



TAX T W L F
WHISTLEBLOWER
FIRM

INFORMATION ON IRS PROGRAMS FOR MEMBERS OF THE
CONGRESS AND THEIR STAFFS

IRS Congressional

Update

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Find answers to your tax questions with the online Interactive Tax Assistant

[The Interactive Tax Assistant \(ITA\)](#) tool is a tax law resource that takes you through a series of questions and provides you answers to tax law questions. You get the same information you would receive if you spoke to one of our representatives, but without the wait. Simply type Interactive Tax Assistant in the search box on IRS.gov for easy access to the answers you need.

Select a topic, answer the questions and receive an immediate response to your specific tax issue. ITA is accurate, and you can print the answers for your records.

The ITA covers a limited number of topics:

Affordable Care Act:

- Premium Tax Credit, Individual Shared Responsibility Payment

General Filing Questions

- Filing requirements, due dates, extensions, dependents, exemptions, filing status, deceased person's return

Deductions

- Standard deduction, charitable contribution, mortgage related expenses, miscellaneous itemized deductions, gambling winnings, medical and dental expenses, moving expenses, student loan interest

Credits

- Child Tax Credit, Education Credit, Credit for the Elderly or Disabled

Income

- Pension, annuity, Social Security, Railroad Retirement Tier I, cancellation of debt on a personal residence, residential rental income, gambling winnings

WHAT'S NEW IN TAXES...

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Retirement planning with Traditional and Roth IRAs

Traditional IRAs and Roth IRAs allow constituents to save money for retirement. Each plan provides distinct benefits and your constituents should carefully consider which might best serve their financial planning needs.

Traditional IRAs offer a potential tax deduction for contributions. Earnings are tax-free though deductible contributions and earnings are taxed upon distribution. As this is a retirement plan, there may be penalties for early distributions.

Roth IRAs do not provide a tax deduction for amounts contributed to the plan. As with traditional IRAs, earnings accumulate tax-free. Distributions from Roth IRAs, however, are normally not taxed.

This chart highlights some of their similarities and differences.

Features	Traditional IRA	Roth IRA
Who can contribute?	You can contribute if you, or your spouse if filing jointly, have taxable compensation but not after you reach age 70½.	You can contribute at any age if you, or your spouse if filing jointly, have taxable compensation and your modified adjusted gross income is below certain amounts. See the 2014 and 2015 limits.
Are my contributions deductible?	You can deduct your contributions if you qualify.	Your contributions are not deductible.
How much can I contribute?	The most you can contribute to all of your traditional and Roth IRAs is the smaller of: \$5,500 (for 2014 and 2015), or \$6,500 if you're age 50 or older by the end of the year; or your taxable compensation for the year.	
What is the deadline to make contributions?	Contribute by your tax return filing deadline, not including extensions. For example, you had until April 15, 2015, to make your 2014 contribution.	
When can I withdraw money?	You can withdraw money any time.	
Do I have to take required minimum distributions?	You must start taking distributions by April 1 following the year in which you turn age 70½ and by December 31 of later years.	No distributions are required if you are the original owner.
Are my withdrawals and distributions taxable?	Any deductible contributions and earnings you withdraw or distribute from your traditional IRA are taxable. Also, if you are under age 59 ½ you may have to pay an additional 10% tax for early withdrawals unless you qualify for an exception.	None if it's a qualified distribution (or a withdrawal that is a qualified distribution). Otherwise, part of the distribution or withdrawal may be taxable. If you are under age 59 ½, you may also have to pay an additional 10% tax for early withdrawals unless you qualify for an exception.

Additional Resources:

- [Publication 590-A, Contributions to Individual Retirement Arrangements \(IRAs\)](#)
- [Publication 590-B, Distributions from Individual Retirement Arrangements \(IRAs\)](#)
- [Individual Retirement Arrangements](#)
- [Required Minimum Distributions](#)
- FAQs: [Traditional and Roth IRAs](#)

Reminder for small businesses regarding paper tax products

If you'll need blank Forms W-2, W-3 or 1099, don't wait until the last minute.

