July 19, 2023

Pacific Northwest Action Wednesday IMRS Call

Virtual Meeting via MS Teams

Time: 10:00 am –11:00 am (PDT)

Attendees:

Internal Revenue Service

- John Blakeman, Stakeholder Liaison
- Mercean Lam, Stakeholder Liaison
- Lisa Novack, Stakeholder Liaison
- David Higgins, Collection [on Detail to Stakeholder Liaison]
- Lelah Martinez, Stakeholder Liaison
- Kristen Hoiby, Stakeholder Liaison
- Melissa Chapman, TAS Arizona

Practitioner Representatives

- Jeremy Saladino, WA
- Laurie Brock, TAP Oregon, prev.
- Jim Heatherington, OKCPA
- Steve Stauss, NM
- Teresa Moore, WY
- David Freeland, AAATP
- Daniel Stearns, ORSEA
- Robin Smith, WSTC
- Steven Fox-Middleton, WA
- Judy K Hanson, WSTC President
- Barb Haluschak, WSTC
- Lisa Rogers, AKSCPA
- Ami Oppe, AKSCPA
- Elliot Gidan, CO
- Shawn Mattingly, WAATP
- Kate Grubb, WSSEA
- Larry Hess, NMSCPA
- James Adelman, NAEA, OSEA
- Doug Henne, OSCPA
- Barbara Culver, WSSEA
- Dale Marino, OATC
- Ellen Briscoe, NMSEA, NATP
- Katrina Anderson, OSCPA
- Kristen Keats, OSCPA
- Jaye Tritz, AZ NATP
- John Burke, OATC
- Nina Tross, NSTP
- Harriet Strothers, OSCPA
- Steven Hall,
- Harriet Strothers, OSCPA
- John Baumer, ASCPA

- Mark Neumeister,
- Melissa Burr, OSCPA
- Michael Davidson, ORSEA
- Benita Mairs, WAATP, WSTC
- Edwin del Carpio, WA
- Barbara Culver, WSSEA
- Stephan King, ASCPA
- Vera Likhonin, STA, WA
- James Adelman, OK
- Paula Moore, AK Bar
- Krish Perinkulam, AzSEA

Meeting Summary

Mailings to taxpayers in disaster declaration areas:

We are mailing letters to taxpayers in disaster localities to let them know they have additional time to file and pay taxes. For details on this, practitioners can go to: IRS sends special mailing to taxpayers in certain disaster areas.

The insert in this mailing will bring you to the irs.gov webpage titled "Tax Relief in Disaster Situations" in the IRS newsroom. If you have clients in these localities, please make sure their address of record is up to date. Notices are set to be coming out right around now [mid July].

New scam alert:

There's a new scam out there right now and it comes in the form of a cardboard mailer…kinda looks like it came from one of the private delivery services, and it falsely tells of unclaimed refunds. In reality, it just wants personal information, even going so far as to ask for photos of drivers licenses…so be on the lookout!! The link below gives additional information.

IRS, Security Summit partners warn taxpayers of new scam; unusual delivery service mailing tries to trick people into sending photos, bank account information

Also, this is a special week:

The Internal Revenue Service joins its Security Summit partners today to announce the start of a special summer "Protect Your Clients; Protect Yourself" campaign aimed at ensuring tax professionals stay alert against new and ongoing threats of tax-related identity theft.

The Summit coalition of the IRS, state tax agencies and the nation's tax community will start the annual summer series to raise awareness among tax professionals about the importance of maintaining strong security. The series will run for five consecutive weeks each Tuesday, coinciding with the start of the IRS Nationwide Tax Forums today in New Orleans. The news release series and the summer Tax Forums will provide important information to help protect sensitive taxpayer data that tax professionals hold while also protecting their business from identity thieves.

By taking some basic security steps, tax pros can help protect themselves against the relentless efforts of identity thieves. This summer's effort focuses on a reminder for tax pros to focus on fundamentals and to watch out for emerging vulnerabilities.

