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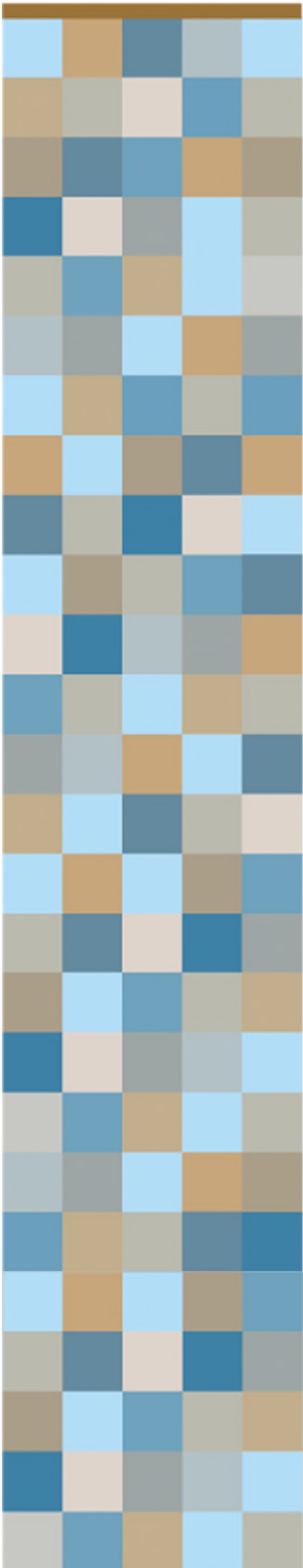
May 2020

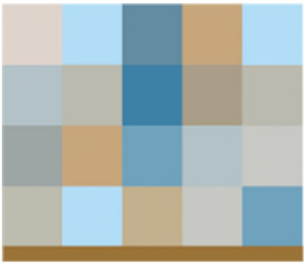
IRS People First Initiative Provides Relief To Taxpayers Facing COVID-19 Issues

By: Laurie Kazenoff & Robert M. Finkel

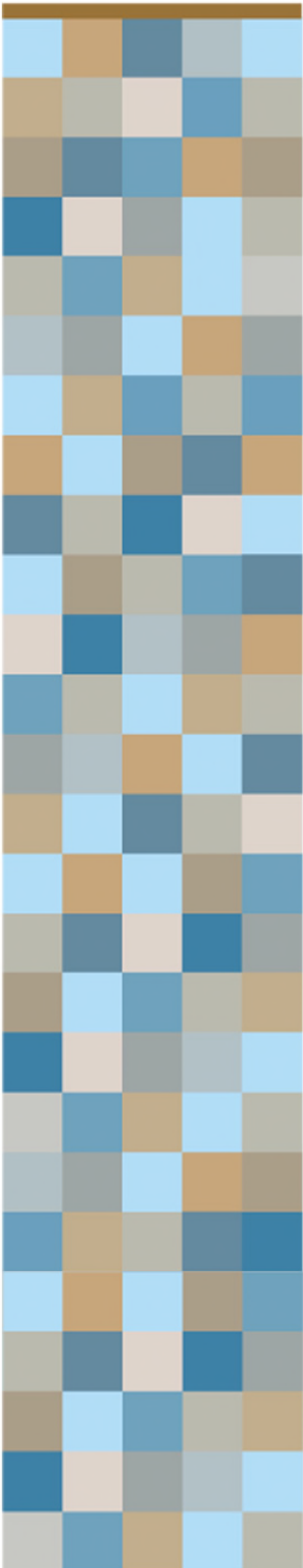
Due to COVID-19 the IRS' People First Initiative provides relief to taxpayers on a variety of issues from easing payment guidelines to delaying compliance actions. This relief is effective through the filing and payment deadline, [Wednesday, July 15, 2020](#).

