

IRS Letters & Notices

With another tax season behind us, most taxpayers have set aside their tax filing responsibilities until next year. Unfortunately for some, an IRS notice may await them not long after filing their tax return. According to the IRS, taxpayers receive an IRS notice for several reasons, such as:

- You have a tax liability that is due
- You are due a larger or smaller refund
- The IRS has questions about your tax return
- The IRS needs to verify your identity
- Additional info. is needed to process the return
- Changes were made to your return
- The IRS needs to notify you of delays in processing



The first key step to determining a proper solution is to carefully assess what the IRS is trying to convey to you. Not all IRS notices and letters are the same, so understanding what is being communicated to you is certainly important to figuring out the proper solution to your potential tax problem.



Key items to look for on an IRS Notice/Letter

All IRS notices contain important pieces of information to take note of that can help you determine the right course of action. For instance, most notices have key information about your case displayed on the top right-hand corner of the notice. You will normally see the following information: type of notice, tax year, notice date, taxpayer social security number, & a number to contact to speak with a live representative. Most IRS letters also have an address or fax number to send your written responses to. Keep in mind that some notices may be more informational than a request for action. For instance, the notice may have been sent to you to inform you that the IRS may need more time to process your return, or that you are due a refund and no further action is required. Other notices may go into a more detailed explanation as to why the notice was sent and usually contains information on what is needed and how to resolve the issue.

[Click for an IRS Notice Example](#)

Responding to your notice

One thing to keep in mind is that most IRS notices do have a response deadline if action is requested. In many cases, failure to respond to an IRS notice or summons could land you in dire legal trouble. For example, if the IRS is requesting more information to process your return, a specified date is normally communicated within the letter. Failure to respond by the specified date will further delay the processing time of your return resulting in potential interest and penalties.

If you have a balance due for a specific tax year, the IRS provides numerous ways to make payment on your account. If you are unable to pay your tax liabilities, the IRS can help you set up a payment plan to reduce the chances that a federal tax lien or levy will be made against your account. Whatever your tax situation may be, responding to your notice in a timely manner is strongly advised to avoid further problems and delays. Make sure to keep a copy of the notice for your tax records.



IRS Service Levels

As the IRS continues to struggle with poor service levels and staffing issues, it is not surprising to experience trouble connecting with a live representative. According to an article in the Taxpayers Advocate Blog, “Specifically, during the fiscal year (FY) of 2021, the IRS received a record 282 million calls, but only 32 million of those calls were answered by CSRs (customer service representatives (Taxpayer Advocate Blog, 2022)). With a CSR staff of less than 15,000, the average hold time to speak with a representative was approximately 23 minutes or longer. With that in mind, if you choose to resolve your IRS notice yourself by contacting the IRS via phone or mail, patience is a surely a key trait to have.

Visiting your local taxpayer assistance center is another option to consider, although it does not necessarily mean quicker service. An appointment is normally required to visit your local tax office as most offices are still taking precaution against Covid-19.

Avoid the hassle! Hire a Tax Professional to help you.

The next best thing for you to do if you are unable to resolve your IRS issue on your own is to hire a CPA or tax professional that can help you review the notice and determine the proper course of action. Tax professionals can help respond to the notice by calling the IRS on your behalf to speak with an IRS representative to obtain more details about your case and what information is needed to correct the issue.



Hiring a tax professional could help you save both time and money. As most taxpayers try to resolve the issue themselves, the probability for error increases. In most cases, the tax professional could help you reduce your risk of being audited or summoned by the IRS. When choosing a tax professional, it is best to ensure that the individual has the proper credentials to represent you against

the IRS. Be sure to do your research using credible cites and sources such as local listings or the Better Business Bureau website to reduce your risk of getting scammed. The BBB is a trusted website that helps individuals find trustworthy businesses for the service needed.

Let Griffing & Company, P.C. help you!

Our Griffing & Company staff is always available to help you with all your Tax, Accounting, and IRS needs. If you have received an IRS notice and need help resolving your tax issue quickly, call our office today to speak with one of our CPAs. We are here to help you every step of the way!



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Department of the Treasury
 Internal Revenue Service
 Stop 6525 (SP CIS)
 Kansas City MO 64999-0025



Notice	CP23
Tax Year	2020
Notice date	July 5, 2021
Social Security number	
To contact us	800-829-8374
Your Caller ID	
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HOUSTON TX 77072-2538

075656

Changes to your 2020 Form 1040

Amount due: \$13,342.81

We changed your 2020 Form 1040 to match our record of your estimated tax payments, credits applied from another tax year, and/or payments received with an extension to file. As a result, you owe \$13,342.81.

Billing Summary

Tax you owed	\$15,564.00
Payments you made	-2,438.00
Failure to pay proper estimated tax penalty	129.59
Failure-to-pay penalty	65.63
Interest charges	21.59
Amount due by July 26, 2021	\$13,342.81

What you need to do immediately

Review this notice, and compare our changes to the information on your tax return and to your payment records.

Continued on back...



HOUSTON TX 77072-2538

Notice	CP23
Notice date	July 5, 2021
Social Security number	



Payment

- Make your check or money order payable to the United States Treasury.
- Write your Social Security number (), the tax year (2020), and the form number (1040) on your payment and any correspondence.

Amount due by July 26, 2021

\$13,342.81

INTERNAL REVENUE SERVICE
 KANSAS CITY, MO 64999-0150





Notice	CP23
Tax Year	2020
Notice date	July 5, 2021
Social Security number	
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What you need to do immediately — **continued**

If you agree with the changes we made

- Pay the amount due of \$13,342.81 by July 26, 2021 to avoid additional penalty and interest charges.
- Pay online or mail a check or money order with the attached payment stub.
You can pay online now at www.irs.gov/payments.

If you disagree with the changes we made

Call us at 800-829-8374 to review your account with a representative. Be sure to have your account information available when you call.

We'll assume you agree with the information in this notice if we don't hear from you.

Payment options

Pay online, by phone, or with a mobile device. Visit IRS.gov/payments or the IRS2Go mobile app for all IRS payment options.

If you plan to mail a payment, consider the electronic options at IRS.gov/payments first. It's free to pay from a bank account (Direct Pay) or the Electronic Federal Tax Payment System (EFTPS). You can also schedule payments and receive email notifications.

If you pay by check, money order, or cashier's check, make sure it's payable to the U.S. Treasury.

Can't pay it all now?

- Apply for a payment plan (installment agreement) at IRS.gov/OPA
- Consider an offer in compromise at IRS.gov/OIC
- Request a temporary collection delay at IRS.gov/tempcollectiondelay

To view the amount you owe and your payment history visit IRS.gov/account.

If we don't hear from you

- Pay \$13,342.81 by July 26, 2021, to avoid additional interest and applicable penalty charges.