

# Recent IRS Tech and Other Guidance

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# Tax Pro Account

# 1

# Tax Pro Account

- Goal: Providing digital control to taxpayers
- First, basic step
- Faster authorization process
- Reduction in manual processing

# Tax Pro Account

- **Authorize Power of Attorney (Form 2848) and Tax Information Authorizations (Form 8821)**
- **Tax Professionals can initiate the requests**
- **Requests will appear in taxpayer's Online Account**
- **Immediate Processing**

# IRS Online Account

- Taxpayer will need an individual account
- <https://www.irs.gov/payments/view-your-tax-account>

The screenshot displays the IRS website's 'View Your Account Information' page. At the top, there is a header with the IRS logo and navigation links for Help, News, English, Charities & Nonprofits, and Tax Pros. Below this is a secondary navigation bar with links for File, Pay, Refunds, Credits & Deductions, and Forms & Instructions, along with a search bar. The main content area features a breadcrumb trail: Home / File / Individuals / Your Information / View Your Tax Account. The title 'View Your Account Information' is prominently displayed. Below the title, there are language options: English, Español, 中文(简体), 中文(繁體), 한국어, Русский, Tiếng Việt, and Kreyòl Ayisyen. A section titled 'Individuals' lists links for 'How to File', 'When to File', and 'Where to File'. The main text explains that the Online Account is a secure system for accessing individual account information and provides a 'Log in to your Online Account' button. A note mentions that for questions on creating an account, users should refer to 'Secure Access: How to Register for Certain Online Self-Help Tools'. A 'Related Information' section lists links for 'Appeals' and 'Topic No. 653 IRS Notices and Bills, Penalties, and Interest Charges'.

An official website of the United States Government

IRS

Help | News | English | Charities & Nonprofits | Tax Pros

File | Pay | Refunds | Credits & Deductions | Forms & Instructions

Search

Home / File / Individuals / Your Information / View Your Tax Account

## View Your Account Information

English | Español | 中文(简体) | 中文(繁體) | 한국어 | Русский | Tiếng Việt | Kreyòl Ayisyen

**Individuals**

- How to File
- When to File
- Where to File

Online Account is an online system that allows you to securely access your individual account information.

[Log in to your Online Account](#)

If you have questions about how to create an account, see [Secure Access: How to Register for Certain Online Self-Help Tools](#).

**Related Information**

- [Appeals](#)
- [Topic No. 653 IRS Notices and Bills, Penalties, and Interest Charges](#)



## Sign Up

Don't have an account? Create one now.

CREATE ACCOUNT >

## Log In

Already have a username? Welcome back!

Username

LOG IN >

[Forgot Username](#)

*PTIN and FIRE users need a separate account in this system*

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**Warning:** By accessing and using this government computer system, you are consenting to system monitoring, interception, recording, reading, copying or capturing by authorized personnel of all activities, including detection and prevention of any unauthorized use of this system. The system you are accessing contains confidential tax information and is designed exclusively for use by authorized persons to interact with the IRS and retrieve confidential tax information using only their own account. Any other use of this system that is inconsistent with the intended purposes of the system is an unauthorized use of the system and strictly prohibited.

**Do not create or access an account in this system for anyone other than yourself.** You may not use another person's information to create or access an account on behalf of and in the name of that person, even if that person provided their information to you to create or access an account for them or even if that person consented to your use of their information to create or access the account.

Unauthorized use of this system is prohibited and subject to criminal and civil penalties, including, but not limited to, penalties applicable to knowingly or intentionally accessing a computer without authorization or exceeding authorized access under 18 U.S.C. 1030.

