



LAND GRANT UNIVERSITY TAX EDUCATION FOUNDATION

2022 National Income Tax Workbook



Learning Objectives

- Explain when a taxpayer needs an employer identification number
- Understand when a taxpayer needs a new employer identification number
- Know how to obtain IRS transcripts
- Know how to set up and use a Tax Pro Account
- Understand when a taxpayer may be entitled to injured spouse relief
- Discuss IRS liens and levies
- Know how to help a taxpayer respond to an IRS lien or levy
- Recognize current cybersecurity threats for taxpayers and tax practitioners
- Understand some sources of income for an influencer or a streamer
- Explain the tax obligations for a gig worker
- Explain the reporting obligations for a business that makes payments to a gig worker



Issue 1: Employer Identification Numbers



EIN Application Assistant



[Help](#) | [Apply for New EIN](#) | [Exit](#)

EIN Assistant

Important Information Before You Begin

Use this assistant to apply for and obtain an Employer Identification Number (EIN).

[Do I need an EIN?](#)

[Do I need a new EIN?](#)

For help or additional information on any topic, click the underlined key words, or view Help Topics on the right side of the screen. Make sure that pop-ups are allowed from this site.

About the EIN Assistant

- You must complete this application in one session, as you will **not** be able to save and return at a later time.
- For security purposes, your session will expire after 15 minutes of [inactivity](#), and you will need to start over.
- You will receive your EIN immediately upon verification. [When will I be able to use my EIN?](#)
- If you wish to receive your confirmation letter online, we strongly recommended that you install [Adobe Reader](#) before beginning the application if it is not already installed.



EIN Application

Form **SS-4**
(Rev. December 2019)
Department of the Treasury
Internal Revenue Service

Application for Employer Identification Number
(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)
▶ Go to www.irs.gov/FormSS4 for instructions and the latest information.
▶ See separate instructions for each line. ▶ Keep a copy for your records.

OMB No. 1545-0003

EIN

Type or print clearly.

1 Legal name of entity (or individual) for whom the EIN is being requested	
2 Trade name of business (if different from name on line 1)	3 Executor, administrator, trustee, "care of" name
4a Mailing address (room, apt., suite no. and street, or P.O. box)	5a Street address (if different) (Don't enter a P.O. box.)
4b City, state, and ZIP code (if foreign, see instructions)	5b City, state, and ZIP code (if foreign, see instructions)
6 County and state where principal business is located	
7a Name of responsible party	7b SSN, ITIN, or EIN



Sole Proprietorship

A sole proprietorship will need a new EIN if any of the following are true:

- **You file bankruptcy under Chapter 7 (liquidation) or Chapter 11 (reorganization) of the Bankruptcy Code**
- **You incorporate**
- **You are a sole proprietor and take in partners and operate as a partnership**
- **You are establishing a pension, profit sharing, or retirement plan**



Corporations

A corporation will need a new EIN if any of the following are true:

- **You are a subsidiary of a corporation and currently use the parent's corporate EIN**
- **You become a subsidiary of a corporation**
- **The corporation becomes a partnership or a sole proprietorship**
- **You create a new corporation after a statutory merger**
- **You receive a new corporate charter**



Partnerships

A partnership will need a new EIN if any of the following are true:

- **You incorporate**
- **One partner takes over and operates as a sole proprietorship**
- **The partnership is terminated (no part of any business, financial operation, or venture of the partnership continues to be carried on by any of its partners in a partnership) and a new partnership is begun**



Lost or Misplaced Your EIN?

- Find the computer-generated notice that was issued by the IRS when you applied for your EIN. This notice is issued as a confirmation of your application for, and receipt of an EIN
- Ask the IRS to search for your EIN by calling the Business & Specialty Tax Line at 800-829-4933. The hours of operation are 7:00 a.m. - 7:00 p.m. local time, Monday through Friday



Issue 2: Tax Transcripts



Masked Transcripts

- Last four digits of any SSN: XXX-XX-1234
- Last four digits of any EIN: XX-XXX4321
- Last four digits of any account or telephone number
- First four characters of the first and last name for any individual (first three characters if the name has only four letters)
- First four characters of any name on the business name line (first three characters if the name has only four letters)
- First six characters of the street address, including spaces
- All money amounts, including wage and income, balance due, interest and penalties



Transcript Types:

- **Tax Return Transcript**
- **Tax Account Transcript**
- **Record of Account Transcript**
- **Wage and Income Transcript**



- Shows most line items including adjusted gross income (AGI) from original tax return (Form 1040 series) as filed, along with any forms and schedules
- Doesn't show changes made after original return was filed
- Available for the current tax year and returns processed during the prior three years



- **Usually meets the needs of lending institutions offering mortgages and student loans**
- **Applies to Individual taxpayers and Business Entity taxpayers**
- **BMF transcripts are limited to Forms 1065, 1120, 1120-H, 1120-L and 1120-S**



- Shows basic data such as return type, marital status, adjusted gross income, taxable income and all payment types
- Shows changes made after original return was filed
- Available for the current tax year and up to 10 prior years
- Applies to Individual taxpayers and Business Entity taxpayers




- Shows data from information returns received such as Forms W-2, 1099, 1098 and Form 5498, IRA Contribution Information
- Complete income information may not display on the transcript until all earnings are reported
- This transcript is available for up to 10 prior years
- Applies to Individual taxpayers only



Issue 3: Tax Pro Account



Tax Pro Account – Tax Professionals Page



Help | News | English | Charities & Nonprofits | Tax Pros

File | Pay | Refunds | Credits & Deductions | Forms & Instructions

Search

[Home](#) / [Tax Professionals](#)

Tax Professionals

English | [Español](#) | [中文\(简体\)](#) | [中文\(繁體\)](#) | [한국어](#) | [Русский](#) | [Tiếng Việt](#) | [Kreyòl Ayisyen](#)

Enrolled Agents

Annual Filing Season Program Participants

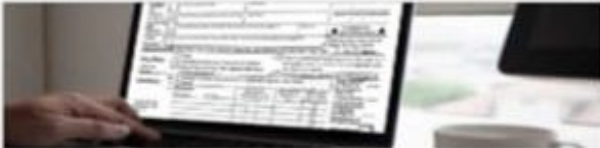
Enrolled Retirement Plan Agents

Certified Professional Employer Organization (CPEO)

Enrolled Actuaries

E-File Providers


Modernized e-File



E-Services

Online tools for tax professionals

[Access E-Services](#)



PTIN System

Status: Online

Renew or register for 2021

[Renew or Register](#)

Request Power of Attorney or Tax Information Authorization

Review options to [submit power of attorney \(POA\)](#) or [tax information authorization \(TIA\)](#). Choose from Tax Pro Account, Submit Forms 2848 and 8821 Online, or forms by fax or mail.

