Dealing With Common Tax Issues

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***Note: The following is a general summary of Common Tax Issues and may not apply to specific questions presented by a caller, as each caller's circumstances may have unique facts that make the information provided below inapplicable or incomplete with respect to the caller*.**

1. Collections – Taxpayer Owes The IRS

a. What if a Taxpayer Owes a Tax Debt but Can't Pay it?

The taxpayer has three (3) choices:

1. *If the Taxpayer Can Make Monthly Payments*

Agreeing to make monthly payments is called an Installment Agreement.

There is a $120 fee to set up a monthly payment plan. If a taxpayer agrees to let the IRS take the monthly payments out of their bank account each month, then the taxpayer will only have to pay a $52 setup fee. A taxpayer may only have to pay a $43 setup fee if they are low income. There is no fee if a taxpayer arranges to make full payment within 120 days.

The IRS adds interest and penalties each month to the taxpayer's debt until it is fully paid or is no longer collectable. The total amount of interest and penalties added will be less if the taxpayer is making monthly payments.

There are two kinds of monthly payment plans:

- Full Pay schedules monthly payments so that the taxpayer pays all of their tax debt in three to five years.
- Partial Pay may be available if the taxpayer is low income. This plan schedules monthly payments too, but it will not result in the taxpayer paying all of the tax debt.

The taxpayer should fill out an IRS Form 9465 or call the IRS to enter into a payment plan. If the taxpayer owes $50,000 or less in combined tax, penalties and interest, and filed all required returns, the taxpayer can apply for an online payment agreement at *www.irs.gov/individuals/online-paymen*t

2. If the Taxpayer Can't Pay Right Now

If the taxpayer can't afford to make monthly payments, they can ask the IRS to place their accounts in Currently-Not-Collectible status (CNC). The taxpayer must then show the IRS that all of their money is used to pay for necessary expenses. If paying the tax debt just makes it hard for them to pay their other bills, then the IRS won't agree to place their accounts in CNC status and suspend collection activity. To ask for CNC status, have the taxpayer fill out IRS Form 433-F which is available on the IRS website and then call the IRS Collections Department toll-free at 1-800-829-7650.

If the IRS agrees, the taxpayer won't have to make any payments. However, they will still owe the tax debt. The taxpayer will get a letter each year telling them how much they owe. The IRS doesn't charge a fee for CNC status, but it will keep adding interest and penalties to their tax debt. If the taxpayer's financial situation improves, then the IRS may revoke their CNC status and resume collection activity.

If the taxpayers' accounts are placed in CNC status, the IRS may place a lien on their property. The IRS will also keep any tax refunds and apply them to the tax debt.

The IRS generally has 10 years to collect a tax debt. If the 10-year collection period runs without the IRS collecting the tax or bringing suit against the taxpayer, the IRS will no longer be able to collect the tax debt, unless certain exceptions apply extending the statute of limitations.

3. If the Taxpayer Can't Pay the Full Debt But Wants to Settle for a Lesser Amount

If the taxpayer owes a tax debt, but knows they can't pay it, then they may be able to get the IRS to agree to take less than the full amount owed. The taxpayer must prove that they don't have the ability to pay all of the tax debt. This is called an Offer-in-Compromise Based on Doubt as to Collectability.

To ask to pay only part of their tax debt, the taxpayer should send in completed IRS Forms 433-A and 656. The taxpayer must also send 20% of the total offer amount. This 20% "down payment" is nonrefundable and is applied to the taxpayers' debt, even if the IRS rejects their Offer-in-Compromise.

If the taxpayer asks to make monthly payments as part of their offer, they must start making them right away. They should not wait until the IRS decides if it will accept their offer.

There is a $186 application fee to submit an Offer-in-Compromise.

However, if the taxpayer qualifies for Low-Income Certification, the taxpayer will not have to pay the application fee or submit any payments during the consideration of the offer. Review Section 4 of IRS Form 656 to determine whether the taxpayer qualifies for Low-Income Certification.

b. What If the Taxpayer Owes the Tax and Can Pay but Paying Would Cause Them Economic Hardship?