Taxpayer demand for paper tax products is declining because of an increase in e-filing and the availability of products online. Due to the decreased demand and the cost of printing and shipping, the IRS will no longer stock Forms W-2, W-3 and 1099 in Taxpayer Assistance Centers. The forms, which are regularly used by small business owners, can be ordered online or by telephone. Orders are delivered directly to the taxpayer's home or business address.

To order online, click on the link below.

<https://www.irs.gov/Businesses/Online-Ordering-for-Information>Returns-and-Employer>Returns>

To order by phone, call 1-800-829-3676.

Some office supply stores may also sell these forms.

The Social Security Administration offers an online option to create and file electronic Forms W-2. File Forms W-2/W-2c and W-3/W-3c electronically by visiting the Social Security Administration's Employer Reporting Instructions and Information website to create and file electronic fill-in versions of Forms W-2 and W-3.

Become a tax volunteer and help others in your community

Have you ever thought about volunteering to help people with their tax returns? With more than 12,000 volunteer tax help sites nationwide, you can affect lives as a volunteer. Volunteering in either the [Volunteer Income Tax Assistance \(VITA\)](#) or [Tax Counseling for the Elderly \(TCE\)](#) program can be rewarding and provides a vital service in your local community.

The VITA and TCE programs generally offer free tax help to people with low-to-moderate income who need assistance in preparing their own tax returns. This includes people with disabilities. Many sites also assist those for whom English is a second language. The organizations that administer these programs are always looking for volunteers during the tax filing season.

Volunteering can be exciting, educational and enjoyable. As a volunteer, you interact directly with people who need help preparing their own tax returns at no cost to them. Don't know that much about taxes? Don't worry, you'll receive specialized training from IRS-certified volunteers. You can also choose your volunteer duty, and not all duties require tax knowledge. You can serve as a greeter, quality reviewer, return preparer, interpreter, site coordinator and more. The hours are flexible, the training is free, and the time commitment is minimal.

Taxpayers rely on volunteers for free tax return preparation and assistance each year. Last year, more than 91,000 volunteers at thousands of sites nationwide helped more than 3.7 million taxpayers.

To learn more about becoming a volunteer, submit the information as indicated on the [VITA/TCE Volunteer](#) Web page. Make sure to include all of your contact information along with the city and state where you want to volunteer. A local IRS representative will direct you to the nearest organizations offering free tax help. Become a volunteer and see what a difference it can make in your life and the lives of others.

IRS Tax Tip

[Become a Tax Volunteer and Make a Difference in Your Community](#)

Twitter

Say YES to volunteering to prepare taxes. Train online or face to face. For more info go to <http://go.usa.gov/DSK9> #taxvolunteer. Not all duties require tax knowledge.



IRS Whistleblower Office handles claims for rewards

The IRS Whistleblower Office was established by law in 2006. It processes [tips received from individuals](#) who spot tax compliance issues in their workplace or anywhere else.

The law provides for two types of awards:

- If the taxes, penalties, interest and other amounts in dispute exceed \$2 million, and a few other qualifications are met, the IRS will pay 15 to 30 percent of the amount collected. If the case deals with an individual, his or her annual gross income must be more than \$200,000. If the whistleblower disagrees with the outcome of the claim, he or she can appeal to the Tax Court. These rules are found in Internal Revenue Code [IRC Section 7623\(b\)](#)

- Whistleblower Rules.

- The IRS also has an award program for other whistleblowers - generally those who do not meet the dollar thresholds noted above. The awards through this program are less, with a maximum award of 15 percent up to \$10 million. In addition, the awards are discretionary and the informant cannot dispute the outcome of the claim in Tax Court. The rules for these cases are found in Internal Revenue Code [IRC Section 7623\(a\)](#) - Informant Claims Program. Some of the rules are different from those that apply to cases involving more than \$2 million.

When the Whistleblower Office receives a claim on IRS [Form 211](#), *Application for Award for Original Information*, it reviews the claim for completeness, assigns a claim number and sends a letter to the whistleblower confirming receipt. If the Whistleblower Office analyst determines that the claim may have value, it is forwarded for review.

The IRS may contact the whistleblower to make sure we fully understand the raised issues. If we do not use the information, the Whistleblower Office closes it as a denial or rejection. If we decide that the claim has value, it will be sent to the field for examination or investigation.