[Serve Your Clients](#)

E-Services, [Tax Pro Account](#), EINs, filing, forms, third party authorizations, procedures and tax guidance

[Stay Compliant](#)

Circular 230, PTIN requirements, due diligence, preparer compliance

[Get Continuing Education](#)

Webinars, Nationwide Tax Forums online, accreditation

18

IRS ISSUES CHAPTER 6

(Page 217)



Registering to use the Tax Pro Account

To use Tax Pro Account, individuals must create an account and verify their identity.

- Individuals already registered for Secure Access (e.g., Get Transcript, e-Services) can use the Tax Pro Account to initiate POAs and TIAs
- New users will need to create an account with ID.me
- To verify your identity with ID.me, you will need a photo ID and a device with a camera
- Frequently asked questions with help links are available right on the sign-in page for Tax Pro Account & Online Account in case you or your clients have any questions

The screenshot shows a web interface for creating or signing into a Tax Pro Account. At the top, it says "Create a new account" with a button labeled "ID.me Create an account". Below this is a separator line with "OR" in the middle. Underneath, it says "Sign in with an existing account" and provides two buttons: "Sign in with ID.me" (green) and "Sign in with an existing IRS username" (blue). At the bottom, there is a section titled "Frequently Asked Questions" with three expandable items: "How do I verify my identity?", "What if I can't verify my identity?", and "What is ID.me?".

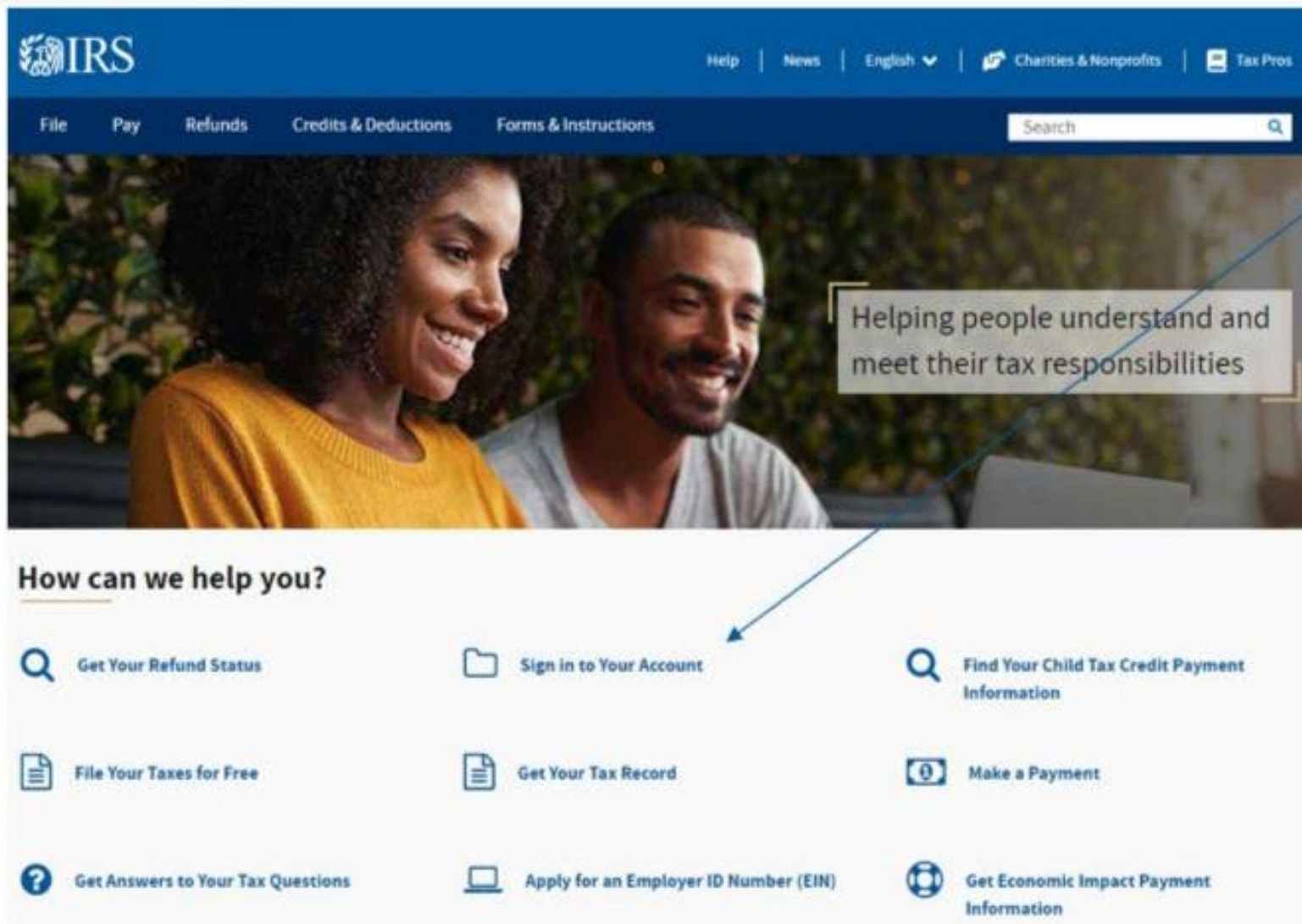


Tax Pro Account Benefits:

- **Provides all-digital process to initiate and sign authorization requests**
- **Records most authorizations immediately to CAF; some may take 48 hours**
- **Eliminates manual reviews, allowing faster service for taxpayers**