If the taxpayer's financial resources are adequate to pay the entire liability, but collection of the full liability will create economic hardship, the taxpayer can file an Offer-in-Compromise based on Effective Tax Administration to settle his or her tax debt.

For example, the taxpayer might file this type of offer if the taxpayer has a serious illness and is incapable of earning a living, and it is reasonably foreseeable that the taxpayer's financial resources will be exhausted to provide support during the course of the illness. In addition, the taxpayer might have assets to pay the liability, but liquidation of those assets would render the taxpayer unable to meet basic living expenses. Further, the taxpayer's monthly income might be exhausted providing for the care of dependents.

c. What If There Is Doubt as to the Taxpayer's Liability?

A third basis for an Offer-in-Compromise is doubt as to the assessed tax liability. Possible reasons for doubt include an examiner making a mistake in interpreting the law, an examiner failing to consider the taxpayer's evidence, or the taxpayer having new evidence. There is no application fee and the taxpayer does not have to make financial disclosures when submitting this type of offer.

2. Child Tax Credit and New Family Tax Credit

a. What is the Child Tax Credit?

The Child Tax Credit is for people with one or more children. When a taxpayer files a tax return, the Child Tax Credit may lower the tax they owe in 2018 up to $2,000 for each qualifying child under the age of 17.

b. Who Can Claim the Child Tax Credit?

To receive the Child Tax Credit, a taxpayer must have a qualifying child. A qualifying child for this credit is someone who meets the qualifying criteria of six tests: age, relationship, support, dependent, citizenship and residence.

- **Age Test** - To qualify, a child must have been under age 17 – age 16 or younger – at the end of 2018.

- **Social Security Number –** To qualify, the child must have a valid Social Security Number.

- **Relationship Test** - To claim a child for purposes of the Child Tax Credit, they must either be the taxpayer's son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister or a descendant of any of these individuals, which includes the taxpayer's grandchild, niece or nephew. An adopted child is always treated as the taxpayer's own child. An adopted child includes a child lawfully placed with the taxpayer for legal adoption.

- **Support Test** - In order to claim a child for this credit, the child must not have provided more than half of their own support.

- **Dependent Test** – The taxpayer must claim the child as a dependent on his/her federal tax return.

- **Citizenship Test** - To meet the citizenship test, the child must be a U.S. citizen, U.S. national, or U.S. resident alien.

- **Residence Test** - The child must have lived with the taxpayer for more than half of 2018. There are some exceptions to the residence test, which can be found in IRS Publication 972, Child Tax Credit.

- **Limitations** - The credit is limited if the taxpayer's modified adjusted gross income is above a certain amount. The amount at which this phase-out begins varies depending on the taxpayer's filing status. For 2018, (i) the phase-out of the Child Tax Credit begins at $400,000 of adjusted gross income and for married taxpayers filing a joint return with no Child Tax Credit available for such taxpayers with adjusted gross income of $440,000 or more and (ii) the phase-out of the Child Tax Credit begins at $200,000 of adjusted gross income for all other taxpayers with no Child Tax Credit available for such taxpayers with adjusted gross income of $240,000 or more.

- For 2018 the Child Tax Credit is a "refundable credit" in certain circumstances, resulting in some of the available Child Tax Credit that is in excess of the tax liability can be refunded to the taxpayer.

c. What Amount of Child Tax Credit Can a Taxpayer Claim?

The amount of a taxpayer's Child Tax Credit depends on the number of children that they have and their income.

Standard Credit Amount

Number of Children	Child Tax Credit
1	$2,000
2	$4,000
3	$6,000
4	$8,000

d. Will the Child Tax Credit Affect a Taxpayer's Public Benefits?

The Child Tax Credit will not affect a taxpayer's eligibility for certain public benefits, such as food stamps, welfare, or supplemental security income (SSI).

If a taxpayer already receives public assistance, the Child Tax Credit should not affect the amount of their benefits.

e. Is the Child Tax Credit like the Earned Income Tax Credit (EITC)?

