Congressional Update

News for members of Congress and their staffs – December 2021

IRS launches "Get Ready for Taxes" campaign for 2022 tax season

The "Get Ready for Taxes" campaign is an annual fall communications and outreach effort that encourages taxpayers to take steps now to help file timely and accurately next year. Planning ahead can help people file an accurate return and avoid processing delays that can slow tax refunds.

This is the first in a series of reminders to help taxpayers get ready for the upcoming tax filing season.

Gather and organize tax records. Individuals should have all their tax and income information available before filing to ensure the return is complete and accurate. This includes records related to reconciling advance payments of the Child Tax Credit or claiming a Recovery Rebate Credit if you didn't get a third Economic Impact Payment, or got less than the full amount.

Log in or set up and View Your Account Online. When you securely access your tax account information, you can view:

- The total amount you owe, including balance details by year
- Your payment history and any scheduled or pending payments
- Key information from your most recent tax return
- Payment plan details, if you have one
- Digital copies of select notices from the IRS
- Your Economic Impact Payments, if any
- Your address on file
- Authorization requests from tax professionals.

Getting banked speeds tax refunds with direct deposit. Direct deposit gives individuals access to their refund faster than a paper check. Those without a bank account can learn how to open an account at an FDIC-insured bank or through the national Credit Union Locator Tool. Veterans should see the Veterans Benefits Banking Program for access to financial services at participating banks.

Visit the Get Ready webpage at IRS.gov/getready for additional resources.

We encourage congressional offices to follow our annual campaign and share its messages with their constituents. The campaign includes:

- A special page on IRS.gov housing the latest "Get Ready" material,
- A series of IRS Tax Tips anyone can subscribe to and share, and
- IRS social media messages.

National Tax Security Awareness Week: Tips to help protect taxpayers

The IRS published the latest executive column "A Closer Look," which features Michael Beebe, Director, Return

Integrity & Compliance Services, providing tips to help protect taxpayers during National Tax Security Awareness Week and the holiday season. “We encourage people and organizations to visit IRS.gov or follow our social media channels to receive information every day during National Tax Security Awareness Week,” said Beebe. “Keeping personal and financial information safe is a shared responsibility. People can take simple steps to protect their sensitive tax and financial information.” Read more here. Read the Spanish version here.

Check out the National Tax Security Awareness kick-off news release here.

Please help us spread the word about how IRS and the Security Summit partners – representing state tax agencies and the nation’s tax industry -- are providing information, tips and resources to help people keep their data and money safe. In addition, a variety of informational flyers and material in multiple languages is available for Congressional offices to use in conjunction with the 2022 tax season.

Fifth batch of advance Child Tax Credit Payments sent in November

Millions of American families received their advance Child Tax Credit (CTC) payments for the month of November. The fifth batch of advance monthly payments, totaling about $15 billion, were made on November 15 to about 36 million families across the country.

Under the American Rescue Plan, most eligible families received payments dated July 15, August 13, September 15, October 15 and November 15. Future payments are scheduled for December 15. For these families, each payment is up to $300 per month for each child under age 6 and up to $250 per month for each child age 6 through 17.

Here are more details on the November payments:

- Families will see the direct deposit payments in their accounts starting November 15. Like the prior payments, the vast majority of families will receive them by direct deposit.
- Payments are going to eligible families who filed a 2019 or 2020 income tax return. Returns processed by November 1 are reflected in these payments. This includes people who don’t typically file a return but either during 2020 successfully filed a return to register for Economic Impact Payments using the IRS Non-Filers tool on IRS.gov, or in 2021 successfully filed a return by using the Non-filer Sign-up Tool for advance CTC.
- Payments are automatic. Aside from filing a tax return, including a return from the Non-filer Sign-up Tool, families don’t have to do anything if they are eligible to receive monthly payments.
- Families who did not get a July, August, September, October or November payment and are getting their first payment in December will still receive their total advance payment amount for the year (which is half of their total Child Tax Credit). This is the same total amount that most other families have been receiving in up to six monthly payments that began in July.

Families who are getting their first advance payment in December will receive half of their total Child Tax Credit on December 15. This means a payment of up to $1,800 for each child under 6, and up to $1,500 for each child age 6 to 17.

Any family who receives advance payments of the CTC during 2021 can claim the rest of the credit when they file their 2021 federal income tax return. To help them do that, early in 2022 families will receive IRS Letter 6419 documenting any advance payments issued to them during 2021 and the number of qualifying children used to calculate the advance payments.

