

Taxpayer Advocate Service Open Advocacy Projects
(as of May 17, 2011)

Project Number	Immediate Intervention (Yes/No)	Actual Start Date	Project Status	Title
16756	Yes	1/29/2010	In Process	Practitioners are filling out Schedule M with \$1 to get the Making Work Pay Credit for retirees since most are unaware if they received it. This may cause a large number of amended returns and extra work for the IRS and taxpayers/practitioners.
17620	Yes	5/4/2010	Closed June 7, 2011	Credit bureaus have difficulty identifying erroneous lien releases. Certificates of notice of federal tax lien (NFTL) release (Form 668Z) are computer generated and sometimes the certificate does not specifically state that the released lien was erroneous.
17719	Yes	5/12/2010	In Process	Payroll Service Provider's failure to pay over taxes affects thousands of taxpayers. These victims should be treated fairly and similarly with leniency by IRS.
19224	Yes	11/17/2010	In Process	Appeal rights for Automated Substitute for Return (ASFR) assessments are now subverted and denied because of Internal Revenue Manual (IRM) Servicewide Electronic Research Project (SERP) Alert 101287 dated 9/3/2010. This IRM reference was updated to illuminate inclusion of the applicable appeal rights.
19895	Yes	2/14/2011	In Process	Our office has been flooded with an extremely high volume of tax notices requesting the filing of form 990-PF. All the accounts converted from 990s to 990-PF as part of the 2008 Pension Protection Act. This was required prior to 2008.
21032	Yes	5/13/2011	In Process	There is a tape discrepancy for a SITLP (State Income Tax Levy Program) resulting in incorrect levies. There is a mismatch in deposit amounts.
8081	No	4/27/2005	In Process	Error Correction (EC) has limited guidance for correction of dependent's social security number (SSN). Not allowing EC to research dependent taxpayer identifying number (TIN) results in removing child tax credit (CTC), earned income tax credit (EITC),

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				education credit, etc. This creates balance due notices.
10292	No	8/8/2007	In Process	Centralized Exam closing processing is not being done correctly on the Report Generation System (RGS) by Revenue Agents (RAs) and Tax Compliance Officers (TCOs). This results in unpostables and incorrect adjustments.
10325	No	8/8/2007	In Process	Direct Debit Installment Agreements (DDIA) Unit Referrals not being worked when submitters request changes to their DDIA. Debt Indicator (DI) history confirms taxpayer's request, but these referrals are not processed resulting in significant hardship.
10819	No	3/31/2008	In Process	Currently there are no provisions to allow for reimbursement of bank charges incurred due to a Service error on Direct Deposit Installment Agreements (DDIA)
10890	No	6/23/2008	In Process	Missing proof of statutory notice of deficiency mailing creates taxpayer burden. IRS lost certified mailing list and notices were lost or destroyed.
10935	No	6/11/2008	In Process	Multi-year assessments on accounts are not always adjusted as the Collection Statute Expiration Date (CSED) for each assessment expires. Collection continues when assessment has barred.
11511	No	11/3/2008	In Process	The Substitute for Return (SFR) department should have the ability to abate Lien fees on erroneous ASFR and or assessments that result in zero tax owed after SFR adjustments. Explore obtaining erroneous lien provisions for erroneous SFRs.
11642	No	2/4/2009	Requiring Manager Approval For Closing	TAS Operations Assistance Request (OAR) procedures needed for processing returns with IRC § 962 income. IRC § 962 involves complex calculations for Controlling Foreign Corporations.
11650	No	1/6/2009	In Process	Refund delay on ASFR reconsiderations with overpayments caused by required refund statute expiration date (RSED) review causes refunds to be held on account. IRM needs revision to include instructions regarding reverse offset.
11660	No	1/12/2009	In Process	Processing of Form 8697, <i>Interest Computation under the Lookback</i>