The Child Tax Credit is not the same as the EITC. It has different rules.

Many people who do not qualify for the EITC will qualify for the Child Tax Credit. Some people will qualify for both the Child Tax Credit and the EITC.

For example, a married couple with two children will only qualify for the EITC if their combined adjusted gross income is below $50,597. However, a married couple filing a joint tax return in 2018 with two children will qualify for the full Child Tax Credit as long as their combined income is no more than $400,000.

<u>See</u> IRS Publication 972, *Child Tax Credit*.

f. The New Family Tax Credit

In 2018 taxpayers can now receive a nonrefundable $500 Family Tax Credit for each individual qualifying as a dependent who is not a "qualifying child" under the Child Tax Credit.

3. Earned Income Tax Credit

a. What is the Earned Income Tax Credit (EITC)?

The earned income tax credit was designed to help low-income, working taxpayers. See IRS Publication 596, *Earned Income Credit (EIC)*.

b. How Does a Taxpayer Qualify for the EITC?

The taxpayer must have earned income. This includes income from wages, salaries, tips, union strike benefits, long term disability benefits received prior to retirement age, and net earnings from self-employment.

Earned income does not include: unemployment benefits, worker's compensation, welfare or workfare payments, Social Security, alimony, child support, pensions, interest, dividends, or nontaxable employee pay.

Both the taxpayer and their spouse must have Social Security numbers valid for employment. Any child they claim for the EITC must also have a Social Security number.

The taxpayer must be a United States citizen or resident alien.

There are special rules for workers without a qualifying child and for certain other persons like ministers, members of the clergy, those receiving disability benefits, and those impacted by natural disasters.

The taxpayer must file single, married filing jointly, or head of household to claim the EITC. They cannot file "married filing separately."

The taxpayer cannot claim the EITC if they have investment income (interest, dividends, and rents) of more than $3,500.

The taxpayer's adjusted gross income must fall below the limits discussed in the following subsection.

c. How does a Taxpayer Qualify for the Maximum EITC?

The maximum EITC amount is determined by reference to the taxpayer's income and the number of children they can claim. For 2018, the following amounts apply:

Number of Children	Maximum Earned Income and AGI
0	$15,270 (Married Filing Joint, "MFJ" $20,950)
1	$40,320 (MFJ $46,010)
2	$45,802 (MFJ $51,492)
3 or more	$49,194 (MFJ $54,884)

Number of Children	Maximum EITC
0	$519
1	$3,461
2	$5,716
3 or more	$6,431

d. Who is a Qualifying Child?

A qualifying child is a son, daughter, adopted child, brother, sister, stepbrother, stepsister, niece, nephew, grandchild, stepchild, or eligible foster child who lived with the taxpayer in the United States for more than half the year.

The child must also be under age 19 at the end of the year (under age 24 if a full-time student), or any age if permanently and totally disabled.

The child cannot file a joint return for the year unless the child and child's spouse did not have a filing requirement and only filed to claim a refund.

e. What if a Taxpayer's Child is the Qualifying Child of Someone Else?

More than one caregiver may be able to claim a child for the EITC. The taxpayers must choose which person is going to claim the child for the EITC each tax year. However, a nonparent can claim a child only if their adjusted gross income is higher than an eligible parent.

Two people cannot claim the same child during the same tax year.

f. Who Gets the EITC?

If two parents claim the same child but do not file a joint return, only the parent where the child lived the longest will be allowed the EITC.

If the child lived with both parents the same amount of time, then the parent with the highest adjusted gross income will be allowed to claim the EITC.

If a parent and non-parent claim the same child, only the parent will be allowed to claim the EITC.

If two non-parents claim the same child, only the non-parent with the highest income can claim the EITC.

If an eligible parent can but chooses not to claim a child, the child is treated as a qualifying child of the person with the highest AGI but only if the AGI is higher than any of the child's parents.

g. Will the EITC Affect a Taxpayer's Public Benefits?

The EITC will not affect the taxpayer's eligibility for public benefits such as food stamps, low income housing, welfare, Medicaid, and supplemental security income (SSI).

