

# IRS NEWS FOR BUSINESS

## October 2019

### ► UPCOMING WEBINARS

- Oct 10: Relief Procedures for Certain Former Citizens
- Oct 17:
  - An Overview of the Foreign Tax Credit
  - Tax Obligations of U.S. Individuals Living and Working Abroad
- Oct 22: Understanding the 2020 Form W-4 and How to Use it to Compute Withholding
- Oct 24: Tax Security 2.0 - A “Taxes - Security - Together” Checklist

To register, see [Webinars for Small Businesses](#).

### ► IRS VIDEO PORTAL

Recently posted to the [IRS Video Portal](#):

- [IRS Civil Enforcement - Field Collection Enforcement and Employment Tax Compliance](#)
  - Common causes of businesses accruing employment/payroll taxes
  - Mitigating risks when using a 3rd party to handle your employment/payroll tax
  - Tools the employer can use to monitor their own compliance and limit risks
  - Options offered by the IRS for a delinquent business to repay employment/payroll back taxes – without enforcement.
  - The IRS Revenue Officer’s enforcement authority (Liens, Levies, Summonses, Seizures, TFRP, Suits, and Criminal referrals)
- The full transcript is provided and the PowerPoint is posted for downloading under the “Slides PDF” link.

### ► NEWS

#### [Per Diem Rates Effective October 1, 2019](#)

- [Notice 2019-55](#) announces the special per diem rates effective October 1, 2019, which taxpayers may use to substantiate the amount of expenses for lodging, meals, and incidental expenses when traveling away from home.

#### [IRS announces new procedures to enable certain expatriated individuals a way to come into compliance with their U.S. tax and filing obligations](#)

- The IRS announced new procedures that will enable certain individuals who relinquished their U.S. citizenship to come into compliance with their U.S. tax and filing obligations and receive relief for back taxes.

### [Treasury, IRS release final and proposed regulations on new 100% depreciation](#)

- The Treasury Department and the IRS released final regulations (PDF) and additional proposed regulations (PDF) under section 168(k) of the Internal Revenue Code on the new 100% additional first year depreciation deduction that allows businesses to write off most depreciable business assets in the year they are placed in service by the business.

### [IRS releases new Tax Gap estimates; compliance rates remain substantially unchanged from prior study](#)

- The IRS released a new set of tax gap estimates on tax years 2011, 2012 and 2013. The results show the nation's tax compliance rate is substantially unchanged from prior years. The gross tax gap is the difference between true tax liability for a given period and the amount of tax that is paid on time.

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

### [Taxpayers can go to IRS.gov for answers to questions about payments and penalties](#)

- Questions about tax payments and penalties come up all year long. Taxpayers can find most answers to these questions on IRS.gov. They can head over to the Let Us Help You page, which features links that take users to information and resources on a wide range of topics related to penalties and payments.

### [Two education credits help taxpayers with college costs](#)

- With school back in session, parents and students should look into tax credits that can help with the cost of higher education. They do this by reducing the amount of tax someone owes on their tax return. If the credit reduces tax to less than zero, the taxpayer may get a refund.

### [New IRS Tax Withholding Estimator helps workers with self-employment income](#)

- **Freelancers, others with side jobs in the gig economy may benefit from new online tool**
- The new Tax Withholding Estimator tool includes a feature designed to make it easier for employees who also receive self-employment income to accurately estimate the right amount of tax to have taken out of their pay.

### [Tax Withholding Estimator helps retirees; figures tax on Social Security benefits](#)

- The new tool offers retirees, as well as employees and self-employed individuals, a more user-friendly way to check their withholding. Whether they receive wages or pension payments, it helps taxpayers estimate if the right amount is being withheld from their income to cover their tax liability

### [Taxpayers can use 2018 tax return to estimate 2019 withholding amount](#)

- Millions of people have filed their 2018 tax return, making this a prime time to consider whether their tax situation came out as expected. If not, taxpayers can use their finished 2018 return and the Tax Withholding Estimator to do a Paycheck Checkup ASAP and, if needed, adjust their withholding. Having their 2018 return handy can make it easier for taxpayers to estimate deductions, credits and other amounts for 2019.

## [Here are disaster resources taxpayers can check out now to help them later](#)

- Natural disasters can – and do – happen at any time. Whether it's a hurricane, fire, flood, earthquake or tornado, there are things people can do to prepare in advance of a disaster.

## [Here's what happens after a disaster that leads to relief for affected taxpayers](#)

- Disasters can strike without warning, causing damage and destruction. Before the IRS can authorize tax relief, the president must declare a federal disaster. Here's a rundown of tax-related things that usually happen after a disaster.

## ► TAX REFORM

### [IRS finalizes safe harbor to allow rental real estate to qualify as a business for qualified business income deduction](#)

- The IRS issued [Revenue Procedure 2019-38](#) that has a safe harbor allowing certain interests in rental real estate, including interests in mixed-use property, to be treated as a trade or business for purposes of the qualified business income deduction under section 199A of the Internal Revenue Code (section 199A deduction).

## ► EMPLOYERS AND BUSINESS OWNERS

### [Employers: Keep employees informed about tax scams and how to report them](#)

- Abusive tax schemes cause harm to both the Federal government and those who participate in them. Taxpayers should be wary of these schemes and report any evidence of tax abuse they encounter to the IRS.
- The IRS Lead Development Center is constantly working to combat tax abuse by stopping abusive promoters and tax return preparers as early as possible. The LDC's new IRS.gov page, [Abusive Tax Schemes and Abusive Tax Return Preparers](#), provides more information on the types of scams prevalent today and how to report them.
- See also:
  - [How Do You Report Suspected Tax Fraud Activity?](#)
  - [Tax Scams/Consumer Alerts](#)

## ► THE BEST OF IRS.GOV

### [Help Your Clients Understand IRS Notices](#)

- Did your client receive a letter or notice from the IRS? The [Understanding Your IRS Notice or Letter](#) web page on IRS.gov explains in detail what certain IRS notices mean and how to respond. Key in the notice or letter number in the "Notices and Letters" search box to obtain a clear explanation of the notice or letter and obtain answers to common questions.

## ► IDENTITY THEFT / DATA THEFT / SCAM ALERTS

### [Taxpayers should beware of property lien scam](#)

- With scam artists hard at work all year, taxpayers should watch for new versions of tax-related scams. One such scam involves fake property liens. It threatens taxpayers with a tax bill from a fictional government agency. Here are some details about the property lien scam that will help taxpayers recognize it.

## ► TAX EXEMPT ORGANIZATIONS

### [Treasury and IRS issue proposed regulations and provide relief for certain tax-exempt organizations](#)

- The IRS issued proposed regulations clarifying the reporting requirements generally applicable to tax-exempt organizations.

## ► NEWS FROM OTHER AGENCIES

### From the U.S. Department of Labor

- The U.S. Department of Labor announced [a final rule to make 1.3 million American workers eligible for overtime pay](#) under the Fair Labor Standards Act (FLSA). The final rule will be effective on January 1, 2020.

## ► 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.