Community partners can help

The IRS encourages partners and community groups to share information and use available online tools and toolkits to help families, nonfilers, low-income families and other underserved groups learn more about these benefits.

Links to online tools, answers to frequently asked questions and other helpful resources are available on the IRS special advance CTC 2021 page.

IRS-CI releases annual report highlighting 2,500+ investigations, law enforcement partnerships

Enforcement actions focused on tax and COVID-related fraud, money laundering, cybercrimes

Over 2,500 criminal investigations, the identification of more than $10 billion from tax fraud and financial crimes, and a nearly 90% conviction rate are just a few highlights from the IRS-Criminal Investigation (IRS-CI) Fiscal Year 2021 Annual Report. The report, released on November 18, details statistics, important partnerships and significant criminal enforcement actions from IRS-CI, the criminal investigative arm of the IRS, for the past fiscal year, which began October 1, 2020, and ended September 30, 2021.

> "IRS-CI agents are the only federal law enforcement officers with the authority to investigate criminal violations of the U.S. tax code. Their work reinforces the backbone of our voluntary compliance tax system – a system that funds services and benefits for our nation, including defense, infrastructure and education," said IRS Commissioner Chuck Rettig.

The report includes additional case examples for each U.S. field office, an overview of IRS-CI's international footprint, details about the specialized services provided by IRS-CI and investigative statistics, broken down by discipline, for fiscal year 2021.

Ordering tax forms, instructions and publications

The fastest and easiest way to get the latest tax forms, instructions and publications is to download them from IRS.gov, which is available 24/7, free, and usually online weeks before paper versions are available.

Taxpayers can download and view popular tax publications and forms, including Form 1040 instructions, on mobile devices such as a tablet at no charge. Other versions are also available online such as eBook, PDF and HTML. Visit IRS.gov for a listing of all eBook publications.

Taxpayers can still order a paper copy of any current-year form, instruction or publication (except Publication 17, Your Federal Income Tax) on www.irs.gov/orderforms or by calling **800-TAX-FORM (829-3676).** Taxpayers generally receive their orders within 10 business days. If a product is not available when they place their order, the IRS will send it as soon as it becomes available.

Tax Forms Outlet Program (TFOP) for forms and publications

All of the IRS's TFOP partners receive Form 8635, Order Form for Tax Forms Outlet Program. The IRS will ship the ordered products and quantities requested as soon as they are available. Any congressional office can order forms and publications by emailing the TFOP administrator and can reorder as needed.

TFOP partners can order the following products:

- Form 1040 booklet, which includes Form 1040 SR (for seniors) and Schedules 1-3
- Instructions for 1040 and 1040 SR
- Form 1040 (SP) booklet includes Form 1040 SR (SP) (for seniors) and Schedules 1-3 (SP)
- Instructions for 1040 (SP) and 1040 SR (SP)
- Publication 1132, Reproducible Copies of Federal Tax Forms and Instructions
- Publication 4604 (EN/SP), Use the Web for IRS Tax Products and Information (.pdf) (Publication 4604 is a handout that helps educate customers about web-based IRS help and provides information about how to get forms.)

NOTE: Reminder, the TFOP Poster Package is now sent via email. You'll receive four 8.5" x 11.5" PDF posters.

Online ordering of information returns and employer returns

Businesses and employers needing blank Forms W-2 and 1099 are encouraged to order now. January 31 is the filing deadline for Forms W-2 and 1099-NEC (Nonemployee Compensation). The forms can be ordered online at IRS.gov/forms-instructions

Reminder: Beginning with tax year 2020, taxpayers must use Form 1099-NEC to report payments of nonemployee compensation previously reported in box 7 on Form 1099-MISC. Taxpayers should not order Form 1099-MISC for reporting NEC. The separate instructions for filers and issuers for Form 1099-NEC are available in the Instructions for Forms 1099-MISC and 1099-NEC (.pdf).

Quantity limits:

- 1,000 each for forms (one copy of the corresponding instructions is automatically included)
- 25 each for instructions and publications

Some forms are printed two or three to a sheet; order the number of forms needed, not the number of sheets.

Note: Employers who want to file Forms W-2, W-2c, W-3 and W-3c electronically can do so by visiting the Social Security Administration's Employer W-2 Filing Instructions and Information website.

IRS's new online identity verification process

The IRS has begun rolling out a new online identity verification process for accessing self-help tools on IRS.gov. To provide verification services, the IRS is using ID.me, a trusted technology provider.