The EITC will not affect the amount of the taxpayer's public benefits. However, if they do not spend the EITC within a certain time period, it could affect certain public benefits. Those who save their EITC for more than 30 days should contact their state, tribal or local government benefit coordinator to find out if their benefits count as assets.

h. What if the IRS Denies a Taxpayer's EITC Claim?

If the taxpayer thinks that they qualify for the EITC and the IRS denies their claim, they should appeal the IRS decision. To appeal, they must prepare a written statement explaining why they qualify to claim the EITC. They should attach documents that support their claim.

If the taxpayer does not appeal the IRS decision, they may not be able to claim the EITC for the next two years. If the IRS determines that the taxpayer fraudulently claimed the EITC, they may not be able to claim the EITC for the next 10 years.

The taxpayer must file a Form 8862 with their tax return if the IRS previously denied their EITC claim.

4. Injured Spouse

a. Do any of these apply to the Taxpayer?

Did the taxpayer file a joint tax return with their spouse?

Did they expect a tax refund?

Did they receive notice that the IRS would keep their refund, OR has their tax refund already been kept?

Was the tax refund kept to pay their spouse's past-due tax, child support, or federal non-tax debt, such as a student loan?

If the taxpayer answered "yes" to all four questions, they might be able to file an Injured Spouse Claim.

b. What is an Injured Spouse Claim?

An Injured Spouse Claim can help a taxpayer get back their part of the tax refund that was captured to pay their spouse's debt by filing Form 8379.

An Injured Spouse Claim will not help a taxpayer get relief from a joint tax debt. A joint tax debt is one that both the taxpayer and their spouse owe.

When a taxpayer files a joint income tax return, the U.S. Treasury Department's Financial Management Service (FMS) can apply all or part of the joint refund to one spouse's past-due tax, child support, or federal non-tax debt, such as a student loan.

If this happens, FMS will send the taxpayer a notice. The notice will tell them the name, address, and telephone number of the agency with the debt.

5. Innocent Spouse

a. There are Three (3) Types of Innocent Spouse Relief

1. Pure Innocent Spouse Relief

A taxpayer may get this type of relief if they are not responsible for the mistake, income or expense that caused the tax debt.

To can get this kind of relief all of these things must be true:

- The taxpayer filed a joint tax return
  AND
- The IRS says they owe more than it shows on their joint tax return
  AND
- The taxpayer didn't know they owed more than the tax return stated
  AND
- It would not be fair to make the taxpayer pay the tax debt
  AND
- The amount owed is due to their spouse's mistake, income, or expenses

If the taxpayer knew the tax amount was wrong but did not know the amount, then they may get partial relief. This means they would only have to pay part of the tax debt.

2. Separation of Liability

This means the IRS will divide the taxes the taxpayer and their spouse owe. The taxpayer has to pay only their part of the tax debt.

If the taxpayer did not work or made a small amount of income, then they may not have to pay any taxes.

If the taxpayer's spouse was self-employed and failed to report income or overstated their business expenses, then the taxpayer may not be responsible for their spouse's taxes.

To get separation of liability relief, all of these things must be true:

- The taxpayer is divorced or legally separated
  OR
- The taxpayer has not lived with their spouse for the last 12 months
  AND
- The IRS says the taxpayer owes more than it shows on the joint tax return

A taxpayer CANNOT get separation of liability relief IF:

- The taxpayer has already paid the taxes
  OR
- The taxpayer knew the tax return was wrong when they signed it
  OR
- The taxpayer and their spouse transferred assets to one another as part of a fraudulent scheme

3. Equitable Relief

Equitable relief may apply when the taxpayer does not qualify for innocent spouse relief or separation of liability relief for something not reported properly on a joint return and generally attributable to the taxpayer's spouse. The taxpayer may also qualify for equitable relief if the amount of tax reported is correct on the joint return but the tax was not paid with the return.

