



Worker Classification: Employee vs. Independent Contractor

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Agenda

- Worker Classification Considerations
- Form SS-8, *Determination of Worker Status*
- Form 8919, *Uncollected Social Security and Medicare Tax on Wages*
- Officer Compensation
- Filing Requirements – Independent Contractor and Employee Classification



Agenda (cont.)

- Misclassification of Workers
- Section 530 relief
- Voluntary Classification Settlement Program
- IRS Resources for Worker Classification
- IRS Key Messages & Updates



Worker Classification

- Workers you hire may be:
 - Employees
 - Independent contractors
- Consequences of Misclassification



Basic Definitions

- **Employee** - Individual who performs services for you who is subject to your control regarding what will be done AND how it will be done.
- **Independent Contractor** - Individual who performs services for you – but you control only the work result.



Employee vs. Independent Contractor

Categories of Evidence:

1. Behavioral control
2. Financial control
3. Type of relationship of the parties



Behavioral Control

- Type of instruction given
- Degree of instruction
- Evaluation systems
- Training provided by the business

Key fact to consider is whether business retains the **RIGHT** to control worker, regardless of whether the business actually exercises that right.



Behavioral Control

Examples



Financial Control

- Significant investment
- Unreimbursed expenses
- Opportunity for profit or loss
- Services available to the market
- Payment method



Type of Relationship

- Written contract
- Employee-type benefits provided
- Relationship Permanency
- Key business activity provided by services



Determination

- File Form SS-8, *Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding* with IRS
- Six-month processing time



Form SS-8

Form SS-8 (Rev. May 2014) Department of the Treasury Internal Revenue Service	Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding ► Information about Form SS-8 and its separate instructions is at www.irs.gov/formss8 .	OMB No. 1545-0004 For IRS Use Only: Case Number: Earliest Receipt Date:
Name of firm (or person) for whom the worker performed services		Worker's name
Firm's mailing address (include street address, apt. or suite no., city, state, and ZIP code)		Worker's mailing address (include street address, apt. or suite no., city, state, and ZIP code)
Trade name	Firm's email address	Worker's daytime telephone number
Firm's fax number	Firm's website	Worker's alternate telephone number
Firm's telephone number (include area code)	Firm's employer identification number	Worker's social security number
		Worker's employer identification number (if any)
Note. If the worker is paid for these services by a firm other than the one listed on this form, enter the name, address, and employer identification number of the payer: ►		
Disclosure of Information		
<p>The information provided on Form SS-8 may be disclosed to the firm, worker, or payer named above to assist the IRS in the determination process. For example, if you are a worker, we may disclose the information you provide on Form SS-8 to the firm or payer named above. The information can only be disclosed to assist with the determination process. If you provide incomplete information, we may not be able to process your request. See <i>Privacy Act and Paperwork Reduction Act Notice</i> in the separate instructions for more information. If you do not want this information disclosed to other parties, do not file Form SS-8.</p>		
<p>Parts I-V. All filers of Form SS-8 must complete all questions in Parts I-IV. Part V must be completed if the worker provides a service directly to customers or is a salesperson. If you cannot answer a question, enter "Unknown" or "Does not apply." If you need more space for a question, attach another sheet with the part and question number clearly identified. Write your firm's name (or worker's name) and employer identification number (or social security number) at the top of each additional sheet attached to this form.</p>		
Part I General Information		
1 This form is being completed by: <input type="checkbox"/> Firm <input type="checkbox"/> Worker; for services performed _____ to _____ (beginning date) (ending date)		
2 Explain your reason(s) for filing this form (for example, you received a bill from the IRS, you believe you erroneously received a Form 1099 or Form W-2, you are unable to get workers' compensation benefits, or you were audited or are being audited by the IRS). _____		
3 Total number of workers who performed or are performing the same or similar services: _____		
4 How did the worker obtain the job? <input type="checkbox"/> Application <input type="checkbox"/> Bid <input type="checkbox"/> Employment Agency <input type="checkbox"/> Other (specify) _____		
5 Attach copies of all supporting documentation (for example, contracts, invoices, memos, Forms W-2 or Forms 1099-MISC issued or received, IRS closing agreements or IRS rulings). In addition, please inform us of any current or past litigation concerning the worker's status. If no income reporting forms (Form 1099-MISC or W-2) were furnished to the worker, enter the amount of income earned for the year(s) at issue \$ _____. If both Form W-2 and Form 1099-MISC were issued or received, explain why. _____		
6 Describe the firm's business. _____		
For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Cat. No. 16106T Form SS-8 (Rev. 5-2014)		



