For each single contribution of \$250 or more to a charity, the donor must obtain a written statement acknowledging the contribution amount and a description of any goods or services provided in exchange for the contribution. Donors must have the statement when they file their return.
- When a charitable organization receives a payment of more than \$75 that is partly a contribution and partly for goods and services, it generally must give the donor a written statement. The statement must say that only the amount that is more than the goods and services received is deductible, and must include a good faith estimate of their value.
- Contributions earmarked for specified individuals are not deductible. Persons who have evidence that contributions are being solicited for fraudulent purposes should contact their state charity official, who is often located in the attorney general’s office. A list of state charity official offices can be found at [www.nasconet.org](http://www.nasconet.org) and a list of state attorneys general can be found at [www.naag.org](http://www.naag.org).



Information about charitable contributions is available in IRS Publication 526, *Charitable Contributions*, on the IRS Web site, or by calling **1.800.829.3676**.

**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.

**New, Improved  
Frequently  
Asked  
Questions**

Get answers to all the most frequently asked questions about Tax Year 2001 at [www.irs.gov/tax\\_edu/faq/index.html](http://www.irs.gov/tax_edu/faq/index.html) On the front page of [irs.gov/](http://irs.gov/), click on the appropriate page for Individuals, Businesses, Charities, etc. Then click on FAQs under Resources on the left side of that page.

**Extensions and Installment Agreements**

Taxpayers who file extensions by April 15 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 page 42.)

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 from the Form 9465. If you have already filed the return, file Form 9465 by itself with the IRS service center where you filed your income tax return. If you are filing this form in response to a notice, send the form to the address on the notice.

**New disclosure initiative on tax shelters**

The IRS has implemented a new disclosure initiative aimed at encouraging taxpayers to disclose tax shelters and other questionable items reported on their tax returns. The disclosure initiative is another step the IRS and Treasury are taking to identify and shut down tax shelter activity. The IRS is taking this step because information obtained through disclosures helps the IRS more readily identify tax shelter promoters who have not registered and to find other taxpayers who have not disclosed their participation in a tax shelter.

The IRS hopes to encourage taxpayers to disclose tax shelters and other questionable items that may have resulted in an underpayment of tax by waiving certain accuracy-related penalties that might apply to the transactions. A taxpayer is not required to agree that the disclosed tax shelter or item resulted in an underpayment of

taxes in order to avoid penalties.

Taxpayers making disclosures must, among other things, describe the material facts of the transaction, provide the names and addresses of the promoters who solicited the taxpayers' participation, provide upon request copies of materials and documents related to the transaction or item, and sign a penalties of perjury statement regarding the accuracy of the information provided. The IRS will waive the penalty for underpayment of taxes attributable to one or more of the following: (1) negligence; (2) substantial understatement of income tax; (3) certain substantial valuation misstatements; or (4) substantial overstatement of pension liabilities.

The disclosure initiative will not apply to taxpayers involved in fraud, criminal conduct, the concealment of a foreign financial account or foreign trust, or the

*Continued on page 23*

# Earned Income Credit

## New definition of eligible foster child

Congress has redefined eligible foster child for purposes of the earned income credit (EIC) and the child tax credit (CTC). The new definition appears in section 412 of the Ticket to Work and Work Incentives Improvement Act of 1999. For tax years after 1999, a child is an eligible foster child if all the following apply:

1. The child is the taxpayer's brother, sister, stepbrother, stepsister (or a descendant of the taxpayer's brother, sister, stepbrother or stepsister) or a child placed with the taxpayer by an authorized placement agency. An authorized placement agency is an agency of a state or political subdivision or a tax-exempt child placement agency licensed by a state.
2. The taxpayer cared for the child as the taxpayer would care for his or her own child.
3. The child lived with the taxpayer for the entire year, except for temporary absences. (A child who was born or died during the year is considered to have lived with the taxpayer for the entire year, if the child lived with the taxpayer for the entire time the child was alive during the year.)

Before tax year 2000, the child had to meet only the second and third requirements above to be the taxpayer's eligible foster child.

**Note:** The IRS has free eligible foster child posters for you to display in your office. They are available in English (Pub. 3709) and in Spanish (Pub. 3709SP) from the IRS forms

distribution centers. To order, call toll free **1.800.829.3676**.

## New provision for parents of kidnapped children

For tax years after 1999, a kidnapped child is treated as meeting the residency test of a qualifying child if:

1. the child is presumed by law enforcement authorities to have been kidnapped by a nonfamily member, and
2. the child lived with the taxpayer for more than half of the portion of the year before the date of the kidnapping.

The new provision appears in section 306(a) of the Community Renewal Tax Relief Act of 2000.

## Some things have not changed

### Rules for all taxpayers.

To claim the EIC, the taxpayer (and spouse, if filing a joint return) must have a valid Social Security number issued by the Social Security Administration (SSA). If the Social Security card says *Not Valid for Employment*, however, the taxpayer cannot claim

the EIC if the number was issued so that the taxpayer could receive a federally funded benefit, such as Medicaid. If the taxpayer has a card with this legend and the taxpayer's immigration status has changed so that the taxpayer is now a U.S. citizen or permanent resident, the taxpayer should request that SSA

issue them a new Social Security card without the legend. Individual Taxpayer Identification Numbers (ITINs) issued by the IRS to aliens who cannot get an SSN cannot be used to claim the EIC.

## To claim the EIC, the taxpayer must meet the following requirements:

- The taxpayer's filing status cannot be Married Filing Separately.
- The taxpayer must be a U.S. citizen or resident alien. An exception exists for a nonresident alien who (1) is married to a U.S. citizen or resident alien and (2) chooses to be treated as a resident for the entire year by filing a joint return.
- The taxpayer cannot file Form 2555 or Form 2555-EZ, relating to foreign earned income.
- The taxpayer's investment income must be \$2,450 or less.
- The taxpayer (and spouse, if filing a joint return) cannot be the qualifying child of another person.

## Requirements for a qualifying child.

To be a qualifying child, a child must meet the following three tests:

- Age
- Residency
- Relationship

You can find specific details for these three tests in Publication 596, *Earned Income Credit*; the instructions for Forms 1040 and 1040A; and the Schedule EIC instructions.

In addition, the child must have a valid Social Security number. See the first paragraph under Rules for all taxpayers above.

*Continued on page 23*

**EITC ON THE WEB**

**Go directly to Earned Income Tax Credit information on the Digital Daily:**

**[www.irs.gov/eitc](http://www.irs.gov/eitc)**

however, the taxpayer cannot claim

## Earned Income Credit

*Continued from page 22*

### Basic rules for persons with a qualifying child:

- The taxpayer's earned income and modified adjusted gross income (AGI) must both be less than \$28,281 if the taxpayer has one qualifying child, and \$32,121 if the taxpayer has more than one qualifying child. For 2001, the maximum credit is \$2,428 if the taxpayer has one qualifying child and \$4,008 if the taxpayer has more than one qualifying child.
- The taxpayer's qualifying child cannot be the qualifying child of another person with a higher modified AGI.

### Basic rules for persons without a qualifying child:

- The taxpayer's earned income and modified adjusted gross income (AGI) must both be less than \$10,710. The maximum credit for 2001 is \$364.
- The taxpayer (or spouse, if filing a joint return) must be at least age 25, but under age 65 at the end of the year.
- The taxpayer (and spouse, if filing a joint return) cannot be eligible to be claimed as a dependent on anyone else's return.
- The taxpayer (and spouse, if filing a joint return) must have lived in the United States more than half of the year. Members of the military on extended active duty outside the United States are considered to live in the United States during that duty period.

### Disallowance of the EIC.

On June 21, 2001, the IRS issued T.D. 8953, final regulations pertaining to eligibility requirements after denial of the earned income credit. If the IRS disallowed or reduced the taxpayer's EIC for a year after 1996 for any reason other than a mathematical or clerical error, the taxpayer may need to file Form 8862, *Information To Claim Earned Income Credit After Disallowance*, with their 2001 tax return. Form 8862 must be attached to the first return on which the taxpayer claims the EIC filed (either on paper or electronically) after the EIC was disallowed or reduced for the earlier year. If the taxpayer claims the EIC and a required Form 8862 is not attached, the EIC will be disallowed under the mathematical and clerical error procedures.

If, in addition to a denial or reduction of the taxpayer's EIC, it was determined that the taxpayer's EIC claim was due to reckless or intentional disregard of the EIC rules, the taxpayer would have been notified that they are ineligible to claim the EIC for the following 2 years (for a fraudulent claim, the period is 10 years).

For details, see section 1.32-3 of the Income Tax Regulations or Chapter 5 of Publication 596.

### Due Diligence

EIC due diligence applies to all returns prepared by paid preparers beginning with the 1997 tax year. For 1999 and subsequent years, preparers are required to complete Form 8867, *Paid Preparer's Earned Income Credit Checklist*.

### Due diligence requirements.

To satisfy the due diligence requirements, you must :

1. Complete Form 8867 (or your own checklist, which may be electronic, as long as it provides the same information as Form 8867).
2. Complete the appropriate EIC worksheet in the Form 1040, 1040A

or 1040EZ instructions or in Pub. 596 (or your own worksheet, which may be electronic, as long as it provides the same information as the appropriate worksheet). The worksheets in the instructions and the publication vary. For example, either of the worksheets in Pub. 596 can be used by taxpayers filing Form 1040A, but the worksheet in the instructions for Form 1040A cannot be used by taxpayers required to use Pub. 596.

3. Have no knowledge that any of the information used to determine the taxpayer's eligibility for, or the amount of, the EIC is incorrect.
4. Keep the following information, either on paper or electronically, for 3 years after the June 30th following the date you gave the return to the taxpayer for his or her signature:
  - Form 8867 (or your own checklist),
  - The EIC worksheet (or your own worksheet), and
  - A record of how, when, and from whom you obtained the information used to prepare the checklist.

For details, see section 1.6695-2 of the Income Tax Regulations.

## Tax shelters

*Continued from page 21*

treatment of personal expenses as deductible business expenses. Disclosure is critical to the IRS's ability to use its resources efficiently and judiciously to administer the tax laws. The IRS will waive the accuracy-related penalty for any underpayment of tax if the taxpayer discloses the item before it is raised during an examination or before April 23, 2002, whichever is earlier. The IRS is also providing internal guidelines to employees for the consideration of accuracy-related penalties for potentially abusive tax shelters. Submit the disclosure information to the assigned IRS team manager or to:

**IRS Office of Tax Shelter Analysis**  
**LM:PFTG:OTSA**  
**1111 Constitution Ave, NW**  
**Washington, DC 20224**

# Taxpayer Advocate Service

The Taxpayer Advocate Service is an IRS program that provides an independent system to assure that tax problems that have not been resolved through normal channels are promptly and fairly handled. The program is headed by the national taxpayer advocate. Each state and service center has at least one local taxpayer advocate, who is independent of the local IRS office and reports directly to the national taxpayer advocate.