- **Existing Installment Agreements** – Under an existing Installment Agreement, payments due [between April 1 and July 15, 2020](#) are delayed. Those currently unable to meet the terms of an Installment Payment Agreement or Direct Deposit Installment Agreement may cancel payments during this period with no default. By law, interest will continue to accumulate on any unpaid balances.
- **New Installment Agreements** – People who cannot pay all their federal taxes can establish a monthly payment agreement.
- **Pending Offer in Compromise applications** – Taxpayers have [until July 15, 2020](#), to provide additional information for a pending OIC. The agency generally will not close any pending OIC request [before July 15](#) without the taxpayer's consent.
- **OIC payments** – Taxpayers can delay all payments on accepted OICs [until July 15, 2020](#). Interest may accrue, and missed payments are due when the suspension period ends. The assigned OIC agent can be contacted to address these issues.
- **Delinquent return filings** – The IRS will not default an OIC for taxpayers who are delinquent in filing their tax return for 2018. However, they should file any delinquent 2018 return and their 2019 return by [July 15, 2020](#).
- **Non-filers** – More than 1 million households who have not filed tax returns in the last three years are owed refunds. The deadline to get refunds on 2016 tax returns is [July 15, 2020](#). Those who owe taxes on delinquent returns can explore payment options on [www.irs.gov](#). The longer the debt is owed, the more penalties and interest accrue.

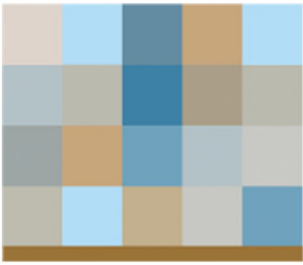




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- **Field collection activities** – IRS stopped field revenue officer enforcement actions, such as liens and levies. Revenue officers will continue to pursue high-income non-filers and perform other similar activities where necessary.
- **Automated liens and levies** – IRS delayed issuing new automated and systemic liens and levies. Taxpayers experiencing a hardship due to a levy should reach out to the IRS.
- **Certifications to the State Department** – IRS has delayed new certifications of taxpayers who are considered seriously delinquent. This affects a person’s ability to receive a new or renewed passport. Existing certifications will remain in place unless their tax situation changes.
- **Private debt collection** – IRS will not forward new delinquent accounts to private collection agencies during this period.
- **Field, office and correspondence audits** – Generally, the IRS won’t start new field, office and correspondence audits. The agency will continue to work refund claims, where possible, without in-person contact. However, the IRS may start new audits if needed to preserve the statute of limitations.
- **In-person meetings** – In-person meetings for current field and office audits are on hold. However, examiners will continue their work remotely, where possible. Taxpayers should respond to any requests for information during this period, if possible.
 - **Unique situations** – Corporations and businesses may want to begin a previously scheduled audit while people and records are available. When it’s in the best interest of both parties and appropriate people are available, the IRS may move forward with an audit. COVID-19 developments could slow activities.
 - **General requests for information** – Taxpayers should reply to all IRS correspondence, if requested.
- **Earned income tax credit and wage verification reviews** – Taxpayers have until July 15, 2020, to respond to the IRS and verify that they qualify for the earned income tax credit or to verify their income. These taxpayers should submit all requested information. If they can’t contact the agency and explain why the information is not available, the IRS won’t deny these credits for a failure to provide information until July 15, 2020.



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Laurie B. Kazenoff is a partner of the firm where she serves as Co-Chair of its Tax Practice Group. Ms. Kazenoff has over 30 years of experience in Tax Controversy including as a Senior Attorney with IRS Chief Counsel litigating before the U.S. Tax Court, an Estate Tax Attorney with the IRS Estate and Gift Tax Division, a Senior Manager in Tax Controversy for a nationally ranked accounting firm and as an attorney in private practice.

Robert M. Finkel is a partner of the firm where he serves as co-chair of its Tax Practice Group. He concentrates his practice on the areas of individual and business taxation including tax controversy and tax litigation.

- **Independent Office of Appeals** – Appeals employees will continue to work their cases. They aren't currently holding in-person meetings, but conferences may be held by phone or video. Taxpayers should respond to any requests for information from the Independent Office of Appeals.
- **Statute of limitations** – The IRS will continue to protect all statutes of limitations. If statute expirations might be jeopardized during this period, taxpayers are encouraged to cooperate in extending these statutes. Otherwise, the IRS will issue Statutory Notices of Deficiency and pursue similar actions to protect the interests of the government.

Our tax department has 70 years of combined experience in tax controversy; please reach out to Laurie B. Kazenoff, Esq. or Robert Finkel, Esq., both of whom are former Senior Attorneys with IRS Office of Chief Counsel, if you have an IRS or New York State tax controversy matter for which you need assistance. Ms. Kazenoff can be reached at (516) 880-7226 or at lkazenoff@moritthock.com. Mr. Finkel can be reached at (212) 239-5526 or at rfinkel@moritthock.com.



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