



Communications & Liaison
STAKEHOLDER LIAISON

IRS Updates

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December 9, 2020

CPA Continuing Education Society of PA



Topics

- **New Voluntary “Opt-In” IPPIN Program**
- **Security Tips to Avoid Phishing e-mails and Texts**
- **Advising Clients on Accurate Tax Withholding**
- **Understand Tax Issues for Gig Workers**
- **Cybersecurity Best Practices for Tax Professionals**
- **Tax Transcripts**
- **IRS Information Sources for Tax Professionals**



Quick Security Tips from the IRS:

Get an Identity Protection PIN



Security Summit

The IRS, state tax agencies, and the tax community are working in partnership to combat identity theft refund fraud to protect the nation's taxpayers.



What is an Identity Protection PIN (IP PIN)?

- **Six-digit number**
- **Assigned to eligible taxpayers**
- **Helps the IRS verify a taxpayer's identity**
- **Prevents someone else from filing a tax return with your SSN**
- **You get a new IP PIN every year**



Who is eligible to get an IP PIN?

- **IP PINs started in 2011**
- **IP PINs were reserved for confirmed victims on tax related ID theft**
- **In 2014, residents in certain states were invited to opt-in to getting an IP PIN**
- **Starting in mid-January 2021, all taxpayers can apply for an IP PIN**
- **Review the process at www.irs.gov/ippin**



Options to get an IP PIN

- **“Get an IP PIN” tool at IRS.gov**
- **If you cannot verify online:**
 - If income is \$72,000 or less: Form 15227
 - If income is more than \$72,000:
Visit a Taxpayer Assistance Center



Online Option

- **“Get an IP PIN” tool available January 2021.**
- **Already have an account? Sign in with your username and password.**
- **No account yet? Create an account.**



Verify your identity with Secure Access

- **Email address and SSN or ITIN**
- **Tax filing status and mailing address**
- **One financial account number:**
 - Credit card, student loan or auto loan
 - Mortgage, home equity loan, or home equity line of credit
- **Mobile phone linked to your name**
- **Learn more at www.irs.gov/SecureAccess**



Register for an account now

- **Go to “View Your Tax Account” or “Get Transcript” on IRS.gov and select “Create an Account”**
- **Return to “Get an IP PIN” tool in January 2021**



Unable to authenticate your identity online?

If income is \$72,000 or less:

- **Submit Form 15227**
- **IRS assistor will call taxpayer to verify identity over the phone**
- **IP PIN will be mailed to the taxpayer for the NEXT filing season**



Unable to authenticate your identity online? (Cont'd)

If income is more than \$72,000:

- **Contact the IRS for an appointment at a Taxpayer Assistance Center**
- **Bring two forms of identification, including one picture ID**
- **Once your identity is verified in person, an IP PIN will be mailed within three weeks**



Do not share IP PIN

- **Do not share your IP PIN with anyone but your trusted tax provider**
- **If you do your own taxes, enter when asked by the software product**
- **No one will call, email or text you to request your IP PIN**



Recap

- **IP PIN program helps prevent an identity thief from filing a tax return in your name**
- **Starting in mid-January 2021, all taxpayers who can verify their identities may obtain an IP PIN to protect their tax returns**
 - See IRS Publication 5367
- **There is a one-time registration process**
- **Details at www.irs.gov/SecureAccess**



Recap - Cont'd

- **Once you access Get an IP PIN tool in mid-January, your IP PIN is immediately revealed**
- **Use online tool each January to obtain your IP PIN**
- **If you can't verify your identity online, your option depends on your income**
 - **If income is \$72,000 or less: Form 15227**
 - **If income is more than \$72,000: Visit a Taxpayer Assistance Center**



Quick Security Tips from the IRS:

