

## **2011 Taxpayer Advocacy Panel Recommendations**

---

**Total Elevated Issues 68**

<b>TAP Issue ID: 20173</b> <b>Elevated Date: 05/17/2011</b>	<b>Committee Name: Ad Hoc Committee</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Adhoc Committee - Taxpayer Expectations</b>	

Issue or Project Statement	<p>The focus group is asked to provide feedback on the following 17 customer expectations when calling the toll free numbers of the IRS Reporting Compliance areas Automated Under-Reporter (AUR), Compliance Center Exam (CCE), and Innocent Spouse programs:</p> <ol style="list-style-type: none"> <li>1. The IRS Employee to be knowledgeable about previous actions on their case.</li> <li>2. The IRS to request only what information and materials are needed.</li> <li>3. The IRS to provide clear and understandable explanations of their issue and inquiries.</li> <li>4. To receive clear understanding of next step and to know that their case is moving toward conclusion.</li> <li>5. The IRS to make an effort to contact them in the most effective manner (telephone call).</li> <li>6. That the IRS employee will hear them.</li> <li>7. That the IRS will respond to their correspondence in a timely manner.</li> <li>8. To be treated with courtesy.</li> <li>9. To be treated in a professional manner.</li> <li>10. The IRS Employees to be knowledgeable.</li> <li>11. IRS Employees to respect taxpayer privacy by not disclosing information without a need to know.</li> <li>12. Phones calls to the IRS to be handled efficiently without wasted time and excessive hold time.</li> <li>13. That if the employee that answers their call cant help them that they will be transferred to the right person.</li> <li>14. To be provided a correct response to their questions and have their case worked properly.</li> <li>15. That when they reach an IRS employee, they are willing to help them.</li> <li>16. That when they call, they can talk to someone in a reasonable amount of time.</li> <li>17. That resolution of their account can be completed in a reasonable amount of time.</li> </ol> <p>The focus group divided into 2 teams, with 2 different conference calls (Friday, February 11th and Monday, February 14th). The 17 expectations reviewed were aimed in threefold. First, the teams looked at validating the 17 expectations. Second, the teams provided additional expectations that may have been left off this list. Third and finally, the teams looked at getting a sense of how the list of expectations ranks in importance relative to each other and which of the 17 expectations could be grouped together as one expectation.</p>
Project Goal Statement	<p>The IRS Compliance and Research Team wants to refine their list of taxpayer expectations. An accurate list of expectations will help the IRS fine tune its efforts to improving the taxpayer experience.</p>
Proposed Solution or Task	<p>Please review the actual comments (Figure 1, Taxpayer Expectations: Validation &amp; Figure 2, Taxpayer Expectations: Ranking and Suggestions) stated during the two conference calls.</p>

<b>TAP Issue ID: 17063</b> <b>Elevated Date: 03/29/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Resolved Prior to Elevation</b>
<b>Title: Power Of Attorney for Substitute for Return</b>	
Issue Statement	Taxpayers filed a joint Form 2848, Power Of Attorney (POA) to enable an authorized representative to obtain information for a specific tax year. The Internal Revenue Service (IRS) had prepared a Substitute for Return (SFR) separately for each taxpayer. The IRS has no instructions or procedures to honor the joint POA when SFR returns are on record.
Goal Statement	The IRS should permit the acceptance of a jointly signed POA to obtain information for either or both taxpayers for any tax return (original or substitute) listed for the tax years on the POA regardless of filing status.
Proposed Solution	Instruct all IRS employees by amending the Internal Revenue Manual (IRM) to accept a jointly signed POA allowing a representative to obtain and/or discuss all relevant information for a tax year in question. This includes all returns whether joint, separate or ones for which SFRs are on record.
IRS Initial Response	Thank you for the recommendation. In January 2011 Accounts Management made changes to the IRM 21.3.7.5.3.1, Form 2848, and Form 8821 Processing Joint Filers that addresses this issue. When a joint Form 2848 is filed and processed to the CAF, we now enter the TC960 transaction information to both spouses accounts (TINs/SSNs) separately, which will eliminate the problem you have sited in your recommendation.

<b>TAP Issue ID: 17787</b> <b>Elevated Date: 03/25/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Chart vs Worksheet for Figuring Standard Deduction</b>	
Issue Statement	The chart provided in the instructions to Form 1040 prior to 2008 to assist taxpayers 65 or over and/or blind in determining their standard deduction has been eliminated forcing these taxpayers to use a more complicated six-step worksheet.
Goal Statement	Make it easier for taxpayers 65 or over and/or blind to determine their applicable standard deduction accurately.
Proposed Solution	Restore the above mentioned chart to the instructions to Form 1040, U.S. Individual Income Tax Return, to provide an alternative to the standard deduction worksheet currently found on page 34 of the Instructions..
IRS Initial Response	The standard deduction worksheet will be split into a Standard Deduction Worksheet for Dependents and a Standard Deduction Chart for People Who Were Born Before January 2, 1947, or Were Blind. This is the format that was used in the 2007 Form 1040 instructions.

<b>TAP Issue ID: 18414</b> <b>Elevated Date: 02/15/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Resolved Prior to Elevation</b>
<b>Title: Checks received and processed before paperwork</b>	
Issue Statement	Taxpayers continue to receive notices requesting payments after they send checks to the Internal Revenue Service (IRS) in response to a notice requesting payment. The IRS must process payments as received, but the lag in paperwork processing can be a cause for concern for the taxpayer. When the taxpayer worries that their checks were not received, and penalties and interest are accruing; the result is many unnecessary phone calls to tax preparers and the IRS.
Goal Statement	Alleviate Taxpayer concern regarding payments and reduce IRS and tax preparer burden.
Proposed Solution	Assuage Taxpayer concern by inserting a line stating that checks will be cashed before paperwork is processed, and notices may continue to be received until all necessary documents are processed. Also include "If you have already sent us the requested payment please disregard this request for payment."
IRS Initial Response	Thank you for your suggestion. Youll be pleased to know that the Office of Taxpayer Correspondence recently revised the Collection notices to provide the taxpayer with the information they need to understand the key message, the necessary next steps and the consequences of inaction. The revised notices were placed in production in January 2011 and contain the sentence If youve already paid your balance in full within the past 14 days or made payment arrangements, please disregard this notice.

<b>TAP Issue ID: 18548</b> <b>Elevated Date: 06/28/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: 1099DIV ST Capital Losses</b>	
Issue Statement	Short-term capital gains included as dividends by mutual funds and other reporting institutions are not always reported properly.
Goal Statement	<p>Ensure that short-term capital gains reported on Forms 1099 DIV, Box 1a are properly reported on line 9a of Form 1040, not on Schedule D, by providing better instructions on the:</p> <p>a)Form 1040 Instructions  b)Schedule D Instructions  c)Publication 550, Investment Income and Expenses  d)Publication 1,Your Federal Income Tax</p>
Proposed Solution	<p>Provide better instructions for taxpayers to report their short-term capital gains from Form 1099 DIV on their Form 1040, Line 9 instead of erroneously reporting them on the Schedule D, and Line 13 by:</p> <p>Placing an additional bullet under the instructions for the Exceptions found in Form 1040, Line 13 instructions indicating that short-term gain distributions that are reported in Box 1a of Form 1099 DIV should only be reported on Line 9 of the Form 1040.  Placing a note or warning on the instructions of the Schedule D under the section Capital Losses indicating that short-term gains reported on Form 1099 DIV, Box 1a, are treated as ordinary dividends and therefore, cannot be offset on the Schedule D, against capital loss carry-over.  Placing a note or warning in Publication 550, under the section Dividends and Other Distributions, subsection Ordinary Dividends indicating that short-term gains reported on Form 1099 DIV, Box 1a, are treated as ordinary dividends and therefore cannot be offset on the Schedule D, against a capital-loss carryover.  Placing a note in Publication 17, Your Tax Guide, Chapter 16, Reporting Gains and Losses.</p>

IRS Initial Response

If a taxpayer follows the Form 1040 instructions as currently written, he or she will prepare his or her tax return correctly. Your suggestion to make a clarification in the Form 1040 instructions is the first we have heard of there being a problem with respect to taxpayers erroneously reporting their short-term capital gains, therefore we believe that the problem is rare and does not warrant adding the proposed warning/additional information to the Form 1040 instructions. We believe that the only filers who would consider backing out their short-term capital gains would be relatively sophisticated and would be knowledgeable enough to research the issue and find out that they should not be reporting such amounts on Schedule D or Form 1040, Line 13. If a taxpayer does make a mistake and reports his or her short-term capital gains on Schedule D or Form 1040, Line 13, the taxpayer should receive a notice. We generally do not caution taxpayers on actions not to take because once we begin cautioning taxpayers on one issue, there would be an endless number of actions we could or should tell taxpayers not to do.

<b>TAP Issue ID: 19594</b> <b>Elevated Date: 05/20/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Forms and Pubs Search Engine</b>	
Issue Statement	The search engine found on IRS.gov under the Forms and Publications section does not work equally as the search engine found on the front page of the website. The former requests the entry to be very specific; otherwise, one cannot find the product searched.
Goal Statement	Ensure that the search engine under the Forms and Publications section of irs.gov Download Forms and Publications by/ Form and Instruction Number (PDF) operates the same way as the main search engine found on the front page of this website
Proposed Solution	Ensure that the search engines in irs.gov operate equally well when searching for forms by requesting the same specific entries to perform the search. This will allow anyone searching for a specific form to use either search engine and be able to find it without getting a No results response.
IRS Initial Response	<p>There is no Search Engine specifically associated with the Forms and Publications content area of IRS.gov. The Find feature available in Forms and Publications picklists is a simple database query, and until recently, always required an exact match to return results. In January 2012, we updated the programming to ignore certain special characters in specific fields. The user can now enter 1040 A, 1040A, or 1040-A in the Find box and get the same relevant results. Entering Sch M (instead of Schedule M) returns no result, but provides the user with a link to results from the Site Search. This link is provided for all no results searches from picklists, and provides results as if the user had entered the term into the site search engine.</p> <p>Adding a true search, or linking the existing search to the Forms and Publications area will require significant resources, including funding currently available. Online Services is engaged in an effort to enhance and improve Forms and Publications content on IRS.gov, in addition to our transition to a new portal and content management system. There will be several new tools available after the new portal is live in July of 2012. We will use those tools to make tax products easier to find, and to increase user satisfaction with Forms and Publications and the IRS.gov in general.</p>

<b>TAP Issue ID: 19705</b> <b>Elevated Date: 06/28/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Resolved Prior to Elevation</b>
<b>Title: E-services Password</b>	
Issue Statement	The instructions for renewing an E-services password state that it must be at least eight characters. Actually, the password must be exactly eight characters causing confusion for those accessing the site.
Goal Statement	Alleviate frustration for tax preparers and paperwork for the Internal Revenue Service regarding these passwords.
Proposed Solution	Either change the instructions for creating a password from "password must be at least eight characters" to "password must be exactly eight characters" or allow more than eight characters to be used as stated in the current instruction. The system should also provide an error message in the event that an invalid password is chosen.
IRS Initial Response	The system does currently accept more than 8 characters in the password field. If less than 8 characters are entered, the following error message is displayed to the user: The password entered is not valid. Please review the password rules and try again.

<b>TAP Issue ID: 19957</b> <b>Elevated Date: 06/29/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Pub. 17 - Step grandchildren as dependents</b>	
Issue Statement	IRS publications do not make it clear whether or not the stepchildren of a taxpayers child are qualifying dependent children.
Goal Statement	The goal is to clarify the definition of qualifying child in the case of certain grandchildren.
Proposed Solution	In Publication 17, Your Federal Income Tax (Pub 17) and the Instructions for Form 1040 (1040 instructions), revise and/or expand the definition of a qualifying child to make it clear whether the stepchildren of a taxpayers child meet the test for the dependency exemption.
IRS Initial Response	If a taxpayer follows the Form 1040 instructions as currently written, he or she will prepare his or her tax return correctly. Your suggestion to make a clarification in the Form 1040 instructions is the first we have heard of there being a problem with respect to taxpayers erroneously reporting their short-term capital gains, therefore we believe that the problem is rare and does not warrant adding the proposed warning/additional information to the Form 1040 instructions. We believe that the only filers who would consider backing out their short-term capital gains would be relatively sophisticated and would be knowledgeable enough to research the issue and find out that they should not be reporting such amounts on Schedule D or Form 1040, Line 13. If a taxpayer does make a mistake and reports his or her short-term capital gains on Schedule D or Form 1040, Line 13, the taxpayer should receive a notice. We generally do not caution taxpayers on actions not to take because once we begin cautioning taxpayers on one issue, there would be an endless number of actions we could or should tell taxpayers not to do.

<b>TAP Issue ID: 20971</b> <b>Elevated Date: 06/28/2011</b>	<b>Committee Name: Area 1</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Form 13614-C Intake/Interview &amp; Quality Review</b>	
Issue Statement	The VITA/TCE/Tax Aide Programs volunteers use Form 13614-C, Intake/Interview & Quality Review Sheet to gather information from a taxpayer before preparing his or her tax return. Part III, Income, does not include a question on whether or not the taxpayer may have a capital loss carryover. To get accurate tax information a line should be added to the Sheet inquiring about capital loss carryovers.
Goal Statement	Avoid any instances of overlooked capital loss carryovers that taxpayers using the IRS volunteer preparation programs may have by adding a question on Form 13614-C, Intake/Interview & Quality Review Sheet.
Proposed Solution	Add a question on Part III Income that asks the taxpayer Do you have any capital loss carryovers or any other carryovers from prior years? This will allow taxpayers unfamiliar with this provision of the law to account for prior year losses.
IRS Initial Response	<p>SPEC Response: Accepted</p> <p>Date of SPEC Response: July 11, 2011</p> <p>Form 13614-C (Rev. 10-2011) was changed for the 2012 filing season. On page 2, Part V, Life Events, Question #12 was added as follows:</p> <p>In 2011, did you (or your spouse) file a 2010 federal tax return containing a capital loss carryover on Form 1040, Schedule D?</p> <p>The question was added to Part V rather than Part III in order to avoid confusion on the part of most SPEC taxpayers.</p>

<b>TAP Issue ID: 16718</b> <b>Elevated Date: 04/25/2011</b>	<b>Committee Name: Area 2</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Timely Acknowledgement of Receipt of Taxpayer Subm</b>	
Issue Statement	<p>The Internal Revenue Service (IRS) has no standard response requirement when a taxpayer submits requested information on issue(s) raised in IRS correspondence. Therefore taxpayers do not know if their response has been received by the IRS, or if the appropriate party has any knowledge of the response. As a result the taxpayer often receives further requests for the same information or even a formal assessment based on incorrect information which will require a great deal of needless work by both the IRS and taxpayer.</p>
Goal Statement	<p>The IRS should establish a standardized minimum response letter and a timeframe for its issuance to all taxpayer submissions regarding a IRS programmed letter in which a taxpayer response is requested. This notification should be a simple acknowledgment that the case worker has received the correspondence and will be reviewing the information received within a given timeframe.</p>
Proposed Solution	<p>The IRS should establish a short simple letter, or potentially an email response, notifying the taxpayer that the correspondence regarding issues raised or a response requested by the IRS has been received. In order for this response to be effective in limiting potentially unnecessary work by both the IRS and taxpayer, we recommend that the response receipt be issued within a week of the Postal Service cancellation date on the taxpayers response and, if possible, include an estimated time frame for an IRS response.</p> <p>This letter would acknowledge the receipt of the taxpayer response and the appropriate processing of the taxpayer response so that IRS employees working on the case is aware of the submission. The letter would not reflect agreement or disagreement with the taxpayers response nor limit any potential resolution action of the IRS.</p> <p>We understand that the IRS currently does not use email to correspond with taxpayers regarding the tax positions, but we also understand this is currently under study by the IRS. We think that this would be a most appropriate use of email, especially with practitioners, and as the submission would be forwarded to the appropriate IRS people involved in this study.</p>

IRS Initial Response

Current IRM requirements, per IRM 21.3.3, and IRM 1.10.1, require interim contact with the taxpayer when their correspondence cannot be replied to within 30 days. Interim letters serve as a Customer Service tool.

