

# IRS Issues

## Chapter 11

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**FIGURE 1.3, IRS Personnel Losses by BOD/Function (as of June 4, 2025)<sup>1</sup>**

IRS Business Operating Division/Function	Staffing as of January 25, 2025	Projected Staffing After Separations	Percent Change From January 25, 2025
Chief Counsel	2,740	2,387	▼ -12.88%
Chief Financial Office (CFO)	578	404	▼ -30.10%
Chief Operating Officer (COO)	139	71	▼ -48.92%
Chief Tax Compliance Officer (CTCO)	10	1	▼ -90.00%
Communications and Liaison (C&L)	379	211	▼ -44.33%
Criminal Investigation (CI)	3,589	3,221	▼ -10.25%
Direct File (DF)	27	5	▼ -81.48%
Enterprise Case Management Office (ECMO)	51	15	▼ -70.59%
Facilities Management and Security Services (FMSS)	1,212	894	▼ -26.24%
Human Capital Office (HCO)	2,927	2,079	▼ -28.97%
Independent Office of Appeals (Appeals)	1,775	1,275	▼ -28.17%
Information Technology (IT)	8,647	6,316	▼ -26.96%
IRS Headquarters (HQ)	50	22	▼ -56.00%
Large Business and International (LB&I)	6,763	5,402	▼ -20.12%
Office of Chief Risk Officer (CRO)	37	21	▼ -43.24%
Office of Civil Rights and Compliance (OCRC)	178	90	▼ -49.44%
Office of Professional Responsibility (OPR)	21	15	▼ -28.57%
Online Services (OLS)	220	97	▼ -55.91%
Privacy, Government Liaison and Disclosure (PGLD)	656	456	▼ -30.49%
Procurement	585	306	▼ -47.69%
Research, Applied Analytics and Statistics (RAAS)	620	442	▼ -28.71%
Return Preparer Office (RPO)	119	75	▼ -36.97%
Small Business/Self-Employed (SB/SE)	24,120	15,566	▼ -35.46%
Tax Exempt/Government Entities (TE/GE)	2,286	1,670	▼ -26.95%
Taxpayer Advocate Service (TAS)	1,970	1,480	▼ -24.87%
Taxpayer Experience Officer (TXO)	106	55	▼ -48.11%
Taxpayer Services (TS)	42,134	33,053	▼ -21.55%
Transformation and Strategy Office (TSO)	80	4	▼ -95.00%
Whistleblower Office (WO)	94	69	▼ -26.60%
<b>TOTAL</b>	<b>102,113</b>	<b>75,702</b>	<b>▼ -25.86%</b>

IRS personnel losses

Start – 102,773

End - 75,702

25.86% personnel reduction as of June 4 2025\*

\*Includes deferred resignations

Source IRS Taxpayer Advocate Blog published June 26, 2025.

**Direct depositing refunds**

**Use electronic funds withdrawal to pay balance due returns**

**Make tax payments electronically using EFTPS or Direct Pay**

**Use online installment agreements**

**Use the Document Upload Tool when responding to letters and notices**

**Use the Submit Forms 2848 and 8821 online tool**

**Use the Tax Pro Account to submit forms 2848 and 8821**

**Correspond with Revenue Agents, Revenue Officers and the Taxpayer**

**Advocate using secure electronic communications when possible.**

## starting with individual taxpayers.

Returns for pre-2025 tax years will not be affected. However, taxpayers currently filing on extension are encouraged to include their direct deposit information.

Taxpayers who do not provide bank account details or request an exception for 2025 returns will face refund delays.

The IRS will send a letter (1) requesting direct deposit information and (2) providing information on how to request an exception.

If a taxpayer does not provide direct deposit information or obtain an approved exception, the IRS will hold off on issuing a paper check refund for six weeks after a 2025 return is filed.