**Beware phishing scams, especially
COVID and stimulus-related
schemes**

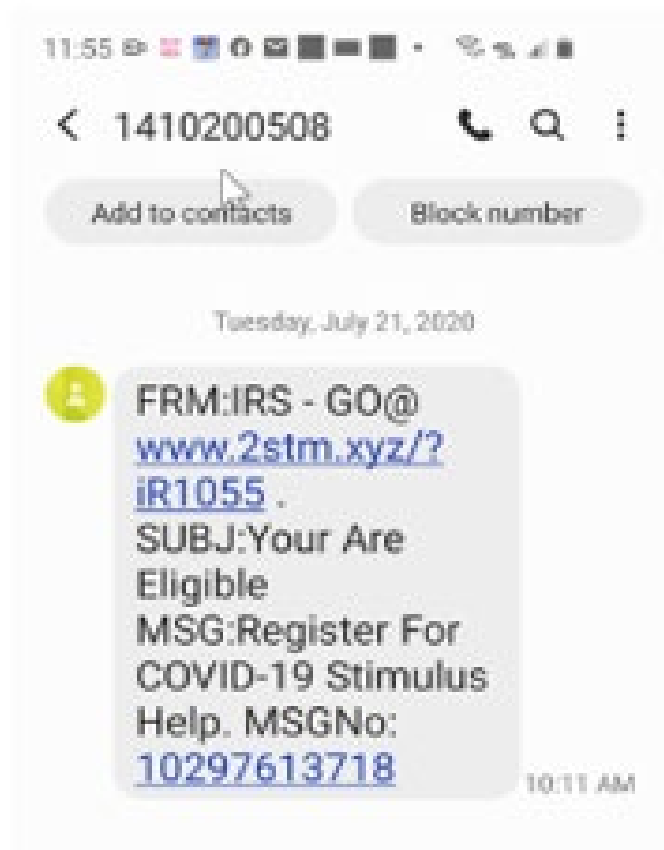


Cybercriminal Threats

- **Cybercriminals have attempted to exploit COVID-19 concerns this year**
- **Cybercriminals use a variety of techniques and tools**

