

Public Forum Panel Presentation

August 16, 2016

Written statement by Ohio State Director- Amish Steering Committee

Representing 65,000 Amish constituents in Ohio

Three items of concern that impact the Amish in Ohio:

I. Communicating with the IRS

Problems:

1. When a notice from the IRS is received by a constituent, often there are questions and issues needing discussion with someone within the IRS.
2. Amish do not have access to the internet, cannot communicate on line, or by E-mail.
3. Many Amish do not have phones, need to travel and schedule phone calls, cannot receive phone calls.

Suggestions:

1. The Amish appoint a "Point of Contact" person, so Amish constituents have someone they can turn to if they have questions, or need assistance in responding to notices from the IRS. (*This is the Amish Steering Committee*),
2. The IRS appoints a "Point of Contact" person within the IRS that is informed and knowledgeable on issues impacting the Amish. (*Current "Point of Contact" person is Susan Morgenstern, Taxpayer Advocate Service, Cleveland OH, and is working out well*). We need someone who actually answers the phone when we call, has access to the information, and can give direction.

II. The IRS disallowing dependents without social security numbers

Problems:

1. Some Amish groups do not apply for social security numbers for their dependents until they are adults.
2. IRM 21.6.1.5.1(10-01-2013) 6. Does allow claiming dependents without social security numbers.
3. Notices/letters do continue to be sent to taxpayers disallowing dependents without social security numbers.
4. New for 2015 returns, Publication 972: Disallowing the Child Tax Credit for dependents without social security numbers. These taxpayers are no longer eligible for the Child tax Credit.

Suggestions:

1. More and better training/awareness for IRS persons processing tax returns.
2. Refer to Problem no 1. Communication.

III. ACA / Obamacare

Problems:

1. Congress recognized the need and provided an exemption for Amish and similar groups. (Exemption from the Shared Responsibility Payment for Members of Recognized Religious Sects or Divisions).
2. The qualifications for religious exemption to ACA are the same as for the 4029 Social Security Exemption.
3. All taxpayers and their dependents wanting the exemption need to apply to the Marketplace for an Exemption Certificate Number (ECN).
4. All taxpayers and their dependents claiming the exemption are required to enter their ECN on IRS form 8965 or pay the "Shared Responsibility Payment".
5. All newborns must file a five page application for an ECN to be exempt from the "Shared Responsibility Payment".
6. ECN's expire on each individual's 21st birthday. They must then file a 4 page application for a new ECN.
7. The application for exemption process is time consuming and confusing. Also, it seems redundant since the qualifications are the same as the 4029 Social Security exemption.
8. Thousands of Amish constituents applied for and never received ECN's, even after repeated attempts to contact the Marketplace, or responding to requests for missing information.
9. The Marketplace does not have "Point of Contact" people in place that are knowledgeable and informed on the ECN application process. They are unable to locate and provide the correct information in a timely manner.

Suggestions:

1. Do away with the application for ECN process. For constituents having an approved 4029, allow them to enter "4029 Exempt" instead of an ECN on IRS Form 8965.
2. Do away with the application for ECN process. For constituents having an approved 4029, all them to enter a single letter instead of an ECN on IRS Form 8965, part III.
 - *Those constituents having an approved 4029 exemption have already gone through the approval process and met all the qualification required by the ACA. Forcing them to file an application for an ECN seems redundant, is time consuming, confusing, and adds no integrity or value for anyone.*

- *4029 exempt Individuals are already entering "4029 ExemptN on their tax return on the line requesting their Social Security /Self Employment tax. The IRS does recognize and respect this, so are already familiar with the process. They could do the same for the ACA religious exemption requirement.*
3. Switch to using a simplified one page application form for an ECN. Simply have every individual fill out the same one page form. Design it so they can check the appropriate box that applies to their status or situation.
 - *This would make it simple and easy to understand. It would ovoid many questions and eliminates much of the confusion and unnecessary paperwork. It would save a lot of time on everyone's part.*
 4. Form or appoint a small group of "Point of Contact" persons at the Marketplace that are fluent on the Religious Exemption application process.
 - *All questions from constituents to the help line concerning Religious exemptions or the application process would be referred to this POC group. The POC group has to be fluent on the application process, need access to the data, be able to answer questions on the spot, generate and mail out paper copies of information.*
 5. Retain the current "Point of Contact" persons within the Amish community to act as contact persons or liaison between Amish constituents and the Marketplace.
 - *We would envision this point of contact be used by bath the Marketplace and our constituents. Even with the best of systems in place, invariably there will be unique situations with questions.*