

Don't Panic! Eight Things to Know If You Receive an IRS Notice

The Internal Revenue Service sends millions of letters and notices to taxpayers every year. Here are eight things taxpayers should know about IRS notices – just in case one shows up in your mailbox.

1. Don't panic. Many of these letters can be dealt with simply and painlessly.
2. There are a number of reasons why the IRS might send you a notice. Notices may request payment of taxes, notify you of changes to your account, or request additional information. The notice you receive normally covers a very specific issue about your account or tax return.
3. Each letter and notice offers specific instructions on what you are asked to do to satisfy the inquiry.
4. If you receive a correction notice, you should review the correspondence and compare it with the information on your return.
5. If you agree with the correction to your account, then usually no reply is necessary unless a payment is due or the notice directs otherwise.
6. If you do not agree with the correction the IRS made, it is important that you respond as requested. You should send a written explanation of why you disagree and include any documents and information you want the IRS to consider, along with the bottom tear-off portion of the notice. Mail the information to the IRS address shown in the upper left-hand corner of the notice. Allow at least 30 days for a response.
7. Most correspondence can be handled without calling or visiting an IRS office. However, if you have questions, call the telephone number in the upper right-hand corner of the notice. Have a copy of your tax return and the correspondence available when you call to help us respond to your inquiry.
8. It's important that you keep copies of any correspondence with your records