The goals of the Taxpayer Advocate Service are to protect individual taxpayer rights and to reduce taxpayer burden. The taxpayer advocate independently represents your interests and concerns within the IRS. This is accomplished in two ways:

- Ensuring that taxpayer problems that have not been resolved through normal channels are promptly and fairly handled.
- Identifying issues that increase burden or create problems for taxpayers: bringing those issues to the attention of IRS management and making legislative proposals where necessary.

## Who may use the Taxpayer Advocate Program?

If you have an ongoing issue with the IRS that has not been resolved through normal processes, or you have suffered, or are about to suffer, a significant hardship as a result of the application of the tax laws, contact the taxpayer advocate.

Generally, the taxpayer advocate can help if, as a result of the application of the tax laws, you:

- Are suffering, or are about to suffer, a significant hardship;
- Are facing an immediate threat of adverse action;

- Will incur significant cost (including fees for professional representation);
- Will suffer irreparable injury or long-term adverse impact;
- Have experienced a delay of more than 30 days to resolve the issue; or
- Have not received a response or resolution by the date promised.

Additionally, you may contact the taxpayer advocate if all established systems or procedures have failed to operate as intended to resolve the problem or dispute.

Hardship situations and other issues that are referred to the taxpayer advocate are reviewed on the individual merits of each case.

The Taxpayer Advocate Service is not a substitute for established IRS procedures or the formal Appeals process. The advocate cannot reverse legal or technical tax determinations.

## How do I reach a Taxpayer Advocate?

- Call the telephone number listed for the office closest to you or the office with which you have been dealing. (*See next page.*)
- Call the Taxpayer Advocate's toll-free telephone number: **1.877.777.4778**
- Call the general IRS toll-free number (**1.800.829.1040**) and ask for Taxpayer Advocate assistance.
- Write the office nearest you or the one you have been dealing with. (*See next page for addresses.*)
- TTY/TTD help is available by calling: **1.800.829.4059**.
- Check the Taxpayer Advocate Web site at **[www.irs.gov/ind\\_info/advocate.html](http://www.irs.gov/ind_info/advocate.html)**

or

- File Form 911, *Application for a Taxpayer Assistance Order*,
- Send a written request for assistance (if Form 911 is not available), or
- Request that an IRS employee complete a Form 911 on your behalf (in person or over the phone).

You may fax a Form 911 (or written request) to your local taxpayer advocate. Form 911 is available by calling the IRS forms-only number, **1.800.829.3676** or at the IRS Web page: **[www.irs.gov](http://www.irs.gov)**. An *Application for a Taxpayer Assistance Order* requires the advocate to determine if significant hardship exists and to review the case to determine what action should be taken to relieve the hardship. In certain situations, enforcement action may be suspended while a case is being reviewed.

The majority of cases are resolved administratively by the taxpayer advocate. Even when hardship is not a factor, the advocate is often able to help resolve the taxpayer's problem.

## What can I expect from the Taxpayer Advocate?

The taxpayer advocate will listen to your point of view and will work with you to address your concerns. You can expect the advocate to provide you with:

- A *fresh look* at your problem,
- Timely acknowledgment,
- The name and phone number of the individual assigned to your case,
- Updates on progress,
- Time frames for action,
- Speedy resolution, and
- Courteous service.



# Taxpayer Advocate Contacts

Do you want assistance from a taxpayer advocate? This assistance is not a substitute for established IRS procedures, formal Appeals processes, etc., but the taxpayer advocate can give your tax matter proper and prompt

handling when you can't get a problem solved through normal channels. Call toll free **1.877.777.4778** or call the taxpayer advocate office nearest you listed below.

**National Taxpayer Advocate**

1111 Constitution Avenue NW  
Room 3031-IR  
Washington, DC 20224  
phone: 202.622.4300 fax:  
202.622.6113

**Executive Director,  
Systemic Advocacy**

1111 Constitution Avenue NW  
Room 3031-IR  
Washington, DC 20224  
phone: 202.622.4300  
fax: 202.622.6113

**Director, Individual Advocacy**

401 Peachtree St., Stop 208-D  
Atlanta, GA 30308  
phone: 404.338.8677  
fax: 404.338.8689

**Director, Business Advocacy**

5000 Ellin Rd. Stop C5-355  
Lanham, MD 20706  
phone: 202.283.1001  
fax: 202.283.4856

**Service Centers  
Andover**

310 Lowell St., Stop 121  
Andover, MA 01812  
phone: 978.474.5549  
fax: 978.691.6961

**Atlanta**

4800 Buford Hwy, Stop 29-A  
Atlanta, GA 30341  
phone: 770.936.4500  
fax: 770.234.4443

**Austin**

3651 S. IH-35 Stop 1005  
Austin, TX 78741  
phone: 512.460.8300  
fax: 512.460.8267

**Brookhaven**

1040 Waverly Avenue, Stop 102  
Brookhaven, NY 11742  
phone: 631.654.6517  
fax: 631.447.4879

**Cincinnati**

201 Rivercenter Blvd., Stop 11  
Cincinnati, OH 41019  
phone: 859.669.5316  
fax: 859.669.5405

**Fresno**

5045 East Butler Ave., Stop 01  
Fresno, CA 93888  
phone: 559.443.7590  
fax: 559.443.7809

**Kansas City**

2306 East Bannister Rd.  
Stop 1005  
Kansas City, MO 64131  
phone: 816.926.5843  
fax: 913.696.6393

**Memphis**

5333 Getwell Road, Stop 13  
Memphis, TN 38118  
phone: 901.395.1900  
fax: 901.395.1925

**Ogden**

1160 West 1200 South, Stop  
1005  
Ogden, UT 84201  
phone: 801.620.7168  
fax: 801.620.3096

**Philadelphia**

1601 Roosevelt Blvd., DP 1300  
Philadelphia, PA 19154  
phone: 214.516.2499  
fax: 214.516.2677

**Local Offices by  
State and Location**

**Alabama**

801 Tom Martin Drive, Room  
151-PR  
Birmingham, AL 35211  
phone: 205.912.5631  
fax: 205.912.5156

**Alaska**

949 E 36th Ave., Stop A.405  
Anchorage, AK 99508  
phone: 907.271.6877  
fax: 907.271.6157

**Arizona**

210 E. Earll Dr., Stop 1005 PHX  
Phoenix, AZ 85012.2623  
phone: 602.207.8240  
fax: 602.207.8250

**Arkansas**

700 West Capitol Street, Stop  
1005 LIT  
Little Rock, AR 72201  
phone: 501.324.6269  
fax: 501.324.5183

**California**

**Laguna Niguel**  
24000 Avila Road, Stop 2000  
Laguna Niguel, CA 92677  
phone: 949.389.4804  
fax: 949.389.5038

**Los Angeles**

300 N. Los Angeles St.  
Stop 1005 LA  
Los Angeles, CA 90012  
phone: 213.576.3140  
fax: 213.576.3141

**Oakland**

1301 Clay St., Suite 1540.S  
Oakland, CA 94612  
phone: 510.637.2715  
fax: 510.637.2511

**Sacramento**

4330 Watt Ave., Stop SA5043  
North Highlands, CA 95660  
phone: 916.974.5007  
fax: 916.974.5902

**San Jose**

55 S. Market St., Stop 0004  
San Jose, CA 95113  
phone: 408.817.6850  
fax: 408.817.6851

**Colorado**

600 17th St., Stop 1005 DEN  
Denver, CO 80202-2490  
phone: 303.446.1012  
fax: 303.446.1011

**Connecticut**

135 High Street, Stop 219  
Hartford, CT 06103  
phone: 860.756.4550  
fax: 860.756.4559

**Delaware**

409 Silverside Road  
Wilmington, DE 19809  
phone: 302.791.4502  
fax: 302.791.5945

**Florida**

**Ft. Lauderdale**

7850 SW 6th Court, Room 265  
Plantation, FL 33324  
phone: 954.423.7677  
fax: 954.423.7680

**Jacksonville**

841 Prudential Drive, Suite 100  
Jacksonville, FL 32207  
phone: 904.665.1000  
fax: 904.665.1802

**Georgia**

401 W. Peachtree St.,  
NW Summit Bldg., Room 510,  
Stop 202-D  
Atlanta, GA 30308  
phone: 404.338.8096  
fax: 404.338.8097

**Hawaii**

300 Ala Moana Blvd.,  
#50089 Stop H.405  
Room 1214  
Honolulu, HI 96850  
phone: 808.539.2870  
fax: 808.539.2859

**Idaho**

550 W. Fort St., Box 041  
Boise, ID 83724  
phone: 208.334.1324  
fax: 208.334.1977

**Illinois**

**Chicago**

230 S. Dearborn St.  
Room 2855, Stop 1005 CHI  
Chicago, IL 60604  
phone: 312.566.3800  
fax: 312.566.3803

**Springfield**

320 W. Washington St.  
Room 611 Stop 1005 SPD  
Springfield, IL 62701  
phone: 217.527.6382  
fax: 217.527.6373

**Indiana**

575 N. Pennsylvania St.  
Room 581, Stop TA770  
Indianapolis, IN 46204  
phone: 317.226.6332  
fax: 317.226.6222

**Iowa**

210 Walnut St.  
Stop 1005 DSM, Room 483  
Des Moines, IA 50309  
phone: 515.284.4780  
fax: 515.284.6645

**Kansas**

271 W. Third St.  
Stop 1005.WIC, Suite 2000  
Wichita, KS 67202  
phone: 316.352.7506  
fax: 316.352.7212

**Kentucky**

600 Dr. Martin King Jr. Place  
Room 622  
Louisville, KY 40202  
phone: 502.582.6030  
fax: 502.582.6463

**Louisiana**

600 South Maestri Place, Stop 2  
New Orleans, LA 70130  
phone: 504.558.3001  
fax: 504.558.3348

**Taxpayer Advocate Contacts**

**Maine**

68 Sewall Street, Room 313  
Augusta, ME 04330  
phone: 207.622.8528  
fax: 207.622.8458

**Maryland**

31 Hopkins Plaza, Room 940  
Baltimore, MD 21201  
phone: 410.962.2082  
fax: 410.962.9340

**Massachusetts**

25 New Sudbury Street  
Room 775  
Boston, MA 02203  
phone: 617.316.2690  
fax: 617.316.2700

**Michigan**

477 Michigan Ave.  
Room 1745, Stop 7  
Detroit, MI 48226  
phone: 313.628.3670  
fax: 313.628.3669

**Minnesota**

316 North Robert St.  
Stop 1005 STP, Room 383  
St Paul, MN 55101  
phone: 651.312.7999  
fax: 651.312.7872

**Mississippi**

100 West Capitol Street,  
Stop JK31  
Jackson, MS 39269  
phone: 601.292.4800  
fax: 601.292.4821

**Missouri**

1222 Spruce St.  
Stop 1005 STL, Room 10-314  
St Louis, MO 63103  
phone: 314.612.4610  
fax: 314.612.4628

**Montana**

Federal Building  
301 S Park, Stop 1005 HEL  
Helena, MT 59626-0023  
phone: 406.441.1022  
fax: 406.441.1045

