

First Friday Hot Issues Summary – June 3, 2022

We Want You to Know

IRS Operations During COVID-19:

Visit [IRS Operations During COVID-19: Mission-critical functions continue](#) for updates on current IRS actions.

Filed a Tax Return: The IRS is opening mail within normal timeframes and all paper and electronic individual refund returns received prior to April 2021 have been processed *if* the return had no errors or did not require further review. See the operations page for additional information on the number of processed and unprocessed returns.

For tax season refund questions, taxpayers are encouraged to continue to check [Tax Season Refund Frequently Asked Questions](#).

Taxpayer Advocate (TAS):

The Houston LTA reviewed when it's appropriate to contact the Taxpayer Advocate Service. She provided information on when TAS will get involved in the delayed processing of original returns and amended returns. Review [Case Acceptance Criteria](#) for details.

Other resources shared:

- ❖ TAS Qualifier tool: [Can TAS help me with my tax issue - Taxpayer Advocate Service](#).
- ❖ [Taxpayer Advocate Service \(irs.gov\)](#): The TAS website has a wealth of self-help information on many tax related topics with step-by-step instructions on how to work the problem through with the IRS.

Multilingual Minute:

In support of the Commissioner's Multilingual Strategy and [Executive Order 13166](#), all IRS business units will review taxpayer accounts before issuing correspondence to ensure correspondence is sent to taxpayers in their preferred language when a [Schedule LEP](#) or oral request has been received.

Resources:

Congressional Newsletter – Our Legislative Affairs staff prepares a newsletter for members of Congress and their staff.

The May issue has useful information such as:

- Important steps to take for missing stimulus payments
- IRS Criminal Investigation recent cases
- How to correct an electronically filed return rejected for a missing Form 8962, Premium Tax Credit

Publication 4245 -A guide to preparing Form 2848, Power of Attorney and Declaration of Representative. This two-page flyer hits the highlights of preparing a 2848 correctly. It included links to all the ways you can submit a Power of Attorney. [Publication 4245 \(Rev. 2-2022\) \(irs.gov\)](#).



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Disaster – It’s Hurricane Season:

- ❖ [Stay informed](#) about the different types of emergencies that can occur and their appropriate responses.
- ❖ Make a family emergency [plan](#).
- ❖ Build an [emergency supply kit](#).
- ❖ [Get involved](#) in your community by taking action to prepare for emergencies.

Disaster Preparedness resources:

- ❖ [Ready.gov](#) – Educates and prepares people for natural and man-made disasters.
- ❖ [Home | disasterassistance.gov](#) – data-sharing between federal, tribal, state, local, and private sector partners.
- ❖ [Disaster Assistance and Emergency Relief for Individuals and Businesses | Internal Revenue Service \(irs.gov\)](#)
- ❖ [IRS offers tips on ways to prepare for natural disasters](#)

IRS Hiring:

IRS is hiring and hosting numerous virtual and in-person events each month. These information sessions and job fairs provide insights about some of the most interesting positions we offer.

IRS is also expanding access in Puerto Rico and has [Career Opportunities for Puerto Rico Residents](#) who would like to join our team.

- ❖ [IRS Events | IRS Careers](#)
- ❖ [USAJobs.gov](#)

Current Webinars:

- [Sale of Partnership Interest: Comprehensive Case Study \(July 14, 2022\)](#)
- [Webinars for Tax Practitioners | Internal Revenue Service \(irs.gov\)](#)

If you missed the Digital Day by IRS’ Online Services or World of Offer Compromise webinars, they are now archived at [www.irsvideos.gov](#) and available for viewing. Continuing education credits and certificates of completion are not available when you view archived versions of our webinars.

Current Events:

- [IRS Nationwide Tax Forum: Welcome \(irstaxforum.com\)](#)

What Practitioners Want You to Know:

1. A Texas TaxPro was concerned that when submitting a 2848, they are being asked to provide the 8-digit EA number; the 5- or 6-digit numbers EAs used in the past are not being accepted.

TaxPro’s IRS “insider” explained the policy for requiring the 8-digit number has always been in place but was never enforced. New CAF employees started enforcing the policy and EAs we will be required to add the 3 or 2 zeros before the number.

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- Practitioner states there will be no new Secure Access accounts after June 15. This will be before ID.me is required, effectively preventing *some* tax pros from accessing TDS.

Response: The exception process ends June 15, 2022. IRS will no longer authenticate identity or establish accounts by phone effective June 15, 2022.

If you're unable to register an account online after this date, you must wait for the new e-Services sign-in and identity verification system called ID.me, available in Summer 2022. **If you have an existing e-Services username, create an ID.me account now** with Tax Pro Account, Online Account OR submit Forms 2848 and 8821 online. If you already have an ID.me account with the IRS or another government agency, you don't need to create a new one.

In the summer of 2022, the IRS plans to migrate the e-Services suite of tax professional online applications and products behind ID.me.