Unless policy statement P-6-12 is revised, functions would be unable to revise current IRM instructions for providing the taxpayer required interim responses where an inquiry cannot be resolved within the required 30 days.

By issuing a short letter on every piece of correspondence received, this could drastically increase printing, postage, etc costs when specific response notification are issued when correspondence is worked within 30 days. At the time a piece of correspondence is received in Submission Processing mail room there is no way to include an estimated timeframe for IRS to respond back to the taxpayer with all the different timeframes for the different functions/ areas addressing correspondences.

<b>TAP Issue ID: 17081</b> <b>Elevated Date: 04/25/2011</b>	<b>Committee Name: Area 2</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Toll-Free # Location in the Instructions of the Fo</b>	
Issue Statement	To improve the taxpayers ability to seek assistance while reviewing Forms 1040, 1040A and 1040EZ instructions, it is suggested to move the toll-free number to more a noticeable location in these instructions. There should be a place in the front pages of the instructions with the main contact numbers for the Internal Revenue (IRS) other than their current location in the Commissioner's statement.
Goal Statement	Improve the ease of accessibility of toll-free contact numbers in the Form 1040, 1040A and 1040EZ instructions by including this toll-free number in an easier location to find in the instructions.
Proposed Solution	Suggest moving the contact toll-free telephone numbers from their current location in the Commissioners statement to the Introduction section of Forms 1040, 1040A and 1040EZ.
IRS Initial Response	<p>Thank you for your suggestion to move the toll-free telephone numbers to the introduction section of the instructions to Forms 1040, 1040A and 1040EZ. You believe that moving them forward would give them greater prominence and make them easier to find.</p> <p>While we agree with your premise, calling the toll-free help numbers is just one of many ways taxpayers can get assistance. Since the numbers are not the only option, they are really part and parcel of the Calling the IRS and Quick and Easy Access to Tax Help and Tax Products pages. These pages are listed in the table of contents. We do not want to move these pages to the front because most taxpayers would rather have the actual instructions begin as close to the front as possible and continue uninterrupted. Further, the telephone numbers appear in the instructions for each of the forms in places where they are not hard to find. For example, in the Form 1040 instructions, the toll-free help numbers are located in the Other Ways to Get Help section as well as the Quick and Easy Access to Tax Help and Tax Products section, and at the bottom of pages 12-73, we say, Need more information or forms? See page 93. In the Form 1040A instructions, the toll-free numbers are located in the Other Ways to Get Help section as well as the Calling the IRS section. Lastly, in the Form 1040EZ instructions the toll-free numbers are in the Getting Tax Help section, under Live Tax Help.</p>

<b>TAP Issue ID: 17854</b> <b>Elevated Date: 09/26/2011</b>	<b>Committee Name: Area 2</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Obtain Election Confirmation</b>	
Issue Statement	Taxpayers would like the Taxpayer Advocacy Panel (TAP) to work with the Internal Revenue Service (IRS) to develop a process that is easier and more time sensitive for a taxpayer to obtain an election confirmation; such as the S-election confirmation for small business owners.
Goal Statement	The intended goal of our recommendations is to have taxpayers receive their election confirmations from the IRS in a timelier manner as compared to the current IRS published receipt targets of 7 10 business days.
Proposed Solution	<ol style="list-style-type: none"> <li>1.The TAP suggests that the IRS implement fax over internet protocol as a means of allowing IRS agents the ability to fax documents from their desktop computer. This network functionality would also allow the IRS to reduce the use and need for fax equipment and associated telephone lines as faxing would occur electronically through the IRS network.</li> <li>2.The TAP suggests that the IRS implement the use of overnight shipping options for taxpayers who are willing and request to have documents shipped overnight. This process would require a taxpayer to share his/her client billing information and shipping carrier so that the IRS could send overnight packages to the taxpayer at no cost to the IRS.</li> <li>3.The TAP suggests that the IRS implement additional website functionality to allow taxpayers to request, complete and receive a confirmation status related to election forms via the IRS web services application.</li> </ol>

IRS Initial Response

This proposal represents an intricate undertaking which would necessitate SB/SE, W&I and Modernization & Information Technology Services (MITS), pooling limited resources to institute the policy and technology changes necessary to achieve the project goal. We concur that automation would greatly expedite the process and reduce burden, however, based on feedback from SB/SE Campus and Exam functional areas as well as W&I Accounts Management, we do not consider it feasible given our current budgetary constraints.

We believe this recommendation may have future potential and we will share your findings with our Office of Taxpayer Burden Reduction and with Campus operations piloting the e-fax solutions application, in the event that items in your proposal can be incorporated into these areas.

Thank you again for suggesting changes to improve SB/SE programs and operations. If you have any questions, please contact the SB/SE Liaison for TAP, Senior Tax Analyst Tonjua Menefee for additional details.

<b>TAP Issue ID: 17932</b> <b>Elevated Date: 03/23/2011</b>	<b>Committee Name: Area 2</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Back Year Returns for Non-filers</b>	
Issue Statement	Practitioners are concerned with the inordinate amount of time to process past due returns by non-filers. Processing has been as long as three to six months, usually due to determining which Internal Revenue Service (IRS) Center (IRSC) should process the return.
Goal Statement	To assist non-filer taxpayers ready to become compliant, often several years in default, to file their past due returns at an IRS central location which processes all past due returns filed by non-filers.
Proposed Solution	<ol style="list-style-type: none"> <li>1. Place in a prominent position on the IRS Web Site (<a href="http://www.irs.gov">www.irs.gov</a>) on the tab: Individuals a statement reading essentially as follows: Have you failed to file your tax returns in past years? Click here This action will take the taxpayer to Need to file a past due return? This link is illustrated on Appendix A to this Referral Form.</li> <li>2. For taxpayers who do not have access to the internet, incorporate the above solution into Publication 17 (Your Federal Income Tax for Individuals) and make a reference to it in the Instructions for Form 1040 (U.S. Individual Income Tax Return).</li> <li>3. Establish a central location (Campus) which will: <ol style="list-style-type: none"> <li>a. Receive all information from the Integrated Data Retrieval System (IDRS) needed to ascertain non-filers.</li> <li>b. Send letter CP59 (Request for your tax return) to the delinquent filer.</li> <li>c. If no response to CP59, send Letter 2566 SC/CG with attached Substitute for Return (SFR).</li> <li>d. Receive all back year returns from taxpayers who are trying to be compliant and process them in a reasonable time-frame.</li> </ol> </li> </ol>

IRS Initial Response

a) We agree with this recommendation and will submit the request to link the Need to file a past due return? page to the Individuals page since Filing and Payment Compliance does not own the IRS.Gov website. Topics that appear on the Individuals page are determined by the popularity of the topic.

b)We agree with the proposed recommendation. Filing and Payment Compliance will coordinate any updates to Publication 17 for Tax Year 2011 with Communications & Liaison and Media and Publications. Filing and Payment does not have direct oversight of the Publication 17; however, we will take the necessary actions to request that the publication is updated with language commensurate with the TAP recommendation.

c)We do not agree with this recommendation. Centralization of all aspects of the individual delinquent return process at one campus would not be efficient or effective. . We have reduced the number of campuses that receive and process delinquent returns based on previous studies that determined the optimal number of campuses. In general, individual delinquent returns, where the Service sends initial notices (CP59) requesting the taxpayer to file, are processed in 2 instead of 10 campuses. Taxpayer accounts that are subject to Automated Substitute for Return processing are housed in 3 instead of 10 campuses. When we contact a taxpayer regarding a delinquent return, we include the address to which they should respond. We constantly work to identify and mitigate processing delays. Limiting ASFR processing to 3 campuses allows the Service flexibility and a viable contingency plan in the event of a disaster or other event that prevents or delays processing at one of the sites. Additionally, account information is systemically housed in such a manner that employees can access the account information of a taxpayer without regard to which campus is responsible for the account., Portions of the Automated Substitute for Return process are centralized; phones calls are directed to one campus for both Wage & Investment and Small Business/Self Employed taxpayers. However, because we have other campuses involved in the return delinquency process, we have a contingency if an emergency occurs at the central phone site or demand exceeds planned capacity. We continue to look for ways to process delinquent returns as efficiently and quickly as possible.

<b>TAP Issue ID: 19155</b> <b>Elevated Date: 11/02/2011</b>	<b>Committee Name: Area 2</b>
<b>Status: Closed</b>	<b>Outcome: Resolved Prior to Elevation</b>
<b>Title: Notice #1400</b>	
Issue Statement	The font size and numbering on all notices is too small for the elderly reader.
Goal Statement	For example, Notice 1400 is a postcard sent to taxpayers informing them of the alternatives to paper filing returns and stating the Internal Revenue Service will no longer mail blank paper returns. The bi-fold postcard is 6x 4 with writing on three sides and an address on the final side. The last sentence of one side states If you are experiencing a hardship in obtaining paper tax forms, please call 1-800-TAX-FORM (1-800-829-3676) after January 10, 2011.
Proposed Solution	Increase font size and bold the Internal Revenue Service telephone number to receive forms on Notice 1400 and all other notices.
IRS Initial Response	<p>Thank you for the opportunity to address your recommendation. With regard to the Notice 1400, this notice is now obsolete. This notice was used only one year to inform taxpayers that the IRS would no longer mail out Form 1040 tax packets.</p> <p>Notices such as the Notice 1400 are produced by Media &amp; Publications (M&amp;P) and, at this time, are not part of the Office of Taxpayer Correspondences (OTC) effort to redesign taxpayer correspondence. When M&amp;P creates a general Notice, they make every attempt to set all fonts to a size appropriate for all taxpayers unless limited due to space constraints.</p> <p>With regard to increasing the font size and bolding the IRS telephone number on all other notices, as you know, OTC is in the process of redesigning all IRS taxpayer notices and letters. The redesigned plain language notices and letters provide the taxpayer with the information they need to understand the key message, the necessary next steps and the consequences of inaction. As part of the design process, we worked with independent plain language expert contractors to study multiple options to include font type and color to determine the best way to convey the intent of the notice. Although the new design does not change the font size or bold phone numbers, the layout created presents the information to the taxpayer in a more direct, clear manner and has shown to test at a much higher comprehension and perception level.</p>

<b>TAP Issue ID: 19605</b> <b>Elevated Date: 07/01/2011</b>	<b>Committee Name: Area 2</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Identity Theft</b>	
Issue Statement	The Internal Revenue Service (IRS) has established an Identity Protection Specialized Unit to address identity theft issues. However, this information is difficult to obtain and does not specify how identity theft cases will be handled.
Goal Statement	The goal is to make identity theft information readily available to the taxpayer.
Proposed Solution	Establish a shortcut link on the main IRS webpage <a href="http://www.irs.gov">www.irs.gov</a> which would direct the taxpayers to the resources available to deal with identity theft.
IRS Initial Response	<p>IRS is currently evaluating the IRS identity theft program and making numerous recommendations for improvements. In conjunction with these improvements, the identity theft webpage on <a href="http://IRS.gov">IRS.gov</a> will be expanded and additional links will be included to provide victims of identity theft with additional information and resources. These efforts will also make the identity theft information easier to locate on <a href="http://IRS.gov">IRS.gov</a>.</p> <p>The location of any new links to the expanded identity theft content is in development. We will follow up on your recommendation no later than January 31, 2012.</p>

<b>TAP Issue ID: 17723</b> <b>Elevated Date: 02/28/2011</b>	<b>Committee Name: Area 3</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Power of Attorney Delay</b>	
Issue Statement	The Internal Revenue Service (IRS) is unreasonably delaying the processing of Form 2848, Power of Attorney (Form 2848) forms, for as long as nine weeks. While the IRS does provide the opportunity for attorneys, CPAs and enrolled agents (hereinafter practitioners) to file a Power of Attorney online via e-services, it is not available in all situations such as the representation of a client who has failed to file in past years. Accordingly, practitioners are forced to endure long waits or the inefficiency of repeatedly faxing the same Power of Attorney until the original submission is processed months later.
Goal Statement	The IRS will process Forms 2848 within three business days from receipt.
Proposed Solution	The subcommittee recommends that the IRS assign sufficient personnel and resources to process Forms 2848 within three business days from receipt.

IRS Initial Response

The IRS acknowledges that it experienced delays in processing POAs in 2010. Due to an unexpected increase in receipts, processing timeframes were temporarily extended to 15 days. The IRS took immediate actions to address the situation including training additional staff to process overage inventory as quickly as possible. Since mid-July, the IRS has maintained a ten-day or less processing timeframe on all receipts except TAS priority cases, which continued to be processed within 24 hours of receipt. The IRS revised IRM 21.3.7 procedures related to processing POAs and made significant updates to instructions, simplified procedures and streamlined timeframes to improve the process to avoid future delays. All CAF receipts are now processed within ten calendar days. The IRS also partnered with the practitioner community to educate tax practitioners on Power of Attorney and Other Third Party Authorizations, including procedural changes and ways to avoid processing delays or rejections when submitting POAs. Delays often occur when third-party representatives submit incomplete forms or send multiple submissions to the IRS. While it is true that the number of CAF employees declined slightly, the decrease is substantially due to attrition and a reduction in clerical staff. Each CAF processing site has trained alternate staff (Toll-free Customer Service Representatives (CSRs) and Inventory Control Team Clerks) to assist with processing during periods of high inventory. In addition the CAF processing sites are in the process of hiring staff to replace those lost through attrition.

