

YOUR RIGHTS AS A TAXPAYER

THE FIRST PART OF THIS PUBLICATION EXPLAINS SOME OF YOUR MOST IMPORTANT RIGHTS AS A TAXPAYER.

THE SECOND PART EXPLAINS THE EXAMINATION, APPEAL, COLLECTION, AND REFUND PROCESSES.

DECLARATION OF TAXPAYER RIGHTS

I. Protection of Your Rights

IRS employees will explain and protect your rights as a taxpayer throughout your contact with us.

II. Privacy and Confidentiality

The IRS will not disclose to anyone the information you give us, except as authorized by law. You have the right to know why we are asking you for information, how we will use it, and what happens if you do not provide requested information.

III. Professional and Courteous Service

If you believe that an IRS employee has not treated you in a professional manner, you should tell that employee's supervisor. If the supervisor's response is not satisfactory, you should write to your IRS District Director or Service Center Director.

IV. Representation

You may either represent yourself, or with proper written authorization, have someone else represent you in your place. You can have someone accompany you at an interview. You may make sound recordings of any meetings with our examination or collection personnel, provided you tell us in writing 10 days before the meeting.

V. Payment of Only The Correct Amount of Tax

You are responsible for paying only the correct amount of tax due under the law—no more, no less.

VI. Help From The Problem Resolution Office

Problem Resolution Officers can help you with unresolved tax problems and can offer you special help if you have a significant hardship as a result of a tax problem. For more information, write to the Problem Resolution Office at the District Office or Service Center where you have the problem, or call 1-800-829-1040 (1-800-829-4059 for TTY/TDD users).

VII. Appeals and Judicial Review

If you disagree with us about the amount of your tax liability or certain collection actions, you have the right to ask the IRS Appeals Office to review your case. You may also ask a court to review your case.

VIII. Relief From Certain Penalties

The IRS will waive penalties when allowed by law if you can show you acted reasonably and in good faith or relied on the incorrect advice of an IRS employee.

EXAMINATIONS, APPEALS, COLLECTIONS, AND REFUNDS

Examinations (Audits)

We accept most taxpayer's returns as filed. If we inquire about your return or select it for examination, it does not suggest that you are dishonest. The inquiry or examination may or may not result in more tax. We may close your case without change; or, you may receive a refund.

By Mail

We handle many examinations and inquiries by mail. We will send you a letter with either a request for more information or a reason why we believe a change to your return may be needed. If you give us the requested information or provide an explanation, we may or may not agree with you, and we will explain the reasons for any changes. Please do not hesitate to write to us about anything you do not understand. If you cannot resolve a question through the mail, you can request a personal interview with an examiner.

By Interview

If we notify you that we will conduct your examination through a personal interview, or you request such an interview, you have the right to ask that the examination take place at a reasonable time and place that is convenient for both you and the IRS. At the end of your examination, the examiner will give you a report if there are any proposed changes to your tax return. If you do not agree with the report, you may meet with the examiner's supervisor.

Repeat Examinations

If we examined your tax return for the same items in either of the 2 previous years and proposed no change to your tax liability, please contact us as soon as possible so we can determine if we should discontinue the repeat examination. Publication 556, *Examination of Returns, Appeal Rights, and Claims for Refund*, will give you more information about the rules and procedures of an IRS examination.

Appeals

If you do not agree with the examiner's findings, you can appeal them to our Appeals Office. Most differences can be settled without expensive and time-

consuming court trials. Your appeal rights are explained in detail in Publication 5, *Appeal Rights and Preparation of Protests for Unagreed Cases*.

If you do not wish to use our Appeals Office or disagree with its findings, you can take your case to the U.S. Tax Court, U.S. Court of Federal Claims, or the U.S. District Court where you live. If the court agrees with you on most issues in your case, and finds that our position was largely unjustified, you may be able to recover some of your administrative and litigation costs. You will not be eligible to recover these costs unless you tried to resolve your case administratively, including going through our appeals system, and you gave us all the information necessary to resolve the case.

Collections

Publication 594, *Understanding The Collection Process*, explains your rights and responsibilities regarding payment of federal taxes. It is divided into several sections that explain the procedures in plain language. The sections include:

1. *When you have not paid enough tax.* This section describes tax bills and explains what to do if you think your bill is wrong.
2. *Making arrangements to pay your bill.* This covers making installment payments, delaying collection action, and submitting an offer in compromise.
3. *What happens when you take no action to pay.* This covers liens, releasing a lien, levies, releasing a levy, seizures and sales, and release of property. Publication 1660, *Collection Appeal Rights (for Liens, Levies and Seizures)*, explains your rights to appeal liens, levies and seizures and how to request these appeals.

Innocent Spouse Relief

Generally, both you and your spouse are responsible, jointly and individually, for the tax and any interest or penalty due on your joint return. However, under certain circumstances, you may not have to pay the tax, interest, and penalties. You must establish that you did not know, and had no reason to know, that the tax on your joint return was understated by more than \$500 because your spouse:

1. Omitted a gross income item, or
2. Claimed a deduction, credit, or property basis in an amount for which there is no basis in fact or law.

For more information on the requirements, get Publication 971, *Innocent Spouse Relief*, and Form 8857, *Request for Innocent Spouse Relief*.

Refunds

You may file a claim for refund if you think you paid too much tax. You must generally file the claim within 3 years from the date you filed your return or 2 years from the date you paid the tax, whichever is later. The law generally provides for interest on your refund if it is not paid within 45 days of the date you filed your return or claim for refund. Publication 556, *Examination of Returns, Appeal Rights, and Claims for Refund*, has more information on refunds.

Tax Information

The IRS provides a great deal of free information. The following are sources for forms, publications and additional information:

- **Tax Information:**
1-800-829-1040
- **Forms and Publications:**
1-800-829-3676
(1-800-829-4059 for TTY/TDD users)
- **IRS Tax Fax Service:** From your FAX machine, dial **703-368-9694**.
- **Small Business Ombudsman:** If you are a small business entity, you may participate in the regulatory process and comment on enforcement actions of IRS by calling **1-888-REG-FAIR**.
- **Internet:** World Wide Web - www.irs.ustreas.gov
FTP - [ftp.irs.ustreas.gov](ftp://ftp.irs.ustreas.gov)
Telnet - [iris.irs.ustreas.gov](telnet://iris.irs.ustreas.gov)