Form 8919 - *Uncollected Social Security and Medicare Tax on Wages*

- Misclassified workers report their share of Social Security and Medicare on Form 8919, *Uncollected Social Security and Medicare Tax on Wages*
- Replaces Form 4137 for misclassified workers



Form 8919

Form **8919**

Department of the Treasury
Internal Revenue Service

Uncollected Social Security and Medicare Tax on Wages

Go to www.irs.gov/Form8919 for the latest information.
Attach to your tax return.

OMB No. 1545-0074

2022
Attachment
Sequence No. **61**

Name of person who must file this form. If married, complete a separate Form 8919 for each spouse who must file this form.

Social security number

Who must file. You must file Form 8919 if **all** of the following apply.

- You performed services for a firm.
- You believe your pay from the firm wasn't for services as an independent contractor.
- The firm didn't withhold your share of social security and Medicare taxes from your pay.
- One of the reasons listed below under *Reason codes* applies to you.

Reason codes. For each firm listed below, enter in column (c) the applicable reason code for filing this form. If none of the reason codes apply to you, but you believe you should have been treated as an employee, enter reason code G, and **file Form SS-8 on or before the date you file your tax return.**

A I filed Form SS-8 and received a determination letter stating that I am an employee of this firm.

C I received other correspondence from the IRS that states I am an employee.

G I filed Form SS-8 with the IRS and haven't received a reply.

H I received a Form W-2 and a Form 1099-MISC and/or 1099-NEC from this firm for 2022. The amount on Form 1099-MISC and/or 1099-NEC should have been included as wages on Form W-2. (**Don't file Form SS-8 if you select reason code H.**)

(a) Name of firm	(b) Firm's federal identification number (see instructions)	(c) Enter reason code from above.	(d) Date of IRS determination or correspondence (MM/DD/YYYY) (see instructions)	(e) Check if Form 1099-MISC and/or 1099-NEC was received.	(f) Total wages received with no social security or Medicare tax withholding and not reported on Form W-2
1				<input type="checkbox"/>	
2				<input type="checkbox"/>	
3				<input type="checkbox"/>	
4				<input type="checkbox"/>	
5				<input type="checkbox"/>	
6	Total wages. Combine lines 1 through 5 in column (f). Enter here and on Form 1040, 1040-SR, or 1040-NR, line 1g				6
7	Maximum amount of wages subject to social security tax				7 147,000
8	Total social security wages and social security tips (total of boxes 3 and 7 on Form(s) W-2), railroad retirement (RRTA) compensation (subject to the 6.2% rate), and unreported tips subject to social security tax from Form 4137, line 10. See instructions				8
9	Subtract line 8 from line 7. If line 8 is more than line 7, enter -0- here and on line 10				9
10	Wages subject to social security tax. Enter the smaller of line 6 or line 9				10
11	Multiply line 10 by 0.062 (social security tax rate)				11
12	Multiply line 6 by 0.0145 (Medicare tax rate)				12
13	Add lines 11 and 12. Enter here. Include as tax on your annual tax return (Schedule 2 (Form 1040), line 6; Form 1040-PR, Part I, line 6; or Form 1040-SS, Part I, line 6). See the instructions there				13

For Paperwork Reduction Act Notice, see your tax return instructions.

Cat. No. 37730B

Form **8919** (2022)



Officer Compensation

- Officers are defined as employees for FICA, FUTA and income tax withholding
- Officers are not considered employees if they:
 - Perform no services or only minor services
 - Are not entitled to remuneration (direct or indirect)



Officer Compensation (continued)

- Distributions
- Loans to shareholders
- Payments of personal expenses
- Excessive rent payments
- Management fees
- Fringe benefits



Next Steps: Independent Contractor

- Contractor completes Form W-9
 - Social Security Number or Employer Identification Number required
- File Form 1099-NEC if \$600 or more paid for services during year
 - See instructions for exceptions



Backup Withholding

Initiate backup withholding when a payee:

- Does not provide you with their TIN; or
- Provides an obviously incorrect TIN;

Report backup withholding on Form 945, *Annual Return of Withheld Federal Income Tax*, and

You, the payer, can be held liable if you did not withhold the required backup withholding.