Online Accounts



Access Online Account

Taxpayers can access their online account from the IRS.gov home page



Step-by-Step Instructions

Instructions for Tax Pro Account and Online Account

IRS Webinars:
Search “webinars” at IRS.gov

IRS

Help | News | English | Charities & Nonprofits | Tax Pros

File | Pay | Refunds | Credits & Deductions | Forms & Instructions | Search

Home / File / Businesses and Self-Employed / Small Business and Self-Employed / Webinars for Tax Practitioners

Webinars for Tax Practitioners

Individuals

Businesses and Self-Employed

Small Business and Self-Employed

Employer ID Numbers

Business Taxes

Reporting Information Returns

Self-Employed

Starting a Business

Operating a Business

Upcoming Webinars

- World of Offer in Compromise - Follow-Up Q & A Session (September 14, 2022)
- Digital Day by IRS: Online Services (September 15, 2022)
- Quarterly Update: Program & Policy Updates from SBA, DCEO, IRS, SBAC (September 15, December 15, 2022)
- Innocent Spouse Relief (September 20, 2022)
- Bankruptcy and the IRS Presented by Chief Counsel (September 20, 2022)
- Understanding Form 1042-S, Foreign Person's U.S. Source Income Subject to Withholding (September 22, 2022)
- 28th Annual Tax Practitioner and IRS Fall Seminar (October 26, 2022)

World of Offer in Compromise - Follow-Up Q & A Session

This free webinar is a follow-up session that will address questions received during the May 26, 2022 webinar where the following topics were covered:

- Define an Offer in Compromise

Related Resources

- Practitioner Local Liaison Meetings and Seminars
- Tax Practitioner Institute Classes
- Workshops and Other Events in Spanish for Small Businesses

Search “Digital Day” at
www.irsvideos.gov

IRS Video

digital day

Help

Individuals | Businesses | Tax Professionals | Governments | Charities & Non-Profits | Multilingual

Tax Reform for You

Tax Reform Basics for the Qualified Business Income Deduction (Section 199A)

This webinar highlights the basics of the qualified business income deduction, updated to incorporate guidance issued in January 2019.

Tax Reform Basics for Employers

This webinar highlights changes impacting employers, including the employer credit for paid family and medical leave, employee achievement awards, qualified transportation fringe benefits and other provisions impacting employers.

Tax Reform Basics for Small Businesses and Pass-Through Entities

This webinar highlights changes, including section 179 expensing, bonus depreciation, like-kind exchanges, and extending the time limit for filing an administrative claim and for bringing a suit for wrongful levy. This webinar also provides an overview of the deduction for qualified business income, section 199A.

Tax Reform Basics for Individuals and Families

This webinar highlights changes to standard deductions, personal exemptions, itemized deductions, child tax credit and other changes.

Tax Reform Due Diligence Requirements

This webinar gives tax professionals updates and guidance on how the TCJA provisions will affect their due diligence requirements. It also addresses common errors, how to avoid them and applicable penalties if requirements are not met.

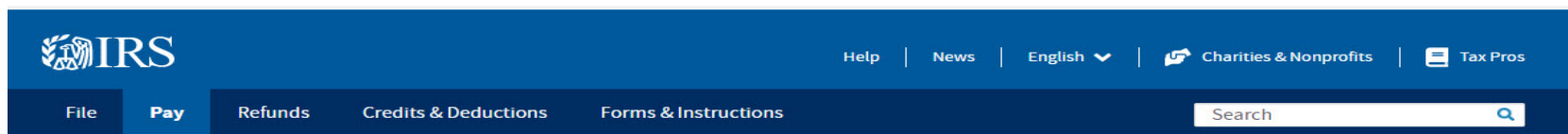
Understanding Tax Reform Basics about Opportunity Zones

This webinar defines what is a Qualified Opportunity Zone, discusses the tax benefits of investing in a Qualified Opportunity Fund, and covers the requirements of becoming an Opportunity Fund.

All Presentations | All Webinars | Privacy Policy | Check System



Online Account landing page describes the features and takes you to sign in



[Home](#) / [File](#) / [Individuals](#) / [Your Information](#) / Your Online Account

Your Online Account

[English](#) | [Español](#) | [中文\(简体\)](#) | [中文\(繁體\)](#) | [한국어](#) | [Русский](#) | [Tiếng Việt](#) | [Kreyòl ayisyen](#)

Individuals

[Who Should File](#)

[How to File](#)

[When to File](#)

[Where to File](#)

[Your Information](#)

[Tax Record \(Transcript\)](#)

[Third Party Authorization](#)

[Students](#)

[Employees](#)

[Parents](#)

[Military](#)

[Seniors & Retirees](#)

[Businesses and Self-Employed](#)

Access your individual account information including balance, payments, tax records and more.

Sign in to your Online Account

If you don't have an existing IRS username or ID.me account, have your photo identification ready. More information about identity verification is available on the sign-in page.

Access Tax Records

- View key data from your most recently filed tax return, including your adjusted gross income, and access transcripts
- View information about your Economic Impact Payments
- View information about your advance Child Tax Credit payments
- View digital copies of certain notices from the IRS

Make and View Payments

- Make a payment from your bank account or by debit/credit card
 - You can also [make a guest payment](#) without logging in
- View 5 years of payment history, including your estimated tax payments
- View any pending or scheduled payments

Manage Communication Preferences

- Go paperless for certain notices
- Get email notifications for new notices

Related Information

- [Appeals](#)
- [Topic No. 653 IRS Notices and Bills, Penalties, and Interest Charges](#)

Need to Pay?

See your [payment options](#).

View Your Balance

- View the amount you owe and a breakdown by tax year

View or Create Payment Plans


- Learn about payment plan options and apply for a new payment plan
- View details of your payment plan if you have one

View Tax Pro Authorizations

- View any authorization requests from tax professionals
- Approve and electronically sign Power of Attorney and Tax Information Authorization from your tax professional




Online Accounts



BILLY BAKER | [Profile](#) | [Help](#) | [Logout](#)

[Account Home](#) | [Account Balance](#) | [Payment Options](#) | [Payment Activity](#) | [Tax Records](#) | [Notices and Letters](#) | [Authorizations](#)

Welcome BILLY BAKER

 **Important Message from the IRS**

The IRS is taking steps to help taxpayers affected by COVID-19. See our [Coronavirus Tax Relief](#) page for more information.