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				<i>Method for Completed Long Term Contracts.</i> It is not included with their personal income tax return. Taxpayers repeatedly are not given their refunds and have to follow up.
11821	No	5/20/2009	In Process	Combat Zone freeze release indicator is not releasing when code is changed. Instructions are incomplete about proper computation of interest and penalty. Need information about when to refer to interest and penalty specialist.
15047	No	5/4/2009	In Process	Qualifying Child and Dependent Issue
15513	No	10/8/2009	In Process	IRS system is unable to find errors on Form 6251 Alternative Minimum Tax (AMT) when taxpayer claims Foreign Tax Credit (FTC). This results in incorrect AMT assessments.
15560	No	8/24/2009	Requiring Manager Approval For Closing	The Social Security Agency's (SSA) matching program causing altered W-2s to be sent to IRS with no way to identify the alterations, creating a potential for a large number of erroneous identity theft and automated underreporter (AUR) cases.
15810	No	9/14/2009	In Process	Too many manual refunds are being deleted by the IRS and the accounting function is not monitoring for reinput.
16006	No	3/22/2010	In Process	The IRS should delay notices and collection activity automatically when a 1040x is filed. This should happen, at least for taxpayer service, to delay the notices for the full length of time it takes the IRS to process an amended return.
16031	No	10/1/2009	In Process	Direct Deposit Installment Agreement (DDIA) and Failure to Pay Penalty (FTP) problem causing taxpayer to default on Installment Agreement (IA). Also, incorrect DDIA amounts are being debited from taxpayer's bank accounts.
16088	No	10/7/2009	In Process	ASFR assessments are not being backing out under the secondary spouse's SSN AFTER married filing joint tax returns were filed and accepted under the primary spouse's SSN.
16181	No	10/14/2009	Requiring Manager Approval For Closing	Submission processing does not capture detail documents (1099) information for prior years when submitted. Form 1096 information is only input when it is an original submission, not an amended item. This can cause significant burden on

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16219	No	12/15/2009	In Process	CP-2000 showing failure to file (FTF) penalty in Disaster Areas. AUR is ignoring the extended due date and assessing the late filing penalty.
16384	No	11/23/2009	In Process	When mixed entity accounts are corrected to the correct taxpayer, the account is not updated to reflect the change. When the taxpayer or mortgage company requests a Form 4506T they are getting incorrect data.
16464	No	1/5/2010	In Process	Payor transmitted on Form 1099-MISC to IRS is somehow reported under a SSN when the payment actually went to an Employer Identification Number (EIN). There is no distinction between the SSN and EIN so as long as the name control matches and the income is put under the SSN.
16511	No	1/7/2010	In Process	There is no language in the commitment letters that discloses if the applicant disagrees with the commitment letter that the applicant can appeal. IRS is circumventing the intent of the appeal rights process via the commitment letter.
16762	No	3/16/2010	In Process	Often foreign individuals who buy and sell property do not have ITINS. IRS does not correctly process the Form 8828 and related Form W-7.
17011	No	3/30/2010	In Process	Form 1040X claims are not being processed consistently or timely. Taxpayers are not being timely notified of the audit process.
17026	No	2/25/2010	In Process	Excludable difficulty of care payments are incorrectly being reported on Form 1099c in box 6 as medical and healthcare payments.
17073	No	3/10/2010	In Process	Guidance is needed specifying who is responsible for handling the claim for reimbursement of attorney fees under IRC § 7430. IRS cannot determine who can accept and respond to the claim.
17080	No	3/9/2010	In Process	CP 501s reflect zero balance due when accounts have not been full paid.
17110	No	3/17/2010	In Process	Refund returned as an erroneous refund is causing the accrued Failure to Pay (FTP) penalty to be incorrect.
17302	No	4/9/2010	In Process	It is NOT reasonable to expect your citizens living in foreign countries to do everything online. We have a right to obtain the forms and packages in

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				written format.
17321	No	4/1/2010	In Process	Frivolous Filer Penalty IRM lacks identity theft procedures. It will be worked in conjunction with the TAS Identity Theft team.
17322	No	4/1/2010	In Process	SSA-7000 cases lack Identity Theft Procedures. IRM 4.19.6.2.1 has no guidance specific to how to handle Identity Theft related correspondence.
17339	No	4/1/2010	In Process	The Automated Collection System (ACS) refuses to abate penalties per reasonable cause based on a Revenue Officer request from the Integrated Collection System. They demand a copy, which is not possible because it was done electronically. This requires a new reasonable cause review.
17451	No	4/16/2010	In Process	Victims who were levied based on stolen identity use Form 8546 to request reimbursement for bad check fees. These claims are denied stating it was not an erroneous levy without appeal rights.
17475	No	7/2/2010	In Process	Valid name changes are incorrectly generating unpostables returns when a work credit was claimed. This happens when the name does not match the SSA information, but the account shows that SSA has been notified of the name change.
17476	No	5/3/2010	Requiring Manager Approval For Closing	Payments for Trust Fund Recovery Penalty (TFRP) assessments are not being correctly applied to all responsible parties who have been assessed.
17593	No	6/14/2010	In Process	Taxpayers who receive a replacement refund check face undue burden from Financial Management Service (FMS) when the original issue check which as been stolen is cashed. These checks should not be honored by IRS.
17665	No	7/7/2010	In Process	There is a delay in processing electronically filed balance due returns. Lenders are unable to obtain a copy of the current year information which jeopardizes funding.
17900	No	8/16/2010	In Process	A Manual Refund Unit (MRU) has indicated they are unable to process TAS Form 3753 for manual refunds because MRU had reached its maximum limit and the refund requests would have to be held until the following Monday.