Form 1099-NEC

7171

☐ VOID

☐ CORRECTED

PAYER'S name, street address, city or town, state or province, country, ZIP or foreign postal code, and telephone no.			OMB No. 1545-0116		Nonemployee Compensation
			Form 1099-NEC		
			(Rev. January 2022)		
			For calendar year 20 ____		
PAYER'S TIN	RECIPIENT'S TIN	1 Nonemployee compensation			Copy A For Internal Revenue Service Center File with Form 1096. For Privacy Act and Paperwork Reduction Act Notice, see the current General Instructions for Certain Information Returns.
		\$			
RECIPIENT'S name		2 Payer made direct sales totaling \$5,000 or more of consumer products to recipient for resale <input type="checkbox"/>			
		3			
Street address (including apt. no.)		4 Federal income tax withheld			
City or town, state or province, country, and ZIP or foreign postal code		\$			
Account number (see instructions)		2nd TIN not. <input type="checkbox"/>	5 State tax withheld	6 State/Payer's state no.	7 State income
			\$		\$
			\$		\$

Form **1099-NEC** (Rev. 1-2022)

Cat. No. 72590N

www.irs.gov/Form1099NEC

Department of the Treasury - Internal Revenue Service

Do Not Cut or Separate Forms on This Page — Do Not Cut or Separate Forms on This Page



Filing Information Returns Electronically – IRS.gov/FIRE

- System for electronic filing of any of Form 1099s and some other information returns
- Later due dates for electronically filed forms
- Visit IRS.gov, search Keyword “FIRE”
- Assistance
 - Call (866)-455-7438



IRIS – Information Returns Intake System

Electronically file any Form 1099 for tax year 2022 and later with the Information Returns Intake System (IRIS).

E-file with IRIS

E-file any Form 1099.

What You Need

- [Employer Identification Number \(EIN\)](#).
- [IRIS Transmitter Control Code \(TCC\)](#).
- API client ID (A2A filers only)

Sign in to IRIS

For system availability, [check IRIS status](#).

Why e-file with IRIS

IRIS is a free service that lets you:

- Fill and file Forms 1099-MISC, 1099-NEC, 1099-INT, 1099-DIV [and more](#)
- Submit up to 100 records per upload with CSV templates
- File corrected Forms 1099
- Manage issuer information
- Request automatic extensions to file Forms 1099
- Bulk file with [Application to Application \(A2A\)](#).



Next Steps: Employee

- Employee completes Forms I-9 & W-4
- Employer
 - Withholds income tax and FICA
 - Completes Form W-2 at year-end
 - Files Form W-2 with Social Security Administration
 - Visit **SSA.gov/employer** for free online Form W-2 filing & SSN verification service



Next Steps - Employer

- Responsible for depositing federal income tax withheld, FICA and FUTA taxes
- Deposit taxes using EFTPS
- Report wages, taxes by filing returns:
 - Form 941 or Form 944 for income tax, FICA
 - Form 940 for FUTA



Taxable Wages

- May be paid in cash or any other form
- Non-cash measured by fair market value
- Includes salaries, fees, tips, bonuses and commissions



Misclassification of Workers

- Determination
- Section 530 relief



Pub. 1976

Section 530 provides businesses with relief from federal employment tax obligations if certain requirements are met.

Do you
Qualify
for **Relief**
under
Section
530?