# IRS Online Account

- Full Name
- Email Address
- Birthdate
- Social Security Number or Individual Tax Identification Number
- Tax-Filing Status
- Current Address

# IRS Online Account

- Last 8 Digits of a Visa, Mastercard, or Discover Credit Card
- Student Loan Account Number
- Mortgage or Home Equity Loan Account Number
- Home Equity Line of Credit Account Number
- Auto Loan Account Number

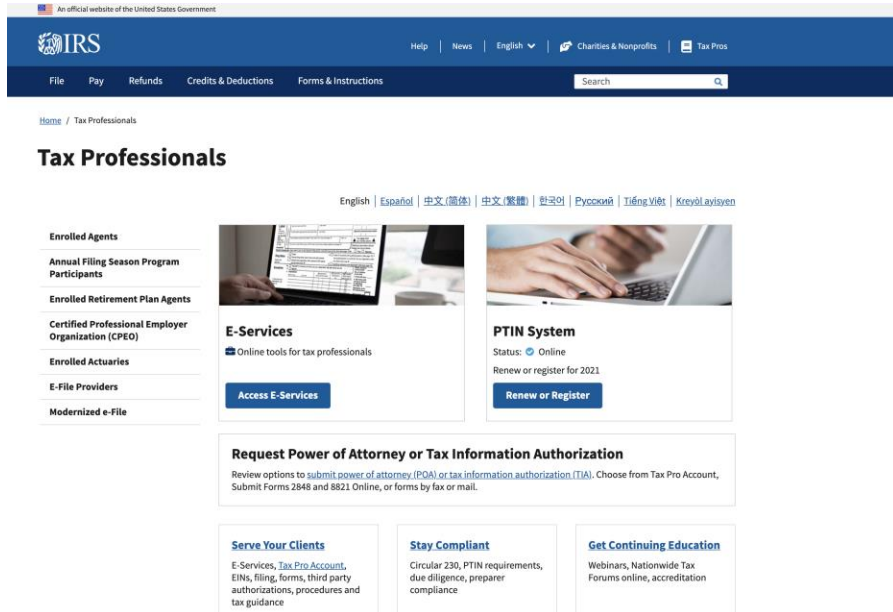


# IRS Online Accounts

- View amount you owe
- Payment history
- Key information from recent tax return
- Digital copies of IRS notices
- Payment Plan Options
- Get Transcript

# IRS Tax Pro Account

- Same IRS username and password



The screenshot shows the IRS Tax Professionals website. At the top, there is a blue header with the IRS logo, navigation links (File, Pay, Refunds, Credits & Deductions, Forms & Instructions), and a search bar. Below the header, the page title "Tax Professionals" is displayed. A sidebar on the left lists various services: Enrolled Agents, Annual Filing Season Program Participants, Enrolled Retirement Plan Agents, Certified Professional Employer Organization (CPEO), Enrolled Actuaries, E-File Providers, and Modernized e-File. The main content area features three primary sections: "E-Services" with a button to "Access E-Services", "PTIN System" with a status indicator and a "Renew or Register" button, and "Request Power of Attorney or Tax Information Authorization" with a brief description. At the bottom, there are three columns: "Serve Your Clients", "Stay Compliant", and "Get Continuing Education", each with a brief description of the services offered.

English | Español | 中文(简体) | 中文(繁體) | 한국어 | Пускөн | Tiếng Việt | Kreyòl Ayisyen

**Enrolled Agents**

**Annual Filing Season Program Participants**

**Enrolled Retirement Plan Agents**

**Certified Professional Employer Organization (CPEO)**

**Enrolled Actuaries**

**E-File Providers**

**Modernized e-File**

**E-Services**  
Online tools for tax professionals  
[Access E-Services](#)

**PTIN System**  
Status: Online  
Renew or register for 2021  
[Renew or Register](#)

**Request Power of Attorney or Tax Information Authorization**  
Review options to [submit power of attorney \(POA\)](#) or [tax information authorization \(TIA\)](#). Choose from Tax Pro Account, Submit Forms 2848 and 8821 Online, or forms by fax or mail.

**Serve Your Clients**  
E-Services, [Tax Pro Account](#), EINs, filing, forms, third party authorizations, procedures and tax guidance

**Stay Compliant**  
Circular 230, PTIN requirements, due diligence, preparer compliance

**Get Continuing Education**  
Webinars, Nationwide Tax Forums online, accreditation

# IRS Tax Pro Account

[Home](#) / [Tax Pros](#) / Submit Power of Attorney and Tax Information Authorizations

## Submit Power of Attorney and Tax Information Authorizations

### Enrolled Agents

### Annual Filing Season Program Participants

### Enrolled Retirement Plan Agents

### Certified Professional Employer Organization (CPEO)

### Enrolled Actuaries

### E-File Providers

### Modernized e-File

You have these options to submit Power of Attorney (POA) and Tax Information Authorization (TIA).