**New Hampshire**

Thomas J. McIntyre Federal Bldg.  
80 Daniel Street, Room 403  
Portsmouth, NH 03801  
phone: 603.433.0571  
fax: 603.430.7809

**New Jersey**

955 South Springfield Ave.  
1st Floor  
Springfield, NJ 07081  
phone: 973.921.4043  
fax: 973.921.4355

**New York**

**Albany**  
Leo O'Brien Federal Building  
1 Clinton Square, Room 354  
Albany, NY 12207  
phone: 518.427.5413  
fax: 518.427.5494

**Brooklyn**

625 Fulton Street 10  
Metrotech Center  
Brooklyn, NY 11201  
phone: 718.488.3505  
fax: 718.488.3235

**Buffalo**

201 Como Park Blvd  
Buffalo, NY 14227.1416  
phone: 716.686.4850  
fax: 716.686.4851

**Manhattan**

290 Broadway, 7th Floor  
Manhattan, NY 10007  
phone: 212.436.1011  
fax: 212.436.1900

**Nebraska**

313 Farnam St.  
Stop 1005 OMA, Room 208  
Omaha, NE 68102  
phone: 402.221.4181  
fax: 402.221.3051

**Nevada**

4750 W. Oakey Blvd.  
Stop 1005 LVG  
Las Vegas, NV 89102  
phone: 702.455.1241  
fax: 702.455.1216

**New Mexico**

5338 Montgomery Blvd., NE  
Stop 1005 ALB  
Albuquerque, NM 87109  
phone: 505.837.5505  
fax: 505.837.5519

**North Carolina**

320 Federal Place, Room 125  
Greensboro, NC 27401  
phone: 336.378.2180  
fax: 336.378.2495

**North Dakota**

657 Second Ave, North  
Stop 1005 FAR, Room 244  
Fargo, ND 58102  
phone: 701.239.5141  
fax: 701.239.5323

**Ohio**

**Cincinnati**  
550 Main St., Room 3530  
Cincinnati, OH 45202  
phone: 513.263.3260  
fax: 513.263.3257

**Cleveland**

1240 E. 9th St., Room 423  
Cleveland, OH 44199  
phone: 216.522.7134  
fax: 216.522.2947

**Oklahoma**

55 North Robinson  
Stop 1005 OKC, Room 138  
Oklahoma City, OK 73102  
phone: 405.297.4055  
fax: 405.297.4056

**Oregon**

1220 S.W. 3rd Ave., Stop O-405  
Portland, OR 97204  
phone: 503.326.3295  
fax: 503.326.5453

**Pennsylvania**

**Philadelphia**  
600 Arch Street, Room 7426  
Philadelphia, PA 19106  
phone: 215.861.1304  
fax: 215.861.1613

**Pittsburgh**

1000 Liberty Avenue  
Room 1602  
Pittsburgh, PA 15230  
phone: 412.395.5987  
fax: 412.395.4769

**Rhode Island**

380 Westminster Street  
Providence, RI 02903  
phone: 401.525.4200  
fax: 401.525.4247

**South Carolina**

1835 Assembly St., Room 466  
Columbia, SC 29201  
phone: 803.253.3029  
fax: 803.253.3910

**South Dakota**

115 4th Ave, Southeast  
Stop 1005 ABE, Room 114  
Aberdeen, SD 57401  
phone: 605.226.7248  
fax: 605.226.7246

**Tennessee**

801 Broadway, Stop 22  
Nashville, TN 37203  
phone: 615.250.5000  
fax: 615.250.5001

**Texas**

**Austin**  
300 E. 8th St.  
Stop 1005-AUS, Room 136  
Austin, TX 78701  
phone: 512.499.5875  
fax: 512.499.5687

**Dallas**

1114 Commerce St.  
MC 1005DAL, Room 1004  
Dallas, TX 75242  
phone: 214.767.1289  
fax: 214.767.0040

**Houston**

1919 Smith St.  
Stop 1005 HOU, Room 1650  
Houston, TX 77002  
phone: 713.209.3660  
fax: 713.209.3708

**Utah**

50 South 200 East  
Stop 1005 SLC  
Salt Lake City, UT 84111  
phone: 801.799.6958  
fax: 801.799.6957

**Vermont**

Courthouse Plaza  
199 Main Street  
Burlington, VT 05401-8309  
phone: 802.860.2089  
fax: 802.860.2006

**Virginia**

400 N. 8th St., Room 328  
Richmond, VA 23240  
phone: 804.916.3501  
fax: 804.916.3587

**Washington**

915 2nd Ave., Stop W-405  
Seattle, WA 98174  
phone: 206.220.6037  
fax: 206.220.6047

**West Virginia**

425 Julianna St., Room 3012  
Parkersburg, WV 26101  
phone: 304.420.6616  
fax: 304.420.6682

**Wisconsin**

310 W. Wisconsin Ave.  
Suite 1298 West Tower  
Stop 1005 MIL  
Milwaukee, WI 53203  
phone: 414.297.3046  
fax: 414.297.3362

**Wyoming**

5353 Yellowstone Rd.  
Rm. 206A / Stop 1005 CHE  
Cheyenne, WY 82009  
phone: 307.633.0880  
fax: 307.633.0918

**International**

**Puerto Rico**  
San Particio Office Bldg.  
7 Tabonuco Street, Room 200  
Guaynabo, PR 00966  
phone: 787.622.8930 (English)  
787.622.8940 (Spanish)  
fax: 787.622.8933

**WHERE  
TO CALL  
FOR HELP**

- **To order forms, instructions and publications:**  
Call **1.800.829.3676** to order current and prior year forms, instructions and publications.
- **To ask tax questions:**  
Call the IRS with your tax questions at **1.800.829.1040**.
- **To ask questions about a notice:**  
Call the IRS with questions about your balance due at **1.800.829.8815**.
- **TeleTax topics:**  
Call **1.800.829.4477** to listen to prerecorded messages covering various tax topics.
- **TTY/TDD equipment:**  
If you have access to TTY/TDD equipment, call **1.800.829.4059** to ask tax questions or to order forms and publications.

**REMEMBER:**

Treasury Department *Circular No. 230* contains the rules governing the practice of attorneys, CPAs, enrolled agents, enrolled actuaries, appraisers and other persons representing taxpayers before the IRS. It authorizes the Director of Practice to grant or deny enrollment and to institute disciplinary proceedings.

**Power of Attorney processing and CAF procedures**

It's simpler, faster and more secure for taxpayers to authorize individuals to represent them, including receiving confidential tax information. The IRS will accept:

- *Power of Attorney*, Form 2848
  - *Tax Information Authorization*, Form 8821
  - *U.S. Estate Tax Return*, Form 706
- New Power of Attorney requests should be directed to Memphis or Ogden.

If your principal business, office or agency, or legal residence in the case of an individual, is located in:

Alabama, Arkansas, Connecticut, Delaware, District Of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia or West Virginia:  
write, call or fax :

**Memphis IRS Center**  
**5333 Getwell Road, Stop 8324**  
**Memphis, TN 38118**  
**Fax: 901.546.4115**  
**Phone: 901.546.4176**

If your principal business, office or agency, or legal residence in the case of an individual, is located in:

Alaska, Arizona, California, Colorado,

Hawaii, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wisconsin or Wyoming:  
write, call or fax:

**Ogden IRS Center**  
**PO Box 9941 Stop 6737**  
**Ogden, UT 84409**  
**Fax: 801.620.4249**  
**Phone: 801.620.4254**

International requests will continue to be processed at:

**IRS Service Center,**  
**Philadelphia, PA 19255**  
**Phone: 215.516.4779**  
**Fax: 215.516.1017**

We are processing faxed requests in 48 hours and paper requests in 5 business days.

We now will maintain authorization and representative records, along with taxpayer records, in a Centralized Authorization File.

**Coming later in 2002:**

- Elimination of requirement to resubmit authorization requests on the same issue;
- Expansion of checkbox authority to business returns;
- Verbal taxpayer information authority.

**When calling the toll-free number on notices :**

- **Have POA (CAF identification number) information ready.**
- **Have all IRS-related documents ready, especially the latest notice.**
- **For quicker service, call on Wednesday, Thursday or Friday between 7:30 a.m. and 7:30 p.m.**

## 2002 TAX FORUM

Reserve your hotel space now for the 2002 IRS Nationwide Tax Forums.

### Atlantic City, NJ

July 9–11

Sheraton Atlantic City  
Two Miss America Way  
Atlantic City, NJ 08401

Room Rate: \$125

800.325.3535

### Ft. Lauderdale, FL

July 23–25

Wyndham Resort & Spa  
250 Racquet Club Road  
Ft. Lauderdale, FL 33326

Room Rate: \$72

954.389.3300

### St. Louis, MO

Aug. 6–8

Millennium Hotel  
200 South 4th Street St.  
Louis, MO 63102

Room Rate: \$90

314.241.9500

### Atlanta, GA

Aug. 20–23

Hyatt Regency Atlanta 265  
Peachtree Street, NE  
Atlanta, GA 30303

Room Rate: \$93

404.577.1234

### New Orleans, LA

Sept. 3–5

New Orleans Marriott  
555 Canal Street  
New Orleans, LA 70130

Room rate: \$102

888.364.1200

### Reno, NV

Sept. 17–19

Atlantis Casino Resort  
3800 S. Virginia Street  
Reno, NV 89502

Room Rate: \$65

800.723.6500

## Facts about refund checks

A refund check will be returned to the IRS if the address on the check is not the most current.