Account Status

Total Amount Owed
as of March 29, 2022:

\$0.00

[View Balance Details](#)

Payments

[MAKE A PAYMENT](#)

[View Payment Options](#)

[View Payment Activity](#)

Notifications

There are no notifications at this time.

Records

[View Tax Records](#) for:

- Key information from your most recent tax return
- Advance Child Tax Credit filing information
- Economic Impact Payment filing information
- Downloadable tax records

[View Notices and Letters](#) for correspondence from the IRS

[View Authorizations](#) for online requests from tax professionals

24

IRS ISSUES CHAPTER 6

(Page 218)



Digital Authorization Process

IRS

JOHN DOE | [Profile](#) | [Logout](#)

Tax Pro Account Home | Request POA | Request TIA | Authorizations

Welcome JOHN DOE

Important Message from the IRS

Tax Professional Account is now ready for you to use to initiate a Power of Attorney or Tax Information Authorization for the taxpayer. Please read the "Before You Start" information to make this process as easy as possible.

[Read less](#)

Request Authorization for an Individual Taxpayer

Submit a request online for power of attorney (POA) or tax information authorization (TIA) for an individual taxpayer. The taxpayer can log in to their IRS account to review and electronically sign the authorization request at www.irs.gov/account.

REQUEST POA

REQUEST TIA

Forms 2848 and 8821

You can also submit authorizations with forms:
[Form 2848, Power of Attorney and Declaration of Representative](#)
[Form 8821, Tax Information Authorization](#)



Email to Taxpayer for a Pending Authorization



You Have a New Notification in Your Online Account

Dear Taxpayer,

[Sign in to your account](#) to view your notification.

You're receiving this email because you have an IRS online account. We won't initiate email contact with you without your consent.

Update your email notification preferences online at [IRS.gov/account](https://irs.gov/account).

If you have questions about this email, please [contact us](#).

Don't reply to this email. We don't monitor replies.

[IRS Privacy Policy](#)



From Email address: **Internal Revenue Service** <DoNotReply@taxproaccount.irs.gov>



You Have a New Notification in Your Tax Pro Account

Dear Tax Professional,

[Sign in to your account](#) to view your notification.

You're receiving this email because you have an IRS Tax Pro Account. We won't initiate email contact with you without your consent.

Update your email notification preferences online at [IRS.gov/taxproaccount](https://www.irs.gov/taxproaccount).

If you have questions about this email, please [contact us](#).

Don't reply to this email. We don't monitor replies.





Issue 4: Injured Spouse Relief



Injured Spouse vs. Innocent Spouse

- **Injured spouse**
- **Innocent spouse**
 - Files MFJ
 - Seeks relief from liability



- **Bureau of the Fiscal Service (BFS) administers the Treasury Offset Program**
- **Tax Refund or overpayment may be reduced by BFS to pay:**
 - Past due child support**
 - Delinquent student loans**
 - State income tax obligations**
 - Unemployment compensation debt**



To qualify as an injured spouse, a taxpayer must meet the following requirements:

- **Taxpayer filed a joint tax return**
- **Taxpayer is not liable for his or her spouse's past-due debt to which the overpayment is applied**
- **Taxpayer made and reported tax payments or claimed refundable credits on the joint return**

Injured Spouse files Form 8379



Non-obligated spouse must File Form 8379, Injured Spouse Allocation to request his/her share of refund

- **Before offset occurs: Attach F8379 to paper return and write “Injured Spouse” on top left corner**
- **After offset occurs: File stand alone Form 8379 including both spouse’s SSN in the same order as they appear on the tax return**
- **The Injured Spouse is required to sign the stand alone form for processing.**



Form 8379 Allocations

Form 8379
(Rev. November 2021)
Department of the Treasury
Internal Revenue Service

Injured Spouse Allocation

OMB No. 1545-0074

Attachment Sequence No. **104**

Go to www.irs.gov/Form8379 for instructions and the latest information.

Part I Should You File This Form? You must complete this part.

1 Enter the tax year for which you are filing this form. Answer the following questions for that year.

2 Did you (or will you) file a joint return?

☐ Yes. Go to line 3.
☐ No. **Stop here.** Do not file this form. You are not an injured spouse.

3 Did (or will) the IRS use the joint overpayment to pay any of the following legally enforceable past-due debt(s) owed only by your spouse? See instructions.

• Federal tax • State income tax • State unemployment compensation • Child support
• Spousal support • Federal nontax debt (such as a student loan)

☐ Yes. Go to line 4.
☐ No. **Stop here.** Do not file this form. You are not an injured spouse.

Note: If the past-due amount is for a federal tax liability owed by both you and your spouse, you may qualify for innocent spouse relief for the year to which the joint overpayment was (or will be) applied. See *Innocent Spouse Relief* in the instructions.

4 Are you legally obligated to pay this past-due amount?

☐ Yes. **Stop here.** Do not file this form. You are not an injured spouse.

Note: If the past-due amount is for a federal tax liability owed by both you and your spouse, you may qualify for innocent spouse relief for the year to which the joint overpayment was (or will be) applied. See *Innocent Spouse Relief* in the instructions.

☐ No. Go to line 5a.

5a Were you a resident of a community property state at any time during the tax year entered on line 1? See instructions.

☐ Yes. Enter the name(s) of the community property state(s).
Go to line 5b.
☐ No. Skip line 5b and go to line 6.

b If you answered "Yes" on line 5a, was your marriage recognized under the laws of the community property state(s)? See instructions.

☐ Yes. Skip lines 6 through 9. Go to **Part II** and complete the rest of this form.
☐ No. Go to line 6.

6 Did you make and report payments, such as federal income tax withholding or estimated tax payments?

☐ Yes. Skip lines 7 through 9 and go to **Part II** and complete the rest of this form.
☐ No. Go to line 7.

7 Did you have earned income, such as wages, salaries, or self-employment income?

☐ Yes. Go to line 8.
☐ No. Skip line 8 and go to line 9.

8 Did (or will) you claim the earned income credit or additional child tax credit?

☐ Yes. Skip line 9 and go to **Part II** and complete the rest of this form.
☐ No. Go to line 9.

