



# NCCPAP Press Release

## October 2018 IRS NPL Update

### Topics Include Commissioner Rettig 'Meet and Greet', PTIN Update and Tax Implementation Office

*NCCPAP President, Stephen Mankowski, CPA, recently attended the October 2018 IRS NPL meeting. Highlights are detailed below.*

#### Late Breaking Updates

- The 2018 IRS National Tax Forums are complete; dates for the 2019 Tax Forums are not yet released. [Click here for the schedule.](#)
- IRS Publication 4557, [Safeguarding Taxpayer Data](#), has recently been released. It needs to be implemented into all CPA offices to adhere to the security requirements of the IRS.
- The new 1040 Forms & Schedules will be available by mid-December.
- [Taxmap.irs.gov](https://taxmap.irs.gov) allows anyone to search specific topics within the IRS website.

#### Commissioner Rettig 'Meet & Greet'

Commissioner Chuck Rettig stopped by our meeting to provide insight regarding his agenda. He spent 36 years as tax lawyer (both civil & criminal) and has always had a solid respect for the IRS. He stated that we are all in the compliance business working together to ensure that taxpayers pay their share of taxes. Tom Cullinen, a tax attorney from Atlanta and former colleague of Rettig, will be joining the Commissioner's office; however, we don't know his title or position just yet.

Commissioner Rettig's focus is to make it easier for the average person to comply. If the process is not good, the taxpayer may use unnecessary resources to get into the system. For example, he wants to avoid Congressmen getting involved unnecessarily. Overall, Rettig believes that the IRS can be more proactive with Congress as to what is working and not working. To be forward-thinking is also a goal. The IRS is open to new ideas and ways to use resources more efficiently.

Regarding practitioners, Rettig wants the experience to be positive. He is open to hearing recommendations that help the IRS. He wants to instill pride for working for the IRS and he realizes that for the country to operate smoothly, the IRS needs to be efficient.

#### PTIN Update

In early October, an initial email was sent to non-credentialed PTIN holders to promote participation in the Annual Filing Season Program or take the Enrolled Agent (EA) exam. A second batch of emails were

sent to 44,000 PTIN holders inviting them to renew early to make sure the system was working with no bugs or glitches. The PTIN system is now open for renewals, as well as for new PTIN users, continuing with a staggered approach to email outreach, so not everyone renews at once. When renewing their PTIN, practitioners are reminded to double check the amount of returns filing under their PTIN. Practitioners should also log into their PTIN account to verify the return volume on a regular basis.

The system has been enhanced to have the look and feel of IRS.gov. You can log into your account, answer questions and submit to renew your PTIN. There is no fee to renew your PTIN. There are only a few instances for a new user to have to mail their application. Most should be able to upload the necessary documents to the PTIN system.

**The Numbers: As of October 1, there are 770K active PTINs—212K from CPAs, 55K from Enrolled Agents, 31K from Attorneys, and 61K from Accounting, Financial and Tax Professionals.**

[Click here for more details regarding PTIN Requirements.](#)

#### **CAF Unit Discussion on Tax Professionals' Use**

There is a problem with the current CAF system due to a 30% increase in breaches of tax preparer offices. Criminals are stealing PTIN, EFIN, and CAF numbers—attempting to access TP data through the [Practitioner Priority Service \(PPS\)](#). In addition, there is an issue with verifying signatures.

If you are a tax professional and cannot remember your CAF number, you can call the PPS. Once you provide your authenticating information, they can verbally give it to you over the phone. If PPS is unable to authenticate you as the owner of the CAF number, then PPS will mail the number to the CAF address of record.

There are 3 CAF units (Philadelphia, PA; Ogden, UT; and Memphis, TN). It takes approximately 5 days to enter 3.5M Power of Attorney (POA) requests. There is about a 10% rejection rate. The process needs to be strengthened with enhanced authentication. The rejected POA forms are sent to both the taxpayer and practitioners.

#### **Tax Reform Implementation Office Listening Session/Update**

Filing season is just around the corner. IT and the Wage & Investment division are prepared to do what they do best—tax administration. The IRS has tried to push out the most pertinent information as early as possible; however, prioritization has not always coincided with the timing of guidance being released. In the past, the rule would have been to rely heavily on regulations; however, the current environment has pushed toward published guidance on the regulations.

199A remains a priority for both the IRS and Practitioners. There are still some issues to finalize before tax season.

Regarding the 2020 Form W-4, they are looking to keep what was in the draft, but also looking at how it can be improved. The new 1040 will almost work to tweak the W-4. It will also show where improvements can be made to help the flow to the W-4 from the 1040.

**“Get Ready” 2019 Filing Season Communications Campaign**

The kickoff campaign began in late October. The IRS is looking for our support of the Get Ready campaign. Despite all the work done so far (i.e. paycheck checkup), the taxpayer will likely be surprised and may be angry at the results. While most taxpayers will see a decrease in tax liability, the withholding tables might result in lower refunds. Also, the IRS will be issuing communications regarding ‘what if the taxpayer owes taxes’ to help reduce anxiety. The taxpayer will then have a baseline for 2019 to make necessary changes. We as tax professionals can use the Get Ready campaign to reach out to our clients and alert them to the changes in tax law and how it could affect them.

The next IRS NPL meeting is set for November 29, 2018.

NCCPAP is headquartered in Mineola, NY. For more information, visit [www.NCCPAP.org](http://www.NCCPAP.org).

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