We have completed a Unified Work Request (UWR) to request future enhancements to e-services Disclosure Authorization (DA) capabilities and are exploring e-fax as yet another way to reduce paper receipts and increase efficiencies.

At this time CAF receipts are 80,000 less than they were this time last year, and with few exceptions POAs are being processed with in the new guidelines.

<b>TAP Issue ID: 18165</b> <b>Elevated Date: 06/02/2011</b>	<b>Committee Name: Area 3</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Withdrawal/Revocation of POA</b>	
Issue Statement	Form 2848 Power of Attorney and Declaration of Representative instructions give inaccurate procedures for revocation or withdrawal of the existing Power of Attorney or Representative (POA).
Goal Statement	Instructions for Form 2848 revocation or withdrawal of the POA should be accurate and consistent within Internal Revenue Service (IRS) materials.
Proposed Solution	1.Change the wording to be accurate and consistent in the following IRS documents: a.Form 2848 instructions (6/2008), page 2 (Attachment A) b.Publication 947 (04/2009), Practice Before the IRS and Power of Attorney, page ten (Attachment B) 2.Add to the IRS.gov website a Frequently Asked Questions (FAQ) page for revocation or withdrawal of POA.
IRS Initial Response	We are in the process of the revising tax products and will be updating the instructions to taxpayers and representative regarding the procedures for the revocation or withdrawal from an existing power of attorney.

<b>TAP Issue ID: 16851</b> <b>Elevated Date: 02/15/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Federal / State Tax Law Confusion</b>	
Issue Statement	The IRS frequently publishes information on federal tax law updates. State income tax authorities may decouple from or disregard federal tax law changes in the computation of state taxable income. Many taxpayers, who are unaware of the distinctions between federal and state taxable income, assume that these published federal changes apply equally to state tax laws.
Goal Statement	To make taxpayers aware that federal tax treatment may differ from state tax treatments.
Proposed Solution	Encourage the IRS to include a note in all publications featuring tax law changes cautioning taxpayers that federal tax treatments may differ from state tax treatments.
IRS Initial Response	<p>IRS Response Detail:</p> <p>The TAP recommendation was to include a note in all publications featuring tax law changes that cautions taxpayers that state tax treatment may differ from federal tax treatment. We believe that it makes more sense for the individual states to alert taxpayers to the differences between state tax treatment and federal tax treatment. The reasons for this include: (1) individual states are in a better position to know and provide a comprehensive explanation of the differences between the states tax treatment and the federal tax treatment; (2) it would avoid taxpayers contacting the IRS regarding state tax treatment (our concern is that taxpayers would see a reference to state taxes and then contact the IRS asking about the state taxes); and (3) it would avoid confusion and/or conflicting information if, in fact, the state had adopted the federal tax changes.</p>

TAP Counter Response

Date: April 7, 2011  
To: Anne Freeman  
From: Taxpayer Advocacy Panel (TAP) Area 4  
RE: IRS Response to TAP Issue 16851 Federal / State Tax Law Confusion

On February 16, 2011, the Taxpayer Advocacy Panel (TAP) referred Issue 16851, Federal / State Tax Law Confusion, to the Internal Revenue Service (IRS) for consideration.

Thank you for your prompt response received on April 4, 2011. Your response stated, The TAP recommendation was to include a note in all publications featuring tax law changes that cautions taxpayers that state tax treatment may differ from federal tax treatment. We believe that it makes more sense for the individual states to alert taxpayers to the differences between state tax treatment and federal tax treatment. The reasons for this include: (1) individual states are in a better position to know and provide a comprehensive explanation of the differences between the states tax treatment and the federal tax treatment; (2) it would avoid taxpayers contacting the IRS regarding state tax treatment (our concern is that taxpayers would see a reference to state taxes and then contact the IRS asking about the state taxes); and (3) it would avoid confusion and/or conflicting information if, in fact, the state had adopted the federal tax changes.

The Area 4 Panel Members believe our proposal was misunderstood and request reconsideration. We are not requesting a statement of specific differences between state and federal law. Instead, we are recommending a short note in publications featuring tax law changes that cautions taxpayers the treatment may be different. For example: Federal tax treatment may differ from state tax treatment. Please contact your state tax department for an explanation of the state treatment.

TAP appreciates the consideration given and look forward to the IRS response to this memo.

IRS Final Response

Thank you for resubmitting your request to add a statement, to all our publications featuring tax law changes, to tell taxpayers that their state tax law may differ from federal tax law, and to contact their state tax agencies for explanations of their state tax law. We have reconsidered the suggestion, but we continue to believe that adding the statement would be telling taxpayers what they already know.

Most taxpayers who live in states that tax their incomes, already realize they have to file separate state and federal income tax returns, and that these returns differ because state and federal laws differ.

We have not received correspondence from taxpayers indicating that they think state law applies to their federal returns or vice versa, so we do not see a need to clear up a misunderstanding that doesnt seem to exist. In our opinion, even if such a statement were added, it would not be especially helpful because of its generality.

Our experience has also been that state tax agencies differ in their ability and willingness to help taxpayers. Not all states have the resources to provide a high level of taxpayer service.

<b>TAP Issue ID: 18396</b> <b>Elevated Date: 03/25/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Revise Form W-4</b>	
Issue Statement	Some taxpayers exceed federal withholding requirements during the year and have no simple way to stop withholding for the remainder of the year.
Goal Statement	Provide an additional choice for taxpayers to stop federal income withholding if they have met their full tax obligation for the year.
Proposed Solution	<p>Modify Form W-4, Employees Withholding Allowance Certificate, to add a condition for exemption to stop additional federal withholding if the taxpayer has already met his full tax obligation. See the attachment for suggested wording to line 7.</p> <p>Update Publication 919, How Do I Adjust My Tax Withholding, and Publication 505, Tax Withholding and Estimated Tax, to include the recommended changes.</p> <p>Change Publication 15, (Circular E) Employers Tax Guide, to notify employers of the change to Form W-4.</p>

IRS Initial Response

Response to Recommendation (1) Policy-controlling changes to Form W-4 are made by the Treasury Department. Below is the response from the Treasury Department.

Current law permits an employee to claim exemption from withholding only if the employee had no income tax liability the previous year and expects to have no income tax liability in the current year. Thus, workers cannot claim exemption from further withholding during the year just because they believe that they have sufficient year-to-date withholding because of a business loss, other deductible expenses, tax credits, excessive withholding earlier in the year, or for any other reason.

An employee, however, may use the computations on Form W-4 (and associated IRS publications) or an estimated tax-type calculation to reduce or even eliminate withholding based on determinable expenses and losses. If an employee uses such information to reduce withholding, the employee also must reflect nonwage income in the calculations. Such an adjustment could reduce or even eliminate further withholding for the year. But, the reduction or elimination would be based on the calculations, rather than on a specific claim of exemption.

Permitting an employee to opt out of withholding as suggested in the Taxpayer Advocate Panel recommendation could undermine the withholding system, which is an integral and crucial part of the federal income tax system under which income tax payments are generally due as the income is realized. Permitting full exemption from withholding could cause loss of income tax revenue and require increased enforcement efforts and expenditures by the government. Permitting opt-out also could increase intentional noncompliance. It also could increase unintentional noncompliance by some taxpayers who would find that they had large balances due when they filed their income tax returns and did not have the funds to pay those balances due. Permitting exemption as suggested also could increase the burden on employees if they had to file another Form W-4 at the beginning of the next calendar to eliminate the exemption from withholding and to correct their withholding for the following year.

Response to recommendation (2) & (3) Because the recommendation to modify Form W-4 was rejected by the Treasury Department, no change to Publications 919 and 505 are required.

TAP Counter Response	<p>Date: August 30, 2011  To: William E. Haddad  From: Taxpayer Advocacy Panel (TAP) Area 4  RE: IRS Response to TAP Issue 18396 Revise Form W-4</p> <p>On March 25, 2011, The Taxpayer Advocacy Panel (TAP) referred Issue 18396, Revise Form W-4, to the Internal Revenue Service (IRS) for consideration. The goal of the referral is to provide an additional choice to taxpayers to stop federal income withholding if they met their full tax obligation for the year.</p> <p>On June 13, 2011, TAP received the IRS response. The response stated workers cannot claim exemption from further withholding during the year just because they believe that they have sufficient year-to-date withholding because of a business loss, other deductible expenses, tax credits, excessive withholding earlier in the year, or for any other reason. The response stated permitting an employee to opt out of withholding could undermine the withholding system.</p> <p>The Area 4 Panel Members request reconsideration. Although the worksheet computations on the Form W-4 could reduce the amount of withholding, the current Form W-4 offers no way for the wage earner to stop additional federal withholding when the other spouse has a business loss. As a result, taxpayers sometimes perjure themselves in order to stop withholding. The Area 4 recommendation would allow a taxpayer to truthfully file Form W-4 claiming exemption from withholding if they met their full tax obligation for the year. The IRS is authorized and required to collect only what is owed and there are safeguards in place to make underpayment extremely expensive. The recommendation is not asking for a law change, only an extension of the meaning of exempt from the entire year to include partial year when a taxpayers full obligation for the year has already been met.</p> <p>IRS Summertime Tax Tip 2011-06, titled IRS Withholding Calculator Can Help Figure Your Tax, aptly states, If you withhold too much, you will get a large refund next year, but that means you gave up the use of your money for several months during the year. Area 4 Panel Members agree with this tip, and the proposed change to Form W-4 would allow taxpayers to retain funds that would otherwise be refunded to them anyway, ease their cash flow problem during the year, and remove an incentive to file a false Form W-4.</p> <p>TAP appreciates the consideration given and look forward to the IRS response to this memo.</p>
IRS Final Response	<p>Withholding rules are prescribed by IRC section 3402 and its regulations. IRC section 3402 does not allow or provide for the proposed change. The proposed change would require legislation.</p>

<b>TAP Issue ID: 18434</b> <b>Elevated Date: 05/04/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Issue Fully Implemented</b>
<b>Title: Signature Clarification on Form 8868</b>	
Issue Statement	Signature requirements on Form 8868, Application for Extension of Time to File an Exempt Organization Return, and in the instructions for that form are not clear. A signature is not required for the first (automatic) extension, but it is required for the second (non-automatic) extension.
Goal Statement	Clarify signature requirements on Form 8868 and in the instructions for that form.
Proposed Solution	<p>Proposed specific text is as follows:</p> <p>On Form 8868, Page 2, below the Signature line, add the following bold text: Signature and Verification must be completed for Part II only.</p> <p>On Page 4, Column 1 (top portion), add a second paragraph to the Note: No signature is required when applying for an extension of time to file under Part I</p> <p>On Page 4, Column 2 (bottom), revise Signature text: Signature. When applying for an extension of time to file under Part II, a signature is required. The person who signs this form may be:</p>
IRS Initial Response	IRS is adopting the text proposed for all 3 locations on the form. IRS will make these changes in the net revision , which will be approximately in January 2012.

<b>TAP Issue ID: 18611</b> <b>Elevated Date: 08/02/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Partially Accepted</b>
<b>Title: Refund Delays on Electronically Filed Returns</b>	
Issue Statement	An electronically filed individual tax return that is acknowledged and accepted for processing by the Internal Revenue Service (IRS) may be placed on hold and/or subject to further review before it is completely processed. This may result in a delay in receiving a refund on the expected refund date. The IRS does not notify the taxpayer and/or electronic return originator (ERO).
Goal Statement	Enhance communication back to e-filed return transmitters with one or more additional steps between accepted for processing and refund issued. Enhance the Wheres My Refund? (WMR) link on the IRS website to include a brief explanation of processing delays and/or IRS Code with a location reference. Notify taxpayers of processing delays.
Proposed Solution	<p>(1) Instead of using Return Accepted as the final communication from the IRS to a transmitter, use Return Processing to indicate an active return. This would remain Acceptance Code A (refer to IRS Publication 1346 (10/1/10), Part 1, Section 3, Page 133).</p> <p>(2) If processing is delayed and a refund delay is probable, communicate to the transmitter with a Processing Delayed message. Also, list the delay on the WMR system, where the taxpayer can visit for updates. An additional Acceptance Code would be required to activate this procedure.</p> <p>(3) Notify taxpayers of a processing delay (the return cannot be posted to the IRS Master File) with a generic letter that instructs them to check WMR on the IRS website for additional information and to obtain subsequent updates.</p> <p>(4) Once processing is completed and the return is posted to the IRS Master File, the final communication from the IRS to a transmitter would be Return Completed. An additional Acceptance Code would be required to activate this procedure.</p>

IRS Initial Response

(1) See IRS Final Response

(2) We disagree with this recommendation. Sending updates back through the provider would add another level of complexity to the system. The update to the transmitter could potentially confuse customers if the Wheres My Refund application displayed a status different than that received by the transmitter. The WMR tool informs customers to check back weekly for updates. We do send notices to customers in certain conditions such as student loans, or child support, refund offsets due to IRS prior year debt.

(3) In a time of limited resources we must give careful consideration to funding allocations. We feel it would be cost prohibitive to notify taxpayers by letter about every delay when most delays are minimal and may only be one week. Currently, notices are sent to refund customers in certain conditions such as, student loans, or child support, refund offsets due to IRS prior year debt. Even including delays, approximately 97% of all e-filed returns are processed within three weeks.

(4) We have reviewed the above recommendation, and disagree. After an Accepted Return Code has been issued, and the e-File process has been completed, we feel it is not necessary for the e-File program to have any further electronic communication with the transmitters. The customer can access [irs.gov](http://irs.gov) Wheres My Refund to obtain information about their refund.

