

# Important

- Not all letters from the IRS contain bad news.
- Respond in a timely manner to avoid further action and/or debt.
- Unpaid debt may continue to accrue interest and/or penalties.
- Ignoring IRS letters may result in a levy on your income and/or a lien on your assets.
- Contact ABDC for assistance.
- Most notices have a contact phone number, typically found in the upper right hand corner.

38025574 IRS USE ONLY SB V 15234918-648454 302437 CP 22A

Department of the Treasury  
Internal Revenue Service  
Memphis, TN 37501-0010

For assistance, call:  
1-800-829-8374  
Your Caller ID: [redacted]  
Notice Number: CP22A  
Date: August 23, 2004  
Taxpayer Identification Number: [redacted]

Tax Form: 1040A  
Tax Year: December 31, 2001

DAVID E ARTMAN

Amount You Owe  
as of September 13, 2004  
\$15,652.95

**We Changed Your Account**  
We will explain why you received this notice, how we changed your account, how this change affects you, and actions you may wish to take.

**Why You Received This Notice**  
We changed your 2001 account to correct your income from wages, salaries, tips...

**How We Changed Your Account**  
We changed your account as follows:

Account balance before this change	\$7.00	CR
Increase in tax because of this change	\$10,015.00	
Additional late payment penalty since prior notice	\$1,452.06	
Filing Late penalty added	\$2,253.37	
Estimated Tax penalty added	\$396.30	
Interest charged	\$1,543.22	
<b>Amount you now owe</b>	<b>\$15,652.95</b>	

**How This Affects You**  
The amount you owe includes interest.  
Please pay the full amount by September 13, 2004 to avoid additional penalty and interest. When making your payment:

- Make your check or money order payable to the United States Treasury
- Write the Social Security number and tax year shown at the top of this notice on the check or money order
- Use the payment coupon included with this notice

If you cannot pay the balance in full, contact an IRS representative at 1-800-829-8374 to discuss payment

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# LITC

Alaska Business Development Center's Low Income Taxpayer Clinic provides assistance year round to low income and English-as-a-Second Language taxpayers. Assistance includes education on taxpayer rights and responsibilities, consultation on IRS issues and representation on IRS disputes. Tax preparation is not conducted under the Low Income Taxpayer Clinic.



**VTLT** Proudly Serving Rural Taxpayers Since 1995

## ALASKA BUSINESS DEVELOPMENT CENTER

840 K Street, Suite 202

Anchorage, Alaska 99501

P: (907) 562-0335 P: (800) 478-3474

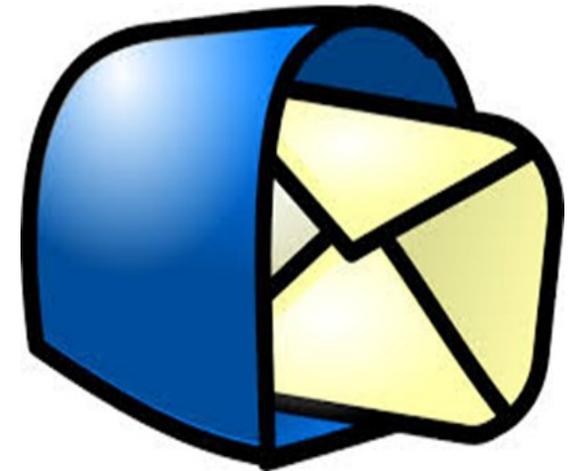
F: (907) 562-6988 F: (866) 747-5801

www.abdc.org

## Understanding...

# IRS NOTICES

*Why the IRS sends correspondence to taxpayers and the importance of responding timely.*



*Brought to you by:*

Alaska Business Development Center  
Low Income Taxpayer Clinic

# Why?

The IRS sends letters and/or notices to taxpayers to:

- Advise the taxpayer of an error on their return.
- Question items on their return.
- Ask for more information.
- Request payment.



## Common Notices

### Math Error

These notices are not always bad. They may:

- Notify you that a math error was made on your tax return.
- Indicate whether you have a refund or if you owe the IRS.

### Request For Additional Information

These notices are usually neutral. They may:

- Request information to assist with processing your tax return.
- Request substantiation of items claimed on your tax return.

### Balance Due

These notices request payment.

- You may already be aware of the balance due from a filed tax return.
- The IRS may have determined that you have an additional balance due.
- Balance due may be the result of further action taken by the IRS including interest and penalty.
- Multiple options for making payment should be included with the notice.

### Automated Under-Reporter (CP-2000)

These computer generated notices:

- Inform you that the income reported on your return does not match the income reported to the IRS by others (employer, bank, etc.)
- Difference in amounts reported could result in a reduced refund or increase in balance due.
- Notice may be **INCORRECT**; be sure to compare the information with your return and respond timely if an error is discovered.

### ALWAYS...

**Open mail from the IRS - ignoring it does not make the situation go away and may make it worse.**

### Examination

Notices provide the status of your account and:

- Inform you that the IRS has selected your return to be audited.
- Request information needed to complete the examination.
- Important to respond timely.



### Automated Collection System

These notices should be high priority.

- Usually sent because you have not responded to prior notices sent by the IRS.
- Defaulted on a payment agreement established with the IRS.
- **RESPOND IMMEDIATELY**
  - Lack of response usually results in the IRS assessing a levy on your income and/or lien on your assets.