When the examination or investigation is finished, the field function tells the Whistleblower Office how they used the information from the whistleblower. The Whistleblower Office determines whether to pay an award based on how useful the information was. If the Whistleblower Office decides to pay an award, it can only make the payment after the additional amounts are collected and the taxpayer has had a chance to appeal. The whole process can take seven years or more to complete.

Section 6103 of the Internal Revenue Code says that taxpayer returns and return information are confidential. In general, the Whistleblower Office may only tell whistleblowers if their claim is open or closed. When a claim is closed, the office will tell the whistleblower if it was denied or if an award is payable. In most cases, the Whistleblower Office cannot provide information about the actions taken in the taxpayer case.

The IRS seeks to protect the identity of whistleblowers to the fullest extent permitted by law. Sometimes it may not be possible to continue the investigation or examination without revealing that there is a whistleblower or the whistleblower's



IRS will not treat certain ID protection services as taxable

IRS [Announcement 2015-22](#) states that the IRS will not assert that an individual whose personal information may have been compromised in a data breach must include in gross income the value of the identity protection services provided by the organization that experienced the data breach.

Also, the IRS will not assert that an employer providing identity protection services to employees whose personal information may have been compromised in a data breach of the employer's (or employer's agent or service provider's) recordkeeping system must include the value of the identity protection services in the employees' gross income and wages.

Quick reference links to IRS.gov

The following index will help you with the most common constituent questions:

- [Application for Tax Exempt Status](#)
- [Audit / Examination](#)
- [Collection](#)
- [Copies of Tax Returns](#)
- [Criminal Investigation](#)
- [Customer Service, Toll-Free](#)
- [Customer Assistance, Online Self-Help](#)
- [Disaster Assistance and Emergency Relief](#)
- [Discrimination Complaints](#)
- [Employee Misconduct, reporting to TIGTA](#)
- [Español](#)
- [Forms and Pubs](#)
- [Filing Returns with "Free File"](#)
- [Frivolous Arguments](#)
- [Health Care \(Affordable Care Act\)](#)
- [Identity Theft](#)
- [Innocent Spouse Tax Relief](#)
- [Individual Retirement Arrangements \(IRA\)](#)
- [ITIN / Form W-7](#)
- [Local IRS Offices \(Taxpayer Assistance Centers\)](#)
- [Penalties / Penalty Relief](#)
- [Pensions](#)
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- [Statistics](#)
- [Taxpayer Advocate Service](#)
- [Transcripts](#)
- [Volunteer Sites offering Tax Return Preparation](#)
- [Whistleblower](#)

Three Tax Considerations during Marketplace Open Enrollment

IRS HEALTH CARE TAX TIP 2015-73, NOVEMBER 10, 2015

ESPAÑOL

When you apply for assistance to help pay the premiums for health coverage through the [Health Insurance Marketplace](#), the Marketplace will estimate the amount of the premium tax credit that you may be able to claim. The Marketplace will use information you provide about your family composition, your projected household income, whether those that you are enrolling are eligible for other non-Marketplace coverage, and certain other information to estimate your credit.

Here are three things you should consider during the Health Insurance Marketplace Open Enrollment period:

- 1. Advance credit payments lower premiums** - You can choose to have all, some, or none of your estimated credit paid in advance directly to your insurance company on your behalf to lower what you pay out-of-pocket for your monthly premiums. These payments are called advance payments of the premium tax credit or advance credit payments. If you do not get advance credit payments, you will be responsible for paying the full monthly premium.
- 2. A tax return may be required** - If you received the benefit of advance credit payments, you must file a tax return to reconcile the amount of advance credit payments made on your behalf with the amount of your actual premium tax credit. You must file an income tax return for this purpose even if you are otherwise not required to file a return.
- 3. Credit can be claimed at tax time** - If you choose not to get advance credit payments, or get less than the full amount in advance, you can claim the full benefit of the premium tax credit that you are allowed when you file your tax return. This will increase your refund or lower the amount of tax that you would otherwise owe.

For more information about open season enrollment, which runs through January 31, 2016, visit [Healthcare.gov](#). See our [Questions and Answers](#) on IRS.gov/aca for information about the premium tax credit.