TAP Counter Response	<p>On August 2, 2011, the Taxpayer Advocacy Panel (TAP) referred Issue 18611, Refund Delays on Electronically Filed Returns, to the Internal Revenue Service (IRS) for consideration.</p> <p>TAP recommended a four step procedure to improve communication with the taxpayers and return transmitters, all of which were rejected by the IRS. The Area 4 Panel Members are requesting IRS reconsideration of step 18611(1). The specific request is to change the IRS response to Partially Accepted.</p> <p>There are no objections to the other three steps of Issue 18611. Most of the concerns in those steps should be adequately addressed with enhancements to Wheres My Refund? on the IRS website.</p> <p>Regarding step 18611(1), the IRS response was: We have reviewed the above recommendation and disagree. However, we will define the terminology Return Accepted in the Publication 1346, Electronic Return File Specifications for Individual Income Tax Returns. That action item has been completed.</p> <p>The expanded definition clarifies what Return Accepted (Code A) means. Previous verbiage led to taxpayer confusion. That confusion led to the creation of Issue 18611. The change in Publication 1346 most likely originated from our discussions on Issue 18611 that included participation from several IRS Subject Matter Experts. Since this evolved into a team effort between the IRS and TAP, it seems appropriate that TAP should receive partial recognition for the result.</p> <p>TAP appreciates the consideration given and looks forward to the IRS response to this memo.</p>
IRS Final Response	<p>Partial Acceptance. We have reviewed the above recommendation and disagree. However, we will define the terminology Return Accepted in the Publication 1346, Electronic Return File Specifications for Individual Income Tax Returns.</p> <p>Definition: Return Accepted means your return has been successfully e-Filed. There were no upfront errors that caused the return to reject. However, due to additional downstream processing, there may be reasons that may delay or alter the amount of an expected refund.</p>

<b>TAP Issue ID: 18632</b> <b>Elevated Date: 05/04/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Highlight e-filing in Form 2290 Instructions</b>	
Issue Statement	<p>All heavy vehicle owners are required to file Form 2290 -Heavy Highway Vehicle Use Tax Return and pay the tax as a prerequisite to obtaining their state vehicle registrations. The heavy vehicle owners must provide the state motor vehicle departments with the Schedule 1 (Form 2290) that the Internal Revenue Service (IRS) stamps and returns to them as proof of the use tax payment.</p> <p>Due to processing time, it may take 4 to 6 weeks for the taxpayers to receive their stamped Schedule 1 if they file a hardcopy of their Form 2290 return rather than e-filing.</p>
Goal Statement	Educate heavy highway vehicle owners that e-filing is available to all filers; and it is the fastest and most convenient way to receive the required Schedule 1 (Form 2290).
Proposed Solution	<p>Amend the language in the Form 2290 Instructions to clarify that electronic filing is available to all Form 2290 filers.</p> <p>Amended language - Form 2290 Instructions (Rev. July 2010) on pages 1a (Reminders) and 3b (Caution):</p> <p>File Form 2290 electronically. Once your return is accepted by the IRS, your stamped Schedule 1 can be available in as little as 24 hours. For more information on e-file, visit <a href="http://www.irs.gov">www.irs.gov</a> and search 2290 e-file. Electronic filing is encouraged and available to all taxpayers. However, electronic filing is required for each return reporting 25 or more vehicles that the taxpayer files during the tax period.</p>
IRS Initial Response	<p>The current draft of the Instructions being considered is based on the text suggested.</p> <p>Depending on Congressional action on termination of the user fee under current law on September 30, 2011, the Instructions are expected to be released in October, 2011.</p>

<b>TAP Issue ID: 18798</b> <b>Elevated Date: 03/25/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Have a PO Box for Disaster Area Amended Returns</b>	
Issue Statement	Taxpayers and accounting professionals in disaster relief areas are experiencing problems filing an amended return to claim a casualty loss deduction under the federal disaster relief provisions.
Goal Statement	Urge the IRS to separate federal disaster relief amended returns from other amended returns and streamline the processing of these returns.
Proposed Solution	1.Create a separate PO Box dedicated to amended returns from federally declared disaster areas. 2.Train IRS reviewers who process the disaster relief returns on the unique rules for disaster relief.
	<p>The IRS employs various processes which ensure Disaster related amended returns are addressed as expeditiously as possible. Specifically, taxpayers filing casualty claims via Forms 1040X are advised to annotate the Form 1040X, at the top in red lettering, with the name of the designated disaster for easy identification of the claim.</p> <p>1040X claims filed with the service are initially processed in the Submissions Processing function. During the IRS peak processing period, of March 1 June 30, the function processes claims within a 20 day time frame. Other times of the year, there is a 12 day time frame to process claims or, forward the claim to another function based on the claim criteria. Claims not resolved in Submissions Processing may be routed to Accounts Management, Examination or Collection functions. Submission Processing states they are processing approximately 78% of all claims received from the mail room.</p> <p>Including disaster processes in various functional IRMs ensures affected taxpayer claims are addressed expeditiously. For instance, detailed instructions, in Submission Processing IRM 3.11.6, advises that properly identified Disaster claims are expedited by the Receipt and Control unit for routing to the Submissions Processing Form 1040X unit. The initial sorting and resolution of Form 1040X claims, including disaster claims, by the Submission Processing function appears to effectively allow for efficient management of the workflow.</p> <p>Additionally, the Accounts Management IRM 21.5.3.4 notates that Accounts Management will expedite resolution of all claims marked as disaster. These instructions ensure that claims are prioritized for processing.</p> <p>As a result of established IRM policy to expedite disaster claims in both the Submissions Processing and</p>

IRS Initial Response

Accounts Management functions, the recommendation to require IRS to create a separate PO Box dedicated to amended returns from federally declared disaster areas would not provide any substantial improvement to established processing timeframes. Furthermore, IRS does not anticipate any measurable benefit for taxpayers would be realized by adopting this recommendation.

IRS Response Detail: recommendation one

We disagree with the recommendation to create a separate P.O. Box dedicated to amended returns for federally declared disaster areas.

Creating a separate PO Box would not be beneficial for several reasons:

- 1.The Post Office often ignores the PO Box numbers and bar codes on mail addressed to the IRS and delivers the mail to the main PO Box for each campus.
- 2.The employees in the Receipt & Control area who open the mail are trained to recognize a disaster notation across the top of a return and pay close attention to those labels/documentation than to the address on the envelope. In addition, procedures are already in place to prioritize disaster related returns.
- 3.Processing could be delayed due to centralize processing of these returns at the dedicated PO Box campus.

The Submission Processing Form 1040X units are currently working the majority of all amended returns in a timely manner. Generally, the returns are being worked sooner than the 6 to 8 week timeframe.

Response for second recommendation:

Submission Processing and Accounts Management employees receive training regarding Disaster Area and Casualty Loss Claims. The training is delivered to new hire employees, employees who are returning to duty, and permanent employees during their annual CPE. Several on-line courses are utilized for disaster training.

TAP Counter Response	<p>IRS Response Detail: recommendation one</p> <p>We disagree with the recommendation to create a separate P.O. Box dedicated to amended returns for federally declared disaster areas.</p> <p>Creating a separate PO Box would not be beneficial for several reasons:</p> <ol style="list-style-type: none"><li>1.The Post Office often ignores the PO Box numbers and bar codes on mail addressed to the IRS and delivers the mail to the main PO Box for each campus.</li><li>2.The employees in the Receipt &amp; Control area who open the mail are trained to recognize a disaster notation across the top of a return and pay close attention to those labels/documentation than to the address on the envelope. In addition, procedures are already in place to prioritize disaster related returns.</li><li>3.Processing could be delayed due to centralize processing of these returns at the dedicated PO Box campus.</li></ol> <p>The Submission Processing Form 1040X units are currently working the majority of all amended returns in a timely manner. Generally, the returns are being worked sooner than the 6 to 8 week timeframe.</p> <p>Response for second recommendation: Submission Processing and Accounts Management employees receive training regarding Disaster Area and Casualty Loss Claims. The training is delivered to new hire employees, employees who are returning to duty, and permanent employees during their annual CPE. Several on-line courses are utilized for disaster training.</p>
----------------------	--

<b>TAP Issue ID: 18851</b> <b>Elevated Date: 08/01/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: E-Services Access to CP 2000</b>	
Issue Statement	When a taxpayer needs a replacement copy of a Notice CP2000, Notice of Proposed Adjustment for Underpayment/Overpayment, his/her tax professional must call the Tax Practitioner Hotline, speak to an Internal Revenue Service (IRS) employee, and have the copy mailed, because e-services users do not have access to CP2000s.
Goal Statement	Allow tax practitioners to access replacement copies of CP2000 through e-services, thus allowing taxpayers to resolve issues more quickly.
Proposed Solution	Allow e-services users who have filed a clients Form 2848, Power of Attorney and Declaration of Representative, to obtain a copy of the clients CP2000 through e-services by initiating an inquiry through Electronic Account Resolution (EAR).
IRS Initial Response	Thank you for your recommendation for an enhancement to the Electronic Accounts Resolution (EAR) Program. The EAR Program/system does not allow for outgoing or incoming attachments of any type. Due to limited resources, we are unable to make any modifications to the EAR Program. , We will continue to either fax or mail a copy of the CP2000 to the valid Power of Attorney on file when requested through the EAR Program. .

<b>TAP Issue ID: 19138</b> <b>Elevated Date: 08/02/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Change Instructions for Form 720</b>	
Issue Statement	The estimated time table for completion of Form 720, located on page 17 of the instructions, may not be a reliable estimate for single activities listed in Part II of the Form 720, such as IRS No 140 indoor tanning services. A disclaimer should be added to portray a more realistic completion time.
Goal Statement	Add a couple of sentences to the Form 720 Instructions pertaining to single activities listed in Part II of the Form 720 stating more realistic times for completing the form. Current estimates are: Recordkeeping 28 hr., 54 min. Learning About The Law 2 hr. 5 min. and Preparing and Sending the Form 720 6 hr. 13 min.
Proposed Solution	Add a disclaimer to the estimated time for completion of Form 720 on page 17 to say Estimated time for completion listed on page 17 may not be a reliable estimate for single activities listed in Part II of Form 720.
IRS Initial Response	No change in existing product. The existing language states that the times listed are estimated average times and The time needed to complete and file these forms and related schedules will vary depending on individual circumstances. Given the many millions of forms 720 filed, we believe this language adequately addresses this issue.

<p>TAP Counter Response</p>	<p>On August 15, 2011, the Taxpayer Advocacy Panel (TAP) referred Issue 19138, Form 720 Instructions, to the Internal Revenue Service (IRS) for consideration. Form 720 is the Quarterly Federal Excise Tax Return.</p> <p>The TAP subcommittee felt that the estimated time to complete Form 720, as stated in the instructions, was unrealistic for some activities, in particular a recent addition to Form 720 for indoor tanning bed operators.</p> <p>On September 9, 2011, the Office of Business Forms and Publications Branch rejected the TAP recommendation, citing that existing language is sufficient. The instructions state that these are estimated average times and The time needed to complete and file these forms and related schedules will vary depending on individual circumstances.</p> <p>Area 4 Panel Members request reconsideration. Replacing will vary with may vary significantly would be more appropriate verbiage for a taxpayer utilizing Form 720. The sentence would read: The time needed to complete and file these forms and related schedules may vary significantly depending on individual circumstances.</p> <p>The word may means that it could apply, whereas will implies certainty. The word significantly is subjective, but it would allow the taxpayer to interpret, for example, that 80% of the estimated time vs. 20% of the estimated time may be equally viewed in determining the accuracy of a completed Form 720.</p> <p>TAP appreciates any consideration given, and we look forward to the IRS response to this memo.</p>
<p>IRS Final Response</p>	<p>Thank you for your memo dated October 28, 2011, asking that we reconsider our determination of September 9, 2011, regarding issue 19138 with reference to Form 720 Instructions. The referral stated that the burden estimate may not have been a "reliable estimate" and that a disclaimer be added to that effect. Our response was to reject the recommendation on the grounds that the existing language was adequate in that times were stated to have been "average". We have carefully considered the request to reconsider and have determined that there should be no change in our original response. The law requires a burden estimate for each information collection. Form 720 is one information collection. The law requires an average burden estimate to be determined for all respondents. The Office of Management and Budget approves all the language we use as well as the burden estimate amounts. Because burden varies for all forms (information collections), the language we use must be consistent for all forms. Taking all forms into account, the IRS and OMB believe the current language is adequate to inform filers of estimated burden. Although we are not adopting your suggestion, I appreciate the time and effort you took to submit them.</p>

<b>TAP Issue ID: 20887</b> <b>Elevated Date: 04/28/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: SAMS - Accepted</b>
<b>Title: Return Processing - Incorrect Math Error Notice</b>	
Issue Statement	Immediate Intervention: incorrect refunds are being issued due to IRS processing error. During processing, IRS is allowing the health insurance deduction twice on the self-employment tax calculation when both spouses own the business, resulting in refunds taxpayers are not entitled to.
Goal Statement	Ensure IRS processes the correct amount of self-employment tax.
Proposed Solution	Correct IRS processing of the health insurance deduction amount allowed when computing the self employment tax, when both spouses own the business.
IRS Initial Response	Issue referred to SAMS on 4-28-2011 by TAP, however IRM 3.12.3.67.6.5 was updated 4-27-2011 for these returns. When both spouses have business income the returns will fall out to Error Resolution System ERS). If the tax examiner can tell by reviewing return the allocation for health insurance deduction, they finish processing the return. If not, the tax examiner will correspond with the taxpayers.

<b>TAP Issue ID: 21033</b> <b>Elevated Date: 05/13/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: SAMS - Accepted</b>
<b>Title: IRS Process Error of General Business Credit</b>	
Issue Statement	Immediate Intervention: additional tax assessed due to IRS processing error. During processing, IRS is disallowing the General Business Credit listed on Form 1040 line 53, when the credit is due to Form 8941, Credit for Small Employer Health Insurance Premiums
Goal Statement	Ensure IRS allows the General Business Credit listed on Form 1040 line 53.
Proposed Solution	Correct IRS processing to allow the General Business Credit listed on Form 1040 line 53, when the credit is due to Form 8941, Credit for Small Employer Health Insurance Premiums.
IRS Initial Response	No project established, however the following information provided:  Both returns were manually corrected by tax examiners who made the mistakes that resulted in additional taxes assessments. I shared the examples with the responsible Operating Division. Sharing these errors serves to remind employees about being more careful when computing taxes to prevent these types of cases and rework. It also helps a business unit identify training needs.

<b>TAP Issue ID: 22849</b> <b>Elevated Date: 11/22/2011</b>	<b>Committee Name: Area 4</b>
<b>Status: Closed</b>	<b>Outcome: SAMS - Accepted</b>
<b>Title: Form 1040 - PTIN vs. PIN</b>	
Issue Statement	Form 1040 draft shows a five digit place for PIN numbers. My PTIN is six digits long. This is confusing. So much emphasis has been placed on PTINs. Clarification should be made about this to eliminate any confusion for practitioners.
Goal Statement	Clarification should be made about this to eliminate any confusion for practitioners.
Proposed Solution	Provide clarification/communication to practitioners via the electronic media outlets (electronic practitioner news letters, etc.) In additions, the 1040 instructions need to be very clear.
IRS Initial Response	<p>The 1040 is current in draft form and any suggestions or comments, as stated on the opening page of the draft form, should be either put on the comments pages at the link given or sent via email to the email address given. However, we shared the comments with TAS Systemic Advocacy personnel working on the 1040 redesign team.</p> <p>The first point of clarification should be made in the 1040 instructions, which is why Forms/Pubs are notified of the confusion. They would not only be the ones to add this to the instructions but also to initiate any clarification in the practitioner communications such as e-news for tax professionals.</p> <p>Getting the information directly to them via their own channels (via their taxforms@irs.gov email or their comments page on the web site) is the quickest way and best way for them to be alerted to this concern and take steps to either change/clarify the form or instructions and to also prepare any necessary communications clarifying the difference.</p>

<b>TAP Issue ID: 18628</b> <b>Elevated Date: 03/28/2011</b>	<b>Committee Name: Area 5</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Rewrite Letter 1085</b>	
Issue Statement	Recipients of Internal Revenue Service (IRS) Letter 1085 and their representative found the letter, issued by the Automated Collection System (ACS), to be confusing, difficult to read and unprofessional in appearance. (Exhibit 1) Its format appears to be PC-generated rather than in the standardized computer-generated letter format with larger print and a professional appearance which the Integrated Collection System (ICS) generates for revenue officers. (Exhibit 2)
Goal Statement	Change the format of Letter 1085 generated by ACS to the standardized letter format used by ICS.
Proposed Solution	After determining the root cause, make the necessary corrections to ACS computers or the program that generates Letter 1085 so that it has the same standard appearance as the letter ICS generates.
IRS Initial Response	IRS Response Detail:  The Campus Letter 1085 is used by the A6020b program. It is not utilized by ACS. We agree letter needs to be updated to remove IRS jargon and to update the font to make it more professional. Will submit UWR to update the letter. If UWR is accepted, expected completion date by 10/01/2012.