The refund will not be reissued until IRS is notified of the new address. Complete and return Form 8822, *Change of Address*, to notify the IRS. If a refund check is lost or stolen, a completed Form 3911, *Taxpayer Statement Regarding Refund*, or a detailed letter must be sent to the IRS.

### Reminders:

- Allow for the normal processing time before you inquire about refunds:
  - Paper – 6 weeks
  - e-file/TeleFile – 3 weeks
  - 1040X – 8–12 weeks
  - Business Returns – 6 weeks
- If a check was issued for a joint return, both signatures must be present on the Form 3911.
- The IRS and Financial Management Service (FMS) determine if the check

has been cashed. If the original check has not been cashed, a replacement check will be issued. If the check has been cashed, a photocopy of the check will be mailed to the taxpayer with a claim Form 1133. The completed form should be returned to FMS at the address provided. The investigation of lost or stolen refund checks that have been cashed is a time-consuming process. Taxpayers can expect a delay of three months to a year before another check is issued.

- Refund checks that are not cashed within one year of the issuance date are automatically cancelled.
- Refund checks will not be split because of a family dispute, even though a divorce decree or other civil action may so direct.
- Overpayments will offset federal tax debts and nontax debts such as child support before the refund is issued.

## IRS Taxpayer Assistance Centers

### Right Service at the Right Times in the Right Locations

IRS Taxpayer Assistance Centers are taxpayers' one-stop resource for face-to-face tax help year-round. Taxpayers can get answers to tax law questions, information about their personal tax accounts, and help solving federal tax problems everyday.

Taxpayers filing basic returns, with incomes of \$33,000 or less, also can help filing their individual income tax returns. (This courtesy return preparation ensures help for all taxpayers qualifying for the Earned Income Tax Credit without placing the government in competition with private industry.) Taxpayers whose income or preparation needs exceed the basic service will receive service options, i.e., practitioner referral services.

Several service enhancements ensure taxpayers will get the right service at the right times at the right locations at IRS Taxpayer Assistance Centers, including:

### More convenient hours

- January through April 16th, many Taxpayer Assistance Centers offer extended hours during the week and on Saturdays, with hours based on local need. Some will offer Saturday service at more convenient alternate locations (e.g. malls, grocery stores, etc).

### More convenient locations

- With over 400 Taxpayer Assistance Centers, more than 80 percent of taxpayers are within 45 minutes of face-to-face help.

### Multilingual assistance

- Bilingual employees and an over-the-phone interpreter service ensure equal access to non-English speaking taxpayers.

Quality and customer satisfaction are key service goals. All taxpayers are invited to complete customer satisfaction surveys to improve future service.

# Transcripts and photocopies of returns

## What is a transcript?

**A** *Tax Return Transcript* is a printout of most lines from the original return. It is often used instead of a photocopy of a return. It is commonly used to amend a return, to answer a notice from the IRS, to meet information requirements for college grants, loans, federally funded mortgages or social service agencies and to obtain alien clearance. A Tax Account Transcript also shows adjustments made to the account after the return was filed.

## Getting transcripts is fast, easy, and free.

- Dial **1.800.829.1040**. If you reach an IRS employee, tell him or her that you wish to order a transcript of a tax return or account.
- If you reach an automated voice message, you will hear a list of menu options. Listen for the option which says “. . . for questions about your personal tax records . . .” Press the number for that option.
- Continue listening and enter the taxpayer Social Security Number (SSN) when asked. (If the taxpayer filed a joint return, enter the first SSN entered on the return.)
- Continue providing requested information including the tax year and taxpayer address. The transcript should arrive in the mail to the taxpayer's address of record within 10 to 15 days.

## Too busy to call?

Mail us a Form 4506, *Request for Transcript or Tax Form*. Form 4506 is available from the IRS Web site at [www.irs.gov](http://www.irs.gov) or by calling **1.800.829.3676**. The

taxpayer signature is required. Mail the form to the address indicated in the instructions. The transcript should arrive in the mail within 10-15 days of IRS receipt of the request. For even faster service, fax Form 4506 to the Return and Income Verification Services (RAIVS) Unit (in the office specified in the form instructions for mailing the form), using the appropriate numbers below:

Location	Fax Number	Voice Number <i>(for confirmation or in case of trouble)</i>
Andover	978.691.6859	978.691.6904
Atlanta	678.530.5326	678.530.5321
Austin	512.460.2272	512.460.2255
Brookhaven	631.447.4405	631.447.4742
Cincinnati	859.669.3592	859.669.3585
Fresno	559.443.7822	559.443.7826
Kansas City	816.823.7667	816.823.7639
Memphis	901.546.4175	901.546.4133
Ogden	801.334.4178	801.334.4170
Philadelphia	215.516.2931	215.516.3944

## Need a photocopy instead?

**T**here is a fee of \$23 per return, so the request must be mailed. Complete Form 4506, attach payment and mail to the address indicated in the instructions. Allow 60 days from the date of IRS receipt to receive a photocopy.

## Other important information

- Allow at least 6 weeks after the original return is filed.
- Information may not be available for returns filed more than 6 years ago.
- If you are seeking information about, or copies of, Forms W-2 and 1099 for any year, contact the employer first. If you need the IRS's help in obtaining current filing season forms, call **1.800.829.1040**. Previously filed Form W-2 information is available by July of the year following the year of earnings.

## DECEDENT RETURNS

**D**elays in processing returns filed for deceased taxpayers can be reduced or eliminated by writing the decedent's name, the word *deceased* and the date of death in the top left margin of page 1, Form 1040. Also include a completed Form 1310 if required. See Publication 559, *Tax Information for Survivors, Executors and Administrators*, for additional information. Including all of the required information will eliminate delays caused by corresponding for missing or incomplete information.

**What's New:  
Offers In  
Compromise**

The Offer in Compromise application — Form 656 — now comprises simplified instructions and worksheets in a single, convenient package. Only two locations now process Offer in Compromise applications.

**The Benefit**

The inclusive, simplified application package is easier to use. Processing only in Brookhaven, New York, and Memphis, Tennessee, will expedite handling and enhance accuracy.

**For more information**

- Get OIC applications from:
- IRS distribution centers — **1.800.829.FORM**
  - Forms & Publications on **www.irs.gov**
  - IRS Taxpayer Assistance Centers

**REMEMBER:**  
Make checks payable to *United States Treasury* — not the IRS.

**Estate and Gift Tax**

The IRS provides information, assistance, and technical support to representatives of estates and practitioners. Contact the appropriate estate and gift tax territory manager for your state at the telephone number shown below.

State	Territory Manager	Secretary
NY, VT, NH, ME, MA, CT, RI	Territory 1 (Area 2) Theresa Stylianou Phone: 212.436.1098 Fax: 212.436.9612	Maribel Ortiz 212.436.1045
PA, NJ, VA, NC, SC, FL, DE, DC, MD	Territory 2 (Area 5) Joseph Sharp Phone: 904.665.1208 Fax: 904.665.1342	Yvonne Ruiz 904.665.1207
MI, WI, IL, IN, OH, KY, TN, AR, LA, MS, AL, GA, WV	Territory 3 (Area 7) Jeff Jones Phone: 404.338.9292 Fax: 404.338.9438	Phyllis Craig 443.338.9250
TX, OK, NM, AZ, NV, UT, CO, WY, MT, ND, SD, NE, KS, MO, IA, MN	Territory 4 (Area 9) Karen Lewallen Sumler Phone: 316.352.7343 Fax: 316.352.7161	Roberta Kautz 316.352.7460
CA, OR, ID, WA, AK, HI	Territory 5 (Area 14) Charles Morris Phone: 714.836.2382 Fax: 714.836.2204	Pat Relph 714.836.2383
International	Randie Fleishman Phone: 215.516.3727 Fax: 215.516.2572	

For issues related to section 6166 and closing letters for nonaudited returns, contact Betsy Kamenar, Program Manager, at **859.669.5007** (Fax: **859.669.5497**).

The estate and gift tax program has been centralized in the Cincinnati Service Center. All estate, gift, and related inquiries (except Forms 706 for nonresident U.S. citizens and Forms 706NA) should be sent to:

**Cincinnati Service Center.  
Internal Revenue Service  
Cincinnati, OH 45999.**  
Private delivery service should go to:  
**Cincinnati Service Center  
201 Rivercenter Blvd.  
Covington, KY 41019.**

Forms 706 for nonresident U.S. citizens and Forms 706NA should be sent to:

**Internal Revenue Service  
Philadelphia, PA 19255  
USA**

Later this year (July 2002), a new 800 number will become available for communicating directly with the Cincinnati Service Center on estate and gift tax **procedural** issues.

*Continued on next page*

### Impact of Victims of Terrorism Act

Section 103 of the Victims of Terrorism Tax Relief Act of 2001 provides a significant reduction in the estate tax for victims of the Sept. 11, 2001 terrorist attacks, the Oklahoma City bombing, and individuals dying as a result of an anthrax attack prior to Jan. 1, 2002. The amount of the federal estate tax reduction is dependent, in part, on the amount of state estate or inheritance tax imposed. Although state estate and inheritance tax statutes vary, in general, if the decedent dies in 2001 and the taxable estate is \$8,762,500 or less, no federal estate tax will be imposed.

In addition, the Air Transportation Safety and System Stabilization Act, enacted on Sept. 22, 2001, establishes the September 11th Victim Compensation Fund to compensate relatives of individuals who were killed as a result of the terrorist-related events of Sept. 11, 2001. Although the value of claims for a decedent's pain and suffering is normally included in the gross estate, if the estate chooses to seek recovery under this Act, the IRS has determined that in view of the unique circumstances of this situation and the high likelihood that such claims would ultimately be valued at a nominal or zero amount, the claims will be valued at zero for estate tax purposes. Thus, even where the taxable estate exceeds \$8,762,500, there are no federal estate tax consequences if an estate or beneficiary receives a recovery from the Fund.

### Deferred payment of Estate Tax under IRC Section 6166

The Taxpayer Relief Act of 1997 changed the interest rate on deferred tax. An interest rate of two percent now applies to the first \$1 million (indexed for inflation) of deferred tax (plus the applicable

exclusion amount minus the applicable credit amount). For decedents dying in 2001, the indexed amount is \$1,060,000. The interest on the balance of deferred tax is at a rate which is 45 percent of the interest rate on tax deficiencies. The change is in effect for estates of decedents who die after December 31, 1997.

