

What To Do If You Receive a Letter from the IRS

You hoped this day would never arrive. You're sorting through the mail and there it is -- THE DREADED LETTER FROM THE IRS! It could be something as simple as they need more information or you could be one of the lucky ones chosen to receive an audit. What do you do?

If you had your taxes prepared professionally, you should contact the preparer. Most professional tax offices will help you with the "off season" letters. They should be able to advise you on exactly what the situation is and how to make it go away!

If you filed your own return, contact the nearest Enrolled Agent who can help you with this matter. Enrolled Agents are tax professionals licensed by the U.S. Treasury Department to represent taxpayers before the Internal Revenue Service for audits, collections, and appeals.

Be sure to have the following materials on hand when meeting with an Enrolled Agent:

1. A copy of the tax return in question.
2. All paperwork that was used to prepare your tax return. This would include W-2s, 1099s, bank interest and dividends, investment statements, mortgage statements, medical bills, statements from charities, and any business-related income and expense statements.
3. Any other correspondence you might have received from the IRS concerning the year in question.

Your Enrolled Agent will ask you to sign a "Power of Attorney" form. This form allows your Enrolled Agent to discuss information relating to the particular tax period(s) in question with the IRS. It does not give IRS access to any matter other than income tax.

Be prepared to provide the needed material quickly. It may be as simple as sending in a copy of a neglected form. Or it may be a matter that is resolved with an installment agreement to pay an outstanding amount. Whatever the issue is, you can be confident that your Enrolled Agent will be able to assist you.