<b>TAP Issue ID: 19035</b> <b>Elevated Date: 05/04/2011</b>	<b>Committee Name: Area 5</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Partially Accepted</b>
<b>Title: Taxpayers to Change Address on IRS Website</b>	
Issue Statement	A single place for individual filers to use on the Internal Revenue Service (IRS) website to change their address is not currently available. Taxpayers should be able to change their address on the IRS website (www.irs.gov) by entering their last name, first name, date of birth, and social security number (SSN).
Goal Statement	The IRS should provide a simple, single online procedure to enable taxpayers to change their official mailing address.
Proposed Solution	Without getting into a software and/or website design of how to specifically implement this recommendation, the IRS could provide a change of address link on the home page of the IRS website (www.irs.gov). Other potential solutions include: Provide an e-Services-like tool for individual taxpayers. Build on the technology that is included in Wheres my Refund. Use the e-file Personal Identification Number (PIN) and/or Adjusted Gross Income (AGI) for taxpayer authentication.
IRS Initial Response	While we are unable to move forward with your recommendation at this time, we are pleased to see that our thinking in this area coincides with yours. Online transactions between taxpayers and the IRS are limited in todays operating environment by law and regulation. Selected account transactions, with address changes as one example, are part of the future IRS online plans. However, due to the sensitive nature of these transactions, IRS needs to be assured the new identity verification process works seamlessly before looking at developing new applications. Unfortunately, based on our current budget outlook, funding for the development of new applications is not likely at this time, although account-based online services remain a high priority for the Service.

<b>TAP Issue ID: 19764</b> <b>Elevated Date: 08/02/2011</b>	<b>Committee Name: Area 5</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Partially Accepted</b>
<b>Title: Instruct Book for Form 1040 &amp; Bad Penalty Payment</b>	
Issue Statement	There is no Information regarding the penalty for a bad check or other dishonored form of payment to the Internal Revenue Service (IRS) included in Form 1040, 1040A and 1040EZ instructions other than under a description of TeleTax (Topic 206), recorded information by telephone or viewed on the IRS website. Publication 17 (2010), Your Federal Income Tax For Individuals, page 14, Payment not honored, has a brief statement but does not give the penalty amount. In 2010, IRC 6657 Bad Checks Penalty was amended to include not just checks but any commercially accepted means of payment including those made electronically. The penalty computation and amount from a flat rate changed as well. Taxpayers should have this information readily available during preparation of a balance due return and prior to submission of a payment any payment - whether initial or subsequent (i.e., an installment agreement payment).
Goal Statement	Include a description of the Bad Checks Penalty in the Forms 1040 family instructions, expand the limited coverage in Publication 17 and add it to other material with coverage on making payments.
Proposed Solution	Use the same information found in TeleTax (Topic 206) for inclusion in the Forms 1040 family instructions, Publication 17 and other material covering tax payments.
IRS Initial Response	We will include language in the 2011 Form 1040 instructions that addresses what happens if a taxpayers check (or similar method of payment) does not clear. However, because the Form 1040 instructions are already very long, we will not include all of the information contained in TeleTax topic 206. Instead we will refer taxpayers to that TeleTax topic so that they can listen to or read the information for themselves.

<b>TAP Issue ID: 16844</b> <b>Elevated Date: 05/06/2011</b>	<b>Committee Name: Area 6</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Offer In Compromise - More Info Needed</b>	
Issue Statement	<p>I see all these TV ads for lowering humongous tax bills, get help dealing with the IRS. With all these ads, there must be money in it. It kinda frosts my soul that while I pay my little bills, some people skate on big bills. I can understand where it might be justified under some circumstances, but the ads seem to suggest running up a large tax bill and once it's big enough to be unable to repay, skating. How about some burb in the tax 1040 &amp; 1040A instructions about the process. And yeah, us poor simple people using 1040A probably wouldn't qualify for the process, but we'd like to know about it. The TV ads, without any input from the IRS make us feel like we are paying our taxes while others don't. I don't believe in banning the ads (I'd like to) but I'd really like some explanation from the IRS so I don't feel that I'm getting screwed over because I'm not rich enough, and brave or foolish enough to accrue ungodly IRS liabilities. Public perception matters! (And I found you via P 4, 1040A instr.</p>
Goal Statement	<p>Ensure that taxpayers are informed of all the options for payments to the IRS, including the option to make an OIC.</p>
Proposed Solution	<p>Add to Publication 1, Your Rights as a Taxpayer, Publication 17, Your Federal Income Tax, and to the What if you cannot pay? section of the Form 1040, U.S. Individual Income Tax Return, a statement explaining an OIC. Although Publications 1 and 17 mention OIC, it is not fully explained. Also, add OIC to the Index section of Publication 17.</p> <p>Specifically: Add the following OIC explanation currently included in Publication 556 Examination of Returns, Appeal Rights, and Claims for Refund:  Offer in Compromise</p> <p>In certain circumstances, the IRS will allow you to pay less than the full amount you owe. If you think you may qualify, you should submit your offer by filing Form 656, Offer in Compromise. The IRS may accept your offer for any of the following reasons.</p> <p>There is doubt about the amount you owe (or whether you owe it).</p> <p>There is doubt as to whether you can pay the amount you owe based on your financial situation.</p> <p>An economic hardship would result if you had to pay the full amount owed.</p> <p>Your case presents compelling reasons that the IRS determines are a sufficient basis for compromise.</p> <p>If your offer is rejected, you have 30 days to ask the Appeals Office of the IRS to reconsider your offer.</p> <p>Additionally, add this statement: An offer in compromise is a last resort.</p>

IRS Initial Response

Thank you for your suggestion to add offer in compromise language to Publications 1 and 17, as well as the Form 1040 instructions. You indicate that adding this information will ensure that taxpayers are informed of all options of payment to the IRS, including the option to make an Offer in Compromise.

An Offer in Compromise comes about in the collection process and is used to settle unpaid tax accounts for less than the full amount of the balance due. While we appreciate that all taxpayers should be aware of all options to pay their tax obligations, including an Offer in Compromise, the IRS wants compliance upfront, and for taxpayers to pay their tax obligations in full and on time. Publications 1 and 17, as well as all of our publications are written with the intent that those reading them will comply with, and fulfill, their tax obligations timely. If a taxpayer finds him or herself in the position that he or she cannot pay taxes due and the IRS commences collection proceedings against the taxpayer, such taxpayer can find limited information about an Offer in Compromise in Publications 1 and 17 and the Form 1040 instructions, and more detailed information in other publications, specifically, Publication 556, Examination of Returns, Appeal Rights, and Claims for Refund, as well as Publication 594, The IRS Collection Process.

<b>TAP Issue ID: 17282</b> <b>Elevated Date: 03/25/2011</b>	<b>Committee Name: Area 6</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Appeals process unreasonably slow</b>	
Issue Statement	<p>According to the Taxpayer Advocate Service-- 2009 Annual Report to Congress, the taxpayer may go through periods of up to twenty (20) months, without any documented contact by the Internal Revenue Services (IRSs) Appeals division. Taxpayers may have an unrealistic expectation of the length of time involved and thus become frustrated when they do not hear from the Appeals Office in a timely manner. The initial communication with the taxpayer, the 4141 (cg) letter fuels the taxpayer expectation of a quick response by including the following statement:  We will make every attempt to contact you as quickly as possible.  (See Appendix A: IRS form 4141 original).</p> <p>Additionally, some taxpayer cases are more urgent than others. The Taxpayer Advocacy Panels (TAPs) research indicates that the Local Taxpayer Advocate (LTA) can not affect the timing of appeals review or communication of the final decision.</p>
Goal Statement	To reduce the taxpayers frustration with the length of time involved with IRS appeals and provide an avenue to more quickly serve customers who are in a truly urgent situation.
Proposed Solution	<p>Our two solutions deal with communications and process:</p> <p>1.Communications: Change the wording of the initial notification of the appeal acceptance in the 4141 (cg) letter to indicate the timeframe of appeals. Specifically:</p> <ol style="list-style-type: none"> <li>a. Delete the first sentence of the fourth paragraph, which currently reads:  We will make every attempt to contact you as quickly as possible.</li> <li>b. Insert the following as the first three sentences of the fourth paragraph:  We will contact you as soon as possible. Please be aware that you may not hear from your Appeals Officer for several months due to the large volume of appeals. Please note that you will continue to incur penalties and interest while your appeal is in process.</li> </ol> <p>2.Process suggestion and proposed solution: Permit the Local Taxpayer Advocate to intervene to expedite the appeal in cases of extreme hardship.  (See Appendix B: IRS form 4141 suggested revisions.)</p>

IRS Initial Response

Thank you for your interest in assisting Appeals in our important goal of ensuring customer confidence. We continuously strive to improve the vital dispute resolution service Appeals provides for our nations tax system and warmly welcome stakeholder input. While we appreciate your desire for improved customer satisfaction with the Appeals process and the thoughts and effort behind your recommendation; we are not able to adopt the requested change.

We sincerely regret the most unfortunate experience this taxpayer and CPA had with our San Francisco Appeals office, but that case was an anomaly. We agree that unreasonable delays cause frustration, but we cannot adopt your recommended change because failing to hear from the Appeals Officer for several months is simply not an acceptable practice in Appeals.

In Fiscal Year 2010, Appeals received, evaluated, conducted conferences, negotiated with the taxpayer and closed more than 11,000 Offer in Compromise cases in an average time of six months  
Internal Revenue Manual 8.6.1.3, Conference Techniques Used by Appeals Technical Employees, emphasizes the importance of a timely Appeals conference along with accurate and prompt decisions as a means of reaching a quality and final decision with the least amount of delay

The Appeals Quality Measurement System (AQMS) review process and its resulting data are used to assess the performance of Appeals as an organization. Keeping taxpayers informed of the status of their cases as they move through the Appeals process is so important that it rates its own, distinct review and report criterion.

We agree that ensuring the taxpayer is aware that penalties and interest continue to accrue is important and we already have that information in the existing Letter 4141.

<b>TAP Issue ID: 19286</b> <b>Elevated Date: 06/28/2011</b>	<b>Committee Name: Area 6</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Partially Accepted</b>
<b>Title: Form 2290 - Need Reminder or Verification</b>	
Issue Statement	Annual notice or Form MUST be sent out to previous filers, as done in years prior to 2009. If not the actual form, then at-least a postcard with a removable name/ address/ein# label. This will serve as both a reminder notice AND a verification of exact way the truck owner is on file with the IRS.
Goal Statement	Prevent truck owners from missing the due dates for filing and paying the Form 2290 tax and improve the accuracy of the forms filed.
Proposed Solution	Mail a notice to previous filers of Form 2290 prior to the due date of the return. In lieu of the actual forms, a postcard with a removable name/ address/ EIN number label should be mailed to previous filers. This would serve as both a reminder notice and a verification of the exact way the truck owner is on file with the IRS. This notice can be in the form of a postcard with a removable label with the owners name, address, and EIN number to be transferred to the return.

IRS Initial Response

IRS will mail a postcard to previous filers of Form 2290 who report fewer than 25 vehicles. The postcard will be mailed prior to the due date for the return. The postcard will advise the filer of the following:

- 1) Due to the potential expiration or extension of the heavy vehicle use tax, the due date for filing has been extended to 11/30/2011 by Temporary Treasury Regulations (See IR-2011-77).
- 2) Paper Form 2290 tax packages will not be mailed to the filer in future years.
- 3) The filer is encouraged to consult an IRS website for Form 2290 filing information, as well as file Form 2290 electronically in the future.
- 4) The filer is provided with an IRS Customer Service phone number for filing assistance.

IRS will not affix a detachable label to the postcard for two reasons:

- 1) Primarily, providing a detachable label, which would only be used to file a paper return, would undermine the IRS promotion for e-filing the Form 2290.
- 2) Text required to explain the potential tax expiration/extension and extended due date precludes potential explanation about how to use a detachable label.
- 3) Applying the detachable label would add cost and delay postcard mailing.