Taxpayers using the new mobile-friendly verification procedure can gain entry to existing IRS online services such as the:

- Child Tax Credit Update Portal,
- Online Account,
- Get Transcript Online,
- Get an Identity Protection PIN (IP PIN) and
- Online Payment Agreement.

Additional IRS applications will transition to the new method over the next year.

When accessing the tools listed above, taxpayers will be asked to sign in with an ID.me account. Until summer 2022, people who already have IRS usernames may continue to use their credentials from the

old system to sign-in but are prompted to create an ID.me account as soon as possible. Anyone with an existing ID.me account from the Child Tax Credit Update Portal, or from another government agency, can sign in with their existing credentials.

To verify their identity with ID.me, taxpayers need to provide a photo of an identity document such as a driver's license, state ID or passport. They'll also need to take a selfie with a smartphone or a computer with a webcam. Once their identity has been verified, they can securely access IRS online services.

Help for taxpayers

Taxpayers who need help verifying their identity or submitting a support ticket can visit the ID.me IRS Help Site.

The following FAQs about the IRS's Advance Child Tax Credit Update Portal may also help taxpayers with questions or concerns.

Q K1. Why am I required to authenticate my identity?

A1. The IRS needs to make sure you're you - and not someone pretending to be you - before we give you access to your sensitive account information. The verification of your identity helps keep your information safe and prevent fraud and identity theft.

Q K2. How do I authenticate my identity?

A2. If you're a new user, you must create an ID.me account at the IRS and verify your identity. ID.me is a trusted credential service provider selected to support IRS.gov login services.

ID.me uses the latest in identity verification technology to authenticate your identity quickly and easily. Learn more about ID.me and the IRS verification process at Sign In or Create a New Account.

If you have an existing account with the IRS, use your secure access username and password and enter the security code as part of the multifactor authentication (MFA) process. If you have an existing account with ID.me from a state government or federal agency, you may use your email and password and complete MFA.

Q K3. I'm under 18 years old and was told I can't authenticate; how do I manage my payments?

A3. ID.me authenticates individuals 18 years old and older. If you are 17 or younger, call the telephone number on your IRS letter should you opt to unenroll from monthly payments or use the online eligibility tool.

Q K4. Will ID.me retain my information?

A4. Yes, as a credential service provider certified against federal standards, ID.me is required to store the individual's information. ID.me protects all sensitive data with stronger encryption than many financial institutions.

Updated FAQs for unemployment compensation exclusion

The IRS updated the FAQs on 2020 Unemployment Compensation Exclusion.

IRS Tax Tips: Helpful taxpayer information on a variety of topics

- Here's how businesses can deduct startup costs from their federal taxes
- Common tax scams and tips to help taxpayers avoid them
- IRS help for employers wanting to rehire retirees or keep them after retirement age
- People can stay connected to the IRS through social media and e-news subscriptions
- Understanding taxpayer rights: The right to retain representation

Additional information on IRS.gov

- IRS Financial Report provides the American people with a comprehensive view of the IRS's FY '21 financial activities (.pdf)
- Tax Scams and Consumer Alerts
- Give tax withholding a fresh look as 2021 year-end nears
- Expanded tax benefits help individuals and businesses give to charity during 2021; deductions up to $600 available for cash donations by non-itemizers
- Advance Child Tax Credit
- Coronavirus tax relief and Economic Impact Payments
- Get up-to-date status on affected IRS operations and services during COVID-19
- Tax relief in disaster situations
- Tax treatment of unemployment compensation
- Third Economic Impact Payments
- Atlanta restaurateur sentenced for willful failure to remit payroll taxes
- Two sentenced to federal prison for health care fraud
- Rochester man going to prison and ordered to pay millions in restitution for his role in Ponzi scheme that bilked investors out of millions of dollars
- Founder of Russian bank pleads guilty to tax fraud
- San Gabriel Valley man sentenced to 3 years in federal prison for scheming to launder drug money via 'Black Market Peso Exchange'

Help on IRS.gov

Filing – Payments – Refunds – Credits and Deductions – Forms and Instructions – Tax Questions

IRS in other languages - basic tax information is available in 21 languages, including English.

IRS on social media - YouTube – Twitter – Instagram – Facebook

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IRS2Go is the official mobile app of the IRS, available in both English and Spanish.

The *IRS Congressional Update* is a monthly newsletter prepared by IRS Legislative Affairs. For information on resolving taxpayer account issues, visit the Taxpayer Advocate Service.