

# IRS NEWS FOR BUSINESS

## July 2019

### ► UPCOMING WEBINARS

Check [Webinars for Small Businesses](#) for upcoming webinars.

### ► IRS Video Portal

Recently posted to the IRS Video Portal:

- [Filing is The Thing to Do, Even if You Have a Balance Due](#)  
This webinar will give an overview of what to do when you owe and can't pay.
- [Understanding How to Do a Paycheck Checkup](#)  
You'll want to attend if: You made a mid-year change to your withholding in 2018; You were not satisfied with the amount you had withheld in 2018; Your circumstances changed in 2018 or you expect they will in 2019 We will cover; Why do a Paycheck Checkup?; Who should do a Paycheck Checkup?; How to do a Paycheck Checkup using the IRS Withholding Calculator; Plus a live Q & A.

### ► NEWS

#### [IRS takes additional steps to protect taxpayer data; plans to end faxing and third-party mailings of certain tax transcripts](#)

- As part of its ongoing efforts to protect taxpayers from identity thieves, the IRS announced it will stop its tax transcript faxing service in June and will amend the Form 4506 series to end third-party mailing of tax returns and transcripts in July.
- Third parties who use these forms for income verification have other alternatives. The IRS offers an [Income Verification Express Service \(IVES\)](#) which has several hundred participants, who, with proper authorization, order transcripts. Lenders or higher education institutions can either contract with existing IVES participants or become IVES participants themselves. The tax transcript is an official IRS record. Taxpayers may choose to provide transcripts to requestors instead of authorizing the third party to request these transcripts from the IRS on their behalf.

#### [IRS now billing those who filed for 2018 but didn't pay; many payment options available](#)

- The IRS advises those now receiving tax bills because they filed on time but didn't pay in full that there are many easy options for paying what they owe.
- Taxpayers can pay online, by phone or using their mobile device. Taxpayer who can't pay in full may consider payment plans and compromise options; the IRS wants anyone facing a tax bill to know that they have many choices available to them.
- If a tax return was filed but the amounts owed are unpaid, the taxpayer will receive a letter or notice in the mail from the IRS, usually within a few weeks. These notices, including CP14 and CP501, which notify taxpayers that they have a balance due, are frequently mailed during June and July.

## [IRS explains CP2000 notices sent to taxpayers when their tax return doesn't match information from 3rd parties](#)

- When a tax return's information doesn't match data reported to the IRS by employers, banks and other third parties, the IRS will send a letter to the taxpayer. The letter is called an IRS Notice CP2000, and it gives detailed information about issues the IRS identified and provides steps taxpayers should take to resolve those issues.
- This isn't a formal audit notification, but a notice to see if the taxpayer agrees or disagrees with the proposed tax changes. Taxpayers should respond to the CP2000, usually within 30 days from the date printed on the notice. If a timely response can't be made, taxpayers need to call the toll-free number shown on the notice and request additional time to respond.

## [Millions more ITINs set to expire in 2019; IRS says renew early to prevent refund delays](#)

- Nearly 2 million Individual Taxpayer Identification Numbers (ITINs) are set to expire at the end of 2019 as the IRS continues to urge affected taxpayers to submit their renewal applications early to avoid refund delays next year.
- "We urge taxpayers with expiring ITINs to take action and renew the number as soon as possible. Renewing before the end of the year will avoid unnecessary delays related to their refunds," said IRS Commissioner Chuck Rettig. "To help with this process, the IRS is sharing this material in multiple languages. We encourage partner groups to share this important information to reach as many people with ITINs as possible."

## **► TAX TIPS (to share with your clients)**

### [Taxpayers have the right to appeal an IRS decision](#)

- A taxpayer might at some point see the IRS make a decision about their taxes. If the taxpayer disagrees with this decision, they have the right to appeal it. The right to appeal an IRS decision in an independent forum is one of 10 basic rights known collectively as the [Taxpayer Bill of Rights](#).