Find more about [Power of Attorney and other authorizations](#).

### Use Tax Pro Account

Submit authorization request to taxpayer's online account.

- ✓ All-digital submission
- ✓ Electronic signature
- ✓ Real-time processing

Use for:

- Individual taxpayer with online account
- Limited tax matters and periods
- Prior authorizations revoked for same tax matters or periods

[Use Tax Pro Account](#)

### Submit Forms Online

Submit Forms 2848 and 8821 online to the IRS.

- ✓ Secure form upload
- ✓ Electronic or handwritten signature
- ✓ First-in, first-out processing

Use for:

- Individual or business taxpayer
- Any tax matter or period
- Prior authorizations retained or revoked

[Submit Forms Online](#)

### Fax or Mail Forms 2848 and 8821

If you can't use an online option, you can fax or mail authorization forms to us.

- ✓ Paper forms by fax or mail
- ✓ Handwritten signature only
- ✓ First-in, first-out processing

[Home](#) / [Tax Pros](#) / Use Tax Pro Account

## Use Tax Pro Account

### Enrolled Agents

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Request Power of Attorney (POA) or Tax Information Authorization (TIA) online with Tax Pro Account.

### How it Works

Tax Pro Account lets you submit an authorization request to an individual taxpayer's [IRS online account](#).

- Submit request in 15 minutes or less
- Taxpayer electronically signs
- Real-time processing

Use your Secure Access account to log in. Don't have an account? Click the log in button to sign up.

[Log In to Tax Pro Account](#)

**Need to use forms?** [Submit authorizations with Forms 2848 and 8821.](#)

### Hours of Service

Tax Pro Account is available:

- Monday 6 a.m. ET to Saturday 9 p.m. ET
- Sunday 10 a.m. to midnight ET (Occasionally down for additional hours for maintenance)

# IRS Tax Pro Account

- Only for POAs and TIAs for individual taxpayers
- Client must have U.S. Address
- Prior authorizations automatically revoked

# POA and TIA Request

- Enter professionals name, address and CAF number
- Taxpayer's name, SSN or ITIN, and address
- Tax Matter and Period

## Request Power of Attorney (POA) Individual Taxpayer



### Representative Information

Enter your name, CAF number and address associated with your IRS CAF record. Check your name and address on a recent notice from IRS. **It must match IRS records to continue.**

The address must be in a U.S. state or D.C. Use approved abbreviations, such as St for street and Ave for avenue. [See more abbreviations \(PDF\)](#)

To change your name or address, submit [Form 2848](#) to the IRS instead.

All fields with an asterisk (\*) are required.

First Name\*

Special characters are limited to - (dash)

Middle Name

Special characters are limited to - (dash)

Last Name\*

Special characters are limited to - (dash)

# IRS Tax Pro Account Limitations

- Tax Years 2000 through Current plus 3 Future Years
- Form 1040
- Split Spousal Assessment or 8857 Innocent Spouse Relief
- Shared Responsibility Payment (2014 or later)
- Shared Responsibility Spousal Assessment (2014 or later)
- Civil Penalty (Periods of Mar., June, Sept., Dec.)

## Authorizations

View pending and approved authorizations submitted through Tax Pro Account.


The IRS won't notify you if your client rejects the request or if the request failed to process.

### Authorization Requests

You have no authorization requests submitted with Tax Pro Account.

### Withdraw an Authorization

If you don't have a copy of the authorization you want to withdraw:

1. Write a statement of withdrawal that:
  - Indicates the authority is withdrawn
  - Lists the tax matters and years/periods
  - Lists the name, TIN, and address (if known) of the taxpayer
2. Sign and date it
3. [Fax, mail, or submit it online to the IRS](#)  using the How to File instructions for Form 2848

If you have a copy of the authorization you want to withdraw:

1. Write "withdraw" on the top
2. Sign and date it
3. [Fax, mail, or submit it online to the IRS](#)  using the How to File instructions for Form 2848



# IRS Tax Pro Account

- Overlapping requests will not process is approved on same day
- Can request authorization for more than one representative
- Tax professional will not receive copy of completed request

