

Received a Notice from the IRS? Tips on What to Pay Attention to & How Best to Respond

After tax season passes every year, many of us think we do not have to worry about taxes again until next year. However, many individuals and businesses do worry when they receive a notice from the **Internal Revenue Services (IRS)**, which typically happens in the immediate months after the annual filing season. *Not all notices are bad news, so there is no need to panic.* Here are some tips for what you should do if you receive a notice:

- 1. Read It Carefully:** Understanding the reason for the notice is important before you can reply, and it will tell you what, if any, action is needed to resolve the matter. Most notices are focused on a specific issue about your tax return or your tax account. It also may not relate to your most recently filed return since the IRS has **up to three years after you file your return** before they must notify you of any issues or problems.
- 2. Do Not Ignore It:** If a notice indicates taxes are due or additional information is needed, ignoring it can result in significant penalties and interest accruing on your account. In most cases, IRS notices will indicate a date by which you must respond, often **within 30 days**.
- 3. Follow Instructions & Respond Appropriately:** Many notices will ask whether you agree or disagree with the information the IRS has regarding your return. There is no absolute standard, but a careful consideration of whether or not to agree with the IRS is always a good approach.
 - If you agree with a notice regarding taxes owed, simply paying the bill will often resolve it.
 - If you disagree, it will require a written response which explains your reasons for disagreeing and includes documentation supporting your position.

Keep copies of everything you send in a written response.

The IRS does make mistakes sometimes and you can argue if you feel you are correct. Knowing when to argue against the IRS can be very important in minimizing your time and effort in dealing with an IRS notice.

- 4. Request Additional Time to Respond:** If you need more time to gather information to respond to a notice, you can request it in writing or over the phone. The IRS will very often grant more time if you request it, sometimes **up to 30 or 60 days**. The longer you wait to request additional time, the less likely they are to grant your request.
- 5. Contact a Tax Practitioner:** Tax experts are skilled in handling matters with the IRS and understand the often complex and arduous procedures that are required in resolving tax issues and can help you determine whether you need to respond in the first place. *Responding to a notice in a manner inconsistent with the IRS' specific procedures can often make a problem worse or create new problems that had not existed previously.*
- 6. Be Aware of Scams:** Fraud and identity theft continue to occur in today's world. To minimize the risk of you becoming a victim, please be aware that *the IRS will never call, email or fax you about any matters associated with your tax return or tax account.* If you are ever contacted in this manner by someone claiming to be from the IRS or state taxing authority, it is most likely a scam* and you should not divulge any personal information, even if the person seems to know some of your personal information already, such as your address, social security number, or where you work.

*Read more on how to report a scam [here](#).



If you need consultation or representation to resolve your specific tax issues addressed by the IRS, please contact: **Steven J. Robertson**, Senior Tax Manager, at srobertson@lvhj.com or 415-905-5419.

[Click here to read more about Steven J. Robertson.](#)

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