9 Did (or will) you claim a refundable tax credit? See instructions.

☐ Yes. Go to **Part II** and complete the rest of this form.
☐ No. **Stop here.** Do not file this form. You are not an injured spouse.

Part II Information About the Joint Return for Which This Form Is Filed

10 Enter the following information exactly as it is shown on the tax return for which you are filing this form.
The spouse's name and social security number shown first on that tax return must also be shown first below.

First name, initial, and last name shown first on the return	Social security number shown first	If injured spouse, check here <input type="checkbox"/>
First name, initial, and last name shown second on the return	Social security number shown second	If injured spouse, check here <input type="checkbox"/>

11 Check this box only if you want your refund issued in both names. Otherwise, separate refunds will be issued for each spouse, if applicable. ☐

12 Do you want any injured spouse refund mailed to an address different from the one on your joint return? ☐ Yes ☐ No
If "Yes," enter the address. If a foreign address, see instructions.

Number and street City, town or post office, state, and ZIP code

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 62474Q Form **8379** (Rev. 11-2021)

Form 8379 (Rev. 11-2021)

Page **2**

Part III Allocation Between Spouses of Items on the Joint Return. See the separate Form 8379 instructions for Part III.

Allocated Items (Column (a) must equal columns (b) + (c))	(a) Amount shown on joint return	(b) Allocated to injured spouse	(c) Allocated to other spouse
13 Income: a. Income reported on Form(s) W-2			
b. All other income			
14 Adjustments to income			
15 Standard deduction or itemized deductions			
16 Nonrefundable credits			
17 Refundable credits (do not include any earned income credit)			
18 Other taxes			
19 Federal income tax withheld			
20 Payments			

Part IV Signature. Complete this part only if you are filing Form 8379 by itself and not with your tax return.

Under penalties of perjury, I declare that I have examined this form and any accompanying schedules or statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Keep a copy of this form for your records	Injured spouse's signature	Date	Phone number
	Print/Type preparer's name	Preparer's signature	Date
Paid Preparer Use Only	Firm's name	Firm's EIN	Check <input type="checkbox"/> if self-employed
	Firm's address	Phone no.	PTIN

Form **8379** (Rev. 11-2021)



Issue 5: Liens and Levies



FEDERAL TAX LIENS

- **Statutory Lien**
- **Notice of Federal Tax Lien (NFTL)**
- **NFTL filing**
- **Lien priority**



- **NFTL Duration (Collection Statute – CSED)**
- **Lien release**
- **NFTL refile**



- **Appeal Rights**
- **Collection Due Process (CDP)**
- **Collection Appeal Program (CAP)**



Complex Lien Issues

- **Discharge (Publication 783)**
- **Subordination (Publication 784)**
- **Withdrawal**



Federal Tax Levy

- All property and rights to property
- Requirements
- Property Subject to Levy
- Property Exempt from Levy



Federal Tax Levy, continued

- **Avoid Levy**
- **Release Levy**
- **Appeal a levy**
- **Recover Seized Property**



Issue 6: Cybersecurity



Common Scams

Economic Impact Payment (EIP) (“stimulus”) phishing

Economic Impact Payment (EIP) (“stimulus”) smishing

Spear-phishing Campaign – Account on Hold

Scams targeting non-English speakers

Business email Compromise (BEC) or Spoofing

[Help](#)[News](#)[English](#) ▼[Charities & Nonprofits](#)[Tax Pros](#)[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)

[Home](#) / [Our Agency](#) / [Criminal Investigation](#) / [Press Releases](#) / IRS Criminal Investigation sees surge in scams tied to Economic Impact Payments

IRS Criminal Investigation sees surge in scams tied to Economic Impact Payments

[A Closer Look](#)[Volunteer](#)[Tax Statistics](#)[Do Business with the IRS](#)[Privacy Policy](#)

Date: August 30, 2021

Contact: newsroom@ci.irs.gov

WASHINGTON — The Internal Revenue Service received a record number of reports about Economic Impact Payment scams in June and July 2021.

"Even though taxpayers have received multiple rounds of Economic Impact Payments, we saw phishing scams surge this summer," said Jim Lee, Chief of IRS Criminal Investigation. "The number of reported scam attempts reached levels we haven't seen in more than a decade. More than ever, it is important for taxpayers to continue to protect their personal information and not fall victim to these scams."



Economic Impact Payments Phishing Email

From: IRSOffice <noreply.mailadmin@prwire360.com>

Date: November 23, 2021 at 6:29:11 AM CST

To:

Subject: Re: You are eligible to receive a tax status on Nov 23, 12:29:02 pm.



Third Round of Economic Impact Payments Status Available.

After the last annual calculations of your fiscal activity we have determined that you are eligible to receive a payment of \$532.00

We understand the challenges your business is facing due to the massive disruption caused by the Coronavirus (COVID-19) pandemic and want to provide you with funds to help you weather these difficult times.

Please click below to submit your application.

[Get Started](#)

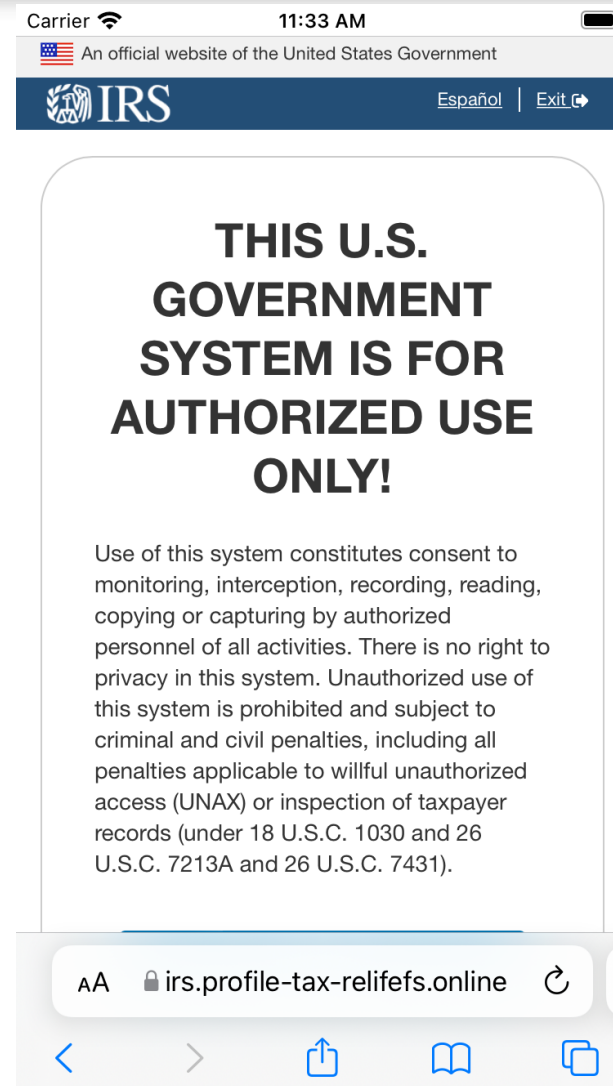
Questions? We're here to help. Call us at 1-800-659-2955 | TTY/TDD: 1-800-877-8339 Office of Disaster Assistance U.S. Small Business Administration