- ❖ [ID.me Sign In \(irs.gov\)](https://www.irs.gov/ids)
- ❖ [FAQs about e-Services and Secure Access | Internal Revenue Service \(irs.gov\)](https://www.irs.gov/ids)
- ❖ [ID.me Help Site](https://www.irs.gov/ids)

Prior Issues

EITC Prior Year income

Issue: Practitioners report that if taxpayer does not have earned income in 2020, filing software is disallowing the election to use 2019 income which would qualify them for EITC and CTC. Practitioners want to know if there is no earned income can you still use prior year income for EITC?

Response: The Relief Act of 2020 allows a taxpayer to elect to use 2019 earned income to figure the 2020 earned income tax credit.

[update]

FAQ's have been updated: For 2021, eligible taxpayers can choose to figure the Earned Income Tax Credit using their 2019 earned income if it was higher than their 2021 earned income, even if they did not have any earned income in 2021. In certain instances, this option will result in a larger credit. Taxpayers who did not file a return for tax year 2020 or 2021 or who did not claim the Earned Income Tax Credit on their 2020 or 2021 return because they had no earned income in those years may file an original or amended return to claim the Earned Income Tax Credit using their 2019 earned income if they are otherwise eligible to do so.

Note: Taxpayers may not use their 2020 earned income to calculate the Earned Income Tax Credit on their 2021 return.

[IRS Updates Questions and Answers about the Tax Year 2021 Earned Income Tax Credit | Internal Revenue Service](https://www.irs.gov/ids)

Status: Closed

New Issues

Returned mail

Issue: Tax Pro's client mailed their tax return to Department of Treasury, IRS, Austin, TX 73301. The envelope was returned to sender, not deliverable as addressed and unable to forward. As a result, SL was asked to verify if the campus was closed.

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Another TaxPro reported the USPS said IRS, 3651 S. Interregional Hwy - Austin, TX 78767 was not a good mailing address. TP was tracking the package and wondered if that caused it to be a bad address.

Response: The IRS Campus is open. In the case of the returned mail, it is suggested that client speak with the Post Office Supervisor for an explanation. The IRS address used was correct for mailing.

In the second case, the taxpayer was sending mail from the Post Office, but the address used is for Private Delivery Services only.

Different addresses are to be used depending on if mailing from the Post Office or if using a Private Delivery Service to send mail to the IRS – 3651 is an incorrect address for mail delivered from the Post Office.

- ❖ [Where to File Paper Tax Returns With or Without a Payment | Internal Revenue Service \(irs.gov\)](#)
- ❖ [Submission Processing Center Street Addresses for Private Delivery Service \(PDS\) | Internal Revenue Service \(irs.gov\)](#)

Status: Closed

Refugees and Tax Credits

Issue: Afghan refugees who arrived in the U.S. during the final months of 2021 are circulating an "Afghan Assistance Program" document suggesting refugees are potentially eligible for the RRC. The document discusses possible eligibility if an SSN obtained with IRC 7701(b)(4) "[First-Year Choice](#)" election to be treated as a resident alien for tax purposes from date of 2021 entry into the U.S. *Are Afghan refugees, under certain circumstances, eligible for the RRC on 2021 returns?*

Afghan refugees claimed RRC and CTC tax credits with assistance from tax preparers and have asked immigrant organizations for guidance and want to amend their returns. They are fearful that claiming these credits will affect their immigrant status.

Response: Outreach materials have been requested to address immigrant and tax issues. The question about First-Year Choice has been elevated. SL is participating in a June 15th webinar hosted by NY firm, Agostino & Associates, titled *Tax Compliance for Refugees*. Email BMin@AgostinoLaw.com for an invitation to this online webinar.

Status: Open

990N not processing

Issue: TaxPro's client has not been successful submitting forms 990-N online. The 2020-year shows pending. TAS closed the case and told her to file them as paper returns so they can be tracked. (This isn't possible). She has gone to the Congressman's office and they haven't been able to resolve.

Response: Elevated. Forms 990-N are filed electronically from [irs.gov](https://www.irs.gov). [Annual Electronic Filing Requirement for Small Exempt Organizations – Form 990-N \(e-Postcard\) | Internal Revenue Service \(irs.gov\)](#)

Status: Open

PPS not answering

Issue: Practitioners are reporting they can't get through to PPS. One reported, every single IRS toll free number including PPS, had the message ALL DAY TODAY "we're sorry but due to the unusual call volume call back the next business day."

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Response: The PPS page states: Service on the Practitioner Priority Service line is extremely limited. Expect delays for Centralized Authorization File (CAF) number authorizations. Please look for help on IRS.gov. Normal operations will resume as soon as possible.

The Mission Critical pages states: We're open and processing mail, tax returns, payments, refunds and correspondence. However, COVID-19 continues to cause delays in some of our services. Our service delays include: *Live phone support*

Status: Closed

ID.me won't recognize name

Issue: ID.me won't recognize my legal name.

Response: To view information on verifying for the IRS, visit the [Help.ID.me website](#). If your online identity verification attempt was unsuccessful, you may see an option to connect with an ID.me Trusted Referee or Video Chat Agent.

[ID.me Help Site](#)

Status: Closed