



Tax Hints

for Tax Professionals

Internal Revenue Service
Office of National Public
Liaison (NPL)

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Director's Corner

As another filing season draws to a close, let me share some key highlights for individual income tax returns. For many of our partners, this segment may represent the largest part of your client base. As of March 28, IRS received 86.8 million total individual returns, 6.4 million more than by this time last year. Much of this increase reflects taxpayers filing before April 15th to ensure that the economic stimulus payments would be direct deposited or that their checks would be sent beginning in May. [More](#)

Of the individual returns filed, *e-file* represented 62.2 million returns, or 72%, an increase of 1% over this time last year. The total *e-file* volume showed 5.3 million returns more (up by over 9%) than the comparable weekly number for last year, while the total paper volume of 24.6 million is just over 1.1 million returns higher (almost a 5% increase).

Of the total *e-file* volume, returns filed online (18.9 million, about 30% of total *e-file*) are up by nearly 2.8 million (or 17%) and practitioner (ERO) *e-file* returns (43.4 million, about 70% of total *e-file*) are up by over 2.5 million (or 6%) compared to this time last year.

On behalf of the Service, I want to thank all our partners and stakeholders for once again delivering a successful filing season.

A new IRS service similar to "Where's my Refund?" for economic stimulus payments will soon be added to irs.gov. When this new application ("Where's my Economic Stimulus Payment?") becomes available, we will send out a Press Release.

**Candice Cromling, Director
Office of National Public Liaison**

Quick Links

[Basic Tools for Tax Pros](#)

[Register for eServices](#)

[IRS At-a-Glance](#)

[Standards of Practice](#)

[Earned Income Tax Credit \(EITC\)](#)

[Where's my Refund?](#)

[Individual Taxpayer Identification Number \(ITIN\)](#)

[Taxpayer Advocate](#)

[Practitioner Priority Service®](#)

[Subscription Services](#)

[Identity Theft](#)

[Power of Attorney](#)

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Top Stories

We expect the new service Where's My Economic Stimulus Payment? to be available in early May. Keep checking irs.gov; you can use the top link in Recent News.

The Service welcomed aboard our new Commissioner, **Douglas Shulman**, who joins the IRS with a wide range of experience in business, public policy and securities regulation. Before coming to IRS he served as Vice Chairman of the Financial Industry Regulatory Authority and brings extensive private sector experience gained earlier in his career. [More about the new Commissioner](#)

IRS is requesting membership nominations for the Information Reporting Program Advisory Committee which studies then makes recommendations to IRS leadership on a wide range of information reporting and tax administration issues. The committee presents a report to the IRS Commissioner each Fall at a public meeting. The deadline for applications is May 30, 2008. [Full details and application materials.](#)

Recent News...

- [Economic Stimulus Package Information Center](#)
- [IRS Reminds Charities and Churches of Political Activity Ban](#)
- [Priority Guidance Plan for 2007-2008](#)



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Top Stories [continued]

[IRS Releases Draft Instructions for 2008 Form 990, Seeks Public Comment](#)

The Internal Revenue Service is seeking public comments on the draft instructions to the 2008 Form 990, the annual return most tax-exempt organizations must use to report information about their operations.

The Department of the Treasury, IRS and the Taxpayer Advocacy Panel (TAP) are committed to creating the most user-friendly, customer-oriented tax administration system possible. Now through April 30 new members are being sought for the TAP; anyone interested in serving the IRS and the American taxpayer this way is invited to apply for TAP membership. [Full details](#)

The Electronic Tax Administration Advisory Committee supports the IRS and provides advice and guidance to the Service on all aspects of electronic tax administration. [More information](#)

Processing errors on federal tax deposits can be avoided, saving you and your clients much time and effort. Form 8109B (Federal Tax Deposit Coupon) is a source of great preparation efforts and much delay for huge numbers of filings. All this time and effort can be avoided: enroll in and use the [Electronic Federal Tax Payment System \(EFTPS\)](#), a free, secure, easy and accurate IRS service or call 1-800-555-4477 for enrollment form and more information.

