

# IRS NEWS FOR BUSINESS

## September 2019

### ► UPCOMING WEBINARS

#### Thursday October 17 - two webinars on the same day

- **Tax Obligations of U.S. Individuals Living and Working Abroad**
  - 11:00 a.m. Eastern, 10:00 a.m. Central, 9:00 a.m. Mountain (MDT), 8:00 a.m. Pacific, 5:00 a.m. Hawaii
  - Register here: <https://www.webcaster4.com/Webcast/Page/1148/31118>
- **An Overview of the Foreign Tax Credit**
  - 2:00 p.m. Eastern, 1:00 p.m. Central, 12:00 p.m. Mountain (MDT), 11:00 a.m. Pacific, 8:00 a.m. Hawaii
  - Register here: <https://www.webcaster4.com/Webcast/Page/1148/31117>

### ► IRS VIDEO PORTAL

#### [IRS Video Portal features tax info for small businesses and employers](#)

- Small business owners and others with tax questions can check out the IRS Video Portal to get more information on a wide range of topics. Taxpayers can visit the site to find videos and recorded webinars on topics such as:
  - Starting a business
  - Business income
  - Employers
  - Filing and paying taxes

### ► NEWS

#### **Truncation of Social Security numbers on Forms W-2 and W-2c now allowed**

- On July 9, 2019, the IRS [finalized regulations](#) regarding truncation of Social Security numbers (SSNs) on Forms W-2, Wage and Tax Statement and Forms W-2c, Corrected Wage and Tax Statement in efforts to prevent identity theft.
- The new rules allow employers to voluntarily truncate employees' Social Security numbers on copies of these forms that they give to their employees (Copies B, C and 2).
- This voluntary truncation is allowed on Forms W-2 and W-2c issued to employees after December 31, 2020.
- It's important to note, that truncation of SSNs is not allowed on the information filed on paper or electronically with the Social Security Administration.
- A truncated SSN shows asterisks or Xs for the first five digits and shows the actual last four digits of the SSN. (\*\*\*-\*\*-1234 or XXX-XX-1234) The regulations also call these Truncated Taxpayer Identification Numbers (TTINs).

## [IRS automatically waives estimated tax penalty for eligible 2018 tax filers](#)

- The IRS is automatically waiving the estimated tax penalty for the more than 400,000 eligible taxpayers who already filed their 2018 federal income tax returns but did not claim the waiver.
- The IRS will apply this waiver to tax accounts of all eligible taxpayers, so there is no need to contact the IRS to apply for or request the waiver.

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

### [Here's where taxpayers can find answers to questions about their tax refund](#)

- As taxpayers with filing extensions submit their returns this summer and fall, some of them may have questions about their refunds. These taxpayers can use the [Let Us Help You](#) page to find answers to those questions.

### [Here's what taxpayers should know about making 2019 estimated tax payments](#)

- Small business owners, self-employed people, and some wage earners should look into whether they should make estimated tax payments this year. Doing so can help them avoid an unexpected tax bill and possibly a penalty when they file next year.
- Everyone must pay tax as they earn income. Taxpayers who earn a paycheck usually have their employer withhold tax from their checks. This helps cover taxes the employee owes. On the other hand, some taxpayers earn income not subject to withholding. For small business owners and self-employed people, that usually means making quarterly estimated tax payments.

### [Business owners may be able to benefit from the home office deduction](#)

- Taxpayers who use their home for business may be eligible to claim a home office deduction. It allows qualifying taxpayers to deduct certain home expenses on their tax return. This can reduce the amount of the taxpayer's taxable income.

### [Taxpayers with expiring ITINs should renew them now](#)

- Taxpayers with expiring individual taxpayer identification numbers should renew their number ASAP. There are nearly 2 million ITINs set to expire at the end of 2019. Taxpayers with an expiring number should renew before the end of this year. This will help avoid unnecessary delays related to their tax refunds next year.
- ITINs are used by taxpayers required to file or pay taxes, but who aren't eligible for a Social Security number.