# Submit Forms Online

- Individual or business
- Any tax matter or period
- <https://www.irs.gov/tax-professionals/submit-forms-2848-and-8821-online>

[Home](#) / [Tax Pros](#) / Submit Power of Attorney and Tax Information Authorizations

## Submit Power of Attorney and Tax Information Authorizations

### Enrolled Agents

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### Enrolled Retirement Plan Agents

### Certified Professional Employer Organization (CPEO)

### Enrolled Actuaries

### E-File Providers

### Modernized e-File

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[Submit Forms Online](#)

# Tax Pro Account vs. Submit Forms Online

- Tax Pro is an all-digital version
- Immediate vs. manual processing
- Taxpayer and matters limits

# IRS E-Services

- Completely separate tools
- Transcript Delivery System
- ITIN Matching
- E-File Application

**Questions regarding the Tax Pro Account?**

# 2021 Security Summit

**Guidance for Tax Practitioners**



# Highlighted Actions and Issues for Tax Practitioners

- (1) Multi-Factor Authentication
- (2) Identity Protection PINs
- (3) Prevalence of Unemployment Compensation Fraud
- (4) Spear Phishing
- (5) Signs of Identity Thefts

# Multi-Factor Authentication

- Available through all tax software providers
- In addition to other traditional tools



# Identity Protection Pins

- Now offered to all taxpayers
- Six-digit PIN to help prevent identity theft
- Taxpayers can verify online, by phone, or in person
- Get an IP PIN (<https://www.irs.gov/identity-theft-fraud-scams/get-an-identity-protection-pin>)

# Identity Protection PINs

- **Verification by Phone (Form 15227)**
  - AGI less than \$72,000
  - Valid SSN or ITIN
  - Access to Phone
- **Verification in Person**
  - Appointment at Taxpayer Assistance Center
  - Two Forms of ID

# Identity Protection PINs

- Claiming Dependent with IP PIN
  - Include on Form 1040, Form 2241, and Schedule EIC
- IP Pin will be used on Forms 1040, 1040-SE, 1040-NR, and 1040-PR/SS
- IP PIN not used on 1040-X, Form 4868, or State Tax Returns

# Identity Protection PINS

- IRS will NEVER ask for the IP PIN
- Any phone call, email, or text asking for this PIN is a scam

# Unemployment Compensation Fraud

- (1) If an e-filed return is rejected due to used SSN or ITIN, file Form 14039
- (2) Report to state agency and request corrected 1099-G  
Tennessee – [bpc.investigations@tn.gov](mailto:bpc.investigations@tn.gov) or  
(615) 645-3893
- (3) Report only income received
- (4) Request an Identity Protection PIN
- (5) Follow the FTC recommendations at [DOL.gov/fraud](https://DOL.gov/fraud)

# Spear Phishing and Signs of Identity Theft

- What is spear phishing?
- Signs of identity theft
  - Multiple clients receiving IRS letters requesting confirmation they filed a tax return
  - Excess e-file acknowledgements

**Questions regarding the 2021 Security Summit  
guidance?**

# New Employee Retention Credit Guidance

IRS Notice 2021-49 & Rev. Proc. 2021-33





# History of the ERC

- CARES Act – Credit for Qualified Wages from March 12, 2020 through January 1, 2021
- Relief Act – Credit for Qualified Wages from December 31, 2020 through July 1, 2021
- American Rescue Plan and I.R.C. 3134 – Credit for Qualified Wages from June 30, 2021 through January 1, 2022 and Codified the ERC

# ERC Overview

- Goal: To make it easier for businesses to retain employees despite COVID-19 challenges
- Available to only to Eligible Employers
- Eligible Employers can claim refundable tax credit against applicable employment tax.