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17963	No	9/15/2010	In Process	There are no current IRM instructions to expedite processing of current year returns for resolving combat zone account freezes. Returns are being processed without an assessment statute expiration date (ASED).
18090	No	10/18/2010	In Process	IRS is consistently requesting copies of Visas with individual taxpayer identifying number (ITIN) applications. This is contrary to W-7 instructions. These unnecessary requirements slow down ITIN issuance and delay refunds.
18133	No	10/18/2010	Requiring FSA Director Approval For Closing	There should be a specified time frame for Collection to wait after issuing Letter 3174 before taking enforcement action. Without any time frame established, the Letter 3174 really serves no purpose.
18208	No	10/12/2010	In Process	Entity is not being addressed when invalid joint returns are adjusted. The spouse is later harmed by this error. The IRM instructions are not adequate.
18216	No	9/15/2010	In Process	Procedures need to be established to make sure the returns charged out to Questionable Refund Detection Team (QRDT) are refiled as soon as possible and/or put into the Correspondence Imaging System (CIS) system for easier tracking.
18217	No	10/18/2010	In Process	The recession has lead to an increase in carryback claims and applications for tentative refunds. Procedures need to be updated to include creating a specific work unit for these claims and remind Accounts Management (AM) that two calls should be attempted.
18224	No	7/22/2010	Requiring Manager Approval For Closing	The IRS needs to develop an electronic process for referrals (Form 4442) between the operating divisions. Without an electronic process to do a referral there is no accountability to ensuring Form 4442 is appropriately worked.
18311	No	12/14/2010	In Process	Timely filed Forms 4868 extension requests for taxpayers living in declared disaster areas are being improperly denied.
18595	No	8/23/2010	In Process	Temporary foreign workers have no tax guidance available. Workers themselves know little of their tax requirements. Finding information for them is problematic.
18655	No	9/20/2010	In Process	Effective September 30, 2010, birth

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				certificates issued before July 1, 2010 will no longer valid. IRS should be proactive in this situation, and set forth employee guidelines.
18657	No	8/24/2010	In Process	Correspondence Exam is disallowing exemptions to noncustodial parents who submit Form 8332 and insisting that Forms 8332 not filed with the original return cannot be accepted.
18658	No	8/24/2010	In Process	Inconsistent taxability treatment of a class action settlement is creating significant burden for taxpayers and IRS employees.
18659	No	8/24/2010	In Process	IRS erroneously disallows the EITC to lower income clergy who have to report their W-2 earnings on the Schedule SE, <i>Self-Employment Tax</i> . This makes it look like the income is double what it actually is.
18682	No	8/29/2010	In Process	Using the prior year's income to determine if a taxpayer is eligible for the reduced user fee for installment agreement is unfair when the taxpayer's circumstances have clearly changed.
18736	No	12/13/2010	In Process	Trust Fund Recovery Penalty (TFRP) refund hold create taxpayer burden. The program needs a systemic solution to release the hold.
18752	No	12/13/2010	In Process	Foreign students are receiving notification that there is a name and TIN mismatch. At the same time, they receive another letter denying their exemptions due to the TIN issues. There appears to be a problem with SSA's tape to IRS.
18755	No	9/15/2010	In Process	Responses to First-time Homebuyer Credit (FTHBC) Math Error notices are not processed correctly by Accounts Management employees due to incorrect IRM procedures.
18813	No	9/12/2010	In Process	Incorrect assessment of the estimated tax penalty in relation to branch profits tax.
18871	No	9/20/2010	In Process	Penalties related to non-filing of the Report of Foreign Bank and Financial Accounts (FBAR), as defined by the law, can be confiscatory. IRS has put more effort and resources on criminal offense reinforcement and has developed a policy of penalizing average American citizens with heavy fines.