Taxpayer Advocate Midyear Report:

Twice each year the Taxpayer Advocate provides a report to congress on the performance of the IRS with recommendations; an Annual Report delivered in January, and an Objectives Report for the coming year delivered in June. The NTA delivered the midyear report June 21st.

Some highlights:

1. Taxpayer experience is improving! - return processing & calls are improving dramatically from last year.

2. Inflation Reduction Act & Service Objectives- This details some of the projects that the IRS has developed to implement the new legislation.

3. TAS Objectives for 2024 - the report details focus areas for 2024. For the full report see the TAS website.

To see the full details of the 2024 Objectives Report see the following link: 2024 Objectives Report to Congress - Taxpayer Advocate Service (irs.gov)

Employee Retention Credit Webinar:

The Employee Retention Credit is on July 25 starting at 1 pm CT and tax pros can earn up to 2 Continuing Education credits in the Category of Federal Tax:

This free webinar will cover:
An overview of the Employee Retention Credit (ERC)

- Key Areas of ERC Compliance
- Characteristics of Potential ERC Fraud
- Ways to Report Potential ERC Fraud & Steer Your Clients Away from It
- Plus, a live Q & A
- Certificates of completion are being offered.

To register for the webinar please see the following link:
Webinars for Tax Practitioners | Internal Revenue Service (irs.gov)

The link to the Video Portal is on the registration page too, and you can go there to view archived webinars that we have recorded for your viewing convenience. Please remember, that CE is not offered for viewing archived webinars.

Issues, Questions and Concerns:

ISSUE: Lisa Rogers and several others continue to have concerns with the handling of decedent returns and refunds. Currently, there is an issue where multiple returns had to be sent in, but they were not processed together. A common problem, actually. In fact, one practitioner commented that decedent returns, and associated issues are significantly more difficult to wade through than any others. Having to submit Form 56 multiple times for same taxpayer, same with Form 1310, having form 1310 requested when it's not relevant, having refund amounts posted to later year AFTER decedents death…just odd stuff…makes people think the processing of these returns is haphazard. The consensus seems to be that we need a dedicated department that deals with nothing but decedent returns and issues, and they need to be reachable with specific account questions.

RESPONSE: We do understand and share your frustration. There are multiple issues to address here, and we are in the process of solidifying and presenting these issues to the relevant stakeholders.

Q: We have an issue with a client where it appears client's SSN has somehow been reassociated with her ex-husband's SSN and IRS is sending notices?

A: We are not saying this did happen, but this *can happen,* when an ex-spouse fraudulently files a joint return, and however the situation arose it sounds like an 'Innocent Spouse' situation. Here is the link with additional information on how to proceed: [Innocent Spouse Relief | Internal Revenue Service (irs.gov)]

Q and comments: Nina Tross commented that she used the Document Upload Tool for the first time, and had some recommendations: it would be nice to have confirmation of receipt, and the file size is quite small.

A: We understand the Upload Tool's limitations, and we do plan to add additional functionality as time goes by.

Comment: Melissa Chapman, AZ TAS, said at last check there were upwards of 400,000 unprocessed F941s.

Stephan King said that he has also had significant delay in processing amended returns sent in as a result of changes under the CARES act that regulated losses.

Q: Sometimes the 1040 account transcripts show that a return was received, what withholdings have been posted, the TC 150 code has a $0.00 balance and there's no balance due for the module. Was the return processed? Has the tax been assessed? What is the CSED in these cases?

A: We are looking into these and will try to have an answer at next meeting

Q: Regarding the Online Account where there is a balance due for multiple tax periods: Is there a breakdown of the liability by period? For how many periods are account transcripts available? For how many periods are wage and income transcripts available?

These are important in determining what course of action is required to address and resolve a case where there are multiple non-filed periods and ther have been SFR assessments.

A: We are looking into these and will try to have an answer at the next meeting.

Next Scheduled Meeting, Wednesday August 16, 2023