# Submitting Powers of Attorney and Tax Information Authorizations

- Tax Pro Account
- Submit forms 2848 and 8821 online



# Documentation Upload Tool

## THIS U.S. GOVERNMENT SYSTEM IS FOR AUTHORIZED USE ONLY!

You are authorized to use the Document Upload Tool to only upload documents that the IRS has specifically requested in eligible correspondence. If the correspondence you select from the menu in the tool does not give you the option to upload documents, then **do not** use the Document Upload Tool to submit your response. Instead, follow the instructions in the correspondence. Images of your signature (scanned or photographed) appearing on any document that you are authorized to upload is *prima facie* evidence that the document was signed by you.

**Note: You are never authorized to use the Document Upload Tool to file your tax return, even if you have received correspondence requesting that you file a tax return.** Attempting to upload your tax return through the Document Upload Tool **does not** relieve you of the requirement to file your tax return through authorized means. The tax return instructions will explain how to file. Failure to file your tax return through authorized means may result in penalties.

OK



# Documentation Upload Tool

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## PRIVACY STATEMENT

This privacy statement describes the policy on how the IRS collects and uses your personal identifying information and return or return information if you choose to visit and use this IRS Document Upload Tool site. Access to the tool, use of the tool and providing the IRS information related to using the tool is voluntary. By agreeing to use the tool, you give the IRS permission to utilize your information for the purposes outlined in this statement.

We automatically collect your protocol address and the date, time and duration of your visit to the site from our site's data logs and maintain statistical information on network traffic flow and volume to improve the usefulness of this tool, and to ensure network security.

We collect directly from you the unique identifier (Document Upload Tool access code we previously provided you), your first and last name and your SSN, ITIN and/or EIN to authenticate you and to protect your privacy.

We collect directly from you the documents you choose to upload to the site that may contain your identifying information, and we will only use this information for the purpose for which you provided it.

Be advised that to prevent fraud and identity theft, the IRS does not send unsolicited emails, text messages, or voicemail messages to taxpayers or businesses demanding payments of money, or requesting your personal information such as name, address, social security number (SSN), taxpayer identification number (ITIN), Employer Identification Number (EIN) and tax history.

OK



# Documentation Upload Tool

Welcome to the Document Upload Tool, the fastest way to respond to your IRS Notice digitally and securely.

Only submit a response to a notice or letter you have received from the IRS. Enter the requested information to securely upload and submit your documentation.

**Note: You are never authorized to use the Document Upload Tool to file your tax return, even if you have received correspondence requesting that you file a tax return.** This will cause a delay in processing of your tax return. Visit, [How to File | Internal Revenue Service \(irs.gov\)](#), for more information on how to file your tax returns.

**The Document Upload Tool cannot accept payments. For more information on how to make a payment electronically, visit [IRS.gov/payments](#).**

All fields marked with an asterisk \* are required.

Does your Notice (or Letter) have an access code listed? \*

Access code can be found on your notice/letter. Look for a QR Code or the URL [IRS.gov/dutreply](#). Carefully review your access code to confirm it is entered correctly. If you do not have an access code, select no.

Yes  No

NEXT



# Documentation Upload Tool

Welcome to the Document Upload Tool, the fastest way to respond to your IRS Notice digitally and securely.

Only submit a response to a notice or letter you have received from the IRS. Enter the requested information to securely upload and submit your documentation.


## Important

Submitting both a paper response and online response could delay processing time.

All fields marked with an asterisk \* are required.

Does your Notice (or Letter) have an access code listed? \*

Yes  No

Notice or Letter Number \* 

CP2000 - Request for Verification of Un

Tax Year \*

First Name \*

Last Name \*

Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) \*

**Note:** Inputting the incorrect SSN or ITIN will delay the case resolution.

 [show](#)

Which IRS office did this correspondence come from? \*

**Note:** Look at the top left corner of the first page of the letter to determine location, including P.O. Box if the letter is from Austin, TX. Do not use the address on the payment stub at the bottom of the letter.

If you are uploading documentation on behalf of a taxpayer, check this box.

If you are agreeing to the proposed adjustment(s) and are uploading a signed agreement, check this box.