IRS

Internal Revenue Service

Publication 1976 (Rev. 2-2017) Catalog Number 20327M Department of the Treasury Internal Revenue Service www.irs.gov



§530 - Relief Requirements

- Reasonable basis
- Substantive consistency
- Reporting consistency



§530 - Reasonable Basis

- Judicial precedent
- Prior audit
- Industry practice
- Other reasonable basis



§530 Consistency Requirements

- Treat all workers in similar positions the same (substantive consistency)
- File all required returns – for example, Form 1099-NEC (reporting consistency)



Voluntary Classification Settlement Program (VCSP)

- The VCSP is a voluntary program that provides an opportunity for taxpayers to reclassify their workers as employees for employment tax purposes for future tax periods with partial relief from federal employment taxes.
- The taxpayer must meet certain eligibility requirements and apply to participate in the VCSP by filing Form 8952, *Application for Voluntary Classification Settlement Program*, and enter into a closing agreement with the IRS.



Voluntary Classification Settlement Program (VCSP) – (cont.)

Eligibility Requirements:

- The program applies to taxpayers who are currently treating their workers (or a class or group of workers) as independent contractors or other nonemployees and want to prospectively treat the workers as employees.
- A taxpayer must have consistently treated the workers to be reclassified as independent contractors or other nonemployees, including having filed all required Forms 1099 for the workers to be reclassified under the VCSP for the previous three years to participate.
- The taxpayer cannot currently be under employment tax audit.



Voluntary Classification Settlement Program (VCSP) – (cont.)

VCSP Agreements:

A taxpayer participating in the VCSP will agree to prospectively treat the class or classes of workers as employees for future tax periods. In exchange, the taxpayer will:

- Pay 10 percent of the employment tax liability that would have been due on compensation paid to the workers for the most recent tax year.
- Not be liable for any interest and penalties on the amount; and
- Not be subject to an employment tax audit with respect to the worker classification of the workers being reclassified under the VCSP for prior years.



Form 8952 – Application for Voluntary Classification Settlement Program

Form 8952 (Rev. November 2013) <small>Department of the Treasury Internal Revenue Service</small>	Application for Voluntary Classification Settlement Program (VCSP) <small>► Do not send payment with Form 8952. ► Information about Form 8952 and its separate instructions is at www.irs.gov/form8952.</small>	<small>OMB No. 1545-2215</small>										
Caution. Taxpayer must make certain representations in order to be eligible to participate in the VCSP. These representations can be found in Part V on page 2.												
Part I Taxpayer Information												
1 Taxpayer's name		2 Employer identification number (EIN)										
3 Number and street (or P.O. box number if mail is not delivered to a street address)		Room/Suite										
4 City, town or post office, state, and ZIP code												
5 Telephone number		6 Website address (optional)										
7 Fax number (optional)		8 Email address (optional)										
9 Type of entity. Check the applicable box: <table style="width: 100%;"><tr><td><input type="checkbox"/> Sole proprietorship</td><td><input type="checkbox"/> Cooperative organization described in section 1381 of the Internal Revenue Code</td></tr><tr><td><input type="checkbox"/> Joint venture</td><td><input type="checkbox"/> Tax-exempt organization</td></tr><tr><td><input type="checkbox"/> Partnership</td><td><input type="checkbox"/> State or local government (for worker class or position not covered under a section 218 agreement)</td></tr><tr><td><input type="checkbox"/> C corporation</td><td><input type="checkbox"/> Other (specify here) _____</td></tr><tr><td><input type="checkbox"/> S corporation</td><td></td></tr></table>			<input type="checkbox"/> Sole proprietorship	<input type="checkbox"/> Cooperative organization described in section 1381 of the Internal Revenue Code	<input type="checkbox"/> Joint venture	<input type="checkbox"/> Tax-exempt organization	<input type="checkbox"/> Partnership	<input type="checkbox"/> State or local government (for worker class or position not covered under a section 218 agreement)	<input type="checkbox"/> C corporation	<input type="checkbox"/> Other (specify here) _____	<input type="checkbox"/> S corporation	
<input type="checkbox"/> Sole proprietorship	<input type="checkbox"/> Cooperative organization described in section 1381 of the Internal Revenue Code											
<input type="checkbox"/> Joint venture	<input type="checkbox"/> Tax-exempt organization											
<input type="checkbox"/> Partnership	<input type="checkbox"/> State or local government (for worker class or position not covered under a section 218 agreement)											
<input type="checkbox"/> C corporation	<input type="checkbox"/> Other (specify here) _____											
<input type="checkbox"/> S corporation												
10 Are you a member of an affiliated group? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," complete the common parent information on lines 11-14. If "No," skip to Part II.												
11 Name of common parent of the affiliated group		12 EIN of common parent										
13 Number and street (or P.O. box number if mail is not delivered to a street address) of common parent												
14 City, town or post office, state, and ZIP code of common parent												
Part II Contact Person												
Attach a properly completed Form 2848, Power of Attorney and Declaration of Representative, if applicable. Also see <i>Special instructions for Form 2848</i> in the instructions.												
• Name and title of contact person _____												
• Contact person's number and street (or P.O. box number if mail is not delivered to a street address) _____												
• Contact person's city, town or post office, state, and ZIP code _____												
• Contact person's telephone number _____												
• Contact person's fax number (optional) _____												
• Contact person's email address (optional) _____												
Part III General Information About Workers To Be Reclassified												
15 Enter the total number of workers from all classes to be reclassified. A class of workers includes all workers who perform the same or similar services. _____ 17 Enter the beginning date of the employment tax period (calendar year or quarter) for which you want to begin treating the class or classes of workers as employees. This date should be at least 60 days after the date you file Form 8952 (see instructions). _____/_____/_____ _____/_____/_____		16 Enter a description of the class or classes of workers to be reclassified. If more space is needed, attach separate sheets (see instructions). <div style="border: 1px solid black; height: 150px; width: 100%;"></div>										
<small>For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.</small>												
<small>Cat. No. 37772H</small>		<small>Form 8952 (Rev. 11-2013)</small>										