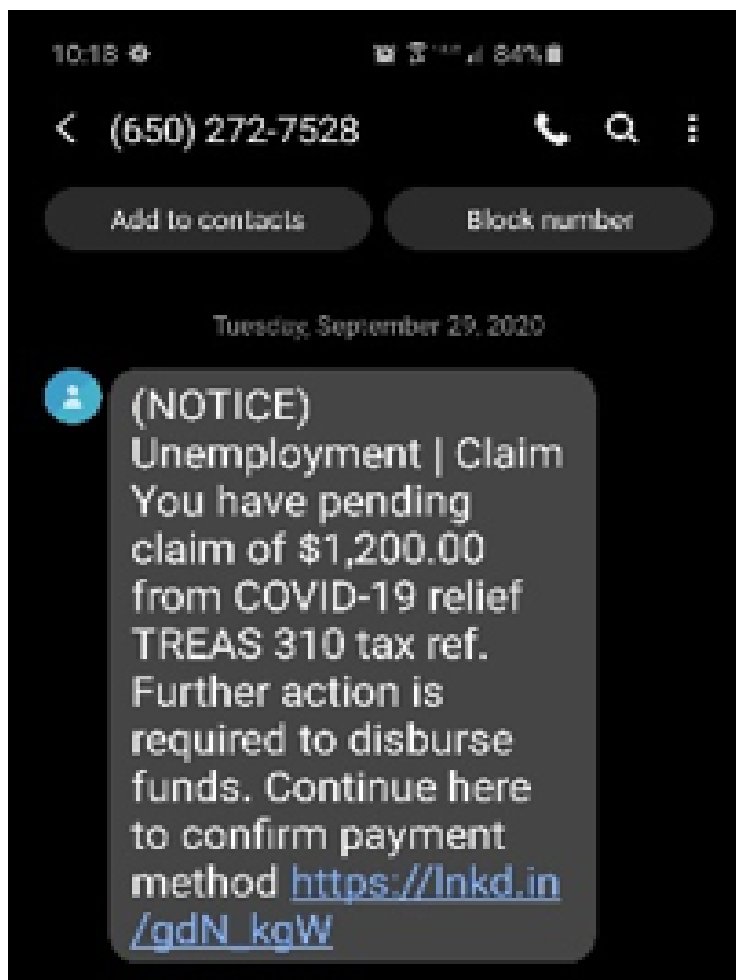


Short Message Service – Example



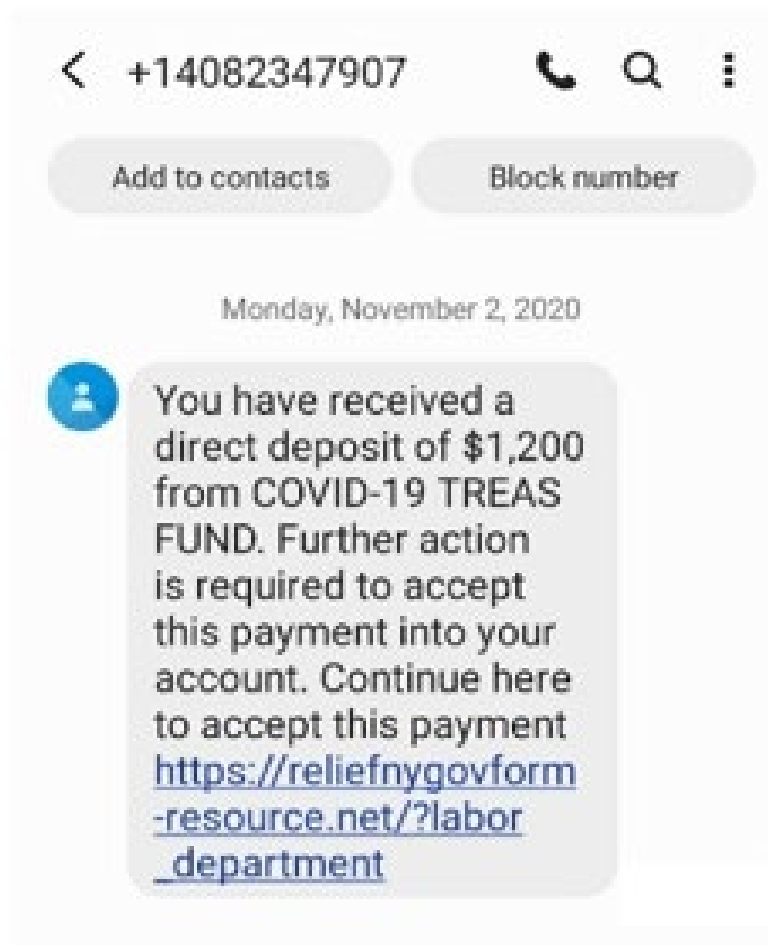


Phishing Text Message – Example





Phishing Text Message – Example 2





COVID 19 Scams

- **Cybercriminals have attempted to exploit COVID-19 concerns this year by using it as their “bait” in phishing scams**
- **Cybercriminals pose as government agencies with “urgent” messages promising help**



Phishing Email – Example

Subject: 2020 tax season inquiry

Date: [REMOVED] 2020 [REMOVED]

From: [REMOVED]

To: [REMOVED]

Happy New year,

I am currently in **search for a new tax preparer**. I usually file these federal forms 1040, Schedule A, Schedule B, Schedule C, Schedule D, Schedule SE. My former preparer typically charged around **\$600**. Is that the typical fee that you would charge? I talked to a large tax group in the area, and they said that they do more complicated returns and charge a minimum of **\$3,000!**.

I also have to **amend my 2018** tax return i **got a notice** regarding these late november. I will also like to have a quote on **what you will charge to help resolve the issue** with the IRS.

I hope to hear from you soon

Sincerely,

[REMOVED]



Phishing Email – Example 2

Hello [REMOVED],

Thanks for your response, I am sorry for not getting back to you immediately. I have been out of my office and wont be back till the 27th of Jan. I am spending some time with my daughter. I hope you are still willing to help? Your pricing seems fair and within my budget. How do I sign up as a Tax client with your firm?

Below is a **ShareFile access** to my prior year tax return and **the letter I received**. Hopefully this gives you a better understanding of the complexity of my tax situation. I hope we can get started immediately. Would you need a retainer?

[REMOVED]

[REMOVED]



IRS Impersonation Scams

- **Phone, e-mail, and texts impersonating Internal Revenue Service employees**
- **"As the holiday season and tax season approach, everyone should remember to take basic steps to protect themselves"**
 - **IRS Commissioner Chuck Rettig**



Internal Revenue Service Does Not:

- **Call Demanding Payment and Making Threats of jail or lawsuits**
- **Demand payment via gift, debit, or iTunes cards**
- **Send unsolicited e-mails about refunds**
- **Request login credentials, Social Security Numbers or other sensitive information**
- **irs.gov/phishing**



Other Government Agencies Investigate Scams

- **TIGTA investigates IRS impersonation Scams**
- **TIGTA phone number: 1-800-366-4484**
- **TIGTA web address: www.tigta.gov**
- **Federal Trade Commission:
www.FTC.gov**



Recap

- **Recognize and avoid phishing scams**
- **Do not open links or attachments from suspicious e-mails**
- **Don't respond to unsolicited e-mails requesting your password or account information**
- **Use Multi-Factor authentication for all of your accounts**



Income Tax Withholding



Income Tax Withholding

- **Primary goal - accuracy and privacy for employees while minimizing burden for employers and payroll processors.**
- **Designed to improve the accuracy of employee withholding amounts.**
- **No longer uses allowances, tied to the amount of the personal exemptions claimed.**
- **The Form is now divided into 5 Steps.**



Review of new Form W-4 – Step 1

Basic Personal Information

Form W-4 Department of the Treasury Internal Revenue Service	Employee's Withholding Certificate		OMB No. 1545-0074
	▶ Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. ▶ Give Form W-4 to your employer. ▶ Your withholding is subject to review by the IRS.		2020
Step 1: Enter Personal Information	(a) First name and middle initial	Last name	(b) Social security number
	Address		▶ Does your name match the name on your social security card? If not, to ensure you get credit for your earnings, contact SSA at 800-772-1213 or go to www.ssa.gov .
	City or town, state, and ZIP code		
	(c) <input type="checkbox"/> Single or Married filing separately <input type="checkbox"/> Married filing jointly (or Qualifying widow(er)) <input type="checkbox"/> Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)		



Review of new Form W-4 – Step 2

Multiple Jobs

Complete Steps 2–4 ONLY if they apply to you; otherwise, skip to Step 5. See page 2 for more information on each step, who can claim exemption from withholding, when to use the online estimator, and privacy.

Step 2:
Multiple Jobs
or Spouse
Works

Complete this step if you (1) hold more than one job at a time, or (2) are married filing jointly and your spouse also works. The correct amount of withholding depends on income earned from all of these jobs.

Do **only one** of the following.