# Documentation Upload Tool

## To submit your documents, follow these steps:

1. If required, complete your documentation, sign and date it.
2. Scan or take a photo of the front and back of your completed documentation to support your response.
  - Maximum number of files is 40 files.
  - File types allowed are .pdf, .jpg, .jpeg and .png.
  - Maximum file size is 15MB for each file.
  - PDF files must be 120 pages or less.
  - If your upload fails more than once, try re-scanning or taking a clearer photo of the documents.
  - File name cannot contain the following special characters: `!@\$%^&\*{}[];";'<>/?~
3. Submit your response after all files have been uploaded.

Only .jpg, .png, and .jpeg files can be previewed after upload is completed.

**REVIEW AND ENSURE ALL DOCUMENTS ARE UPLOADED BEFORE PRESSING THE SUBMIT BUTTON.**

Drag and drop files here, or

**SELECT FILES TO UPLOAD**

Total: 0 bytes

**\*\* NOTE: Back button will be disabled while files are being uploaded**

BACK

SUBMIT

# Am I eligible to apply online for a payment plan?

Your specific tax situation will determine which payment options are available to you. Payment options include full payment, short-term payment plan (paying in 180 days or less) or a long-term payment plan (installment agreement) (paying monthly).

If you are an individual, you may qualify to [apply online](#) if:

Long-term payment plan (installment agreement): You owe \$50,000 or less in combined tax, penalties and interest, and filed all required returns.

Short-term payment plan: You owe less than \$100,000 in combined tax, penalties and interest.

# Am I eligible to apply online for a payment plan?

If you are a business, you may qualify to apply online if:

Long-term payment plan (installment agreement): You have filed [all required returns](#) and owe \$25,000 or less in combined tax, penalties, and interest.

If you are a sole proprietor or independent contractor, apply for a payment plan as an individual.

**Tax return transcript** - shows most line items from your original Form 1040-series tax return as filed, along with any forms and schedules. It doesn't show changes made after you filed your original return. This transcript is available for the current and three prior tax years. A tax return transcript usually meets the needs of lending institutions offering mortgages.

**Tax account transcript** - shows basic data such as filing status, taxable income, and payment types. It also shows changes made after you filed your original return.

**Wage and income transcript** - shows data from information returns we receive such as Forms W-2, 1098, 1099, and 5498. Information for the current processing year will generally be available the first week in April. The transcript will only display information return documents that have been filed with the IRS which may not reflect all the information return documents issued to you.

For unredacted wage and income transcripts you must have a 2848 or 8821 and call the Practitioner Priority Service who will then send the unredacted transcripts to your e-services account.

# Identity Protection PINs (IPPINs)

## Online Option

- Through TP's individual online account under Profile tab
- Enrollment options:
  1. Continuous – TP in program thereafter, new IP PIN in account each year. Must download a new IPPIN every calendar year
  2. One-time – TP automatically opted out at end of calendar year
    - Assigned IP PIN displayed immediately
    - Must download a new IPPIN for every calendar year

*The online IPPIN registration system is down between mid-November and mid-January*

## **TP must have an IRS online account validating their identity using ID.me**

- Self service using a cellphone
- Video call using a computer with a camera

# Identity Protection PINs (IP PINs)

## Form 15227

- If AGI < \$84,000 (individual) or < \$168,000 (joint)
- Fax or mail form to IRS
- IRS will contact TP by phone to verify identify
- Receive IP PIN within 4 to 6 weeks
- New IP PIN mailed annually for subsequent years

## •In-Person Visit

- Schedule appointment with Taxpayer Assistance Center
- TP needs two forms of government-issued photo IDs
- Receive IP PIN in the mail within 3 weeks
- New IP PIN mailed annually for subsequent years

# Identity Protection PINs (IPPINs)

1. IPPINs are valid for only one calendar year
2. IPPINs must be used when filing any tax returns filed during the calendar year
  - Timely filed tax returns
  - Delinquent returns
  - Amended returns