### Helpful hints when preparing Forms 706 (Estate) and 709 (Gift) Returns

- When preparing Form 706, verify that the SSN is correct. When two decedents' returns are filed using the same number, long delays in processing may result, including delays in issuing federal closing letters.
- Provide complete descriptions of assets and include CUSIP numbers for publicly traded stocks and bonds. Provide the number of shares and par value for stock and/or face value and interest rate for bonds.
- When reporting closely held business interests, family partnerships or fractional interest in property, provide detailed schedules to show how returned values were determined and provide current appraisals, if available.
- If claiming the state death tax credit on Form 706, provide verification of the payment of tax. The IRS charges nonrefundable federal interest on the credit amount from the due date until the balance is paid. Federal credit interest is not paid on refunds of tax based solely on the state credit.
- When filing Forms 709 for both husband and wife where consent or gift splitting is involved, file the spouses' individual gift tax returns together (i.e., in the same envelope) so that annual exclusions for donees can be verified and correspondence with IRS avoided.
- When filing Form 709, include the basis amount under Schedule A, Part 1, or else indicate "zero." This information is required on the form, and if not provided may cause long delays.

**IRS INTEGRITY  
HOTLINE**

**The IRS expects its employees to conform to the highest standards of integrity. If you have reason to believe that an IRS employee is engaging in misconduct, call:  
1.800.752.7001  
ext. 968**



*The fastest, easiest  
and most accurate way  
to file!*

**TOP 1040 ERRORS  
BY PAID PREPARERS**

**Form 1040 (Paper Only)**

1. Rate reduction credit was not claimed. We computed it.
2. Taxpayer identification numbers or names for dependents didn't match IRS or SSA records. We didn't allow the exemptions.
3. Rate reduction credit was not allowed. Received the maximum amount in 2001 or reported no taxable income.
4. Taxpayer identification numbers or names for dependents didn't match IRS or SSA records. All or part of the child tax credit was not allowed.
5. Spouse's SSN was either missing or didn't match SSA records. Spouse's personal exemption wasn't allowed.
6. Rate reduction credit was figured or entered incorrectly.
7. Earned income credit was figured or entered incorrectly.
8. Dependent's last name had to be corrected.
9. SSN for child(ren) who qualify taxpayer for earned income credit didn't match SSA records. Earned income credit was changed.
10. Primary SSN was incorrect or illegible. We corrected it.

**Form 1040A (Paper Only)**

1. Rate reduction credit was not claimed. We computed it.
2. Dependent's last name had to be corrected.
3. Rate reduction credit was not allowed. Received the maximum amount in 2001 or reported no taxable income.
4. Rate reduction credit was figured or entered incorrectly.
5. Taxpayer identification numbers or names for dependents didn't match IRS or SSA records. We

6. Didn't allow the exemptions.
6. Didn't include nontaxable earned income from W-2's. Earned income credit was changed.
7. Taxpayer Identification numbers or names for dependents didn't match IRS or SSA records. All or part of the child tax credit was not allowed.
8. Name line 1 was incorrect or did not match our records. We corrected it.
9. SSN for child(ren) who qualify taxpayer for earned income credit didn't match SSA records. Earned income credit was changed.
10. Additional child tax credit was figured incorrectly on Form 8812.

**Form 1040EZ (Paper Only)**

1. Rate reduction credit was not claimed. We computed it.
2. Rate reduction credit was not allowed. Received the maximum amount in 2001 or reported no taxable income.
3. Rate reduction credit was figured or entered incorrectly.
4. For dependent on another's return, we computed tax using the 10% tax bracket.
5. Primary SSN was incorrect or illegible. We corrected it.
6. Tax amount wasn't the correct amount from the tax table for the taxable income.
7. Name line 1 was incorrect or did not match our records. We corrected it.
8. Taxpayer's SSN or ITIN and/or name didn't match SSA or IRS TIN records. Personal exemption wasn't allowed.
9. Refund amount or the amount owed was figured incorrectly.
10. Earned income credit was not allowed. Must be at least 25, but less than 65, years old within the tax year.



# Underreporter Program analyzes unreported income

The Underreporter Program analyzes and processes returns with potential underreported income. The returns are identified in the Information Returns Program (IRP). After all current year tax returns are processed, they are computer matched to the corresponding IRP documents (Forms W-2, W-2P, 1099, 1098, etc.). For example, a W-2 for wages is compared to the wages reported on the return, and a 1099-INT for interest is compared to the interest reported on the return.

When amounts reported on the return do not match amounts on IRP documents, an information return listing is sent to an automated database showing all income that the taxpayer reported to the IRS for the year in question. The database also includes a history of the accounting which is updated weekly.

In screening, a tax examiner performs an in-depth analysis of the case. The examiner determines if all income in question can be identified satisfactorily on the tax return. If it can be found, the case is closed and the taxpayer is never contacted. If the income cannot be located anywhere on the return or cannot be readily identified, we send the taxpayer a CP-2501 or CP-2000 depending on the issues involved.

The CP-2501 asks the taxpayer to explain where on the return the income is reported. This notice has no figures or proposed balance due amounts. If the discrepancy can be explained or supporting documentation is enclosed, the case is closed. The taxpayer is informed that all is resolved. If there is no response or the information from the taxpayer is not sufficient, a CP-2000 is issued.

The CP-2000 is a proposal to change the income, deductions, tax credits or payments reported on the return. It is not a demand for payment.

The taxpayer is asked to respond within 30 days from the date of the notice. Many cases are closed agreed with a

signed consent statement and/or full payment. There are also partially agreed cases, where the taxpayer agrees to some of the income inquired about and satisfactorily explains the remaining issue(s).

Many cases are closed with no change to the tax liability because the taxpayer provided sufficient documentation that the income is not taxable or the underreported amount is not sufficient to change the tax.

If, in the course of verifying income, the examiner finds that the taxpayer made an error on the return which calls for a refund, the IRS will issue one.

If the original notice comes back undelivered or we have not received a response from the taxpayer, we issue a 90-day Statutory Notice of Deficiency. Before generating statutory notices, we check for payments and new addresses. Notices are sent to the most current address on file with the IRS. If full payment is found, we can close the case at that time. If there is no indication of a response or full

payment, we will mail the Statutory Notice of Deficiency. If taxpayers disagree with the notice, they have 90 days to petition the U.S. Tax

Court. Whether or not they petition the court, we will still consider any information the taxpayer submits to resolve the disagreement.

If there is no response, or the certified statutory notice is unclaimed at the

post office, the tax, interest and penalties are assessed by default after the 90-day deadline is past. A balance due notice is then sent to the taxpayer. The case goes to collection if no payment is received.

Even though the case is now in collection status, the taxpayer can still disagree with the assessment and send correcting statements, letters from banks, etc., for consideration to have the tax, penalties or interest reduced or abated. This program is also worked in the Underreporter area.

We don't recommend that taxpayers file an amended return as a response to the statutory notice; however, if the taxpayer files a Form 1040X, it will be considered when the case is processed. Taxpayers are requested on the notice not to file an amended return, because a Form 1040X can delay processing. We can take all necessary actions with the taxpayer's response.



## Statute of Limitations

The Internal Revenue Code states that the IRS will assess tax, allow overpayments and collect taxes within a specific time period, known as the Statute of Limitations. When the Statute of Limitations expires for a tax return, the IRS can no longer allow the taxpayer's claim for overpayment or assess additional tax for that return. Normally, the Assessment Statute Expiration Date (ASED) is three years from the due date of the return or three years from the date the return was filed, whichever is later. The ASED will not expire until the taxpayer files a return and three years have elapsed. Tax Forms 941, 942 and 943 are exceptions. The ASEDs for these tax returns are three years from April 15 of the year following their due date, or from the received date, whichever is later. Generally, a claim for refund must be filed within three years from the time the original return was filed or two years from the date the tax was paid, whichever was later. While the claim may be timely for the decrease in tax, the refund/credit may be limited. Pre-paid credits may not be refunded or offset unless claimed within three

years of the due date or extended due date of the return. If the original return was filed late and the claim is filed within three years of the original return, the amount of refund/credit is limited to the amount of tax paid within the three years immediately preceding the filing of the claim, plus any extensions of time for filing.

**Exception:** The IRS must receive an original delinquent return, claiming a refund/credit of prepaid credits (federal tax withheld, timely estimated tax payments, earned income tax credit, etc.) within three years of the Return Due Date (RDD), plus extensions, including the time of extension granted by a Presidentially Declared Disaster. If the original return was filed timely and the claim is being filed more than three years after the original, the amount of refund/credit is limited to the amount of the tax paid within the two years immediately preceding the filing of the claim. If no return was filed, the claim is allowable when filed within two years from the date the tax was paid.

The RRA '98, Section 3202, allows for the suspension of the statute on filing overpayment claims

during periods of disability. Section 3202 suspends the running of the statute of limitations on refunds during the time the taxpayer is medically, physically, or emotionally unable to handle their financial affairs. The disability must be medically determinable and must continually last for not less than 12 months or result in the death of the taxpayer. It does not suspend the statute of limitations for taxpayers that have a spouse or other guardian to act for them during the periods of disability. Section 3202 does not apply to any claim for refund or credit that is barred as of the date of enactment, July 22, 1998. The Collection Statute Expiration Date (CSED) is ten years from the date of assessment of tax. If no return is filed for a tax period, the CSED cannot be computed and will not expire. **NOTE:** If a Substitute for Return or Automated Substitute for Return assessment has been made, and 10 years have elapsed and no return has been filed by the taxpayer, the CSED on the Substitute for Return or Automated Substitute for Return assessment has expired.

## Estimated tax penalties

### Individuals, trusts, and certain estates

If you expect to owe tax of \$1,000 or more for the tax year, you must prepay the tax by having tax withheld or by making estimated tax payments. We charge a penalty when the total tax you pay during the year doesn't meet the requirements of the law.

Generally, to meet the requirements of the law (and avoid the penalty), you must make estimated tax payments if you expect to owe at

least \$1,000 in tax for 2001 (after subtracting your withholding and credits) and you expect your withholding and credits to be less than the smaller of:

- 90 percent of the tax shown on your 2001 tax return, or
- The tax shown on your 2000 tax return (110 percent of that amount if you are not a farmer or fisherman and the adjusted gross income shown on that return is more than \$150,000 or, if married filing separately for 2001, more

than \$75,000). (*Note: This item does not apply if you did not file a 2000 tax return or that return did not cover 12 months.*)

**Exception:** You do not have to make estimated tax payments if you had no tax liability for the full 12-month 2000 tax year. Also, an individual must be a U.S. citizen or resident alien for all of 2000.