- (a) Use the estimator at www.irs.gov/W4App for most accurate withholding for this step (and Steps 3–4); **or**
- (b) Use the Multiple Jobs Worksheet on page 3 and enter the result in Step 4(c) below for roughly accurate withholding; **or**
- (c) If there are only two jobs total, you may check this box. Do the same on Form W-4 for the other job. This option is accurate for jobs with similar pay; otherwise, more tax than necessary may be withheld ☐

TIP: To be accurate, submit a 2020 Form W-4 for all other jobs. If you (or your spouse) have self-employment income, including as an independent contractor, use the estimator.

Complete Steps 3–4(b) on Form W-4 for only ONE of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)



Review of new Form W-4 – Step 3

Dependents

Complete Steps 3–4(b) on Form W-4 for only **ONE** of these jobs. Leave those steps blank for the other jobs. (Your withholding will be most accurate if you complete Steps 3–4(b) on the Form W-4 for the highest paying job.)

Step 3:	If your income will be \$200,000 or less (\$400,000 or less if married filing jointly):		
Claim			
Dependents	Multiply the number of qualifying children under age 17 by \$2,000 ▶ \$		
	Multiply the number of other dependents by \$500 ▶ \$		
	Add the amounts above and enter the total here	3	\$



Review of new Form W-4 – Step 4

Adjustments

Step 4
(optional):
Other
Adjustments

(a) **Other income (not from jobs).** If you want tax withheld for other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, dividends, and retirement income

4(a)

\$

(b) **Deductions.** If you expect to claim deductions other than the standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here

4(b)

\$

(c) **Extra withholding.** Enter any additional tax you want withheld each **pay period** .

4(c)

\$



Review of new Form W-4 – Step 5

Signature

Step 5: Sign Here	Under penalties of perjury, I declare that this certificate, to the best of my knowledge and belief, is true, correct, and complete.		
	Employee's signature (This form is not valid unless you sign it.)		Date
Employers Only	Employer's name and address	First date of employment	Employer identification number (EIN)


For Privacy Act and Paperwork Reduction Act Notice, see page 3.


Cat. No. 10220Q


Form **W-4** (2020)



Tax Withholding Estimator Page



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Tax Withholding Estimator

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Individuals

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The IRS encourages everyone to use the Tax Withholding Estimator to perform a quick “paycheck checkup.” This is even more important following the recent changes to the tax law for 2018 and beyond.

The Estimator helps you identify your tax withholding to make sure you have the right amount of tax withheld from your paycheck at work.

There are several reasons to check your withholding:

- Checking your withholding can help protect against having too little tax withheld and facing an unexpected tax bill or penalty at tax time next year.
- At the same time, with the average refund topping \$2,800, you may prefer to have less tax withheld up front and receive more in your paychecks.

If you are an employee, the Tax Withholding Estimator helps you determine whether you need to give your employer a new [Form W-4, Employee's Withholding Allowance Certificate \(PDF\)](#). You can use your results from the Estimator to help fill out the form and adjust your income tax withholding. If you receive pension income, you can use the results from the estimator to complete a [Form W-4P \(PDF\)](#) and give it to your payer.

Plan Ahead: Tips For Using This Program

The Estimator will ask you to estimate values of your 2019 income, the number of children you will claim for the Child Tax Credit and Earned Income Tax Credit, and other items that will affect your 2019 taxes. This process will take a few minutes.



Tax Withholding Estimator “Landing Page” (continued)

Military

Seniors & Retirees

International Taxpayers

Businesses and Self-Employed

Government Entities

**What you
need**

Plan Ahead: Tips For Using This Program

The Estimator will ask you to estimate values of your 2019 income, the number of children you will claim for the Child Tax credit and Earned Income Tax Credit, and other items that will affect your 2019 taxes. This process will take a few minutes.

- Gather your most recent pay stubs.
- Have your most recent income tax return handy; a copy of your completed Form 1040 will help you estimate your 2019 income and other characteristics and speed the process.
- Keep in mind that the Estimator's results will only be as accurate as the information you provide. If your circumstances change during the year, come back to this Estimator to make sure that your withholding is still correct.
- The Tax Withholding Estimator does not ask you to provide sensitive personally-identifiable information like your name, Social Security number, address or bank account numbers. The IRS does not save or record the information you enter on the Estimator.

IMPORTANT NOTE: This Tax Withholding Estimator works for most taxpayers. People with more complex tax situations should use the instructions in [Publication 505, Tax Withholding and Estimated Tax \(PDF\)](#). This includes taxpayers who owe alternative minimum tax or certain other taxes, and people with long-term capital gains or qualified dividends.

Ready to start? Make sure Javascript is enabled.

[Tax Withholding Estimator](#)

To Change Your Withholding:

- Use your results from this Estimator to help you complete a new [Form W-4, Employee's Withholding Allowance Certificate \(PDF\)](#), and
- Submit the completed Form to your employer as soon as possible. Withholding takes place throughout the year, so it's better to take this step as soon as possible.