<b>TAP Issue ID: 16841</b> <b>Elevated Date: 03/23/2011</b>	<b>Committee Name: Area 7</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Fast Track Settlement Process - Need to Publicize</b>	
Issue Statement	The Internal Revenue Manual (IRM) does not state that the Fast Track Settlement (FTS) Process is available for Correspondence Exams.
Goal Statement	Specifically extend the FTS to Correspondence Exams.
Proposed Solution	<ol style="list-style-type: none"> <li>1. Include in the IRM a provision for the FTS process in Correspondence Exams.</li> <li>2. Include a copy of Publication 3605, Fast Track Mediation, to taxpayers at the beginning of a Correspondence Examination.</li> </ol>
IRS Initial Response	<p>The Fast Track Settlement (FTS) process has been launched within SB/SE as a test for Field examinations and does not apply to campus examinations.</p> <p>As noted in the TAP recommendation, Publication 3605 does not specifically exclude correspondence examinations. A clarification of the scope of this initiative can be found in Internal Revenue Bulletin 2011-4 (announcement 2011-5), dated January 24, 2011 (<a href="http://www.irs.gov/irb/2011-04_IRB/ar10.html">http://www.irs.gov/irb/2011-04_IRB/ar10.html</a> ). This announcement provides additional details about the program including the exclusion of campus correspondence examinations.</p> <p>The Campus Examination program does not have the infrastructure to support a nationwide FTS program. At this time there are no plans to consider Correspondence Audits for this program.</p>

<b>TAP Issue ID: 17381</b> <b>Elevated Date: 04/25/2011</b>	<b>Committee Name: Area 7</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Efiling should not be limited based on income amt.</b>	
Issue Statement	There are fees and numerous administrative burdens associated with free electronic filing with the Free File Alliance, LLC.
Goal Statement	The Internal Revenue Service (IRS) will provide free electronic filing or its equivalent for all taxpayers regardless of the preparer and the adjusted gross income.
Proposed Solution	The IRS should establish procedures and a system whereby taxpayers can easily file their individual income tax returns electronically, without cost, regardless of income level and who prepares the return.
IRS Initial Response	Through our partnership with the Free File Alliance, the IRS does offer a system for taxpayers to easily file their individual income tax returns electronically, without cost, regardless of income level and who prepares the return.  The existing Free File Fillable Forms program addressed a major recommendation raised by the National Taxpayer Advocate in 2008:

<b>TAP Issue ID: 17382</b> <b>Elevated Date: 06/27/2011</b>	<b>Committee Name: Area 7</b>
<b>Status: Closed</b>	<b>Outcome: Resolved Prior to Elevation</b>
<b>Title: Retired individuals are not allowed to e-file</b>	
Issue Statement	Individual income tax returns with zero adjusted gross income and or zero tax liability are not allowed to be filed electronically.
Goal Statement	With the potential of increasing the number of tax credits requiring individuals to file tax returns even though they would not normally do so due to zero adjusted gross income or zero tax liability, the Internal Revenue Service (IRS) should allow them to file their income tax returns using the E-File system.
Proposed Solution	The IRS should remove the block presently in place preventing E-Filed income tax returns with zero adjusted gross income and or zero tax liability.
IRS Initial Response	<p>We agree with your recommendation and have previously implemented the requested change to the e-File systems for PY 2008 (January 2008). A 1040 return filed electronically through the 1040 e-file Program or the Modernized e-File (MeF) platform does not have a block or an established Error Reject Code (ERC) or business rule to reject a return based solely on the income, adjusted gross income (AGI) and tax on return.</p> <p>Currently, a 1040 e-file return filed via the ELF legacy platform or the Modernized e-File platform (MeF) will only reject if there is zero total income, zero AGI, zero credits and zero withholdings. If submitted via the ELF legacy platform, the return will reject with ERC 0192. The same return if submitted via the Modernized e-File platform (MeF) will receive atomic business rules F1040-065 (1040), F1040A-056 (1040A) or F1040EZ-025 (1040EZ), depending on the return type. All of the same conditions listed must be met before the e-File return is rejected.</p> <p>If there is a figure on one of those lines, other than zero, the return would not reject even if there is no filing requirement and no tax.</p>

<b>TAP Issue ID: 17384</b> <b>Elevated Date: 02/25/2011</b>	<b>Committee Name: Area 7</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Name matching programs has changed</b>	
Issue Statement	A significant number of E-filed tax returns are being rejected because the name on the tax return does not match the Internal Revenue Service (IRS) files. IRS will not verify the name without a power of attorney form that matches their database files.
Goal Statement	Provide a better way of matching the taxpayer name to the IRS database.
Proposed Solution	The IRS should tell the taxpayer the name it will use to match their e-filed return to their database, and ask the taxpayer to notify them if the name and social security number are incorrect.

IRS Initial Response

IRS agrees with this recommendation.

IRS does not change the name format. The IRS will only change the name on a taxpayers account when they receive clear, concise written notification. IRS publishes name control rules on IRS.gov. Publication 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns and Publication 1438, File Specifications, Validation Criteria & Record Layouts for the Form 1041, e-file U.S. Income Tax Return for Estates & Trusts, provide guidance to taxpayers, tax professionals and software companies for establishing the correct name control. Typically, the IRS will issue letter 147C, EIN Previously Assigned to convey a change to the taxpayer, unless a different letter with a specific purpose is required. The IRS revised the 147C letter on October 1, 2010, to add a paragraph, which clearly identifies the name control. This letter provides the taxpayer the name control, EIN and IRS contact telephone number should they have questions pertaining to the information in the letter.

When the IRS receives and processes a taxpayer's request for an EIN, they issue a CP 575, Employer Identification Number Assignment notice. The notice provides the taxpayer the EIN, name control and IRS contact telephone number should they have questions regarding the EIN assignment. When the IRS receives a tax return or payment without an EIN and they fail to identify an EIN during research they will assign an EIN to the taxpayer and issue a CP 576, We Assigned You an EIN from a Return or Document notice. The notice provides the EIN, name control, IRS contact telephone number and advises the customer to write to us if they already have an EIN for the business. A change request is currently pending for both of these notices. The change will move the name control information from the second page of the notice to a new paragraph on page one of each notice, to clearly identify the name control.

Lastly, to address the high business e-file EIN name control reject issue the IRS modified system programming on January 1, 2011. The modified programming expanded the business return name line validation checks to include additional validation fields. This modification allows for a more extensive validation check, consequently, greatly increasing the number of electronically filed business returns that successfully pass the name control validation.

<b>TAP Issue ID: 18158</b> <b>Elevated Date: 04/25/2011</b>	<b>Committee Name: Area 7</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Combine multiple notices into one mailing</b>	
Issue Statement	When a taxpayer files a Form 941 Employers Federal Quarterly Federal Tax Return for a quarter, the filing prompts multiple notices of inquiry from the Internal Revenue Service (IRS) about the filing of prior quarters returns. Such an action is a duplication of efforts on the part of the IRS and confuses the taxpayer as to what is expected.
Goal Statement	The IRS should reduce its paper costs and the number of notices sent to the taxpayer.
Proposed Solution	The IRS should send a single notice to the taxpayer identifying the prior quarters for which a Form 941 might be required.
IRS Initial Response	Thank you for your comments regarding the Taxpayer Delinquency Investigation (TDI) program. We appreciate and share your concern with sending multiple notices to the taxpayer for each delinquent quarter. Unfortunately, due to current programming limitations, we cannot combine multiple modules on TDI notices.

<b>TAP Issue ID: 18802</b> <b>Elevated Date: 06/07/2011</b>	<b>Committee Name: Area 7</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Accepted</b>
<b>Title: Revisions Needed to LLC Publication</b>	
Issue Statement	Publication 3402, Taxation of Limited Liability Companies, does not contain an instruction as to whether a single member Limited Liability Company (LLC) that is disregarded for income tax purposes is required to submit a balance sheet to the Internal Revenue Service (IRS) as part of the annual filing of its tax/information return (Form 1065, U.S. Return of Partnership Income).
Goal Statement	Publication 3402 should clarify that a single member LLC that is disregarded for income tax purposes is not required to annually file a tax/information return (Form 1065).
Proposed Solution	Revise the first sentence of the first paragraph in the left-hand column on page 3 of Publication 3402 to read as follows: "If an LLC has only one member and is classified as an entity disregarded as separate from its owner, its income, deductions, gains, losses, and credits are reported on the owners income tax return and Form 1065 need not be filed by the LLC." The language to be added is underlined.
IRS Initial Response	<p>We agree with the recommendation. We reviewed several practitioner discussion forums and found that this issue has been discussed and is a source of confusion for some readers. We plan to switch the recommended language to active voice and add it in the following separate sentence. The LLC itself will not file Form 1065 or any separate income tax return.</p> <p>We do not plan to initiate a revision of the continuous-use Publication 3402 just to make this change. However, we will make the change the next time we revise the publication.</p>

<b>TAP Issue ID: 19116</b> <b>Elevated Date: 04/29/2011</b>	<b>Committee Name: Area 7</b>
<b>Status: Closed</b>	<b>Outcome: Proposal Rejected</b>
<b>Title: Taxpayer Response- Discontinue Form Requests</b>	
Issue Statement	The Internal Revenue Service (IRS) required a taxpayer to complete Form 8606, Nondeductible IRAs, despite a previous communication with the requested information. What's more, the taxpayer had to locate a copy of this form to complete, resulting in unnecessary frustration.
Goal Statement	The IRS can reduce taxpayer frustration, minimize multiple contacts, and reduce costs by enclosing the needed forms in the initial CP 2000 notice or closing an issue based on reliable taxpayer information.
Proposed Solution	<ol style="list-style-type: none"> <li>1. We recommend that the IRS close an issue based on detailed, reliable information from the taxpayer without requiring the taxpayer to complete a form.</li> <li>2. If the taxpayer needs to complete a form, we recommend the IRS enclose the needed form with the initial CP 2000 notice to the taxpayer.</li> </ol>

IRS Initial Response

Recommendation 1 - The IRS sends 126 million discretionary inserts a year, costing millions in postage and printing. OTC recommended that IRS remove all discretionary inserts from all notices. Unless justifications were provided for continuing to include the discretionary inserts, they would be removed. The TACT Correspondence Reduction team has worked with functions and removed some inserts with no adverse impact on contacts to IRS or feedback from taxpayers.

AUR cannot provide justification to insert Form 8606 with CP2000 notices requesting information regarding IRA Distributions. Taxpayers may report a lesser amount of distributions as taxable due to other circumstances that do not require a Form 8606. Certain taxpayers can make a nontaxable qualified charitable distribution (QCD) from their IRA (traditional or ROTH)

Taxpayers, who are eligible, can elect to exclude a non-taxable health savings account distribution (HFD) amount once in their lifetime.

The Taxpayer may have rolled over a portion of the distribution and will be required to provide documentation.

The CP2000 includes instructions to obtain needed forms and publications by visiting [www.irs.gov](http://www.irs.gov) or calling 1-800-829-3676.

Recommendation 2 - The AUR program generally requires the same documentation (forms/schedules) after the Compliance contact as is required when filing a tax return. If the taxpayer used and did not submit a required form/schedule or if the taxpayer should have used a required form/schedule and did not, the AUR program requires the submission of the Form/Schedule to ensure appropriate treatment.

<p><b>TAP Issue ID: 20080</b>  <b>Elevated Date: 11/03/2011</b></p>	<p><b>Committee Name: Area 7</b></p>
<p><b>Status: Closed</b></p>	<p><b>Outcome: Proposal Rejected</b></p>
<p><b>Title: VITA - Training Material</b></p>	
<p>Issue Statement</p>	<p>The VITA/TCE Training Guide, Publication 4491, is too complicated and confusing to many volunteers. Basic and advanced tax issues are mixed up in the materials. In addition, some issues in the publication are beyond the range of competence of most volunteers and should not be in the training guide at all.</p>
<p>Goal Statement</p>	<p>The IRS should simplify the training publication and put fewer tax issues in the training publication, thereby reducing confusion and making the training process clearer and more helpful to volunteers. Thereby it would restore the VITA programs original mission to serve low income taxpayers and senior citizens.</p>
<p>Proposed Solution</p>	<p>1)The training guide should be broken into two sections: Basic and Advanced. The basic chapters should all be in one part, chapters 1 through 20, for example. The advanced chapters should come next in order, chapters 21 through 30, for example. In this fashion, volunteers would know exactly what should be learned if they are there for basic or advanced training.</p> <p>2)Some tax issues should not be in either the basic or advanced training. If they must be in the publication, they should be in an appendix in the back of the booklet, where the volunteer can read up on them if he or she is so inclined. Examples of areas of the law that should not be in the regular training materials and the rationale for so taking them out of the training are listed:</p> <p>a)Pensions when the taxable portion must be calculated -- complicated area beyond the scope of most volunteers.</p> <p>b)Non-resident aliens -- complicated area also beyond the volunteers scope</p> <p>c)Rental income and expenses on Schedule E -- an area that requires some professional judgment and knowledge of the law, e.g., what is an expense and what is a capital expenditure, depreciation, possible passive losses</p> <p>d)Depreciation -- the calculation of depreciation under MACRS and Section 179 are beyond the depth of knowledge of most volunteers</p> <p>e)Foreign income exclusion and foreign tax credits -- an area of the law way beyond the scope of most volunteers.</p>

IRS Initial Response

recommendation (a) IRS agrees that breaking the training module into two parts, such as basic and advanced, would make it simpler. However, this would require a major restructuring of our curriculum that cannot be instituted for the upcoming filing season due to limited time and resources. We will keep this suggestion under consideration and include it with other initiatives that are currently being reviewed by the newly formed team that we created to find ways to retain and recruit volunteers, and reduce volunteer burden.

recommendation (b) We do not agree to remove the topics recommended above or to place them in an appendix. These topics were included in the training materials at the request of some of our partners that routinely prepare returns with these issues. Volunteers preparing returns for taxpayers with pensions, rental income, depreciation and foreign income exclusion must receive adequate training to ensure accurate return preparation. Additionally, for those foreign students who have a filing requirement, knowledge of foreign income and non-resident issues is essential to correct application of the tax law.

It is not beneficial to remove the topics recommended or to place them in an appendix where they might be overlooked or appear to be less important. Currently, there are symbols in the training manual to represent each level of certification (basic, intermediate, advanced, military and international) and the appropriate certification symbol is shown for each topic discussed. The symbols are easy to understand and enable the volunteers to identify them at a glance.

We will continue to gather data to address partner needs for specific training topics. We will also keep this recommendation under advisement for review by the newly formed team that we created to find ways to retain and recruit volunteers, and reduce volunteer burden.

<b>TAP Issue ID: 18407</b> <b>Elevated Date: 07/28/2011</b>	<b>Committee Name: EITC</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of the Tax Preparer Toolkit on EITC Webpage</b>	
Issue or Project Statement	Members of the EITC Project team reviewed the EITC Preparer Toolkit. The ad hoc committee provided very detailed information, line by line, on how to improve.
Project Goal Statement	This webpage ( <a href="http://www.eitc.irs.gov/rptoolkit/main/">http://www.eitc.irs.gov/rptoolkit/main/</a> ) is supposed to assist tax return preparers with everything they need for EITC information and products. Our goal is to make it me user friendly for the tax return preparers.
Proposed Solution or Task	See attached file for Proposed Solution.
IRS Initial Response	The EITC Program Office is in the process of incorporating the suggestions for improving EITC Central with the 2011 Filing Season updates.