# Written information security plan

- **Graham-Leach-Bliley Act (GLBA)**

- Financial institutions must protect customer data
- Tax and accounting professionals are financial institutions
- Security Summit released updated Written Information Security Plan (WISP)

- **Adopting a WISP**


1. Employee management and training
2. Information systems
3. Detecting and managing systems failures

# Written information security plan - FTC requires firms to:

- Designate one or more EEs to coordinate the plan
- Identify and assess risks to customer information/evaluate current safeguards
- Design, implement, regularly monitor and test safeguards program
- Carefully select service providers – contract to require safeguards etc.
- Evaluate/adjust program for firm changes or results of monitoring
- Implement multifactor authentication for access to information
- Report security event affecting  $\geq 500$  to FTC ASAP (w/in 30 days of discovery)

# Written information security plan

## Multifactor Authentication

- Required for any individual accessing any information system
- Exception: Written approval for use of reasonably equivalent access controls
- Require returning users to enter more than just username and password
- FTC Safeguards Rule requires authentication through 2 of the following:
  1. Knowledge factors, such as a password
  2. Possession factors, such as a token
  3. Inherence factors, such as biometric characteristics
-  Updated sample WISP – **Pub. 5708** – required for remote login by cellphone, text message or app

# Written information security plan

## **Reporting Requirements** (w/in 30 days of notification event discovery)

- Notification event = security breach involving the unauthorized acquisition of at least 500 consumers' unencrypted information or the encryption key
- Notification made through form on FTC website
  1. Name and contact info of person reporting
  2. Description of types of information involved
  3. Date or date range of notification event
  4. Number of consumers affected or potentially affected
  5. General description of the notification event
  6. Any law enforcement statement re: notifying the public

# Business Tax Account

Tax preparers and representatives of the business do **not** have access to the Business Tax Account.

The Business Tax Account is to be used by the business Designated Official and / or their Delegated users.

# Business Tax Account

You can register for an account as a sole proprietor if you have Social Security number or individual taxpayer identification number (ITIN).

You must also have an employer identification number (EIN) and file either a Schedule C or Schedule F

Business Tax Accounts are **not** yet available for limited liability companies (LLCs) that file as sole proprietors with Schedule C or Schedule F (Form 1040).

## **Business Tax Account** – Sole Proprietorship

You can register for an account as a sole proprietor if you have Social Security number or individual taxpayer identification number (ITIN).

You must also have an employer identification number (EIN) and file either a Schedule C or Schedule F

Business Tax Accounts are **not** yet available for limited liability companies (LLCs) that file as sole proprietors with Schedule C or Schedule F (Form 1040).

## **Business Tax Account** – Partnerships

Business Tax Account is available for business partnerships that file Form 1065

Individual partner (limited access)

You can register for account access if you have Social Security number or individual taxpayer identification number (ITIN) and receive Schedule K-1

# Business Tax Account – Partnerships

What you can do?

- Access details for tax years you have a Schedule K-1 on file
- View limited business information on file
- View total amount owed and details by year
- Make balance due payments
- View payment history
- View tax transcripts

# Business Tax Account – Corporations

What you can do?

- Access details for tax years you have a Schedule K-1 on file
- View limited business information on file
- View total amount owed and details by year
- Make balance due payments
- View payment history
- View tax transcripts

# **Business Tax Account** - Sole proprietorship

What you can do?

- Access all information in your account:
- View your business information. Manage access to your account and add people as designated users.
- See tax you owe and paid by year.
- Make federal tax deposit and balance due payments, view payment history.
- View your tax transcripts.
- Read some notices and letters from the IRS.

# Business Tax Account

Designated Official have complete access

Delegated users must be authorized by a Designated Official or a sole proprietor and have limited access.

A Designated User can have access to specific tax periods authorized by the Designated Official

- They can view and/or make payments related to tax forms authorized by the Designed Official
- They can't: Manage access or accept or reject authorization requests