Special Note for 2020: If you follow the recommendations at the end of this Estimator and change your withholding for 2019, the IRS reminds you to be sure to recheck your withholding at the start of 2020. This is especially important if you reduce your withholding sometime during 2019. A mid-year withholding change in 2019 may have a different full-year impact in 2020. So if you do not file a new Form W-4 for 2020, your withholding might be higher or lower than you intend. To help protect against having too little withheld in 2020, we encourage checking your withholding again early in 2020.

If you have additional questions about your withholding, consult your employer or tax advisor.



Tax Withholding Estimator Page (continued)

Military

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International Taxpayers

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**Who should
use Pub.
505**

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Tax Withholding Estimator Page (continued)

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Seniors & Retirees

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Ready to start? Make sure Javascript is enabled.

[Tax Withholding Estimator](#)

**Use the
Estimator to
fill out a new
Form W-4**

To Change Your Withholding:

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If you have additional questions about your withholding, consult your employer or tax advisor.



Tax Withholding Estimator Page (continued)

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**Click the
blue button
to go to the
Estimator**

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Tax Withholding Estimator

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If you have additional questions about your withholding, consult your employer or tax advisor.



Tax Withholding Estimator – About You

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Tax Withholding Estimator

Use your best estimates for the year ahead to determine how to complete Form W-4 so you don't have too much or too little federal income tax withheld.



About You

Select the information that best describes how you anticipate filing your 2019 tax return.

1 of 5: Filing Status

What filing status will you use for your tax return? *(*Required)*

- ☐ Single
- ☐ Married filing jointly
- ☐ Married filing separately
- ☐ Head of Household [?](#)
- ☐ Qualifying widow(er) [?](#)



Tax Withholding Estimator – Results page

Tax Withholding Estimator

Use your best estimates for the year ahead to determine how to complete Form W-4 so you don't have too much or too little federal income tax withheld.



Your Results

Based on the information you entered

If you do not change your withholding, **you may owe taxes at the end of the year.**

Expected tax withholding	\$17,700*
Anticipated tax obligation	\$20,732**
Estimated under payment	\$3,032



Important Note: The accuracy of this estimate depends on the accuracy of the information you provide. The IRS makes no guarantees about the accuracy of this estimate and accepts no liability resulting from your use of the estimation.

* This is your projected withholding for the year if you make no changes and do not submit a new Form W-4. This number includes Federal income tax withheld and any estimated tax paid.

** This is your expected tax liability for the 2019 tax year reported on the 2019 Form 1040 due to be filed by April 15, 2020. This number includes Federal income tax, additional Medicare tax, and self-employment tax, if applicable.

How to Adjust Your Results

Select an option below to change your results

GET MY BALANCE CLOSE TO ZERO

I'D LIKE TO GET A REFUND



Income Tax Withholding Assistant for Employers

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Income Tax Withholding Assistant for Employers

Individuals

Businesses and Self-Employed

Small Business and Self-Employed

The Income Tax Withholding Assistant is a spreadsheet that will help small employers calculate the amount of federal income tax to withhold from their employees' wages. It will help you as you transition to the new [Form W-4](#) for 2020.

Use the Income Tax Withholding Assistant if you typically use [Publication 15-T](#) to determine your employees' income tax withholding. If you use an automated payroll system, you do not need to use the Assistant.

The Tax Withholding Assistant is available in Excel format.



Income Tax Withholding Assistant for Employer

employed

Employer ID Numbers

Business Taxes

Reporting Information
Returns

Self-Employed

Starting a Business

Operating a Business

Closing a Business

Industries/Professions

Small Business Events

**Download the
Excel Spreadsheet**

How to Use the Tax Withholding Assistant

Open the Tax Withholding Assistant and follow these steps to calculate your employees' tax withholding for 2020. Be sure that your employee has given you a completed Form W-4. The Assistant can accommodate both the 2020 Form W-4 and Forms W-4 from prior years.

You will want to save a separate copy of the spreadsheet for each employee.

- Indicate how frequently you pay your employee.
- Specify which version of Form W-4 applies to the employee.
- Enter the requested information from your employee's Form W-4.
- Save a copy of the spreadsheet with the employee's name in the file name.
- Each pay period, open each employee's Tax Withholding Assistant spreadsheet and enter the wage or salary amount for that period. The spreadsheet will then display the correct amount of federal income tax to withhold.



Income Tax Withholding Assistant for Employers



Income Tax Withholding Assistant For Employers

(For use with both 2020 and earlier Forms W-4)

Pay frequency:

Weekly

Employee's taxable wage or salary amount this paycheck:

Which version of Form W-4 did the employee use?

2020 or later

Enter taxable wage or salary amount this paycheck

RESULT

Amount of Federal income tax to withhold from this paycheck:

Withhold no federal income tax if on the Form W-4 the employee claimed to be exempt from withholding.

Please enter the W-4 information in the fields below.