## ► **TAX REFORM**

### [IRS, Treasury issue guidance on making or revoking the bonus depreciation elections](#)

- The IRS has issued a revenue procedure allowing a taxpayer to make a late election, or to revoke an election, under section 168(k) for certain property acquired by the taxpayer after September 27, 2017, and placed in service by the taxpayer during its taxable year that includes September 28, 2017.

## ► EMPLOYERS AND BUSINESS OWNERS

### [These tax tips can help new business owners find success](#)

- Starting a business can be very rewarding. It can also be a little overwhelming. From business plans to market strategies, and even tax responsibilities...there are many things to consider. Here's what new business owners can do to help get off to a good start.

### [Employers who provide leave might qualify to claim valuable credit](#)

- Employers who provide paid family and medical leave to their employees might qualify for a credit that can reduce the taxes they owe. It's called the employer credit for family and medical leave.

## ► THE BEST OF IRS.GOV

(Three articles about the improved withholding calculator. Use the one that you like best.)

### [Improved tool on IRS.gov helps taxpayers check their withholding](#)

- All employees should make sure their employers are withholding the correct amount of tax from their paychecks. The best way for employees to do this is to use the new IRS Tax Withholding Estimator on IRS.gov.

### [Taxpayers can follow these three steps to use new Tax Withholding Estimator](#)

- All taxpayers should use the new Tax Withholding Estimator to do a Paycheck Checkup. This tool helps people make sure their employers are taking out the right amount of tax from the employee's paychecks. The money withheld from an employee's paychecks throughout the year should cover the amount of tax they owe.

### [Here's what taxpayers should know about the new IRS Tax Withholding Estimator](#)

- Taxpayers who haven't yet checked their withholding this year should do so ASAP. All taxpayers can do this by using the new mobile-friendly Tax Withholding Estimator. This new tool can be used by workers, as well as retirees, self-employed individuals and other taxpayers. It's a user-friendly step-by-step tool to help taxpayers effectively adjust the amount of income tax they have withheld from wages and pension payments.

## ► IDENTITY THEFT / DATA THEFT / SCAM ALERTS

### [Security Summit warns of new IRS impersonation email scam; reminds taxpayers the IRS does not send unsolicited emails](#)

- The IRS and its Security Summit partners today warned taxpayers and tax professionals about a new **IRS impersonation scam campaign spreading nationally on email**.
- The IRS this week detected this new scam as taxpayers began notifying phishing@irs.gov about unsolicited emails from IRS imposters. **The email subject line may vary, but recent examples use the phrase "Automatic Income Tax Reminder" or "Electronic Tax Return Reminder."**

## [IRS Lead Development Center Combats Abusive Tax Schemes and Abusive Tax Return Preparers](#)

- The IRS Lead Development Center (LDC) is working to combat tax abuse by stopping abusive promoters and tax return preparers as early as possible. The LDC follows up on internal and external referrals that provide information on tax schemes and abusive tax return preparers. The LDC also ensures that cases involving abusive tax schemes and improper tax return preparation are appropriately sent for further IRS action, including sending cases to Criminal Investigation.

## ► **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](#)

- 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.

## ► **HOW TO SHARE IRS INFO ON SOCIAL MEDIA**

When you find an article you want to share, click on the “Share” link. Like so:

- Scroll to the bottom of any page on IRS.gov. Look for “Share / Print”



- Click on Share
- You can share on Facebook, Twitter, or LinkedIn.

## ► **TAX EXEMPT ORGANIZATIONS**

### [Redesigned Charities and Nonprofits landing and associated webpages launched](#)

- Various [Charities and Nonprofits](#) webpages have been redesigned to improve organization, design and navigation using data analytics and user testing.

## ► **NEWS FROM OTHER AGENCIES**

From the FDIC:

### [Protect yourself from fake check scams](#)

- Even in today’s digital and mobile world where electronic money transfers are common, consumers and businesses may still prefer the assumed security of paper cashier’s checks or official bank checks for large or major payments. Recipients generally prefer one of these checks over a personal check because the financial institution presumably has already collected the funds from the party purchasing the cashier’s checks or official bank checks. This means the payment is guaranteed, unless the check is counterfeit, so there are risks to consumers and businesses from these types of paper instruments, as well.