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18988	No	10/6/2010	In Process	Tax Court decisions not assessed correctly by IRS.
18989	No	12/6/2010	In Process	The Form 990 Postcard filing requirement may result in loss of grants by exempt organizations affiliated with government entities. These organizations may be confused and not file in time.
19037	No	11/3/2010	In Process	Collection employees may have been instructed to assess trust fund recovery penalty against businesses with an in-business trust fund installment agreement.
19041	No	10/28/2010	In Process	Combined Annual Wage Reporting (CAWR) consistently requests a certified mail receipt as proof of the business timely filing of Forms W-2 / 3 to SSA.
19106	No	11/3/2010	In Process	Current identity theft audit selection criteria harms innocent taxpayers by delaying their refund. Accounts Management is not consistent with their application of these criteria.
19107	No	10/26/2010	In Process	Atlanta Correspondence Exam is misinterpreting the law regarding the taxability of military disability pay.
19108	No	10/26/2010	In Process	There seems to be confusion by IRS employees regarding the appeal process for Exam denial of insolvency claims under IRC Section 108. Form 982 process should come with appeal rights.
19109	No	11/8/2010	In Process	Claims under Rev Proc 2009-52 are being incorrectly returned for recomputation. The amount of net operating loss (NOL) carried back to the 5th year is limited to 50% of taxable income for that year. This is an error by IRS.
19124	No	11/8/2010	In Process	The exam 90-day Statutory Notice process harms innocent taxpayers in identity theft situations. The procedure adds additional work for exam that isn't productive.
19125	No	12/13/2010	In Process	Revocations of Forms 2848 are not being processed, requiring resubmission of the forms.
19131	No	12/14/2010	In Process	Appeal Rights for proposed and assessed Frivolous Return Penalties
19133	No	3/4/2011	In Process	Appeals determination can be different depending on the location of the office rather than the merit of the specific

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				issue.
19134	No	12/14/2010	In Process	Unrequested changes of S-Corporation filing requirements, from S-Corporation to C Corporation, have resulted in these entities being unable to file electronically.
19135	No	2/16/2011	Requiring FSA Director Approval For Closing	The Integrated Data Retrieval System (IDRS) is changing or disallowing the adoption credit if the additional child tax credit is claimed.
19145	No	11/10/2010	In Process	New procedures for stolen identity cases are not being completely followed. A refund transaction code sometimes remains on the account, creating future problems.
19171	No	4/22/2011	In Process	Inconsistencies have been identified between Examination policy and Appeals policy relating to Appeal Rights on cases where there is no immediate tax impact but there are changes to NOL carryforwards.
19172	No	12/14/2010	In Process	When taxpayers with pending Offers in Compromise (OIC) designate payments to trust fund account balances, the payments are not applied as designated because OIC guidelines require OIC Specialists to post the payment using the designated payment code for offers, not trust funds.
19243	No	11/17/2010	In Process	Liens should be systemically withdrawn vs. released for identity theft cases. Action could be triggered when exam reverses the assessment.
19274	No	12/2/2010	In Process	Automated Collection System (ACS) managers provide an 800 number for taxpayers to call back regarding a collection appeal process (CAP) appeal; however, the manager cannot be reached at this number. This causes delay and taxpayer burden for taxpayers who need to reach the managers handling their CAP appeal.
19284	No		Requiring Project Assignments	Revise W-2PR and W-3PR to show the amount of tax designated to Puerto Rico to eliminate discrepancies in the income tax amounts when the forms are matched with Form 941PR. This will eliminate unnecessary tax assessments and the burden to resolve them.
19310	No	4/4/2011	In Process	First-time Homebuyer Credit (FTHBC) claims are controlled on the Audit Information Management System