Income Tax Withholding Assistant for Employers

Information from the employee's most recent Form W-4 if used 2020 or later version

Step 1. c. Filing status:

Single

Enter taxable wage
or salary amount
this paycheck

Step 2. Did the employee check the box in (c)?

☐

Step 3. Total amount on line 3

Step 4. Other adjustments

a. Other income amount:

b. Deductions amount:

c. Extra withholding amount:

This Assistant implements the 2020 IRS Publication 15-T, *Federal Income Tax Withholding Methods*. Enter the three items requested in the relevant information from the employee's Form W-4. The tax to withhold from this paycheck is provided in the upper right **separate copy of this calculator for each employee** (to avoid 4 information each pay period).



The Gig Economy



Gig Economy Participants

- **Gig Service Provider**
- **Gig Service Recipient**
- **Gig Service Coordinator**



Gig Economy Tax Center



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Gig Economy Tax Center

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What is the Gig Economy?

The gig economy—also called sharing economy or access economy—is activity where people earn income providing on-demand work, services or goods. Often, it's through a digital platform like an app or website.

Gig Economy Income is Taxable

You must report income earned from the gig economy on a tax return, even if the income is:

- From part-time, temporary or side work
- Not reported on an information return form—like a Form 1099-K, 1099-MISC, W-2 or other income statement
- Paid in any form, including cash, property, goods, or virtual currency

What to Do

Gig Workers

Find forms, keep records, deduct expenses, file and pay taxes for your gig work.

[Manage Taxes for Your Gig Work](#)

Digital Platforms and Businesses

Classify workers, report payments, pay and file taxes for a digital marketplace or business.

[Manage Taxes for a Digital Platform](#)



Are You an Employee?

- **Employee's portion of Social Security, Medicare and Additional Medicare taxes**
- **Behavioral control**
- **Financial control**
- **Type of relationship**



Employee or Independent Contractor?

- **Employee**
- **Independent contractor**
- **Form SS-8**



Tax Payments, Including Estimated Tax Payments

- **Form 1040-ES - Estimated Tax for Individuals**
- **Direct pay**
- **EFTPS (Electronic Federal Tax Payment System)**
- **Form W-4 - Employee's Withholding Allowance Certificate**



Independent Contractor

- Recordkeeping and timeframes
- Car expenses
- Business use of your home
- Business transactions
- Information Returns



Self-Employment Taxes

- **Self-employed/independent contractor**
- **Social Security**
- **Medicare taxes**
- **Additional Medicare taxes**
- **Estimated taxes**



Resources

- **Gig Economy Tax Center:**
<https://www.irs.gov/businesses/gig-economy-tax-center>
- www.irs.gov - Key words *gig economy*
- Publication 5369 (Gig economy and your taxes: things to know)
- “Understanding the Gig Economy” IRS Video Portal
www.irsvideos.gov



Cybersecurity Issue for Tax Professionals



Educate yourself on phishing scams

- **Many data thefts start with a phishing email**
- **Click on a link to a fake web state**
- **Open an attachment with embedded malware**
- **Spear phishing email to pose as a trusted source**
- **Malicious Code/Malware**



Outline for a Data Security Plan FTC Safeguards Rule

- Designate plan coordinator
- Identify and assess risks to customer data
- Design and implement safeguards
- Select services providers
- Evaluate and adjust the plan
- Use Publication 4557, *Safeguarding Taxpayer Data*, to help create plan



Create a Data Security Plan

- **Required under federal law**
- **The Gramm-Leach-Bliley (GLB) Act**
- **Federal Trade Commission (FTC) Safeguards Rule**
- **IRS Revenue Procedure 2007-40 for Authorized IRS e-file Provider**



“Security Six” protections

Deploy the “Security Six” protections:

- 1. Anti-virus software**
- 2. Firewalls**
- 3. Two-factor authentication**
- 4. Backup software/services**
- 5. Drive encryption**
- 6. Virtual Private Network (VPN)**



“Security Six” # 1 Anti-virus software

- **Scans computer files for malicious software**
 - Automatic scans
 - Manual scans of email attachments, web downloads, and portable media
- **Protection against spyware and phishing**



“Security Six” # 2 Firewalls

- **Provide protection against outside attackers**
 - Shield computer or network
- **Firewalls are categorized as:**
 - Hardware – external devices
 - Software – built-in or purchase



“Security Six” # 3

Two-factor authentication

- **Adds an extra layer of protection beyond a password**
- **User must enter credentials**
 - username and password plus
 - another step (such as a security code sent via text to a mobile phone)



“Security Six” # 4

Backup software/services

- **Critical files on computers should routinely be backed up to external sources**
- **Backup files may be stored either using an online service or on an external disk**
- **Encrypt the back-up data for the safety of the information**



“Security Six” # 5 Drive Encryption

- **Use drive or disk encryption software for full-disk encryption**
- **Transforms data on the computer into unreadable files for an unauthorized person**