<b>TAP Issue ID: 19408</b> <b>Elevated Date: 10/27/2011</b>	<b>Committee Name: EITC</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: EITC Slide Library</b>	
Issue or Project Statement	<p>Earned Income Tax Credit (EITC) Program Owners requested that the Library Subcommittee define specific types of audiences for presentations on EITC, make a list of recommended slides to pull from the library for each, and build a library of slides from which each presenter could either pick the ready-to-go presentation or pick slides that best suit the target audience. The library's framework should follow an easy to understand organization, allow for expansion of the library as new slides are developed, and incorporate a system for identifying and keeping up-to-date slides which are tax year, or dollar-level sensitive, so that they remain meaningful for all audience groups over time.</p>
Project Goal Statement	<p>Provide the Program Owner an organized library framework that ties to typical EITC audiences, provides a recommended presentation for each type audience, allows the presenter to easily add or delete slides for better tailoring the presentation to specific audiences, and incorporates a process for identifying and keeping updated all tax code, tax year, or dollar-level sensitive slides.</p>
Proposed Solution or Task	<p>The proposed solution is a library framework of slides consisting of an Abbreviated Presentation designed for a short program (10 minutes) suitable for most audiences, and a cataloging system for additional EITC slides that can easily be incorporated to address specific audience groups. A six-digit slide catalog identification system allows for quick access and the addition of newly developed slides when needed. Slides requiring updates are identified so that the EITC office can maintain a current slide program. The proposed Slide Library filing system is at Attachment A.</p>
IRS Initial Response	<p>Your suggestions for the categories and slide identification system are solid and a good base for our new educational and outreach slide library.</p> <p>This project was a continuation of the prior year project when the EITC Project committee developed three presentations geared to basic, intermediate, and return preparers. The team also provided slides for use as supplements to the other presentations.</p> <p>This two-year project will help EITC develop a slide library that we can easily keep up-to-date and adapt to the audiences needs.</p>

<b>TAP Issue ID: 19409</b> <b>Elevated Date: 10/27/2011</b>	<b>Committee Name: EITC</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: EITC Outreach and Educational Plan</b>	
Issue or Project Statement	Earned Income Tax Credit Program (EITC) Owners requested that the Outreach Committee make suggestions for a multi-pronged outreach and educational plan that reaches Earned Income Tax Credit Partners and Stakeholders, eligible recipients who do not claim Earned Income Tax Credit, and those who claim the credit in error.
Project Goal Statement	Provide the EITC Program Office with suggestions on existing outreach plan and suggest new outlets for distribution of the EITC educational program.
Proposed Solution or Task	The committee recommends the following:  Appendix A: Review of EITC Publications and Brochures Appendix B: Identify gaps in EITC Outreach Materials Appendix C: Suggest additional EITC Key Messages Appendix D: Letter to the Partners Appendix E: Letter to the Individual
IRS Initial Response	<p>Review of EITC Publications and Brochures We will incorporate your categories of underserved populations and the recommended vehicles for performing outreach into our Communication Strategy for the 2012 Filing Season.</p> <p>Identify gaps in EITC Outreach Materials We refashioned most of our taxpayer focused publications to a moneygami theme (see the attached P962 (SP) as an example.</p> <p>Suggested additional EITC Key Messages We will incorporate your suggested key messages into our key messages for targeted groups of those eligible for EITC.</p> <p>Letters to Partners and to Individuals EITC does not do direct outreach to either partners or individuals so we wont send the letters out under Verlinda Pauls signature. But, in September of this year, we are meeting with our internal partners who do the direct outreach. We will share the letters during this meeting.</p>

<b>TAP Issue ID: 18995</b> <b>Elevated Date: 04/28/2011</b>	<b>Committee Name: Notice Improvement</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Landing Pages Review &amp; FAQs</b>	
Issue or Project Statement	Propose frequently asked questions (FAQs) for newly redesigned CP Notices and Letters.
Project Goal Statement	The goal of this project is to submit questions that the average taxpayer would have once they received one of the newly revised 31 CP Notices.
Proposed Solution or Task	The proposed solution is that the taxpayer would clearly understand why they received the CP notice and what action to take.
IRS Initial Response	In reference to the suggested FAQs that were presented to us back in February, several are posted to the landing pages of the individual notices on IRS.gov. A few others were forwarded to the notice SMEs for review. Thank you for providing the comments on our revised notices, we appreciate your taking the time to review them.

<b>TAP Issue ID: 21068 Elevated Date: 06/23/2011</b>	<b>Committee Name: Notice Improvement</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Notice Review</b>	
Issue or Project Statement	Committee was charged with reviewing existing CP notices (CP30, CP63, CP20E, CP15 and CP51A) and FAQs (Frequently Asked Questions) for new prototypes (CP14, CP39, CP42, CP566 and CP 567).
Project Goal Statement	To provide program owner feedback on clarity, structure and a list of frequently asked questions (FAQs) that the average taxpayer would have once they received one of the notices.
Proposed Solution or Task	The proposed solution is that the taxpayer would clearly understand why they received the CP notice and what action to take.
IRS Initial Response	<p>Third IRS Response:</p> <p>Thank you for providing another opportunity to review this suggestion. The Office of Taxpayer Correspondence agrees with the TAP on providing OIC options on balance due notices. We will work with the Office of Collection Policy to include the appropriate OIC language. The next opportunity for changes to the 500 series notices would be July 2013.</p> <p>Follow-up IRS Response Detail:</p> <p>Thank you for your additional comments regarding our initial response. The revised CP 501, 503 and 504 notices went into production this month. These new notices clearly explain to the taxpayer that if they cannot immediately full pay, they have other payment options and guide them to IRS.gov. The option of an Offer in Compromise is not specifically included on the face of the notice, because to introduce a concept without full explanation would be contrary to the concept of the plain language used in the new notices. OICs require a lengthy and detailed explanation that could further confuse taxpayers about a program for which only a very small portion of recipients of the notice would qualify. Because we also encourage the taxpayer to call, assistors can explain the OIC option to taxpayers who may qualify. As IRS continues to look at ways to improve the OIC program, OIC will stay attuned to find opportunities to assist in introducing taxpayers to the OIC option at the appropriate time.</p> <p>Initial IRS Response Detail:</p> <p>Thank you for your suggestion. Youll be pleased to know that the Office of Taxpayer Correspondence has been working on making the Collection notices better. The revised notices will be placed in production in early 2011.</p> <p>The lavout and language of these notices has been</p>

tested with taxpayers, and the results show that the taxpayer clearly understand the message of the notice, the actions they need to take, and the consequences of inaction.

One of the innovations included in all balance due notices is clear language about payment options. Under the heading, What you need to do immediately is the following:

**Pay immediately**

Send us the amount due of \$888.88, by Month day, 20XX, to avoid additional penalty and interest charges.

If you cant pay the amount due, pay as much as you can now and make payment arrangements that allow you to pay off the rest over time. Visit [www.irs.gov](http://www.irs.gov) and search for keyword: tax payment options for more information about:

Installment and payment agreementsdownload required forms or save time and money by applying online if you qualify

Automatic deductions from your bank account

Payroll deductions

Credit card payments

Or, call us at 1-800-829-0922 to discuss your options.

If youve already paid your balance in full within the past 14 days or made payment arrangements, please disregard this notice.

<b>TAP Issue ID: 19637</b> <b>Elevated Date: 08/25/2011</b>	<b>Committee Name: SBSE</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: SBSE Correspondence Exam Toll Free</b>	
Issue or Project Statement	Generate feedback from external sources to provide opportunities for improvement to the ICM system. The IRS is determining if the newly implemented ICM telephone routing system will benefit the taxpayers calling the Correspondence Examination toll free line.
Issue Statement	Generate feedback from external sources to provide opportunities for improvement to the ICM system. The IRS is determining if the newly implemented ICM telephone routing system will benefit the taxpayers calling the Correspondence Examination toll free line.
Project Goal Statement	Provide suggested revisions and additions to ensure that enhancements in this CE Program area generate limited additional burden while improving the customer service experience for those calling into the CE toll free line.
Proposed Solution or Task	As a result of the Teams testing and analysis of the ICM System the Team has identified three levels of potential modification to the ICM System as follows: Tier 1 Script modification: o As outlined in the IRS project statement, the main objective of the Team was to evaluate the ICM System scripts for clarity, ease of understanding and informative content; Tier 2 ICM System modifications: o During the analysis of the ICM scripts the Team also evaluated the flow of information within the ICM System and the related scripts and has identified areas for potential enhancement to the current ICM script configuration and routing; and Tier 3 Future enhancements to the ICM System: (Due to length, the proposals have been deleted, but the addressed a variety of script changes to the ICM system. See the full version of the referral in the Files section.)
IRS Initial Response	Intelligent Contact Management (ICM) Script Changes We concur with the recommended changes to the messages and prompts taxpayers hear when they call. We have already submitted the requests needed to implement these changes. The script changes are scheduled to be in place in June.

<b>TAP Issue ID: 19638</b> <b>Elevated Date: 08/25/2011</b>	<b>Committee Name: SBSE</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: SBSE Correspondence Exam Toll Free Self Help</b>	
Issue or Project Statement	Additional self help options will be added to the Correspondence Examination toll free phone line to provide the caller with information directly. The IRS is determining if additional self help options will benefit the taxpayers calling the Correspondence Examination toll free line.
Project Goal Statement	Create additional self help automated options for the toll free line as well as new enhancements to the IRS website and to provide instructions on how the CE process can better track taxpayer documents throughout the exam process.
Proposed Solution or Task	The panel recommends the following new self help options; please see: Appendix A: Request for Extension of Time; Appendix B: The Status of My Exam; and Appendix C: Website & Social Media.
IRS Initial Response	<p><b>Toll Free/Automated Self Help Options</b></p> <p>The panel identified several excellent opportunities to allow taxpayers to find more information about their case without speaking to an assistor. The option to provide detailed general information about the correspondence exam program was being actively pursued. At the beginning of this fiscal year, we postponed this effort in anticipation of severe budget cuts. As our staffing future stabilizes, we will be evaluating our ability to deliver high quality content consistent with the Panels recommendations.</p> <p>The interactive applications (both within ICM and Web Based) are extremely ambitious and unfortunately, as noted in the report, beyond our near term technology capabilities and resources. We concur with the recommendations and agree with the benefits presented. We will use this report to support the external demand for these kinds of services.</p>

<b>TAP Issue ID: 19639</b> <b>Elevated Date: 11/30/2011</b>	<b>Committee Name: SBSE</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: SBSE Practitioner Engagement/Satisfaction</b>	
Issue or Project Statement	The subcommittee was charged with formulating proposals to reduce the number of campus correspondence exams (CCE) that result in an Appeals Conference or a Tax Court case. The subcommittee developed the following proposals during monthly conference calls from January-October 2011 and at its annual face-to-face meeting in Denver, CO in May 2011.
Project Goal Statement	Based on our collective experience as practitioners, we believe the central issue that prevents the resolution of an examination before an Appeals Conference or the filing of petition in Tax Court is lack of communication. Some taxpayers ignore correspondence from the Internal Revenue Service (IRS) until their only recourse for contesting an assessment is in Tax Court. Or, alternatively, well-meaning taxpayers or their practitioner representatives are unable to talk with an IRS employee to confirm the receipt of supporting documentation or clarify its meaning. The subcommittee developed the following proposals to encourage increased communication between taxpayers and the IRS.
Proposed Solution or Task	1)Expand the opportunities for taxpayers/practitioners to talk with IRS Employees. A consistent frustration expressed by members of the subcommittee was that many audit issues could be resolved quickly with a conversation; however, the current system makes it difficult to schedule these conversations.

IRS Initial Response

1)Expand the opportunities for taxpayers/practitioners to talk with IRS Employees.

While the panel made no specific suggestions for expanding opportunities to talk to IRS employees, we agree effective communications contribute to an accurate and more efficient audit. We will continue to look for ways expand and improve our communication opportunities.

2)We would recommend that the IRS explore ways to encourage more interaction between taxpayers and the IRS in the following ways.

We will continue to enforce our callback procedures with the campuses. We will also look to promote the option of a managerial conference internally with our examiners and externally (through our publications as outlined in the third recommendation).

The panel and our subject matter expert discussed options for a third party review and did not arrive at a viable solution. As resources become more strained for the Service and the Taxpayer Advocate Staff, we feel it is not feasible to set up an elaborate process for disagreed cases beyond those already in place (managerial review and Appeals). However, we will explore the possibility of a third party review in-house that could potentially take the place of the managerial review.

3)We recommend adding a flowchart to Publication 3498-A, The Examination Process, to summarize the complete audit process.

We agree with the recommendations regarding changes to our Publication 3498-A. We will work to incorporate these to the next revision of the Publication. One barrier that we need to consider is ensuring the flowchart meets the needs of visually impaired taxpayers who may be accessing the Publication on-line. We will try to incorporate a simplified version of the flow chart that still maintains the Panels intent.

<b>TAP Issue ID: 21344</b> <b>Elevated Date: 11/30/2011</b>	<b>Committee Name: SBSE</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: SBSE -Practitioner Engagement</b>	
Issue or Project Statement	This project committee was tasked with evaluating aspects of the written correspondence exam process and recommending improvements.
Project Goal Statement	Develop a reasonable recommendation using existing technology within the Internal Revenue Service (IRS), to improve the efficiency and effectiveness of the written correspondence exam process.
Proposed Solution or Task	Implementing a bar code tracking system on all written communication associated with the correspondence exam process could streamline processing of mail, improve efficiency within the IRS, and have a direct impact on the level of service the taxpayer experiences thus reducing defaults. Using similar bar code technology already in place for Automated Under Reporting (AUR) units, could allow the computer file status code to be updated in the automated letter system. Providing the taxpayer with a bar coded return mail label to be applied to whatever size package is needed for their documentation support, will ensure accurate audit correlation and reduce the miss-mailed documentation support.
IRS Initial Response	<p>We are in the initial stages of implementing bar code technology to mask social security numbers on many of the Services notices. As this effort expands, we will look to leverage this technology to provide the recommended automation. In the interim, we are currently implementing a standard mail update process that includes an automated tool that performs case research and appropriate mail status updates in a single step.</p> <p>We have explored the use of labels for our responses and the additional cost was determined to be prohibitive. We will again explore this idea to see if it can be implemented on a limited scale for audits were there is a high likelihood that our return envelope will not accommodate the documentation being requested (for example, Employee Business Expenses).</p>

<b>TAP Issue ID: 22115</b> <b>Elevated Date: 11/24/2011</b>	<b>Committee Name: SBSE</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Small Business Tax Workshop</b>	
Issue Statement	<p>Improve taxpayer compliance by educating small business taxpayers. The Small Business Tax Workshop is an educational product that teaches new small business owners about their tax rights and responsibilities. It is available online on the Internal Revenue Services (IRSs) Video Portal, Virtual Small Business Tax Workshop on a CD, and is presented in the classroom by IRS partners using IRS-developed Power Points and speaker notes. The IRS is going to update/revise the workshop in Fiscal Year 2012 with product launch in January of 2013. The IRS markets its industry products to their industry stakeholders during tax filing season and market to the professional tax preparers after filing season. The IRS is currently working on expanding the employment tax lessons for business owners with employees. This will include new content on international employment tax issues.</p>
Goal Statement	<p>These are the points that the SB/SE IRS team has asked our TAP committee to review and make suggestions on:</p>
Proposed Solution	<p>The product needs a new, more marketable, more descriptive name. What can we name it so that the defined audience knows the product is for them?  Comments from Tom Wechter: I like some of the descriptions that appear in the memo: What you need to know about Federal Taxes and Your New Business. Alternatively, it could be labeled The ABCs of Federal Taxes and Your New Business, or Everything You Wanted to Know about Federal Taxes and Your New Business, But Had No One to Ask or Federal Taxes and Your New Business in a Nutshell.</p> <p>2  Date Approved by TAP Joint Committee: (insert date of approval) JC Project Referral Form 8/2010  (Summary: Feedback to various issues from committee members)</p>

IRS Initial Response

Tap Final Report for SBSE Communication Stakeholder Outreach-WEB

Thank you for the Taxpayer Advocacy Panel (TAP) recommendation titled, SB/SE Small Business Tax Workshop (TAP Contact Number: 22115). We appreciate all your efforts and the efforts of the sub-committee in the review of the SB/SEs Virtual Small Business Tax Workshop. We plan to implement the following:

?You recommended for the new international lesson that we simplify the language and emphasize that hiring undocumented aliens is illegal. We agree with your recommendation and have reworked the language in the lesson and emphasized this point both in the presenters script and the onscreen graphics.