Resources – Worker Classification

- Visit [IRS.gov](https://www.irs.gov), search Keywords
 - “worker classification”
- Pub 1779 - *Independent Contractor or Employee*
- Pub 1976, *Section 530 Relief Requirements*
- Form SS-8, *Determination of Worker Status*
- Form 8952 – *Application for Voluntary Classification Settlement Program*



Pub. 1779 – Independent Contractor or Employee



Independent Contractor *or* Employee

Which are you?

For federal tax purposes, this is an important distinction. Worker classification affects how you pay your federal income tax, social security and Medicare taxes, and how you file your tax return. Classification affects your eligibility for social security and Medicare benefits, employer provided benefits and your tax responsibilities. If you aren't sure of your work status, you should find out now. This brochure can help you.

The courts have considered many facts in deciding whether a worker is an independent contractor or an employee. These relevant facts fall into three main categories: behavioral control; financial control; and relationship of the parties. In each case, it is very important to consider all the facts – no single fact provides the answer. Carefully review the following definitions.

Behavioral Control

These facts show whether there is a right to direct or control how the worker does the work. A worker is an employee when the business has the right to direct and control the worker. The business does not have to actually direct or control the way the work is done – as long as the employer has the right to direct and control the work. For example:

Instructions – if you receive extensive instructions on how work is to be done, this suggests that you are an employee. Instructions can cover a wide range of topics, for example:

- how, when, or where to do the work
- what tools or equipment to use
- what assistants to hire to help with the work
- where to purchase supplies and services

If you receive less extensive instructions about what should be done, but not how it should be done, you may be an independent contractor. For instance, instructions about time and place may be less important than directions on how the work is performed.

Training – if the business provides you with training about required procedures and methods, this indicates that the business wants the work done in a certain way, and this suggests that you may be an employee.

Financial Control

These facts show whether there is a right to direct or control the business part of the work. For example:

Significant Investment – if you have a significant investment in your work, you may be an independent contractor. While there is no precise dollar test, the investment must have substance. However, a significant investment is not necessary to be an independent contractor.

Expenses – if you are not reimbursed for some or all business expenses, then you may be an independent contractor, especially if your unreimbursed business expenses are high.

Opportunity for Profit or Loss – if you can realize a profit or incur a loss, this suggests that you are in business for yourself and that you may be an independent contractor.

Relationship of the Parties

These are facts that illustrate how the business and the worker perceive their relationship. For example:

Employee Benefits – if you receive benefits, such as insurance, pension, or paid leave, this is an indication that you may be an employee. If you do not receive benefits, however, you could be either an employee or an independent contractor.

Written Contracts – a written contract may show what both you and the business intend. This may be very significant if it is difficult, if not impossible, to determine status based on other facts.