“Security Six” # 6 Virtual Private Network (VPN)

- **A VPN provides a secure, encrypted tunnel to transmit data between a remote user via the internet and the company network**
- **Search for “Best VPNs” to find a legitimate vendor**



Strong Passwords

- Use word phrases that are easy to remember
- Use a minimum of eight characters; longer is better
- Use a combination of letters, numbers and symbols, i.e., XYZ, 567, !@#
- Avoid personal information or common passwords



Signs of Data Theft in Your Office

- **Client e-filed returns begin to reject**
- **Clients who haven't filed tax returns begin to receive authentication letters (5071C, 4883C, 5747C) from the IRS**
- **Clients receive refunds that have not filed tax returns**
- **Clients receive tax transcripts that they did not request**
- **Clients who created an IRS online services account receive an IRS notice that their account was accessed or disabled.**



Signs of Data Theft in Your Office

- **The number of returns filed with tax practitioner's Electronic Filing Identification Number (EFIN) exceeds number of clients;**
- **Tax professionals or clients responding to emails that practitioner did not send;**
- **Network computers running slower than normal;**
- **Computer cursors moving or changing numbers without touching the keyboard;**
- **Network computers locking out tax practitioners.**



Monitor Your PTIN

- **Monitor “Returns Filed per PTIN”**
- **Information available via online PTIN system for tax preparers who meet both of the following criteria:**
 - Have a professional credential or are an Annual Filing Season Program participant, **and**
 - Have at least 50 Form 1040 series tax returns processed in the current year



How to Access PTIN Information

To access “Returns Filed Per PTIN” information, follow these steps:

- 1. Log into your PTIN account**
- 2. From the Main Menu, find “Additional Activities”**
- 3. Under Additional Activities, select “Summary of Returns Filed.”**



Summary of Returns Filed Chart



Logged in as **Doe, John**

[Main Menu](#) | [Edit Login Information](#) | [Logout](#)

Summary of Returns Filed

See the chart below for the number of tax returns with your PTIN processed by the IRS **this year**. The data is updated weekly and includes only Form 1040 series returns **processed** through the date specified.

If the number is **substantially higher** than the number of tax returns you've prepared and you suspect possible misuse of your PTIN, complete [Form 14157](#).

If the number is **substantially lower** than the number of tax returns you've prepared, you need to verify that you are entering your PTIN correctly on returns. The most common cause of this problem is the entry of an incorrect PTIN during tax preparation software setup.

Definitions:

- Processing Year: the current calendar year
- Tax Year: the tax year of the returns
- 1040s Processed: includes **only** 1040 series returns (1040, 1040-PR, 1040-SS, 1040A, 1040EZ, 1040EZ-T, 1040NR, and 1040NR-EZ)

51 Returns as of 5/14/2019

Processing Year	Tax Year	1040s Processed
2019	2018	49
	2017	2



Monitor Your EFIN



e-services	Applications	Cases	Administration	Online Tutorials	Reports	Sign Out
------------	--------------	-------	----------------	------------------	---------	----------

[Home](#) > [Person Search](#) > [Personal Associated Application\(s\)](#) > Application Summary

Firm Information	Application Details	Authorized Users	Application Summary	Application Comments	Application Submission
Letter History	Provider Status	EFIN Status	ETIN Status	Software Packages	Services Authorized For

For EFIN weekly totals:

- Go to e-Services
- Access e-File Application
- Search by name
- Select "EFIN Status"



Tax professionals monitor your accounts

- **EFIN accounts**
 - Too many returns filed with your EFIN
 - Contact e-Help Desk (866) 255-0654
- **PTIN accounts**
 - Too many returns filed
 - Complete Form 14157
- **CAF accounts**
 - Signs of identity theft
 - Contact Practitioner Priority Service



Data Theft Recovery Plan

- **An action plan can save valuable time and protect your clients and yourself**
- **Make calling the IRS an immediate action item**



How Tax Pros Report Data Theft

- **Contact IRS and law enforcement**
- **IRS Data Loss Mailbox and stakeholder liaisons are your points of contact**
- **Search “data loss” or “stakeholder liaison” on IRS.gov**
- **Contact state tax agencies/attorneys general**
- **Email Federation of Tax Administrators for state agency contacts at StateAlert@taxadmin.org**
- **Contact Experts**
- **Security expert and/or insurance company**
- **Review “Data Theft Information for Tax Professionals” at [IRS.gov/identitytheft](https://www.irs.gov/identitytheft)**



Victim Assistance

- **Identity Theft Victim Assistance Program**
- **Form 14039 – Identity Theft Affidavit**
 - **File only if unable to e-file; instructed to do so by IRS**
 - **Do not file if client receives a TPP letter**
 - **Complete Box 1, mail with paper tax return**
- **Identity Protect PIN issued after case is resolved**



