

Did You Receive an IRS Notice?

Did you receive a notice from the IRS this year? Every year the IRS sends millions of letters and notices to taxpayers but that doesn't mean you need to worry. Here are eight things every taxpayer should know about IRS notices – just in case one shows up in your mailbox.

Don't panic. Many of these letters can be dealt with simply and painlessly.

There are number of reasons the IRS sends notices to taxpayers. The notice may request payment of taxes, notify you of a change to your account or request additional information. The notice you receive normally covers a very specific issue about your account or tax return.

Each letter and notice offers specific instructions on what you need to do to satisfy the inquiry. If you receive a correction notice, you should review the correspondence and compare it with the information on your return. If you agree with the correction to your account, usually no reply is necessary unless a payment is due.

If you do not agree with the correction the IRS made, it is important that you respond as requested. Write to explain why you disagree. Include any documents and information you wish the IRS to consider, along with the bottom tear-off portion of the notice. Mail the information to the IRS address shown in the upper left-hand corner of the notice. Allow at least 30 days for a response.

The IRS has a deadline for responding to taxpayer correspondence. If they cannot review/resolve the issue within that time period, they will send you mail telling their response will be delayed past their initial deadline. You will always/eventually get a response. No news is exactly that, no news and it means nothing other than the IRS is busy.

If the IRS does not agree with your position, you can always politely ask for reconsideration. Your initial or follow up correspondence from the IRS may provide more information why they sent you correspondence or why they disagree with your position. Be sure to carefully read the information contained in the mail before you spend time asking for additional consideration. If you still believe your position has merit, you should respond promptly and within the time period shown in the IRS correspondence. It is also important to provide additional information and reasons why you think reconsideration and a change of the IRS position is appropriate. "It isn't fair...everyone else is doing it....I can't find the records....." are excuses that are not likely to be successful.

Most correspondence can be handled without calling or visiting an IRS office. However, if you have questions, call the telephone number in the upper right-hand corner of the notice. Have a copy of your tax return and the correspondence available when you call, to help the IRS respond to your inquiry.

It is important that you keep copies of any correspondence with your records.

And finally, if you have questions or concerns about the mail you received, come see us. We have a great deal of experience reading and deciphering IRS correspondence. We can usually resolve IRS questions fairly promptly and can also let you know when the problems might be more complex.