When You Are an Employee...

- Your employer must withhold income tax and your portion of social security and Medicare taxes. Also, your employer is responsible for paying social security, Medicare, and unemployment (FUTA) taxes on your wages. Your employer must give you a Form W-2, Wage and Tax Statement, showing the amount of taxes withheld from your pay.

When You Are an Independent Contractor...

- The business may be required to give you Form 1099-MISC, Miscellaneous Income, to report what it has paid to you.
- You are responsible for paying your own income tax and self-employment tax (Self-Employment Contributions Act – SECA). The business does not withhold taxes from your pay. You may need to make estimated tax payments during the year to cover your tax liabilities.
- You may deduct business expenses on Schedule C of your income tax return.





Pub. 5520 – How Businesses Determine if a Worker is an Employee or Independent Contractor



IRS.gov/smallbiz

How Businesses Determine if a Worker is an Employee or Independent Contractor



The degree of control and independence of workers fall into three main categories, and each must be considered when determining if a worker is an employee or independent contractor.

Behavioral Control

Does the business control or have the right to control how the worker does their job?

Factors to consider include:

- › Type of instructions given
- › Degree of instruction
- › Evaluation systems
- › Training

Financial Control

Does the business have the right to control the economic aspects of the worker's job?

Factors to consider include:

- › Significant investment
- › Unreimbursed expenses
- › Opportunity for profit or loss
- › Services available to the market
- › Method of payment

Relationship

How does the worker and the business see their relationship with each other?

Factors to consider include:

- › Written contracts
- › Employee benefits
- › Permanency of the relationship
- › Services provided as key activity of the business

Form SS-8 can help employers determine the status of their workers.

Learn more about businesses [classifying workers and contractors and related topics](#).



IRS Key Messages & Updates



Employee Retention Credit Scams – Processing of New Claims Stopped – IR-2023-169

[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)

To protect taxpayers from scams, IRS orders immediate stop to new Employee Retention Credit processing amid surge of questionable claims; concerns from tax pros

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Tax Scams/Consumer Alerts

Aggressive marketing to ineligible applicants highlights unacceptable risk to businesses and the tax system

IR-2023-169, Sept. 14, 2023

Moratorium on processing of new claims through year's end will allow IRS to add more safeguards to prevent future abuse, protect businesses from predatory tactics; IRS working with Justice Department to pursue fraud fueled by aggressive marketing

WASHINGTON — Amid rising concerns about a flood of improper Employee Retention Credit claims, the Internal Revenue Service today announced an immediate moratorium through at least the end of the year on processing new claims for the pandemic-era relief program to protect honest small business owners from scams.

IRS Commissioner Danny Werfel ordered the immediate moratorium, beginning today, to run through at least Dec. 31 following growing concerns inside the tax agency, from tax professionals as well as media reports that a substantial share of new claims from the aging program are ineligible and increasingly putting businesses at financial risk by being pressured and scammed by aggressive promoters and marketing.



ERC Scams – Processing of New Claims Stopped – IR-2023-169 (cont.)

Taxpayers are encouraged to review IRS guidance and tools for helping determine [ERC eligibility](#), including [frequently asked questions](#) and a new [question and answer guide](#) released today to help businesses understand if they are actually eligible for the credit.

The IRS is developing new initiatives to help businesses who found themselves victims of aggressive promoters. This includes a settlement program for repayments for those who received an improper ERC payment; more details will be available this fall.

For those currently with a pending application at the IRS, they should review the options below to see if any of those could help with their current situation.