*Continued on next page*

## Due dates and additional information

For 2001, estimated tax payments for calendar year taxpayers are due April 16, June 15 and Sept. 17, 2001 and Jan. 15, 2002. You do not have to make the Jan. 17, 2002 payment if you file your 2001 tax return by Jan. 31 and pay the entire balance due with your return. For due dates for fiscal year taxpayers and additional information about estimated taxes and your 2001 tax liability, see Form 1040-ES, *Estimated Income Tax for Individuals*, or Form 1041-ES, *Estimated Income Tax for Estates and Trusts*.

For more information on when the estimated tax penalty may be reduced or removed, see the instructions for Form 2210, *Underpayment of Estimated Income Tax by Individuals and Fiduciaries*. Form 2210 is used to determine if an individual or fiduciary is subject to the penalty for underpayment of estimated tax and, if so, the amount of the penalty. You not need to file Form 2210 in most cases. The IRS will figure any penalty you owe and send you a bill. File Form 2210 only if one or more of the boxes in Part I of Form 2210 apply to you. If you are not required to file Form 2210, you may use it to figure your penalty if you wish to do so. Enter the penalty on your return, but do not file Form 2210.

## Corporations

A corporation with tax of \$500 or more that fails to pay a correct installment of estimated tax in full by the due date may be subjected to an estimated tax penalty. The penalty rate applies to the period of underpayment for any installment. Compute the penalty at the rate of interest published quarterly by the IRS. For tax years beginning after December 31, 1993, the estimated

tax payment required in installments is the lessor of:

1. 100 percent of the tax shown on the return for the preceding year, if that year was a 12 month tax year, and a return filed for that year showed a tax liability greater than zero.
2. 100 percent of the tax shown for the current year (the current year tax may be determined on the basis of actual income or annualized income).

**Note:** The fact that your prior year's tax was zero does not exempt you from this penalty. In this case, you should annualize your income.

**Large Corporation**—For purposes of payment of estimated tax, a large corporation is one with at least \$1 million of taxable income in any of the last three years. A large corporation is prohibited from using their prior year's tax liability (method (1) above), except in determining the first installment of their tax year. Any reduction in a large corporation's first installment, as a result of using the prior year's tax, must be recaptured in the corporation's second installment. In applying the \$1 million test, taxable income is computed without regard to net operating loss carryovers or capital loss carrybacks.

Form 2220, *Underpayment of Estimated Tax by Corporations*, is used to determine if the corporation is subject to the penalty for underpayment of estimated tax and, if so, the amount of the penalty. Generally, a corporation does not have to file this form because the IRS will figure the amount of the penalty and bill the corporation. A corporation should complete and attach this form to their return if:

- The annualized income installment method and/or the adjusted seasonal installment method is used, or
- The corporation is a large corpo-

ration, computing their first installment based on their prior year's tax. The corporation should attach their annualized income worksheet to Form 2220.

## Abatement of penalties

The Internal Revenue Code, Section 6651 authorizes the abatement of penalties for failure to file tax returns and/or failure to pay tax, if that failure is due to reasonable cause and not willful neglect. Individuals requesting reasonable cause consideration for a penalty must submit a written support statement. You may request abatement of penalties for reasonable cause, but interest cannot be removed for reasonable cause.

The statement should be filed with the director of the service center where the tax return was required to be filed. The declaration must be made under penalties of perjury and must fully explain the facts related to the reasonable cause. Abatement requests for certain penalties may be made by telephone to a toll-free number shown on the penalty notice. **Note:** The tax must be paid before the request can be considered.

Forgiveness of penalties is decided on a case-by-case basis. Generally, if the taxpayer exercised ordinary business care and prudence, and was nevertheless unable to file the return timely, the delay is considered due to reasonable cause. A failure to pay may also be due to reasonable cause, if the taxpayer exercised ordinary business care and prudence but could not pay the tax liability. They must show reasonable efforts to conserve sufficient assets in a marketable form in an attempt to pay the tax due before a failure to pay penalty will be abated.

If the IRS determines that failure to file was due to reasonable cause

*Continued on page 36*

**INSTALLMENT AGREEMENT REDUCES PENALTIES**

Taxpayers who don't pay their taxes when they are due may be subject to a failure-to-pay penalty of .50 percent of their unpaid taxes for each month or part of a month the tax is not paid. If they file their return on time and enter into an installment agreement with the IRS, this penalty will be reduced to .25 percent.

**Note:** If the installment agreement defaults or is terminated, the normal failure to pay penalty charges will resume.

**REMEMBER:**

Using labels saves time and increases efficiency. None of the information on an IRS preprinted label affects whether taxpayers are audited.

*Continued from page 35*

and not willful neglect, this penalty will not be assessed. The taxpayer would still be responsible for the tax owed plus interest due.

Note: Late payment penalty and interest will be charged on any tax paid after the original return due date. Even if you are granted an extension to file, you still must pay all of your tax by the original return due date. You may be granted an extension to file, but not to pay. Extensions to pay are only granted to United States Estate Tax Returns (Form 706).

**Penalty appeals procedures**

If an abatement of a penalty has been denied and you want to receive further consideration by an Appeals officer, a brief written statement of the disputed issue must be submitted to the service center Appeals coordinator. Provide the following information:

- The name and SSN or EIN of the taxpayer.
- A statement that you want to appeal the findings to Appeals.
- A statement of facts supporting your position in any contested factual issues and
- Any documentation supporting why you filed/paid your taxes late.
- If available, include a statement outlining the law or other authority

**Reasonable cause abates penalties**

A taxpayer who requests relief from paying penalties must follow specific guidelines. Internal Revenue Code, Section 6651, authorizes the abatement of penalties for failure to file tax returns and for failure to pay tax if the failure is due to reasonable cause and not willful neglect. Individuals requesting reasonable cause consideration for a penalty abatement normally must submit a

on which you relied.

The statement of facts should be detailed and complete, including specific dates, names, amounts, locations, etc. It must be declared true under penalties of perjury. You may do this by adding the following signed declaration to the protest: "Under penalties of perjury, I declare that the facts presented in my written protest, which are set out in the accompanying statement of facts, schedules, and other statements are, to the best of my knowledge and belief, true, correct and complete."

If an authorized representative sends the protest, the following declaration may be substituted:

"That he or she prepared the protest and accompanying documents, and whether he or she knows personally that the protest and accompanying documents are true and correct."

Attach *Power of Attorney and Declaration of Representative* (Form 2848) or similar written authorization to your written statement. Send your request to:

**Internal Revenue Service Center  
Penalty Appeals Coordinator**

The coordinator will review your additional information to determine whether the penalty should be reduced. If the request for appeal cannot be resolved immediately with the additional information, the coordinator will forward the written statement to the Appeals Office servicing your district.

written supporting statement to their service center.

CFR Section 301.6651 requires a written statement, signed by the taxpayer or representative with a Power of Attorney, under penalty of perjury, that explains the facts related to the reasonable cause. However, in the interest of fairness, the IRS accepts unsigned and oral requests (if the

*Continued on page 37*

**PAYMENT  
TIPS**

**Help your clients ensure that their payments are properly credited by stressing the importance of writing the following information on their check or money order:**

- SSN or EIN.
- Tax period covered by the payment.
- Current mailing address.
- Correct name of the tax account.
- Type of tax form associated with the payment.
- Make the check or money out to United States Treasury — *not the IRS.*

**It is even more important to provide identifying information if you use a money order.**

**Reasonable Cause**

*Continued from page 36*

penalty is \$500 or less) with the appropriate documentation by the employee handling the case when no reason exists to question the legitimacy of the request.

Reasonable cause determinations are based on the facts and circumstances of each case. Generally, if the taxpayer exercised ordinary business care and prudence and was still unable to file the return on time, the delay is considered due to reasonable cause. A

failure to pay also may be due to reasonable cause if the taxpayer exercised ordinary business care and prudence, yet could not pay the tax liability in a timely manner. The tax due must be paid before a late payment penalty will be abated. If the IRS determines that failure to file was due to reasonable cause and not willful neglect, the penalty will be abated. The taxpayer is still responsible for the tax owed plus interest.

**Refund Hold Program**

**T**he IRS now has an automated program freezing refunds of more than \$2000 when a taxpayer has one or more unresolved tax delinquency investigations for the past five tax years.

The IRS sends letters to taxpayers requesting they file the delinquent return or explain why no return should be filed. If we don't receive a response, we may prepare a *substitute for return* on the missing periods. These cases involve refunds due to taxpayers who file only when they expect a refund.

To avoid delays, delinquent returns should be mailed to the office that sent

the refund hold letter — not to a local office. There is no need to send another current year return; doing so may only complicate the process. The earliest the taxpayer could expect a current year refund is one full month after the delinquent return is processed. However, if the delinquent return shows a balance due, the held refund will be applied. Practitioners should provide the taxpayer's daytime phone number and the best hours to call. If there is a problem with the return, it can be resolved more quickly by calling the phone number listed on the notice rather than by correspondence.

**LOCKBOX PROCESSING**

**T**ax practitioners should mail all types of Form 1040 returns with a remittance to the lockbox. There are procedures in Package X for preparation and mailing of the 1040-V with lockbox mailing instructions and addresses. These procedures not only provide for expanding lockbox volumes but also provide consistent procedures for tax preparers.

Installment agreement payments and fees should also be mailed to the appropriate lockbox address. Not all individual tax packages contain lockbox mailing instructions.

Individual tax packages are limited in scope regarding which taxpayers will receive the lockbox two-label envelope. Other taxpayers will receive the usual address envelope. Regardless of the package received by your clients, mail your Form 1040-V remittance returns to the lockbox address. If

your clients receive a preprinted Form 1040-V package, encourage them to use the preprinted Form 1040-V with their remittance returns. The preprinted voucher can be read through high-speed computer scanning equipment, eliminating the need for data entry, thus ensuring fast and accurate posting of the payment information.