The IRS may decide it is not fair to make the taxpayer pay their tax debt IF at least one of these things is true:

- The taxpayer's spouse abused them
- The taxpayer can't pay their bills
- English is their second language
- They are divorced or legally separated or lived apart the last 12 months
- They are in poor health
- Their divorce papers say their spouse must pay the tax debt
- The taxpayer made a good faith effort to comply with tax requirements for the year requesting relief and the following years
- Anything else that shows it is unfair for the IRS to make them pay the tax debt

The more of these factors that are true, the greater the taxpayer's chances are of getting relief.

b. How Does a Taxpayer Request Innocent Spouse Relief?

The taxpayer should fill out IRS Form 8857 and attach a statement explaining why they qualify for innocent spouse relief. See also IRS Publication 971, *Innocent Spouse Relie*f.

If the taxpayer is requesting innocent spouse relief for more than one year, they should file one request, but include a separate statement for each year explaining why they qualify. The IRS could take six to fifteen months to decide the taxpayer's case.

The taxpayer should not file Form 8857 with their tax return.

c. When Can a Taxpayer File?

The taxpayer should file IRS Form 8857 as soon as they become aware of the tax debt. A taxpayer becomes aware of the tax debt when:

- The IRS examines or audits their tax return
  OR
- The IRS sends them a notice
  OR
- The tax refund is captured by the IRS to pay the tax debt

Generally, the taxpayer must file a Form 8857 no later than two years after the date on which the IRS first attempted to collect the tax.

6. Cancellation of Debt

a. If a Taxpayer Borrows Money and Their Lender Later Cancels or Forgives That Debt, They May Have to Include the Cancelled Amount in Income for Tax Purposes, Depending on the Circumstances.

For example, a taxpayer borrows $10,000 and defaults on the loan after paying back $2,000. If the lender is unable to collect the remaining debt from them, there is a cancellation of debt of $8,000, which generally is taxable income to them. A federal government agency or lender who cancels or forgives a debt a taxpayer owes of $600 or more is required to file IRS Form 1099-C, *Cancellation of Debt* with the IRS, which shows amounts and other information relating to the cancellation. The lender is also required to provide the taxpayer with a copy of Form 1099-C.

b. Is Cancellation of Debt Income Always Taxable?

Cancellation of debt income is not always taxable. There are some exceptions. The most common situations when cancellation of debt income is not taxable involve:

- **Qualified principal residence indebtedness:** This was the exception created by the Mortgage Debt Relief Act of 2007 and only applies to qualified principal residence indebtedness forgiven <u>before January 1, 2018</u>.

- **Bankruptcy:** Debts discharged in a Title 11 bankruptcy case are not considered taxable income.

- **Insolvency:** If a taxpayer is insolvent when the debt is cancelled, some or all of the cancelled debt may not be taxable to them. A taxpayer is insolvent when their total liabilities are more than the fair market value of their total assets.

- **Non-recourse loans:** A non-recourse loan is a loan for which the lender's only remedy in case of default is to repossess the property being financed or used as collateral. That is, the lender cannot pursue the taxpayer personally in case of default. Forgiveness of a non-recourse loan resulting from a foreclosure does not result in cancellation of debt income. However, it may result in other tax consequences.

If all or part of the canceled debt qualifies to be excluded under one of the exclusions listed above, the amount excluded from income must be reported on Form 982, *Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment)*. The Form 982 must be attached to the taxpayer's tax return. The remaining canceled debt, if any, must be included as income on their tax return.

c. Where Does a Taxpayer Report Taxable Cancellation of Debt Income?

If the debt is a nonbusiness debt, report the amount of the canceled debt on Form 1040, line 21. If it is a business debt, report the amount on Schedule C (Form 1040) or Schedule C-EZ (Form 1040).

d. Where Can Taxpayers Find Information About Cancellation of Debts?

Publication 4681, *Canceled Debts, Foreclosures, Repossessions, and Abandonments*, contains detailed information regarding the taxability of canceled debt, how to report it and related exceptions and exclusions. Publication 525, *Taxable and Nontaxable Income.* Instructions for Form 982, *Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment)*.