How to get an IP PIN

- www.irs.gov/ippin
- Register via Secure Access
- Taxpayers with accounts for Get Transcript, View Your Tax Account or Online Payment Agreement can use same credentials
- Review www.irs.gov/secureaccess; taxpayers must have certain information to authenticate their identities
- Both primary and secondary taxpayers should obtain an IP PIN



Resources to Assist Tax Pros with Data Security

- **Publication 4557, Safeguarding Taxpayer Data.**
- **Publication 5293, Data Security Resource Guide for Tax Professionals**
- **www.irs.gov/ProtectYourClients**
- **www.irs.gov/IdentityTheft**
- **Individuals**
- **Tax Pros**
- **Businesses**



Resources

- **Publication 4557, Safeguarding Taxpayer Data**
- **Publication 5293, Data Security Resource Guide for Tax Professionals**
- **Small Business Information Security – The Fundamentals at NIST.gov**



Resources (cont.)

IRS.gov websites:

www.irs.gov/securitysummit

www.irs.gov/ProtectYourClients

www.irs.gov/IdentityTheft



Tax Transcripts



Masked Individual Transcripts

Here's what is visible on the new tax transcript:

- Last 4 digits of any SSN/ITIN/EIN
- Last 4 digits of any account/phone number
- First 4 characters of any name
- First 4 characters of a business name
- First 6 characters street addresses
- All money amounts, including wage and income, balance due, interest and penalties



Alternatives to Faxing (Unmasked Transcripts)

Only the Wage and Income Transcript is available to third parties as unmasked.

For individual taxpayers:

Call IRS toll-free; mail only

For tax professionals

With authorization: access e-Services' Transcript Delivery Service

Without authorization or no TDS access: call PPS, fax authorization, access e-Services mailbox



Third-party mailing option on Form 4506, 4506-T and 4506T-EZ ended in 2019

- **Tax professionals can access individual and business transcripts via Transcript Delivery System;**
- **High-volume users can become or contract with participants in the Income Verification Express Service program;**
- **No impact on the Department of Education/IRS Data Retrieval Tool**



IRS Information Sources



IRS.gov – Keyword: *social media*

Connect with the IRS

The IRS uses social media tools to share the latest information on tax changes, scam alerts, initiatives, products and services. Connect with the IRS through the following social media tools.

IRS2Go

Get quick access to IRS social media, sign up for helpful tax tips, check your tax refund status and make a payment — all with the [IRS2Go mobile app](#). IRS2Go is available in both English and Spanish for Android and iOS mobile devices.

YouTube

Tune in to the IRS YouTube channels. You can watch short, informative videos in English, American Sign Language and Spanish.

Twitter

IRS tweets include various announcements, scam alert and news for tax professionals. Available in English and Spanish.

Facebook

The IRS Facebook pages post useful information for general public in English and Spanish tax professionals.

LinkedIn

The IRS LinkedIn page posts important tax information, updates, and announcements from the IRS.

Instagram

The IRS Instagram account will share taxpayer-friendly information on a variety of topics to help people Get Ready for the tax season and to navigate tax law changes. It will also provide the latest tax scam information to help support the Security Summit initiative to combat tax-related identity theft, as well as periodically share information in Spanish and other languages.

IRS2Go

- [IRS2GoApp](#)

YouTube

- [IRS Videos](#)
- [IRS Videos A](#)
- [IRS Videos M](#)
- [Taxpayer A](#)

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- [@RecruitmentIRS](#)
- [@YourVoiceAtIRS](#)
- [@IRStaxsecurity](#)
- [@IRSsmallbiz](#)

Facebook

- [IRS](#)
- [IRS en Español](#)
- [IRS Tax Pros](#)
- [Taxpayer Adv](#)

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IRSvideos ✓
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Day Camp and Other Child Care Expenses
IRSvideos ✓
1.2K views • 2 months ago

FTC Tip 1-Avoid Economic Impact Payment Scams
IRSvideos ✓
4.7K views • 3 months ago



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https://www.facebook.com/IRS/photos/a.10156198781029735/10158038451804735/?type=3&theater

13.9 million taxpayers to receive IRS tax refund interest payments



August 18

Your IRS tax refund may have grown a bit! Due to COVID-19, the tax deadline had a disaster-related postponement. As a result, nearly 14M individual income tax filers who timely filed their federal income tax returns and got a refund will also get interest payments. Most taxpayers who had direct deposit will get the interest deposited. Everyone else will get paper checks. To learn more, click here: <https://go.usa.gov/xztb6> — sharing a COVID-19 Update.

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[IRS Newswire](#) – Receive news releases as they are issued by the IRS National Media Relations Office in Washington, DC.

[Guidewire](#) – Receive notifications by e-mail when the IRS issues advance copies of tax guidance such as Regulations, Revenue Rulings, Revenue Procedures, Announcements, and Notices.

[Consejos Tributarios del IRS](#) – Boletín con consejos de impuestos en español.

[Alerts from Office of Professional Responsibility \(OPR\)](#) – Sign up to receive up-to-date email alerts from OPR, such as press releases, disciplinary actions, and more information.

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