Forms 4868, *Extension Requests*, with remittances are processed at the lockbox. (*See the list of lockbox addresses on the following pages.*)

**2002 IMF State Alignment by Submission Processing Site**

State - District	2001 IMF Alignment	2002 Service Center Alignment	
		Returns Sent to SP Sites	Returns Sent to Lockboxes
International	Philadelphia	Philadelphia	Philadelphia
Alabama - Birmingham	Memphis	Memphis	Memphis
Alaska - Anchorage	Fresno	Fresno	Fresno
Arizona -Phoenix	Ogden	Austin	Austin
Arkansas - Little Rock	Memphis	Memphis	Memphis
California - Laguna Nigel	Fresno	Fresno	Fresno
California - Los Angeles	Fresno	Fresno	Fresno
California -Sacramento	Ogden	Fresno	Fresno
California -San Francisco	Fresno	Fresno	Fresno
California - San Jose	Fresno	Fresno	Fresno
Colorado - Denver	Austin	Austin	Austin
Connecticut - Hartford	Andover	<b>Philadelphia</b>	<b>Brookhaven</b>
Delaware - Wilmington	Brookhaven	<b>Philadelphia</b>	<b>Brookhaven</b>
District of Columbia	Philadelphia	Philadelphia	Philadelphia
Florida - Fort Lauderdale	Atlanta	Atlanta	Atlanta
Florida - Jacksonville	Atlanta	Atlanta	Atlanta
Georgia - Atlanta	Atlanta	Atlanta	Atlanta
Hawaii - Honolulu	Fresno	Fresno	Fresno
Idaho - Boise	Austin	Austin	Austin
Illinois - Chicago	Kansas City	Kansas City	Kansas City
Illinois - Springfield	Kansas City	Kansas City	Kansas City
Indiana - Indianapolis	Philadelphia	Philadelphia	Philadelphia
Iowa - Des Moines	Kansas City	Kansas City	Kansas City
Kansas - Wichita	Kansas City	Kansas City	Kansas City
Kentucky - Louisville	Memphis	Memphis	Memphis
Louisiana - New Orleans	Memphis	Memphis	Memphis
Maine - Augusta	Andover	<b>Philadelphia</b>	<b>Andover</b>
Maryland - Baltimore	Philadelphia	Philadelphia	Philadelphia
Massachusetts - Boston	Andover	Andover	Andover
Michigan - Detroit	Cincinnati	Andover	Andover
Minnesota - St. Paul	Kansas City	Kansas City	Kansas City
Mississippi -Jackson	Memphis	Memphis	Memphis
Missouri - St. Louis	Kansas City	Kansas City	Kansas City
Montana - Helena	Austin	Austin	Austin
Nebraska - Omaha	Memphis	Ogden	Ogden
Nevada - Las Vegas	Ogden	Fresno	Fresno
New Hampshire - Portsmouth	Andover	<b>Philadelphia</b>	<b>Andover</b>
New Jersey - Newark	Brookhaven	Brookhaven	Brookhaven
New Mexico - Albuquerque	Austin	Austin	Austin
New York - Albany	Andover	Andover	Andover
New York - Buffalo	Andover	Andover	Andover
New York - Manhattan	Brookhaven	Brookhaven	Brookhaven

## Practitioner's Guide to the Filing Season

State - District	2001 IMF Alignment	Returns Sent to SP Sites	Returns Sent to Lockboxes
North Carolina - Greensboro	Memphis	Atlanta	Atlanta
North Dakota - Fargo	Ogden	Ogden	Ogden
Ohio - Cincinnati	Cincinnati	<b>Cincinnati</b>	<b>Philadelphia</b>
Ohio - Cleveland	Cincinnati	<b>Cincinnati</b>	<b>Philadelphia</b>
Oklahoma - Oklahoma City	Austin	<b>Kansas City</b>	<b>Memphis</b>
Oregon - Portland	Kansas City	<b>Fresno</b>	<b>Kansas City</b>
Pennsylvania - Philadelphia	Philadelphia	Philadelphia	Philadelphia
Pennsylvania - Pittsburgh	Philadelphia	Philadelphia	Philadelphia
Rhode Island - Providence	Andover	Andover	Andover
South Carolina - Columbia	Atlanta	Atlanta	Atlanta
South Dakota - Aberdeen	Ogden	Ogden	Ogden
Tennessee - Nashville	Memphis	Memphis	Memphis
Texas - Austin	Austin	Austin	Austin
Texas - Dallas	Austin	Austin	Austin
Texas - Houston	Austin	Austin	Austin
Utah - Salt Lake City	Ogden	<b>Kansas City</b>	<b>Austin</b>
Vermont - Burlington	Andover	<b>Philadelphia</b>	<b>Andover</b>
Virginia - Richmond	Philadelphia	Memphis	Memphis
Washington - Seattle	Ogden	Ogden	Ogden
West Virginia - Parkersburg	Atlanta	Atlanta	Atlanta
Wisconsin - Milwaukee	Kansas City	Kansas City	Kansas City
Wyoming - Cheyenne	Austin	Austin	Austin
North Carolina - Greensboro	Memphis	Atlanta	Atlanta
North Dakota - Fargo	Ogden	Ogden	Ogden
Ohio - Cincinnati	Cincinnati	<b>Cincinnati</b>	<b>Philadelphia</b>
Ohio - Cleveland	Cincinnati	<b>Cincinnati</b>	<b>Philadelphia</b>
Oklahoma - Oklahoma City	Austin	<b>Kansas City</b>	<b>Memphis</b>
Oregon - Portland	Kansas City	<b>Fresno</b>	<b>Kansas City</b>
Pennsylvania - Philadelphia	Philadelphia	Philadelphia	Philadelphia
Pennsylvania - Pittsburgh	Philadelphia	Philadelphia	Philadelphia
Rhode Island - Providence	Andover	Andover	Andover
South Carolina - Columbia	Atlanta	Atlanta	Atlanta
South Dakota - Aberdeen	Ogden	Ogden	Ogden
Tennessee - Nashville	Memphis	Memphis	Memphis
Texas - Austin	Austin	Austin	Austin
Texas - Dallas	Austin	Austin	Austin
Texas - Houston	Austin	Austin	Austin
Utah - Salt Lake City	Ogden	<b>Kansas City</b>	<b>Austin</b>
Vermont - Burlington	Andover	<b>Philadelphia</b>	<b>Andover</b>
Virginia - Richmond	Philadelphia	Memphis	Memphis
Washington - Seattle	Ogden	Ogden	Ogden
West Virginia - Parkersburg	Atlanta	Atlanta	Atlanta
Wisconsin - Milwaukee	Kansas City	Kansas City	Kansas City
Wyoming - Cheyenne	Austin	Austin	Austin

## Where to send your returns and payments

Taxpayers in 13 states and businesses in 18 states will be sending their 2001 tax returns to a different address in 2002, as part of the final phase of the IRS Service Center reorganization process. These necessary changes will enable the service center operations to focus on specific customer segments based on two factors — whether the return is an individual or business return and the taxpayer's geographic location.

When this transition is completed by October 2002, eight centers (Andover, Atlanta, Austin, Brookhaven, Fresno, Kansas City, Memphis and Philadelphia) will handle the receipt and processing of some 116 million individual returns (Forms 1040, 1040A, 1040EZ, 4868 and 2868) for the Wage & Investment Operating Division. Two centers (Cincinnati and Ogden) will handle the receipt and processing of some 45 million business returns for the Small Business/Self-Employed, Large and Mid-Size Business and Tax Exempt and Government Entities operating divisions.

Beginning in January 2002, practitioners should mail returns and payments to the following addresses.

### Forms 1040, 1040A and 1040EZ

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With payment</b>
New Jersey, New York (New York city and counties of Nassau, Rockland, Suffolk, and Westchester)	Holtsville, NY 00501-0002	P.O. Box 1187 Newark, NJ 07101-1187
Massachusetts, Michigan, New York (all other counties), Rhode Island	Andover, MA 05501-0002	P.O. Box 13757 Philadelphia, PA 19101-3757
Maine, New Hampshire, Vermont	Philadelphia, PA 19255-0002	P.O. Box 13757 Philadelphia, PA 19101-3757
Connecticut, Delaware	Philadelphia, PA 19255-0002	P.O. Box 1187 Newark, NJ 07101-1187
Florida, Georgia, North Carolina, South Carolina, West Virginia	Atlanta, GA 39901-0002	P.O. Box 105093 Atlanta, GA 30348-5093
Arizona, Colorado, Idaho, Montana, New Mexico, Texas, Wyoming	Austin, TX 73301-0002	P.O. Box 660308 Dallas, TX 75266-0308
Utah	Kansas City, MO 64999-0002	P.O. Box 660308 Dallas, TX 75266-0308
Alaska, California, Hawaii, Nevada	Fresno, CA 93888-0002	P.O. Box 7704 San Francisco, CA 94120-7704
Oregon	Fresno, CA 93888-0002	P.O. Box 970011 St. Louis, MO 63197-0011
Illinois, Iowa, Kansas, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999-0002	P.O. Box 970011 St. Louis, MO 63197-0011
Oklahoma	Kansas City, MO 64999-0002	P.O. Box 105017 Atlanta, GA 30348-5017
Alabama, Arkansas, Kentucky, Louisiana, Mississippi, Tennessee, Virginia,	Memphis, TN 37501-0002	P.O. Box 105017 Atlanta, GA 30348-5017
Nebraska, North Dakota, South Dakota, Washington	Ogden, UT 84201-0002	P.O. Box 60840 Los Angeles, CA 90060-0840
Ohio	Cincinnati, OH 45999-0002	P.O. Box 80101 Cincinnati, OH 45280-0001
District of Columbia, Indiana, Maryland, Pennsylvania	Philadelphia, PA 19255-0002	P.O. Box 80101 Cincinnati, OH 45280-0001
All APO and FPO addresses, American Samoa, non-permanent residents of Guam or the Virgin Islands, Puerto Rico, a foreign country	Philadelphia, PA 19255-0215	P.O. Box 80111 Cincinnati, OH 45280-0011



# Practitioner's Guide to the Filing Season

## Form 1040ES

<b>If your client lives in:</b>	<b>With a payment</b>
New Jersey, New York (New York city and counties of Nassau, Rockland, Suffolk and Westchester)	P.O. Box 162 Newark, NJ 07101-0162
Massachusetts, Michigan, New York (all other counties), Rhode Island	P.O. Box 7350 Philadelphia, PA 19101-7350
Maine, New Hampshire, Vermont	P.O. Box 7350 Philadelphia, PA 19101-7350
Connecticut, Delaware	P.O. Box 162 Newark, NJ 07101-0162
Florida, Georgia, North Carolina, South Carolina, West Virginia	P.O. Box 105900 Atlanta, GA 30348-5900
Arizona, Colorado, Idaho, Montana, New Mexico, Texas, Wyoming	P.O. Box 660406 Dallas, TX 75266-0406
Utah	P.O. Box 660406 Dallas, TX 75266-0406
Alaska, California, Hawaii, Nevada	P.O. Box 510000 San Francisco, CA 94151-5100
Oregon	P.O. Box 970006 St Louis, MO 63197-0006
Illinois, Iowa, Kansas, Minnesota, Missouri, Wisconsin	P.O. Box 970006 St. Louis, MO 63197-0006
Oklahoma	P.O. Box 105225 Atlanta, GA 30348-5225
Alabama, Arkansas, Kentucky, Louisiana, Mississippi, Tennessee, Virginia	P.O. Box 105225 Atlanta, GA 30348-5225
Nebraska, North Dakota, South Dakota, Washington	P.O. Box 54919 Los Angeles, CA 90054-0919
Ohio	P.O. Box 80102 Cincinnati, OH 45280-0002
District of Columbia, Indiana, Maryland, Pennsylvania	P.O. Box 80102 Cincinnati, OH 45280-0002
All APO and FPO addresses, American Samoa, non-permanent residents of Guam or the Virgin Islands, Puerto Rico, a foreign country	P.O. Box 80102 Cincinnati, OH 45280-0002