7. Selected 2018 Federal Tax Changes Effecting Individuals

The Tax Cuts and Jobs Act of 2017 will have a significant impact on virtually every business and individual taxpayer in 2018. The breadth and scope of these changes is still being digested and understood by the IRS and tax practitioners and is far beyond the scope of this summary. There are several basic changes for individuals that may be helpful to know, including:

a. Reduction in Federal individual income tax rates

Income tax rate reductions are in effect in 2018 for majority of individuals. Note, however, that the impact of other changes in 2018 may negate some or all of the positive impact of the 2018 tax rate reductions.

b. Increase in Federal standard deduction.

Beginning in 2018 and thru 20125 the amount of the standard deduction for individuals increases to (i) $24,000 for married taxpayers filing joint returns, (ii) $12,000 for single taxpayers and (iii) $18,000 for filers qualifying for head of household status.

c. Elimination of personal exemptions.

Beginning in 2018 and thru 2025 the deduction for personal exemptions is suspended.

d. Interest on Home Equity Indebtedness is not deductible beginning in 2018 and thru 2025.

e. Deduction for State and Local income and property taxes and foreign income taxes paid is limited to $10,000 ($5,000 for married individuals filing separate returns.

Note: This limitation does not apply to such taxes paid or accrued in carrying on a trade or business or in the production of income.

f. Beginning in 2018, Section 529 education plans can be used to pay up to $10,000 (per student) in connection with enrollment or attendance of the designated beneficiary at a public, private or religious elementary or secondary school.

8. Tax Return Preparation Assistance

a. Volunteer Income Tax Assistance (VITA)Program

The VITA Program offers free tax return preparation to low-to-moderate-income people, (generally $54,000 and below). Certified volunteers sponsored by various organizations are trained to help prepare basic tax returns in communities across the U.S. Generally, VITA sites are located at community and neighborhood centers, libraries, schools, shopping malls, and other convenient locations. Most locations also offer free electronic filing. To locate the nearest VITA site, call 1-800-906-9887.

b. Tax Counseling for the Elderly (TCE)

The Tax Counseling for the Elderly Program provides free tax counseling and basic income tax return preparation for senior citizens (people aged 60 and older). Trained volunteers are often retired individuals from non-profit organizations that receive grants from the IRS.

As part of the IRS-sponsored TCE Program, **AARP** offers the Tax-Aide counseling program at more than 7,000 locations throughout the country during the filing season. Trained and certified AARP Tax-Aide volunteer counselors help people of low-to-middle income. They focus on senior citizens age 60 and older.

For more information on TCE, call 1-800-906-9887. To locate the nearest AARP Tax-Aide site, call 1-888-227-7669 or visit AARP's website.

9. North Carolina Department of Revenue

a. Payment Plans

The NC Department of Revenue will generally not agree to another payment plan if a taxpayer defaulted on their first payment plan.

A taxpayer can call the Department's Customer Service line (877-252-3252) to set up payment plans that are completed within 24 months. The NC Department of Revenue office closest to the taxpayer is the only office that can set up longer plans (3 years is the maximum).

By calling 1-877-252-3252, a Tax Agent *generally* has the authority to set up a tax liability payment plan under the following criteria: A) the taxpayer must be in filing compliance for all tax years; B) if their liability is no more than $1,000, the Tax Agent can negotiate a 12 month maximum payment plan; C) if their liability is more than $1,000, but less than $5,000, the Tax Agent can negotiate a 24 month maximum payment plan; D) if their liability is more than $5,000, the Tax Agent can negotiate a 90 day maximum payment plan.

b. Offer in Compromise

An Offer in Compromise will not likely be accepted if a taxpayer is in good health and employed. The Department must determine that the taxpayer's financial situation prevents full payment for the foreseeable future.

A 20% down payment is required for an Offer in Compromise, but there is an exception for individuals below the poverty line. An Offer in Compromise must be made in one lump sum payment within 30 days of the Department's acceptance of the offer.

c. Penalties

A taxpayer may seek a penalty waiver if no other penalty waivers have been granted in the past three years.

Penalties are assessed for failure to pay the tax shown on the return (10%), for underpayment of tax and for the late filing of returns.