Case-
Custo...120.txt



EIP Phishing Landing Page





[Home](#) / [News](#) / [News Releases](#) / IRS reports significant increase in texting scams; warns taxpayers to remain vigilant

IRS reports significant increase in texting scams; warns taxpayers to remain vigilant

[English](#) | [Español](#) | [中文\(简体\)](#)

More In News



IR-2022-167, September 28, 2022

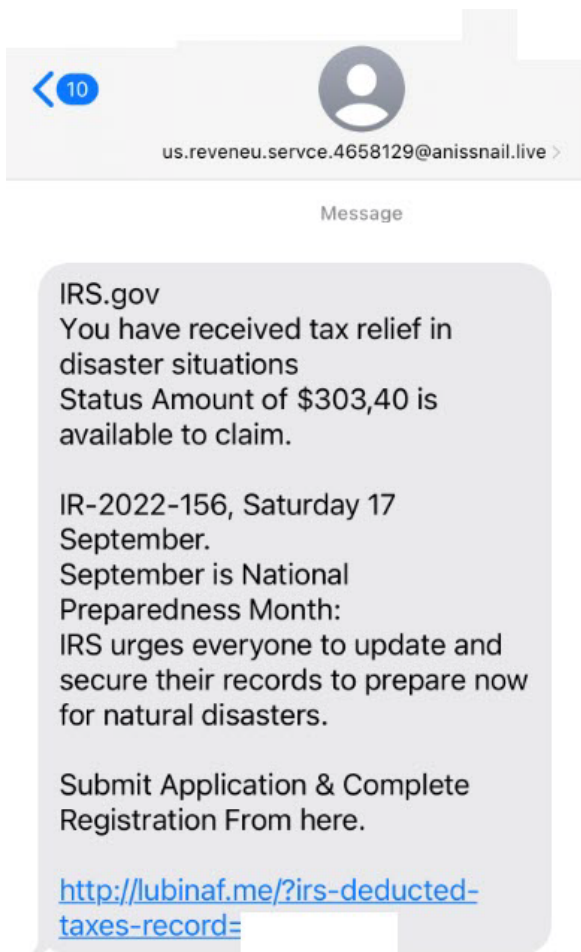
WASHINGTON — The Internal Revenue Service today warned taxpayers of a recent increase in IRS-themed texting scams aimed at stealing personal and financial information.

So far in 2022, the IRS has identified and reported thousands of fraudulent domains tied to multiple MMS/SMS/text scams (known as smishing) targeting taxpayers. In recent months, and especially in the last few weeks, IRS-themed smishing has increased exponentially.

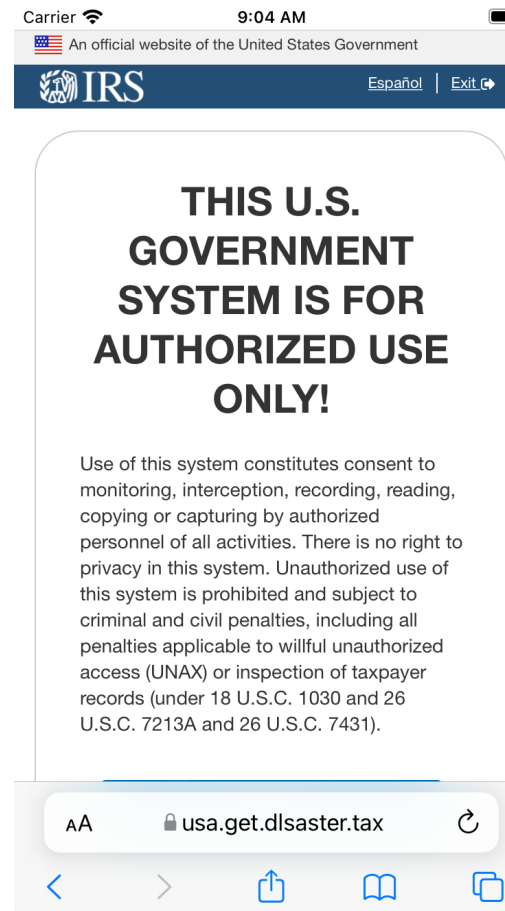
Smishing campaigns target mobile phone users, and the scam messages often look like they're coming from the IRS, offering lures like fake COVID relief, tax credits or help setting up an IRS online account. Recipients of these IRS-related scams can report them to phishing@irs.gov .



SMS/Text Message (smishing)



Original SMS/text message



Phishing website



Latest spearphishing scams target tax professionals

[English](#) | [Español](#) | [中文\(简体\)](#)

Topics in the News

News Releases

News Releases for Frequently Asked Questions

Multimedia Center

Tax Relief in Disaster Situations

IR-2022-36, February 16, 2022

WASHINGTON — With tax season in full swing, the Internal Revenue Service, state tax agencies and tax industry today warned tax professionals of new email scams that attempt to steal their tax software preparation credentials.

The Security Summit partners warned these scams serve as a reminder that [tax professionals](#) remain prime targets for thieves. These thieves try to steal client data and tax preparers' identities in an attempt to file fraudulent tax returns for refunds.