# History: IRS Notice 2021-20

- Claim credit against 3111(a) Social Security Tax
- Penalty for failure to deposit employment tax waived
- Eligible employer:
  - Full or partial suspension due to governmental order OR
  - Significant decline in gross receipts

# History: IRS Notice 2021-20

- Significant decline in gross receipts – less than 50% of the gross receipts for same prior calendar quarter
- Credit equal to 50% of qualified wages for each employee limited to \$10,000 for all calendar quarters
- Large Eligible Employer – average more than 100 full-time employees in 2019

# 2020 Example – Gross Receipts Test

- Requires greater than 50% Reduction

	Q1	Q2	Q3	Q4
2019 Gross Receipts	500k	500k	500k	500k
2020 Gross Receipts	500k	255k	245k	100K
Reduction	0%	49%	51%	80%

# 2020 Example - ERC

- One employee with \$50,000 in quarterly wages
  - Limited to \$10,000
- \$10,000 x 50% credit = \$5,000 credit
- Then apply the applicable employment tax to that \$5,000 credit and any excess would be refunded
- Ten employees with \$50,000 in quarterly wages each, total credit of \$50,000 (10 x \$5,000 credit)

# History: IRS Notice 2021-23

- Significant decline in gross receipts – less than 80% of gross receipts for the corresponding 2019 calendar quarter
- Amount of credit – 70% of qualified wages limited to \$10,000 per employee for each calendar quarter
- Large Eligible Employer – 500 full-time employees in 2019

# 2021 Example – Gross Receipts Test

- Requires greater than 20% Reduction

	Q1	Q2	Q3	Q4
2019 Gross Receipts	500k	500k	500k	500k
2021 Gross Receipts	500k	255k	245k	100K
Reduction	0%	49%	51%	80%



# 2021 Example – Alternate Quarter Receipts Test

- Requires greater than 20% Reduction

	Q1	Q2	Q3	Q4
2019 Gross Receipts	500k	500k	500k	500k
2020 Gross Receipts	500k	255k	245k	100k
Reduction	0%	49%	51%	80%
2021 Gross Receipts	500k	255k	245k	100K
Reduction	0%	49%	51%	80%

# 2021 Example - ERC

- One employee with \$50,000 in quarterly wages
  - Limited to \$10,000
- $\$10,000 \times 70\% \text{ credit} = \$7,000 \text{ credit}$
- Then apply the applicable employment tax to that \$7,000 credit and any excess would be refunded
- Ten employees with \$50,000 in quarterly wages each, total credit of \$70,000 (10 x \$7,000 credit) per quarter
- Both quarters would be \$140,000

# History: IRS Notice 2021-23

- Can not take credit under I.R.C. 41, 45A, 45P, 45S, 51, and 1396 for wages claimed under the ERC
- Limitations on ERC advances

# IRS Notice 2021-49

- Applicable employment tax – 3111(b) Medicare Tax
- Same credit limits and employer eligibility as 1<sup>st</sup> and 2<sup>nd</sup> quarters of 2021 except for Recovery Startup Business

# Recovery Business Startup

- Began carrying on trade or business after February 15, 2020
- Average gross receipts for the three-year taxable period does not exceed \$1 million
- Not otherwise qualified as an Eligible Employer
- Credit cannot exceed 50k for each of the 3<sup>rd</sup> and 4<sup>th</sup> quarters

# Severely Financially Distressed Employers

- Gross receipts less than 10% compared to corresponding quarter
- If severely financially distressed, qualified wages are all wages paid by such employer regardless of size of employer

# Severely Financially Distressed Example

- Requires greater than 90% Reduction

	Q1	Q2	Q3	Q4
2019 Gross Receipts	500k	500k	500k	500k
2021 Gross Receipts	500k	245k	100K	45k
Reduction	0%	51%	80%	91%

# Guidance Applicable to 2020 and 2021 ERC

- Full-time equivalents not included for determining whether small or large eligible employer
- Cash tips over \$20 will be treated as qualified wages if all other requirements met



# Related Individual Rules

- Wages not taken into account with respect to any individual who bears relationship in I.R.C. 152(d)(A)-(H) to:
  - Taxpayer
  - If taxpayer is a corporation, an individual who owns more than 50% of the value of outstanding stock
  - If taxpayer is other entity, an individual who owns more than 50% of capital and profits interests
- Attribution rules of 267(c) apply

# Relationships in 152(d)(A)-(H)

- Child or descendant of child
- Brother, sister, stepbrother, stepsister
- Father, mother, or ancestor of either
- Stepfather or stepmother
- Niece or nephew
- Aunt or uncle
- In-Laws: Son, daughter, father, mother, brother, sister
- Individual (other than spouse) with same principal place of abode and member of taxpayer's household