Automatic reasons penalties are waived:

- Death of immediate family member or tax preparer (waive within three months)
- Sudden illness of the taxpayer, immediate family member or tax preparer (waive within three months)
- Natural disaster (statutory period for particular disaster or if none, three months)

Good compliance record is another way to get penalties waived. More information about this is available on the Department's website.

North Carolina law prohibits the Department from waiving interest under any circumstances.

d. Collection

Garnishment of up to 10% of gross pay each pay period is permitted to collect an outstanding tax debt. Unlike the 10 year IRS statute of limitations on collection, North Carolina has no statute of limitations (SOL) on collection.

North Carolina statute requires a notice of proposed assessment be sent to the taxpayer. The taxpayer then has 45 days to respond if he disagrees with the assessment. If the taxpayer agrees with the assessment, he should remit payment within the 45-day period or otherwise enter into an installment agreement. If the taxpayer does not respond to the notice, an assessment will be made. If the taxpayer receives a final bill, and at least 90 days have passed since final assessment and the taxes remain unpaid, then a 20% fee is added to the taxpayer's total debt.

The Department assigns specific caseworkers to individual collection cases.

e. Amended Returns

Amended tax returns are filed on Form D400X. The North Carolina Department of Revenue generally begins processing amended tax returns begins in September and it generally takes 10-12 weeks to complete processing amended returns.

10.Getting Additional Help

a. Low Income Taxpayer Clinics

Low Income Taxpayer Clinics are independent organizations that provide low-income taxpayers with representation in federal tax controversies with the IRS for free or for nominal charge. The clinics also provide tax education and outreach for taxpayers with limited English proficiency or who speak English as a second language. IRS Publication 4134, *Low Income Taxpayer Clinic List*, provides information on clinics in your area.

Western North Carolina LITC (Charlotte): 704-376-1600 or 1-800-438-1254.

NC Central University School of Law (Durham): 919-530-7166.

b. Taxpayer Advocate Service

The Taxpayer Advocate Service is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, who are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should.

For assistance or to determine whether the taxpayer is eligible for assistance, the taxpayer can contact the Taxpayer Advocate Service by calling the TAS toll-free case intake line at 1-877-777-4778 or calling 1-336-574-6119 for the IRS Taxpayer Advocate Service office serving North Carolina. The taxpayer can also call or write to their local Taxpayer Advocate, whose phone number and address are listed in their local telephone directory and in IRS Publication 1546, *Taxpayer Advocate Service - Your Voice at the IRS*. The taxpayer can file Form 911, *Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance order)*, or ask an IRS employee to complete Form 911 on their behalf.

For more information, go to www.irs.gov/advocate.

c. IRS Assistance Centers - Face-to-Face Tax Help

IRS Taxpayer Assistance Centers are the taxpayer's source for personal tax help when they believe their tax issue cannot be handled online or by phone, and they want face-to-face assistance.

If the taxpayer needs to resolve a tax problem, has questions about how the tax law applies to their individual tax return, or they are more comfortable talking with someone face-to-face, they may visit their local Taxpayer Assistance Center where the taxpayer can spread out their records and talk with an IRS representative across the counter. No appointment is necessary – the taxpayer may just walk in. If the taxpayer prefers, they may call a local number (see chart, below) to learn about available and alternate services, and to schedule appointments with IRS personnel. If the taxpayer has an ongoing, complex tax account problem or a special need, such as a disability, an appointment may be requested. All other issues will be handled without an appointment.

Services may vary from site to site. The taxpayer can get these services on a walk-in, non-advance appointment basis.

Multilingual assistance is available in every office. Hours of operation are subject to change.