### [Taxpayers have the right to pay no more than what they owe](#)

- The IRS is committed to ensuring taxpayers pay no more than the correct amount of tax owed. Taxpayers have the right to pay only the amount of tax legally due, including interest and penalties, and to have the IRS apply all tax payments properly. This is one of 10 basic rights known collectively as the [Taxpayer Bill of Rights](#).

### Reminder: [Private Debt Collection](#)

- [Publication 4518: What You Can Expect When the IRS Assigns Your Account to a Private Collection Agency](#)

### [All taxpayers should plan ahead for natural disasters](#)

- Floods, wildfires, hurricanes, tornados and other natural disasters happen quickly and often with little warning. No one can prevent these disasters from happening, but people can prepare for them.

## Home office deduction benefits eligible small business owners

- Small business owners may qualify for a home office deduction that will help them save money on their taxes, and benefit their bottom line. Taxpayers can take this deduction if they use a portion of their home exclusively, and on a regular basis.

## Taxpayers should include tax plans in their wedding plans

- Couples getting married this year know there are a lot of details in planning a wedding. Along with the cake and gift registry, their first tax return as a married couple should be on their checklist. The IRS has tips and tools to help newlyweds consider how marriage may affect their taxes.

## Got tip income? Here are some tips about tips from the IRS

- Aside from regular wages, many taxpayers have jobs where they get tips from their clients or customers. Generally, income received as a tip is taxable. Here's some information to help taxpayers correctly report the income they receive as a tip.

## Tips for taxpayers who may need to amend their tax return

- Although the IRS often finds and corrects errors during processing, there are certain situations in which a taxpayer may need to file an amended return to make a correction. Here are some quick tips for anyone who discovered they made a mistake or forgot to include something on their tax return.

## ► TAX REFORM

### Taxpayers have options for paying the tax they owe throughout the year

- Taxpayers who need to pay more before tax time have a few different options on how they can do so. First, all employees should make sure their employers are withholding the correct amount of tax from their paychecks.
- Here are three ways that taxpayers can adjust their withholding:
  - Changing the withholding allowances on Form W-4.
  - Having an extra flat-dollar amount withheld from each paycheck.
  - Making estimated tax payments throughout the year.

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### Common Penalties for Individuals

- Penalties and interest stop accruing as soon as you pay your balance in full.
- If you can't pay your balance in full, pay what you can now. You can enter into an Installment Agreement to pay the remaining balance. Entering into an Installment Agreement may reduce future failure to pay penalties.
- We charge some penalties, such as the failure to pay penalty, on a monthly basis, until the tax owed is paid in full.

### Penalty Relief

- You may qualify for relief from penalties if you made an effort to comply with the requirements of the law, but were unable to meet your tax obligations, due to circumstances beyond your control.

## ► EMPLOYERS AND BUSINESS OWNERS

### [A-Z Index for Business](#)

- [A-Z Business Topics](#)
- [Business Types](#)
- [By Subject](#)

## ► IDENTITY THEFT / DATA THEFT / SCAM ALERTS

### [IRS reminder: Tax scams continue year-round](#)

- Although the April filing deadline has passed, scam artists remain hard at work, and the IRS urges taxpayers to be on the lookout for a spring surge of evolving phishing emails and telephone scams.

## ► TAX EXEMPT ORGANIZATIONS

### [How to get help from the IRS on Exempt Organizations](#)

- For answers to questions about charities and other non-profit organizations, call IRS Tax Exempt and Government Entities Customer Account Services at (877) 829-5500 (toll-free number). If you prefer to write, use the address below.

## ► e-NEWS SUBSCRIPTIONS and SOCIAL MEDIA

### [e-News Subscriptions](#)

- The IRS offers several e-News subscriptions on a variety of tax topics. Click above for information about subscribing.

### [IRS 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 social media tools.

## ► NEWS FROM OTHER AGENCIES

From the SBA:

### [Webinars: 2019 National Small Business Week](#)

- In case you missed the 2019 National Small Business Week Virtual Conference, you are still in luck. The seven webinars are available to watch on demand. The topics include SBA funding programs, driving growth with customer obsession, online marketing and ads, mastering your cash flow, government contracting and disaster preparedness.