



January 16, 2018

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Issue

On January 3, 2018, changes were made to the Internal Revenue Manual Section 21.1.3.3 that now require tax practitioners to verify their identity by providing personal information such as their social security number and date of birth when contacting the IRS through the Practitioner Priority Service or any toll-free IRS telephone number.

For generations, tax practitioners have performed a vital function in our nation's tax administration system by acting on behalf of taxpayers before the IRS. The IRS' Practitioner Priority Service has long been the practitioner's first point of contact when resolving account related matters. We request that the IRS keep open lines of communication while taking practical steps to insure the protection of taxpayer and tax practitioner identities.

The change to the IRM came without warning, not only to NATP and other IRS stakeholders, but to tax practitioners in general. That's not to say that a change was unwarranted, however, advance notice of such changes are a key part to any successful implementation.

We understand that it is no longer "business as usual" when dealing with sensitive, personal information and that strong protocols are necessary to protect that information. However, asking tax professionals to provide their social security number and date of birth to an IRS assistor on the other end of the Practitioner Priority Service phone line, often with their client seated across the desk, is not in keeping with ongoing efforts to protect sensitive information.

This new procedure has raised concerns among our membership and the tax practitioner community collectively. We requested input from our membership and received hundreds of responses. At its core, the prevailing concern is verbally providing an individual's social security number along with a date of birth as a means to verify identity. It is our mission to work collaboratively with the IRS by offering possible alternative solutions to providing sensitive and personally identifiable information over the phone.

Recommendations

Much of the feedback received from our members include alternatives to using their social security number and date of birth as identity verification indicators. Implementation of common business practices may achieve your objectives without compromising the personal information of tax practitioners. Some of these suggestions include:

- Ask the practitioner to verify the last four digits of their social security number rather than the entire number.
- Instead of verbally stating the social security number and date of birth, have the practitioner enter the numbers on the phone keypad.
- Randomly select certain numbers of the social security number. Ex.: Ask for the 1st, 3rd, 5th and 7th number.
- Ask the practitioner for their EA number or PTIN.
- Set up a secure link, PIN, or code using their cell phone number or email address. When the practitioner calls PPS they can text a code and the code is read back for verification purposes.

We welcome the opportunity to work with the IRS to develop alternatives to the recent procedural changes affecting those practitioners who represent clients before the IRS.

About NATP

NATP is the largest association dedicated to equipping tax professionals with the resources, connections and education they need to provide the highest level of service to their clients. NATP is comprised of over 23,000 leading tax professionals who believe in a superior standard of ethics and exemplify professional excellence. Members rely on NATP to deliver professional connections, content expertise and advocacy that provides them with the support they need to best serve their clients. The organization welcomes all tax professionals in their quest to continually meet the needs of the public, no matter where they are in their careers. The NATP headquarters is located in Appleton, WI. To learn more, visit www.natptax.com.