- **For those who haven't filed a claim yet, consider reviewing the guidelines and waiting to file:** For those considering filing a claim, the IRS urges businesses to carefully review the ERC guidelines during the processing moratorium period. The IRS urges businesses to talk to a trusted tax professional – not a tax promoter or marketing firm looking to make money generating applications that takes a big chunk out of the ERC claim. The new question and answer guide can also help. A careful review of the rules will show that many of these businesses do not qualify for the ERC, and avoiding a bad claim will avoid complications with the IRS.
- **Withdraw an existing claim for businesses that have already filed:** For those who have filed and have a pending claim, they should carefully review the program guidelines with a trusted tax professional and check the new question and answer guide. For example, the IRS is seeing repeated instances of people improperly citing supply chain issues as a basis for an ERC claim when a business with those issues will very rarely meet the eligibility criteria. Under any scenario, if a business claimed the ERC earlier and the claim has not been processed or paid by the IRS, they can withdraw the claim if they now believe it was submitted improperly – even if their case is already under audit or awaiting audit. More details will be available shortly.
- **Wait for the IRS ERC settlement program to be finalized:** If a business has already received an ERC that they now believe is in error, the IRS will be providing additional details on the settlement program in the fall that will allow businesses to repay ERC claims. The settlement program will allow the businesses to avoid penalties and future compliance action. The IRS is continuing to assess options on how to deal with businesses that had a promoter contingency fee paid for out of the ERC payment.



Communications & Liaison STAKEHOLDER LIAISON

Equal Employment Opportunity Policy

The United States Government does not discriminate in employment on the basis of race, color, religion, sex (including pregnancy and gender identity), national origin, political affiliation, sexual orientation, marital status, disability, genetic information, age, membership in an employee organization, retaliation, parental status, military service, or other non-merit factor.

Reasonable Accommodation Policy

Federal agencies must provide reasonable accommodation to applicants with disabilities where appropriate. Applicants requiring reasonable accommodation for any part of the application and hiring process should contact the hiring agency directly. Determinations on requests for reasonable accommodation will be made on a case-by-case basis.

Contact

For more information, visit the IRS Careers page at: jobs.irs.gov and visit irs.usajobs.gov to apply to postings or search upcoming USAJobs events.

For questions, contact sbse.recruitment@irs.gov

Join us for a career
with purpose.

The IRS is the foundation for all that our country is capable of and could be the starting point for a career where your skills and experience are put to a greater use — serving the American public.

As part of the IRS workforce, your efforts help make America stronger. We continue to support the nation's most vital programs, from Homeland Security to Social Security — as well as those closer to home, such as forests, libraries, schools, and more.

This is important work, and every member of our team strives for continued excellence. To that end, we offer outstanding training and a wealth of opportunities for growth and advancement on top of our exceptional benefits and pay.



IRS Careers

SMALL BUSINESS/SELF-EMPLOYED DIVISION

SBSE

Here, you'll be
challenged, supported,
and have work/life
balance — but you'll
also make your nation
stronger, every day.

Apply Today usajobs.gov



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News Releases

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Tax Relief in Disaster Situations

[Around the Nation](#)

Inflation Reduction Act

Tax Reform

Taxpayer First Act

Tax Scams/Consumer Alerts

The Tax Gap

Fact Sheets

Find information on the most recent tax relief provisions for taxpayers affected by disaster situations.

See [FAQs for disaster victims](#) for information about the definition of an affected taxpayer.

Disaster relief by state

The current list of eligible localities and other details for each disaster are available on our [Around the Nation](#) page.

[Get information for your state](#)

This page also includes prior tax relief provided by the IRS in disaster situations based on FEMA's declarations.

Tax relief by date

Check the list below for all disaster relief guidance issued by the IRS by date.

2023

- GA-2023-02, [IRS announces tax relief for taxpayers impacted by Hurricane Idalia in parts of Georgia](#)
- IR-2023-168, [IRS: Georgia taxpayers impacted by Idalia qualify for tax relief; Oct. 16 deadline, other dates postponed to Feb. 15](#)
- IR-2023-163, [IRS: South Carolina taxpayers impacted by Idalia qualify for tax relief; Oct. 16 deadline, other dates postponed to Feb. 15](#)



IRS Social Media

Connect with the IRS

The IRS uses social media to share the latest updates on tax changes, scam alerts, initiatives, products and services. Connect with the IRS through the following social media platforms.

Facebook

The IRS Facebook pages in English and Spanish post useful information, event announcements and tips for the general taxpaying public and tax professionals.





YouTube

Tune in to the IRS YouTube channels to watch short, practical videos in English and ASL. You can also see our video tips in Spanish and Chinese in our Multilingual channel.

Twitter

IRS tweets include tax-related announcements for individuals, businesses, tax professionals and people looking for #IRSjobs. This platform is also a good way to stay up to speed on the latest scam alerts. We share updates in English and Spanish.