The latest phishing email uses the IRS logo and a variety of subject lines such as "Action Required: Your account has now been put on hold." The IRS has observed similar bogus emails that claim to be from a "tax preparation application provider." One such variation offers an "unusual activity report" and a solution link for the recipient to restore their account.

"Scams continue to evolve, and this one is especially sinister since it threatens tax professional's accounts," said IRS



Spear Phishing – Account On Hold

Subject: Action Required: Your account is on hold (TXP099497)
From: "IRS.gov" <notification_taxpro.irs.gov@spoe-essling.at>
Date: Thu, February 03, 2022 7:16 pm
To:



Your account has been put on hold

ALL tax preparers are required to apply a security feature to their Tax Pro account towards **2021 Tax Returns** processing.

- You have not updated your account

It is mandatory that you update your account immediately.

Please click <https://www.irs.gov/pro-service/Update.asp> to update your account now.

Important

Failure to update your account within the next 48 hours will lead to your account being terminated and be barred from filing tax returns claims for 2021 tax season. Your access will be restored once you have updated your details.

Sincerely,
[IRS.gov](https://www.irs.gov) eServices



Account On Hold Landing Page

An official website of the United States Government

[Español](#) | [Exit](#)

Please select your software below to get started

An official website of the United States Government

[Español](#) | [Exit](#)

ProConnect™ Tax

User ID

Password

☐ Remember me

Invisible reCAPTCHA by Google [Privacy Policy](#) and [Terms of Use](#)



- **Business email compromise (BEC)**
- **Hijacking an email account or an email server to intercept business transactions and redirect payments**
- **Business email spoofing (BES)**
- **Sending spoofed email from an external account pretending to be a company executive authorizing an irregular payment transaction**



- **Phishing@irs.gov**
 - **Do not reply**
 - **Do not open attachments or links**
 - **Forward phishing email**
- **Businesses who are victims of SSN/W2 theft (e.g., BEC/BES W2 scams)**
 - **dataloss@irs.gov**
- **IRS.gov keyword search “Stakeholder Liaison”**



Useful Tools for You and Your Clients

Pub 4524 Security Awareness



Security Awareness For Taxpayers

TAXES. SECURITY. TOGETHER.

The IRS, the states and the tax industry are committed to protecting you from identity theft. We've strengthened our partnership to fight the nation's common enemy – the criminals – and to devote ourselves to a common goal – serving you. Working together, we've made many changes to combat identity theft. We are making progress. However, cybercriminals are constantly evolving, and so must we. The IRS is working hand-in-hand with your state revenue officials, your tax software provider and your tax professional. But, we need your help. We need you to join with us. By taking a few simple steps to protect all of your digital devices, you can better protect your personal and financial data online and at home.

Please consider these steps to protect yourself from identity thieves:

Keep Your Computer and Mobile Phone Secure

- Use security software and make sure it updates automatically; essential tools include:
 - Firewall
 - Virus/malware protection
 - File encryption for sensitive data
- Treat your personal information like cash, don't leave it lying around
- Use strong, unique passwords; consider a password manager
- Use 2-Factor Authentication
- Give personal information only over encrypted websites - look for "https" addresses
- Back up your files

Avoid Phishing Scams and Malware

Identity thieves use phishing emails to trick users into giving up passwords and other information. Don't take the bait. Look for:

- Emails that pose as trusted source, i.e. bank, tax provider;
- Emails with an urgent message, i.e. update your account now!, with instructions to open a link or attachment
- Never download software or apps from pop-up advertising
- Talk to family about online security, both with computers and mobile devices

Protect Personal Information

Don't routinely carry your or any dependents' Social Security card or documents with an SSN. Do not overshare personal information on social media. Information about past addresses, a new car, a new home and even your children help identity thieves pose as you. Keep old tax returns and tax records under lock and key or encrypted if electronic. Shred tax documents before trashing.

Avoid IRS Impersonators. The IRS will not call you with threats of jail or lawsuits. The IRS will not send you an unsolicited email suggesting you have a refund or that you need to update your account. The IRS will not request any sensitive information online. These are all scams, and they are persistent. Don't fall for them. Forward IRS-related scam emails to phishing@irs.gov. Report IRS-impersonation telephone calls at www.ftia.gov.

Additional steps:

- Check your credit report annually; check your bank and credit card statements often.
- Review your Social Security Administration records annually: Sign up for My Social Security at www.ssa.gov.
- If you are an identity theft victim and your tax account is affected, review www.irs.gov/identitytheft for details.

Pub 5027 ID Theft Info for Taxpayers



Identity Theft Information for Taxpayers



Identity theft places a burden on its victims and presents a challenge to many businesses, organizations and governments, including the IRS. The IRS combats this crime with an aggressive strategy of prevention, detection and victim assistance.

What is tax-related identity theft?

Tax-related identity theft occurs when someone uses your stolen Social Security number (SSN) to file a tax return claiming a fraudulent refund. If you become a victim, we are committed to resolving your case as quickly as possible.

You may be unaware that this has happened until you e-file your return and discover that a return already has been filed using your SSN. Or, the IRS may send you a letter saying it has identified a suspicious return using your SSN.

Know the warning signs

Be alert to possible tax-related identity theft if you are contacted by the IRS about:

- More than one tax return was filed for you,
- You owe additional tax, have a refund offset or have had collection actions taken against you for a year you did not file a tax return, or
- IRS records indicate you received wages or other income from an employer for whom you did not work.

Steps for victims of identity theft

If you are a victim of identity theft, the Federal Trade Commission recommends these steps:

- File a complaint with the FTC at identitytheft.gov.
- Contact one of the three major credit bureaus to place a "fraud alert" on your credit records:
 - www.Equifax.com 1-800-525-6285
 - www.Experian.com 1-888-397-3742
 - www.TransUnion.com 1-800-680-7289

- Close any financial or credit accounts opened by identity thieves

If your SSN is compromised and you know or suspect you are a victim of tax-related identity theft, the IRS recommends these additional steps:

- Respond immediately to any IRS notice; call the number provided.
- Complete IRS [Form 14039, Identity Theft Affidavit](http://www.irs.gov/identitytheft), if your e-file return rejects because of a duplicate filing under your SSN or you are instructed to do so. Use a fillable form at IRS.gov, print, then attach form to your paper return and mail according to instructions.

