

## Notice or Letter from the IRS or State Tax Department: What to do...

Don't panic! Notices are sent for a variety of reasons. Some are strictly informational while others may require action with a Due Date. **Do not disregard any notice.**

### Follow these 4 steps to understand what you have received...

1. **Type of Notice or Letter:** Look for the **IRS** or **State** emblem to understand which agency has sent it.
2. **Clarify the Tax Year/Period:** The tax year or period the letter is pertaining to is often listed in the top right, but this will vary depending on your letter, you may have to search.
3. **Determine the Purpose:** Carefully read your notice. Notices are very straightforward with what they request or the information given.

#### Common reasons are...

- Balance due
  - Refund has changed
  - Verify your identity
  - Refund applied to a balance due
  - Delay in processing your return
  - Information was not reported in a return
  - Your return has been changed or corrected
  - Agency has a question about your return
  - Adjustments to refunds/balance due for estimated taxes paid versus what was reported on the return.
  - And many more!
4. **Action or Informational:** Once you have determined the purpose, do as your notice instructs by the due date. If you disagree with your notice, you may follow the given method on your letter to dispute it.

### Do you have a balance due?

If you did not pay your tax liability by April 15<sup>th</sup>, this will generate a notice with penalties and interest. Even if you were on extension, this is an extension to FILE, not a PAYMENT extension. To avoid this in the future, if on extension, submit a payment of what might be due. You will be refunded if you overpay!

You can also request an installment plan from the IRS or State Agency to make payments more manageable.

*BTG has a quick guide to get you directly to an IRS agent on the phone, ask us!*

### Received a call/email?

The IRS will always give a printed letter by mail. Do NOT give any information to someone calling with threats, this is fraudulent! If you already have a complex matter underway, the IRS may call you regarding your ongoing situation that was originally provided in written form.

### Still Need Help?

Most notices can be resolved by the taxpayer, but BTG can help with your notice if you need guidance. You must submit ALL pages of your notice or letter to us. DO NOT EMAIL. Please use our Client Portal, drop off, or mail.