[FAQs related to tax return preparer penalty notices](#) Section 8246 of the Small Business and Work Opportunity Tax Act of 2007 amends several provisions of the Code to extend the application of the income tax preparer penalties to all tax return preparers. Section 6694 addresses tax return preparer penalty provisions.

[The Tax Technical Corrections Act of 2007](#) was signed into law by the President on December 29, 2007. The Act makes technical and clerical corrections to provisions of the Internal Revenue Code of 1986, including amending the definition of the alternative minimum tax (AMT) refundable credit amount; clarifying the Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) look-through rule for controlled foreign corporations (CFCs) and clarifying the rules for the computation of tax with respect to the foreign earned income exclusion and the AMT foreign tax credit.

On December 26, 2007, [the Tax Increase Prevention Act of 2007](#) was signed into law by the President amending certain tax provisions relating to the alternative minimum tax (AMT).

[The Mortgage Forgiveness Debt Relief Act of 2007](#) was signed into law by the President on December 20, 2007. The Act excludes discharges of mortgage indebtedness on a principal residence from gross income, excludes benefits provided to volunteer firefighters and emergency medical responders from gross income and limits disclosures relating to the return of a partnership, S corporation, trust, or an estate.

Buyers of qualifying American Honda Motor Company vehicles may continue to claim the hybrid vehicle credit for a limited time only. [Full details](#)

On January 10 National Taxpayer Advocate Ms. Nina Olson released her [Annual Report](#) to Congress, focusing on how late in the year tax code changes impact taxpayers and on the need for a coordinated IRS approach to combat the cash economy portion of the tax gap.

[Publication 3452](#), a comprehensive guide to IRS *e-file*, a 6-page guide featuring a front page summary of key dates for the next tax year.

Twenty new members joined the [Information Reporting Program Advisory Committee \(IRPAC\)](#), a forum to discuss relevant tax information reporting issues. IRS also announced ten new members for the [Internal Revenue Service Advisory Council \(IRSAC\)](#), a forum for IRS officials and public representatives on key tax administration issues.



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Top Stories [continued]

[IRS e-file Marketing Tool Kit](#) - contains IRS *e-file* promotional products and informational publications designed to help Authorized IRS *e-file* Providers market their *e-file* services and alert clients about the benefits of e-file and e-pay. Publication 3452 is a comprehensive guide to *e-file* which can be explored online or downloaded for further reference.

[2008 IRS Nationwide Tax Forums](#) planning is well underway. If you are unable to attend in person or want a refresher on seminars from the 2007 forum season, be sure to check out [Tax Forums Online](#). In addition to a seminars review, the site features tax law changes, updates and other current hot topics, presented by IRS experts.

[IRS multilingual products and services in Spanish](#) are available in various formats designed to educate non-English speaking taxpayers on their tax responsibilities. A limited number of products are in Chinese, Korean, French, Vietnamese, and Russian.

The reformatted *Tax Hints*...

Now updated monthly if needed or more often, this newsletter aims to provide the information tax professionals need during personal return filing season and year-round. **Always check** the current-as-of date in the upper right corner of page one for effective dates of information in each issue.

Tax Hints pulls together HTML links to many www.irs.gov web sites and other electronic information sources maintained by elements of the Service's operating and functional divisions, and other official government sources. The individual site owners within or outside the Service are responsible for the content of their pages and sites.

Check the Quick Links on the right hand side of page one for pages and data sources we think you should find most helpful. If there are others you'd like to see, please let us know. We will always try to make **Tax Hints** as useful to our readers as we can. **Tax Hints** is prepared for our stakeholders and partners by.....

National Public Liaison Division

NPL, under the Chief, Communications and Liaison, works to enhance the IRS's relationships with national stakeholders and federal partners to create opportunities to meet stakeholder needs and to resolve issues of mutual concern.

NPL coordinates:

[The IRS Advisory Council \(IRSAC\)](#)

[The Information Reporting Program Advisory Committee \(IRPAC\)](#)

[The IRS Nationwide Tax Forums](#)

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Stakeholder Relationships

Issue Tracking

The [National Public Liaison](#) office may be contacted by calling (202) 622-3359 or visit the [Tax Professionals](#) website.