You recommended we make the workshop available on YouTube so that users could view full screen, download for offline viewing, fast forward and rewind and view on mobile devices. We agree with your recommendation and will shoot the lessons in chunks and use tags to make the chunks searchable. We will include a link back to the full workshop on the IRS Video Portal for users who want the full interactive, educational experience. We believe that loading the workshop on YouTube will not only make it easier to use but will also be a great marketing tool.

You recommended we include the workshop in a welcome package for EIN applicants. This recommendation is supported by recent IRS research. We plan to create an electronic welcome package for EIN applicants and include the workshop in the new package.

We are consulting with compliance various functions within IRS to determine how to best apply your other recommendations. Please express our appreciation to your committee members for their extensive efforts under major time constraints. We believe these efforts will contribute to a significantly enhanced educational product for the small business taxpayer.

<b>TAP Issue ID: 19889</b> <b>Elevated Date: 11/28/2011</b>	<b>Committee Name: TAC</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: TAC - Forms and Publications</b>	
Issue Statement	The Taxpayer Assistance Center (TAC) Project Committee of TAP (hereafter TAC Committee) has been tasked with reviewing the current distribution process of self-service forms and publications in the TACs.
Goal Statement	Areas of Focus for the TAC Committee included:  Review the processes used in the TACs associated with the distribution of forms and publications to the taxpayers. Provide suggestions on which products should be stocked on the racks in the TACs. Determine if any new products need to be created to provide the taxpayer more self-service materials to prevent a return visit to the TACs.
Proposed Solution	Please see the Full 2011 TAC Committee Report on <a href="http://www.improveirs.org">www.improveirs.org</a> under TAP Recommendations.

<b>TAP Issue ID: 18540</b> <b>Elevated Date: 01/27/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Form 706, Estate Tax Return, and instruc</b>	
Issue or Project Statement	Review of Form 706. Estate Tax Return, and its instructions to ensure clarity of content.
Project Goal Statement	Review of Form 706. Estate Tax Return, and its instructions to ensure clarity of content.
Proposed Solution or Task	To ensure that the content of the Form 706 and its instruction is clear and concise, the committee has reviewed both line by line.
IRS Initial Response	Eighteen of the suggestions made to the Form 706 and its instructions have been accepted. Please see attached file for details.

<b>TAP Issue ID: 19314</b> <b>Elevated Date: 01/27/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review (in-depth) of 3 Form 1040 versions</b>	
Issue or Project Statement	Review three different versions of Form 1040 for 2011 to see which one would be best for taxpayers' use.
Project Goal Statement	Review the three versions and make suggestions in order to create the best Form 1040 for taxpayers
Proposed Solution or Task	3 versions of Form 1040 for year 2011 were given to members to review and suggestion which version or combination of versions was best

<b>TAP Issue ID: 19316</b> <b>Elevated Date: 01/27/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Dollars v.s. Dollars and Cents</b>	
Issue or Project Statement	The group was asked to provide comments on the issue of reporting tax amounts in either dollars or dollars and cents.
Project Goal Statement	The group was asked to provide comments on the issue of reporting tax amounts in either dollars or dollars and cents. Most agree that dollars is the ideal way of reporting
Proposed Solution or Task	Most agree that dollars is the ideal way of reporting
IRS Initial Response	Senior Tax Analyst Curtis Freeman requested that Committee send these comments in a letter to him so that he could share with IRS' Legislative Affairs.  Chair Lev Martynuk wrote a letter on 11/4/10.

<b>TAP Issue ID: 19569</b> <b>Elevated Date: 07/18/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Publication 946, How to Depreciate Prope</b>	
Issue or Project Statement	Review Publication 946, How to Depreciate Property, and provide IRS program owners with feedback.
Project Goal Statement	To review Publication 946 to ensure the content is grammatically correct and clear to readers.
Proposed Solution or Task	To review Oublication 946 to ensure clarity of content. See file for specific details.
IRS Initial Response	Nine out of twenty-four suggestions made by the members will be adopted by the Program to modify Publication 946,

<b>TAP Issue ID: 20165 Elevated Date: 03/15/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Schedule F and instructions</b>	
Issue or Project Statement	Review Schedule F and its instructions for clarity and concise content.
Project Goal Statement	Ensure Schedule F and its instructions are clear for taxpayers who use it.
Proposed Solution or Task	Review Schedule F, Profit or Loss from Farming, and instructions and provide IRS program owners with feedback. Please refer to attached file to see detailed recommendations
IRS Initial Response	Three out of five recommendations will be adopted and one possibly adopted. Please see file for details

<b>TAP Issue ID: 20166 Elevated Date: 03/24/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Publication 502, Medical and Dental Exp</b>	
Issue or Project Statement	Review of Publication 502, Medical and Dental Expenses, and provide IRS program owners with feedback.
Project Goal Statement	To ensure that the content of Publication 502 is clear to readers.
Proposed Solution or Task	To ensure that the content of Publication 502 is clear to readers all parts of the publication were reviewed. See attached file for details on recommendations made
IRS Initial Response	Sic out of 17 recommendations will be adopted. Please refer to file attached for details

<b>TAP Issue ID: 20167</b> <b>Elevated Date: 04/12/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Publication 544, Sale and Disposal of As</b>	
Issue or Project Statement	Review of Publication 544, Sales and Other Dispositions of Assets, and provide IRS program owners with feedback.
Project Goal Statement	To review Publication 544 for clarity of content.
Proposed Solution or Task	see file attached for specific suggestions
IRS Initial Response	Of the five recommendations, only one will not be adopted and one will be considered by the Program Owners for tax year 2012.

<b>TAP Issue ID: 20225</b> <b>Elevated Date: 06/23/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: 1040 Schedule C and instructions</b>	
Issue or Project Statement	Review 2011 Schedule C and instructions to insure clarity of content.
Project Goal Statement	Review 2011 Schedule C and instructions to insure clarity of content.
Proposed Solution or Task	Six recommendations were made to insure clarity of the Schedule and Instructions
IRS Initial Response	Out of 5 recommendations, the IRS accepted 1 and eill vondifrt 4 for TY 2012.  See attached file for details of response

<b>TAP Issue ID: 20226</b> <b>Elevated Date: 06/23/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Schedule E</b>	
Issue Statement	To provide feedback on the Schedule E and its instructions to the IRS on their content and presentation to insure clarity.
Goal Statement	To insure clarity of content of Sch E and its instructions
Proposed Solution	Five recommendations were provided: two grammatical and three in the content of the Schedule.  See attached file for details.
IRS Initial Response	The five recommendations were considered and some suggestions were modified.  See file for details.

<b>TAP Issue ID: 21027</b> <b>Elevated Date: 06/23/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Focus Groups on Sch D and Form 8949</b>	
Issue or Project Statement	Focus group held during our ftf meeting on May 5th to improve Sch D version of 2011 and new Form 8949 that will replace Sch D-1
Project Goal Statement	To improve IRS current drafts of 2011 Sch D and F8949
Proposed Solution or Task	Committee made suggestions on content for clarity. See file attached for detailed suggestions.
IRS Initial Response	Out of 13 recommendations made for the Schedule D and Form 8949, 7 will be totally or partially adopted.

<b>TAP Issue ID: 21325</b> <b>Elevated Date: 09/08/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Pub. 334, Tax Guide for Small Business</b>	
Issue or Project Statement	Review Publication 334, Tax Guide for Small Business, and provide IRS program owners with feedback.
Project Goal Statement	To review Publication 334 for clarity of content and grammatical errors.
Proposed Solution or Task	To ensure that Publication 334 is clear to taxpayers see attached file for detailed recommendations
IRS Initial Response	The IRS will adopt 12 out of 42 recommendations made in reviewing Publication 334.

<b>TAP Issue ID: 21674</b> <b>Elevated Date: 09/08/2011</b>	<b>Committee Name: Tax Forms and Pubs</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: Review of Form 4562, Depreciation and Amortization</b>	
Issue or Project Statement	Review Form 4562, Depreciation and Amortization, and provide IRS program owners with feedback.
Project Goal Statement	To ensure that Form 4562 is clear to users.
Proposed Solution or Task	Detailed recommendations can be seen on the attached file. Six recommendations were made.
IRS Initial Response	Two of the six recommendations will be adopted by the IRS.

<b>TAP Issue ID: 19401</b> <b>Elevated Date: 08/26/2011</b>	<b>Committee Name: VITA</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: VITA FEAB</b>	
Issue or Project Statement	The proposed solution has several key deliverables, which include:
Project Goal Statement	Provide recommendations to the Internal Revenue Service (IRS) on how to best improve internal and external awareness of financial education and asset building as it relates to overall VITA programs.
Proposed Solution or Task	<p>Survey Key Partners</p> <p>Re-Branding re-brand FEAB and look for a more marketable name.</p> <p>Improve service options for the tax-paying public</p> <p>Facilitate participation in the tax system by all sectors of the public</p> <p>Simplify the tax return filing.</p> <p>The Strategy focuses on SPEC employees, current and future partners, other governmental agencies, and SPEC audiences.</p> <p>Guiding Principles</p> <p>The immediate benefits would be that more partners would understand what FEAB is all about and would better be able to articulate this value to the end customers. Also, these end customers would benefit from greater financial education and potentially improve the financial aspects of their lives.</p>

<b>TAP Issue ID: 19402</b> <b>Elevated Date: 08/26/2011</b>	<b>Committee Name: VITA</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: VITA - VITA/TCE Sites Alternative Methods</b>	
Issue or Project Statement	<p>Explore options to expand and integrate alternative methods of filing returns into the traditional Volunteer Income Tax Assistance/Tax Counseling for the Elderly (VITA/TCE) tax preparation sites. Suggestions include various self-help kiosks or work stations where qualified volunteers can provide individuals with assistance in preparing their own returns. Additionally, the encouragement of pro-bono tax preparation by paid preparers would aid in the increased use of free income tax filing for taxpayers.</p>
Project Goal Statement	<p>Provide suggestions as to which products could be integrated into traditional VITA/TCE sites. Also provide feedback on the alternative methods that could be better utilized outside the scope of the VITA/TCE Program.</p>
Proposed Solution or Task	<p>Proposal 1: Promote the Free-File Alliance and Free Assisted Self-Service Tax Preparation (FAST) programs to the taxpayers : A Stakeholder Partnerships, Education &amp; Communication (SPEC) road show using VITA/TCE/AARP Tax Aide volunteers to visit community, religious and social organizations where the underserved congregate is one possibility. Using Non-Internal Revenue Service (IRS) volunteers could prove to be less intimidating to potential organizations than if presented by IRS personnel.</p> <p>Software providers participating in the Free File program should be encouraged to allow for free filing of state returns as well as federal income tax returns. Optionally, they could offer low cost state returns.</p> <p>Proposal 2: A short questionnaire should be developed similar to the tool used on irs.gov for use in the existing programs such as FAST, Beehive One Economy sites, Benefits Bank sites, I-CAN and others offered to low to moderate income taxpayers. The Free File alliance includes in excess of twenty-five companies that currently participate in the program. Each has specific guidelines as to who is eligible to file via their site. In order to guide the taxpayer to the company best suited to her/his needs, a short questionnaire is provided via the IRSs Free File link that narrows possible selections that meet the requirements of the provider and the taxpayers specific situation (i.e. state of residence, age, income, EITC eligibility, etc).</p> <p>Proposal 3: With regard to expanding similar self-help programs in concert with the VITA/TCE program, SPEC could engage companies, social organizations, large service or religious congregations and similar groups to participate in the program. Groups with relatively large</p>

numbers or membership could be encouraged to offer space, time and equipment to implement a program using VITA/TCE and AARP Tax Aide volunteers initially. Eventually, these organizations could train participants versed in taxes and accounting or use VITA/TCE training programs and continue the program on their own. Employers and groups could promote the program as an additional employee benefit or service. Providing assistance at the groups location would be a convenience to the participants allowing them to prepare their own taxes, with trained assistance, at their workplace or meeting site, before, during or after their work shift or in conjunction with scheduled meetings or other convenient times.

Proposal 4: Engage the Tax Preparer Community to encourage pro-bono tax preparation for taxpayers especially for the underserved in all communications and interaction with the professional associations such as National Association of Tax Professionals (NATP), National Association of Enrolled Agents (NAEA) and the American Institute of Certified Public Accountants (AICPA). Also, encouragement could be directed specifically to the newly registered Tax Preparer EAs and CPAs during the yearly PTIN renewal process, the delivery of Educational Webinars, and any other methods as appropriate. As an incentive, IRS could develop a means of rewarding or recognizing pro-bono services provided by the Paid Tax Preparing community.

<b>TAP Issue ID: 21939</b> <b>Elevated Date: 08/26/2011</b>	<b>Committee Name: VITA</b>
<b>Status: Closed</b>	<b>Outcome: Project/Assignment Completed</b>
<b>Title: VITA - FEAB</b>	
Issue Statement	The VITA grant does not allow Financial Education and Asset Building (FEAB) partners to use any of the funds to offer or expand FEAB services at the Volunteer Income Tax Assistance/Tax Counselors for the Elderly (VITA/TCE) sites.
Goal Statement	Provide recommendations to the Internal Revenue Service (IRS) on how to best allow FEAB Partners to include expenses related to FEAB services in their grant proposal. Furthermore, allow FEAB Partners to use up to a specified percentage to offer or expand FEAB services.
Proposed Solution	<p>In order to meet these goals we recommend that Stakeholder Partnerships, Education and Communication (SPEC) implement the following:</p> <p>(1)Allow FEAB Partners to use up to 5 percent of VITA Grant money towards offering or expanding FEAB Services, which would include education and the development of training materials and/or FEAB services.</p> <p>(2)FEAB Partners would have to match the percentage that they receive from the IRS for FEAB services. On a dollar for dollar basis FEAB partners will be required to match the percentage they received from IRS for FEAB services.</p> <p>(3)FEAB Partners would have to provide a descriptive narrative in the VITA grant application about the services that they plan to or are already providing.</p> <p>(4)Inform FEAB Partners about the opportunity to use funding for FEAB services well in advance of the VITA Grant due date.</p>