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				(AIMS) after exam has allowed the claim.
19332	No		Requiring Project Assignments	Possible improper assessment of civil penalties for companies with fewer than 10 employees.
19376	No	3/8/2011	In Process	Refunds of taxpayers who are currently single are offset to a debt on a jointly filed prior return. When the debt is reversed and the refund (offset money) is returned, the check is issued either in the name of the single taxpayer or to both taxpayers jointly; the money should be returned separately
19410	No		Requiring Project Assignments	Several taxpayers have been issued Internal Revenue Service Numbers (ISRNs) for their 2009 tax return even though they used their correct taxpayer identification number (TIN). Submission Processing claims they are required to issue the IRSNs by Unpostables.
19412	No	5/16/2011	In Process	The transaction code (TC766) used to suppress interest on Economic Stimulus Payments is causing partial interest suppression on subsequent refunds issued on 2008 accounts for unrelated reasons.
19461	No	1/4/2011	In Process	Automated Collection System (ACS) is denying outright Partial Payment Installment Agreement (PPIA) requests and forwarding them to Independent Review. This review is actually being done by their Quality Review staff. The QR staff is rubber-stamping denials.
19483	No	4/4/2011	Requiring Manager Approval For Closing	Memphis audit reconsideration transfers to Area Offices are being denied if the Assessment Statute Expiration Date (ASED) is less than six months.
19486	No	3/7/2011	In Process	There is inconsistency in processing Forms 5792 for return of levied funds. This delay adds to taxpayer burden.
19487	No		Requiring Project Assignments	Taxpayers are instructed to mail or fax copies of their claims for refund of medical resident Federal Insurance Contribution Act (FICA) tax along with proof of original mailing. The instruction does not state a timeframe for when the taxpayers should receive a response.
19491	No	1/4/2011	In Process	Large Business & International Division (LB&I) has a compliance project for foreign multilevel marketing refund hold for U.S. sourced income. These dealers are claiming refunds based on

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				tax treaty benefits.
19564	No	1/12/2011	In Process	An incorrect W-2 file was sent to SSA for 2008, causing employees to receive Underreporter notices from the IRS.
19592	No		Requiring Project Assignments	Campus procedures are inconsistent for identity theft returns with expired Assessment Statute Expiration Dates (ASEDs). IRM 25.6.1 procedures need to be clarified and updated.
19613	No		Requiring Project Assignments	IRS Individual Tax Identification Number (ITIN) Operation processing of Forms 2848 is problematic: forms are not always sent to the Centralized Authorization File (CAF) Unit, the ITINs are not always included, and valid forms with two signatures are not accepted.
19673	No	1/26/2011	In Process	Failure to allow Form 1042 Credit for Income Taxes Withheld creates taxpayer economic hardship.
19708	No	2/1/2011	In Process	ACS has applied funds received via a continuous wage levy to periods not included on the levy. They are refusing to return the monies or release the levy.
19810	No		Requiring Project Assignments	Notices should not be issued when the taxpayer is deceased, the date of death (DOD) has been input on IDRS, and currently not collectable (CNC) closing code 08 has also been input.
20044	No		Requiring Project Assignments	Requests for IRS information from overseas taxpayers arrive after the deadline has passed or do not allow time for the taxpayer to return the requested information.
20056	No	3/7/2011	In Process	Case sent to Appeals, but not found in the Appeals database.
20077	No	2/28/2011	In Process	IRS is rejecting Forms 1045 and Forms 1139 in error when there is an open examination on the loss year. There are no other errors on the forms that would cause rejection.
20188	No		Requiring Project Assignments	IRM 21.6.2 and IRM 21.9.1 provide guidance for resolving identity theft (IDT) cases involving refunds issued to the IDT perpetrator and these procedures are not the same.
20321	No	3/22/2011	In Process	Current procedures allow for offset of individual refunds to corporate liability when there is a pending Trust Fund Recovery Penalty (TFRP) assessment. This results in an Automated Collection System (ACS) denial of an installment agreement because they think the

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20653	No	4/25/2011	In Process	Processing problem: E-file returns with Energy Credit, Child Tax Credit, and additional Child Tax Credit claims are resulting in erroneous math error notice issuances. The returns are correct as filed.
20661	No		Requiring Project Assignments	Programming problem with unclaimed estimated tax payments are refunding to identity theft perpetrator due to possible programming issue.
20784	No		Requiring Project Assignments	The CP 521, Installment Agreement Reminder Notice, is addressed to both taxpayers on a jointly filed return, but may include information on a separate liability that will be disclosed to the other spouse.
20799	No	4/21/2011	In Process	IRS needs a filter to stop theft of decedent Social Security Numbers (SSNs). Decedents' SSNs are accessible over the Internet and people are using these SSNs to file fraudulent returns.
21014	No	5/12/2011	In Process	The Electronic Federal Tax Payment System (EFTPS) Web site needs to be revised.
21015	No		Requiring Project Assignments	Tax Practitioners representing innocent spouse taxpayers are receiving information and correspondence for the non-requesting spouse, creating a disclosure issue.