City	**Street Address**	**Days/Hours of Service**	**Telephone ***
Asheville	151 Patton Ave. Asheville, NC 28801	Monday-Friday - 8:30 a.m.-4:30 p.m.	(828) 271-4764
Charlotte	Five Resource Square, 10715 David Taylor Drive Suite 1-300, Charlotte, NC 28262	Monday-Friday - 8:30 a.m.-4:30 p.m.	(704) 548-4100
Durham (Virtual Assistance)	By Appointment Only	Tuesday & Thursday- 10 a.m. - 3 p.m.	(844) 545-5640
Fayetteville	225 Green St. Fayetteville, NC 28301	Monday-Friday - 8:30 a.m.-4:30 p.m.	(910) 223-3580
Greensboro	4905 Koger Blvd. Greensboro, NC 27407	Monday-Friday - 8:30 a.m.-4:30 p.m.	(336) 574-6024
Greenville	2835 South Charles Blvd. Greenville, NC 27858	Monday-Friday - 8:30 a.m.-4:30 p.m.	(252) 561-4040
Hickory	1930 3rd Avenue Lane SE Hickory, NC 28602	Monday-Friday - 8:30 a.m.-4:30 p.m.	(828) 267-7655
Raleigh	7751 Briar Creek Parkway Raleigh, NC 27617	Monday-Friday - 8:30 a.m.-4:30 p.m.	(919) 850-1100
Wilmington	3340 Jaeckle Dr. Wilmington, NC 28403	Monday-Friday - 8:30 a.m.-4:30 p.m.	(910) 254-5198

City	Street Address	Days/Hours of Service	Telephone *
Winston-Salem	1677 Westbrook Plaza Suite 160. Winston-Salem, NC 27103	Monday-Friday - 8:30 a.m.-4:30 p.m.	(336) 659-2740

d. North Carolina Department of Revenue Offices

City	Street Address	Days/Hours of Service	Telephone * 1-877-252-3052 or
Asheville	N.C. Department of Revenue 800 Alliance Court Asheville, NC 28806	Call for Hours of Service	(828) 259-4000
Charlotte	N.C. Department of Revenue 301 McCullough Drive, Suite 300 Charlotte, NC 28262	Call for Hours of Service	(704) 519-3000
Durham	N.C. Department of Revenue 3518 Westgate Drive, Suite 150 Durham, NC 27707 *(on the corner of Westgate Drive and University Drive*)	Call for Hours of Service	(919) 627-6900
Elizabeth City	N.C. Department of Revenue 1870 Griffin West City Drive Elizabeth City, NC 27909	Call for Hours of Service	(252) 338-7400
Fayetteville	N.C. Department of Revenue 3401 Village Drive Suite 300 Fayetteville, NC 28304	Call for Hours of Service	(910) 486-3800
Greensboro	N.C. Department of Revenue 1500 Pinecroft Road Asheville Bldg., Suite 300 Greensboro, NC 27407	Call for Hours of Service	(336) 487-0200
Greenville/Winterville	N.C. Department of Revenue 300 Beacon Road Winterville, NC 28590	Call for Hours of Service	(252) 830-2400

City	Street Address	Days/Hours of Service	Telephone * 1-877-252-3052 or
Hickory	N.C. Department of Revenue 1985 Tate Boulevard SE, Suite 362 Hickory, NC 28602	Call for Hours of Service	(828) 261-7500
Raleigh	N.C. Department of Revenue 4701 Atlantic Avenue, Suite 118 Raleigh, NC 27604	Call for Hours of Service	(919) 707-0880
Rocky Mount	N.C. Department of Revenue 793 Country Club Road Rocky Mount, NC 27804	Call for Hours of Service	(252) 467-9200
Wilmington	N.C. Department of Revenue 3340 Jaeckle Drive, Suite 202 Wilmington, NC 28403	Call for Hours of Service	(910) 254-5000
Winston-Salem	N.C. Department of Revenue 450 West Hanes Mill Road Suite 202 Winston-Salem, NC 27105	Call for Hours of Service	(336) 661-6800

e. TAS Tax Tool Kit

Please also see the Tax Tool Kit at http://www.taxtoolkit.irs.gov for additional information.

NOTE: ALL PUBLICATIONS AND FORMS REFERENCED IN THIS OUTLINE CAN BE FOUND ON THE IRS WEBSITE (www.irs.gov) OR THE NORTH CAROLINA DEPARTMENT OF REVENUE WEBSITE (www.dornc.com)