- Continue to pay your taxes and file your tax return, even if you must do so by paper.
- If you previously contacted the IRS and did not have a resolution, contact us for specialized assistance at 1-800-908-4490. We have teams available to assist.

More information is available at: IRS.gov/identitytheft or FTC's identitytheft.gov.

About data breaches and your taxes

Not all data breaches or computer hacks result in tax-related identity theft. It's important to know what type of personal information was stolen.

If you've been a [victim of a data breach](#), keep in touch with the company to learn what it is doing to protect you and follow the "Steps for victims of identity theft." Data breach victims should submit a Form 14039, *Identity Theft Affidavit*, only if your Social Security number has been compromised and IRS has informed you that you may be a victim of tax-related identity theft or your e-file return was rejected as a duplicate.

How you can reduce your risk

Join efforts by the IRS, states and tax industry to protect your data. [Taxes, Security, Together](#). We all have a role to play. Here's how you can help:

- Always use security software with firewall and anti-virus protections. Use strong passwords.
- Learn to recognize and avoid phishing emails, threatening calls and texts from thieves posing as legitimate organizations such as your bank, credit card companies and even the IRS.
- Do not click on links or download attachments from unknown or suspicious emails.
- Protect your personal information and that of any dependents. Don't routinely carry Social Security cards, and make sure your tax records are secure.

See [Publication 4524, Security Awareness for Taxpayers](#) to learn more.

NOTE: The IRS does not initiate contact with taxpayers by email to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels.



Signs of a Data Breach

Know the Signs of Tax-Related Identity Theft

- **E-Filed return rejects due to duplicate Social Security Number.**
- **Letter from the IRS inquiring about a suspicious tax return that you did not file.**



Signs of a Data Breach

Know the Signs of Tax-Related Identity Theft (cont.)

- You get an IRS notice that you owe additional tax or refund offset, or that you have had collection actions taken against you for a year you did not file a tax return
- You receive a Form W-2 or Form 1099 from an employer for whom you didn't work or benefits from a government agency, or IRS records indicate you received wages or other income from an employer you didn't work for



Responding to a Data Breach

Report and Respond

Report Data Loss to IRS/States

Tax practitioners should report data losses or thefts immediately to the IRS so that appropriate precautions can be made to protect clients from fraudulent returns being filed in their names. Here's how to report data thefts to the IRS:

- Contact the IRS and law enforcement:
 - [Internal Revenue Service](#), report client data theft to your local stakeholder liaison.
 - [Federal Bureau of Investigation](#), your local office (if directed by IRS).
 - Local police – To file a police report on the data breach.
- Contact states in which you prepare state returns:
 - Email the Federation of Tax Administrators at StateAlert@taxadmin.org to get information on how to report victim information to the states.
 - [State Attorneys General](#) for each state in which you prepare returns. Most states require that the attorney general be notified of data breaches.



Other Government Agencies Investigate Scams

- **TIGTA investigates IRS impersonation Scams**
 - phone number: 1-800-366-4484
 - web address: www.tigta.gov
- **Federal Trade Commission: www.FTC.gov**
- **National Center for Disaster Fraud (NCDF)**
 - phone number: 1-866-720-5721
 - web address: www.justice.gov/disaster-fraud
- **Department of Labor: www.DOL.gov/fraud**



Issue 7: Gig Economy



Employee's portion of Social Security, Medicare and Additional Medicare taxes

- **Behavioral control**
- **Financial control**
- **Type of relationship**



Employee or Independent Contractor?

- **Employee**
- **Independent contractor**
- **Form SS-8**



Independent Contractor

- **Business transactions**
- **Recordkeeping**
- **Information Returns**



Self-employed/independent contractor

- **Social Security**
- **Medicare taxes**
- **No employer matching**
- **Additional Medicare taxes**
- **Estimated taxes**



Tax Payments, Including Estimated Tax Payments

- **Form 1040-ES - Estimated Tax for Individuals**
- **Direct pay**
- **EFTPS (Electronic Federal Tax Payment System)**
- **Form W-4 - Employee's Withholding Allowance Certificate**



- **Tax liabilities**
- **Filing and paying business taxes**



Gig Economy Tax Center



[Help](#) | [News](#) | [English](#) ▼ | [Charities & Nonprofits](#) | [Tax Pros](#)

[File](#) | [Pay](#) | [Refunds](#) | [Credits & Deductions](#) | [Forms & Instructions](#)

Search

[Home](#) / [File](#) / [Businesses and Self-Employed](#) / [Small Business and Self-Employed](#) / Gig Economy Tax Center

Gig Economy Tax Center

[English](#) | [Español](#) | [中文\(简体\)](#) | [中文\(繁體\)](#) | [한국어](#) | [Русский](#) | [Tiếng Việt](#) | [Kreyòl ayisyen](#)

Individuals

Businesses and Self-Employed

Small Business and Self-Employed

[Employer ID Numbers](#)

[Business Taxes](#)

[Reporting Information Returns](#)

[Self-Employed](#)

[Starting a Business](#)

[Operating a Business](#)

[Closing a Business](#)

[Industries/Professions](#)

[Small Business Events](#)

[Online Learning](#)

[Large Business](#)

What is the Gig Economy?

The gig economy—also called sharing economy or access economy—is activity where people earn income providing on-demand work, services or goods. Often, it's through a digital platform like an app or website.

Gig Economy Income is Taxable

You must report income earned from the gig economy on a tax return, even if the income is:

- From part-time, temporary or side work
- Not reported on an information return form—like a Form 1099-K, 1099-MISC, W-2 or other income statement
- Paid in any form, including cash, property, goods, or virtual currency

What to Do

Gig Workers

Find forms, keep records, deduct expenses, file and pay taxes for your gig work.

[Manage Taxes for Your Gig Work](#)



[Your Taxes in the Sharing Economy YouTube Video](#)

Digital Platforms and Businesses

Classify workers, report payments, pay and file taxes for a digital marketplace or business.

[Manage Taxes for a Digital Platform](#)