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IRS LETTERS:

IRS is continuing to send taxpayer client letters on multiple issues, most of which is the lack of IRS timely processing items, causing issues or mismatched IRS reporting, ie; stimulus payments, 1099's etc. The issue is that you as a taxpayer are **required** to answer every single letter/notice that the IRS sends out. IRS takes that the stance of no response is acceptance of IRS's position and/or amount due. Previously through emails this year we have informed all of our clients that we had to start charging for all of the letters that we are having to write on the clients behalf, as this has turned into a very time consuming weekly process. Many clients are going to get multiple letters on the same issue and they are going to be coming about every 30 days. Most IRS responses will not indicate that we, or you have responded to the same issue previously, as your responses are sitting in a pile of unprocessed correspondence at IRS, much like the millions of tax returns they have not yet processed due to staff shortage etc. IRS has published in previous articles that processing times on their end is exceeding 60 days. We know this to be true! The more correct response time is 180 to 365 days, as we have one case that went 365 days. In discussion with other providers we work with, they are all seeing this also. There is usually an IRS phone number on the notices that can be called and that IRS says has wait times exceeding 30 minutes, we are hearing from clients and others that it is more like well over an hour and sometimes the call is disconnected from IRS's end before a live person is reached. We have knowledge from one of our clients that after 2 hours on hold with IRS his issue was handled by the IRS person who answered if you wish to wait that long on the phone.

So on your end of things either you need to respond to every IRS notice or you must immediately upon receiving get a full copy to our office to response with. We know it is a hassle, but there is nothing we can do about it. It is an IRS issue and you are required to respond usually within 30 days of the notice from IRS.

AMENDED RETURNS:

If you have amended a tax return this year, you will need a lot of patience. As of Nov. 13, 2021, the IRS has a backlog of 2.7 million unprocessed Forms 1040-X. Normally it can take IRS up to 16 weeks to process an amended return, but now the wait time is considerably longer than 20 weeks, according to IRS's National Taxpayer Advocate. Once again, something out of our control, but know that you are not the only ones, it is all across the U.S.

Your friends at SCHEIBE ACCOUNTING LLP