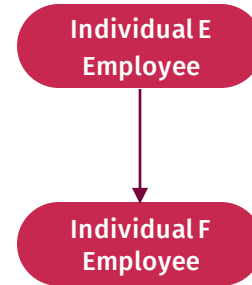
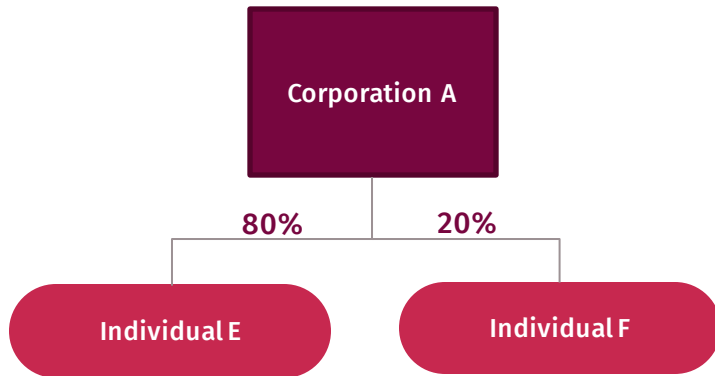
# Attribution Rules of 267(c)

1. Stock owned, directly or indirectly, by or for corporation, partnership, estate, or trust owned proportionately by shareholders, partners, etc.
2. Individual is considered to own stock owned by family
3. Individual owning stock in a corporation is considered to own the stock of his partner
4. Family attribution includes only brothers, sisters, spouse, ancestors, and lineal descendants

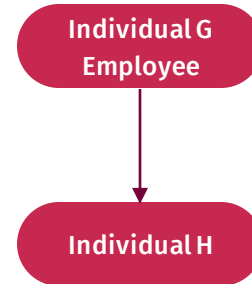
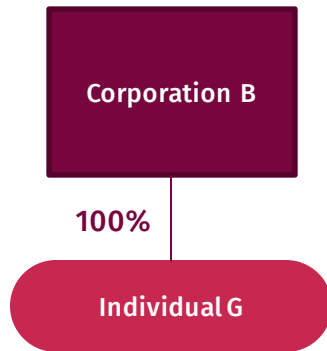
# 152 Relationships and Attribution Rules

- Majority owner will be related individual if majority owner has sibling, ancestor, or lineal descendant (wages not qualified)
- Each of those family members deemed constructive majority owner
- Actual majority owner then has relationship in 152 to constructive owner

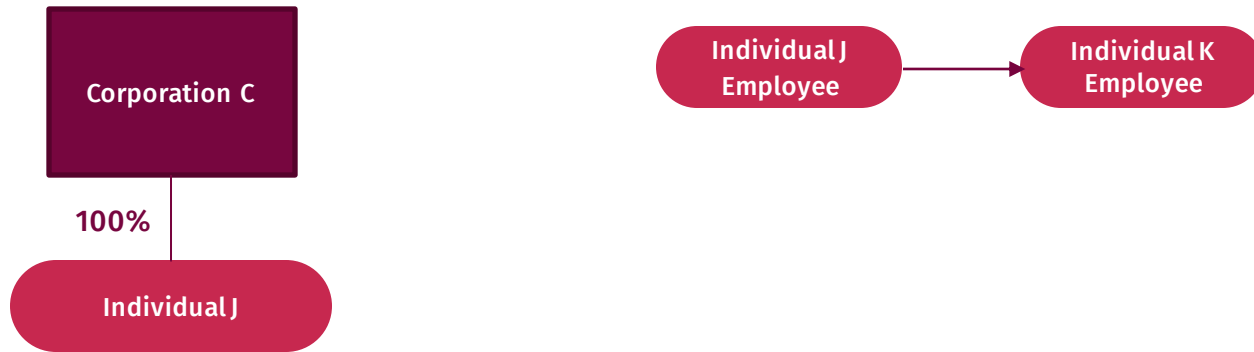
# IRS Examples:



# IRS Examples:



# IRS Examples:



# Revenue Procedure 2021-33

- Safe Harbor – excludes certain amounts from gross receipts for ERC purposes
- Excludes:
  - PPP Loans
  - Shuttered Venue Grants
  - Restaurant Revitalization Grants
- Must be applied consistently



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