## Form 1041ES

<b>If your client lives in:</b>	<b>With a payment</b>
All states, Canada and Mexico	P.O. Box 105401 Atlanta, GA 30348-5401

## Form 2290

<b>If your client lives in:</b>	<b>With a payment</b>	<b>Without a payment</b>
All states, Canada, Mexico	P.O. Box 105421 Atlanta, GA 30348-5421	Cincinnati, OH 45999-0031

# Practitioner's Guide to the Filing Season

## Form 4868

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With a payment</b>
New Jersey, New York (New York city and counties of Nassau, Rockland, Suffolk, and Westchester)	Holtsville, NY 00501	P.O. Box 22423 Newark, NJ 07101-2423
Massachusetts, Michigan, New York (all other counties), Rhode Island	Andover, MA 05501	P.O. Box 13843 Philadelphia, PA 19101-3843
Maine, New Hampshire, Vermont	Philadelphia, PA 19255	P.O. Box 13843 Philadelphia, PA 19101-3843
Connecticut, Delaware	Philadelphia, PA 19255	P.O. Box 22423 Newark, NJ 07101-2423
Florida, Georgia, North Carolina, South Carolina, West Virginia	Atlanta, GA 39901	P.O. Box 105073 Atlanta, GA 30348-5073
Arizona, Colorado, Idaho, Montana, New Mexico, Texas, Wyoming	Austin, TX 73301	P.O. Box 660575 Dallas, TX 75266-0575
Utah	Kansas City, MO 64999	P.O. Box 660575 Dallas, TX 75266-0575
Alaska, California, Hawaii, Nevada	Fresno, CA 93888	P.O. Box 7122 San Francisco, CA 94120-7122
Oregon	Fresno, CA 93888	P.O. Box 970028 St. Louis, MO 63197-0028
Illinois, Iowa, Kansas, Minnesota, Missouri, Wisconsin	Kansas City, MO 64999	P.O. Box 970028 St. Louis, MO 63197-0028
Oklahoma	Kansas City, MO 64999	P.O. Box 105050 Atlanta, GA 30348-5050
Alabama, Arkansas, Kentucky, Louisiana, Mississippi, Tennessee, Virginia	Memphis, TN 37501	P.O. Box 105050 Atlanta, GA 30348-5050
Nebraska, North Dakota, South Dakota, Washington	Ogden, UT 84201	P.O. Box 30659 Los Angeles, CA 90030-0659
Ohio	Cincinnati, OH 45999	P.O. Box 80109 Cincinnati, OH 45280-0009
Indiana, Maryland, Pennsylvania, District of Columbia	Philadelphia, PA 19255	P.O. Box 80109 Cincinnati, OH 45280-0009
All APO and FPO addresses, American Samoa, non-permanent residents of Guam or the Virgin Islands, Puerto Rico, a foreign country	Philadelphia, PA 19255	P.O. Box 80109 Cincinnati, OH 45280-0009

## Form 8855-V

<b>If your client lives in:</b>	<b>With a payment</b>
All states	P.O. Box 105571 Atlanta, GA 30348-5571

**Form 940**

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With a payment</b>
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	Cincinnati, OH 45999-0046	P.O. Box 105887 Atlanta, GA 30348-5887
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming	Ogden, UT 84201-0046	P.O. Box 660095 Dallas, TX 75266-0095
Puerto Rico, U.S. Virgin Islands	Philadelphia, PA 19255-0046	P.O. Box 80105 Cincinnati, OH 45280-0005

**Form 940EZ**

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With a payment</b>
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	Cincinnati, OH 45999-0047	P.O. Box 105659 Atlanta, GA 30348-5659
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming	Ogden, UT 84201-0047	P.O. Box 660351 Dallas, TX 75266-0351
Puerto Rico, U.S. Virgin Islands	Philadelphia, PA 19255-0047	P.O. Box 80105 Cincinnati, OH 45280-0005

**Form 941**

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With a payment</b>
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	Cincinnati, OH 45999-0005	P.O. Box 105703 Atlanta, GA 30348-5703

# Practitioner's Guide to the Filing Season

## Form 941 (cont'd.)

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With a payment</b>
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming	Ogden, UT 84201-0005	P.O. Box 660264 Dallas, TX 75266-0264
No legal residence or principal place of business	Philadelphia, PA 19255-0005	P.O. Box 80106 Cincinnati, OH 45280-0006

## Form 943

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With a payment</b>
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	Cincinnati, OH 45999-0008	P.O. Box 105094 Atlanta, GA 30348-5094
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming	Ogden, UT 84201-0008	P.O. Box 660587 Dallas, TX 75266-0587
No legal residence or principal place of business in any state	Philadelphia, PA 19255-8526	P.O. Box 80107 Cincinnati, OH 45280-0007

## Form 945

<b>If your client lives in:</b>	<b>Without a payment</b>	<b>With a payment</b>
Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia, Wisconsin	Cincinnati, OH 45999-0042	P.O. Box 105092 Atlanta, GA 30348-5092
Alabama, Alaska, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Tennessee, Texas, Utah, Washington, Wyoming	Ogden, UT 84201-0042	P.O. Box 660443 Dallas, TX 75266-0443
No legal residence or principal place of business in any state.	Philadelphia, PA 19255-0042	P.O. Box 80108 Cincinnati, OH 45280-0008

# Safeguarding the IRS *e-file* Program from fraud and abuse

All authorized IRS *e-file* providers must be on the lookout for fraud and abuse in the IRS *e-file* Program. In addition to the toll-free number, **1.800.829.0433**, listed in Publication 1345 for reporting suspicious activity, the Service is adding fax numbers and an e-mail address as new ways to report fraud and abuse. In addition, we are providing some guidance on

what to look for and how to report it.

The Service has identified questionable W-2s as a key indicator of potentially abusive or fraudulent returns. When examining W-2s that appear suspicious, ask for valid identification. If you believe that the W-2s are not genuine, provide the following information to the IRS:

Field	Source	Formatting
Acknowledgment Date	IRS Acknowledgment	MM/DD/YYYY
DCN	IRS Acknowledgment	14 numbers including leading zeroes
Primary SSN	Return	Like 123-12-1234
Primary Taxpayer Name	Return	Full name as spelled on return in 1 field
Taxpayer Address Line 1	Return	Full address shown on return
Taxpayer Address City	Return	City part of address shown on return
Taxpayer Address State	Return	State part of address shown on return
Taxpayer Address Zip	Return	Zip part of address shown on return
Employee SSN	Form W-2	Like 123-12-1234
Employee Name	Form W-2	Full name as spelled on Form W-2 in 1 field
Employer EIN	Form W-2	Like 12-1234567
Employer Name	Form W-2	Full name as spelled on Form W-2 in 1 field
Employer Contact Name	Person calling employer to verify Form W-2	Full name in 1 field
Employer Contact Phone	Person calling employer to verify Form W-2	Like 123-123-1234
Notes	Person submitting report	Multi-line note field

Other indicators of abusive or fraudulent returns are unsatisfactory responses to filing status questions, multiple returns with the same address, and missing or incomplete Schedules A and C income and expense documentation. If you identify indicators of fraud or abuse you should decide if the return is fraudulent or abusive. Here's how to do that and what your responsibilities are.

A *fraudulent return* is a return in which the individual is attempting to file using someone else's name or SSN on the return or where the taxpayer is presenting documents or information that have no basis in fact. **NOTE:** Fraudulent returns should not be filed with the Service. A *potentially abusive return* is a return that 1.) is not a fraudulent return; 2.) the taxpayer is required to file; 3.) but may contain inaccurate information and may lead to an understatement of a liability or an overstatement of a credit resulting in production of a refund to which the taxpayer may not be entitled. **Note:** The decision not to provide a RAL or other bank product does not necessar-

ily make it an abusive return.

Any information discovered should be reported to the IRS by calling **1.800.829.0433**, e-mailing the information to [HQ-ORF@ci.irs.gov](mailto:HQ-ORF@ci.irs.gov), or faxing the information to the fraud detection center for your state.

### Fraud Detection

States	Center	Fax Number
CT, MA, ME, NH, RI, VT, UPSTATE NY, MI	<b>Andover</b>	<b>978. 691.6902</b>
GA, NC, SC, AL, FL	<b>Atlanta</b>	<b>678. 547.3344</b>
TX, NM, AZ	<b>Austin</b>	<b>512. 460.7436</b>
Brooklyn, Manhattan, NJ, BR	<b>Brookhaven</b>	<b>631. 447.4608</b>
OH, KY, WV, IN	<b>Cincinnati</b>	<b>859. 669.3711</b>
CA	<b>Fresno</b>	<b>559. 441.5880</b>
IL, WI, ND, SD, NE, IA, KS, MO	<b>Kansas City</b>	<b>816. 823.8543</b>
AR, TN, MS, LA, OK	<b>Memphis</b>	<b>901. 546.3148</b>
CO, MT, WY, UT, NV, ID, OR, WA, AK, HI	<b>Ogden</b>	<b>801. 620.6806</b>
PA, VA, MD, DE	<b>Philadelphia</b>	<b>215.516.1445</b>

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We welcome your comments. Please send your comments and suggestions to:

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CL:NPL Room 7563 IR  
1111 Constitution Avenue NW  
Washington, DC 20224  
\*[public\\_liaison@irs.gov](mailto:public_liaison@irs.gov) (e-mail)

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- The latest information and tools for veteran and new Authorized IRS *e-file* Providers.
- Drafts of most major tax forms months before they are officially released.
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2002 Filing Season: The Professional's Guide