YouTube

- [@IRSVideos](#) 
- [@IRSVideosASL](#) 
- [@IRSmultilingual](#) 
- [Taxpayer Advocate](#) 

Twitter

- [@IRSnews](#) 
- [@IRStaxpros](#) 
- [@IRSenEspañol](#) 
- [@RecruitmentIRS](#) 
- [@YourVoiceAtIRS](#) 
- [@IRStaxsecurity](#) 
- [@IRSsmallbiz](#) 
- [@IRS_CI](#) 



Recent Enhancements to Tax Pro Account

Tax Pro Account



New (August 14, 2023): View all authorizations, withdraw online

View all your active POAs and TIAs on the CAF and withdraw in real-time. To get started, link your CAF number in your account profile.



Linking your CAF number

When you link your CAF number in Tax Pro Account, you associate it with your Tax Identification Number in the CAF database.

Benefits:

You can do more in Tax Pro Account when you link your CAF number:

- View all your active authorizations for individuals and businesses recorded on the CAF
- Withdraw in real-time from any active authorization

If you choose not to link your CAF number, you can still request POA and TIA with Tax Pro Account.

How it works:

The CAF number must be assigned to you as an individual and only you can link it. If you have more than one CAF number, you may link them all.

Linking your CAF number is a one-time process. Once your CAF number is linked, you can't unlink it.

To link your CAF number, go to your Profile in Tax Pro Account, select Link a CAF number and follow the 2-step identity verification process.



Webinars

[Help](#)[News](#)[English](#) ▼[Charities & Nonprofits](#)[Tax Pros](#)[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)

[Home](#) / [File](#) / [Businesses and Self-Employed](#) / [Small Business and Self-Employed](#) / [Webinars for Tax Practitioners](#)

Webinars for Tax Practitioners

Individuals

Businesses and Self-Employed

Small Business and Self-Employed

Employer ID Numbers

Business Taxes

Reporting Information Returns

Self-Employed

Starting a Business

Operating a Business

Closing a Business

Upcoming Webinars

- [Qualified Educational Assistance Programs](#) (September 14, 2023)
- [Preparation of Form 1040-NR, U.S. Nonresident Alien Income Tax Return](#) (September 26, 2023)
- [Mortgage & Other Interest Expense Allocation & Apportionment for Individuals with Partnership Interests Form 1116 and Schedule K-3](#) (September 28, 2023)
- [Beneficial Ownership Information](#) (October 4, 2023)

Qualified Educational Assistance Programs

This free webinar will explain:

- Meaning of Educational Assistance under IRC Section 127
- Employer responsibilities for educational assistance
- Key terms under employer educational plans
- What income is excludable from gross income under IRC section(s) 127, 117, 162, and 212
- Plus, a live Q & A

Certificates of Completion are being offered. Tax Professionals: Earn up to

Related Resources

- [Practitioner Local Liaison Meetings and Seminars](#)
- [Tax Practitioner Institute Classes](#)
- [Workshops and Other Events in Spanish for Small Businesses](#)



Quick Alerts for Tax Professionals

[File](#)[Pay](#)[Refunds](#)[Credits & Deductions](#)[Forms & Instructions](#)

Subscribe To Quick Alerts

Individuals

[Who Should File](#)[How to File](#)[Free File](#)[e-File Options](#)[When to File](#)[Where to File](#)[Your Information](#)[Life Events](#)[Students](#)

QuickAlerts sends messages, within seconds, to keep Tax Professionals up to date on the events that affect Authorized IRS e-file Providers and Issuers/Payers, Transmitters and Software Developers that will electronically file Affordable Care Act Information Returns.

What could be easier than a "one-time subscription" to receive this important information, continuously, until you unsubscribe?

Five QuickAlerts categories provide information that is certain to enhance your filing season. These categories are found on the Subscription Screen.

- **Alerts** – Processing delays, Programming issues, Changes to any filing season procedure, Error Code and Business Rule information
- **Technical** – Schema information, Software testing (ATS)
- **General Notifications** – Seminars, Conferences, e-file publication changes.
- **General IRS e-file Service Center Messages** – IRS e-file program updates, General information, Service Center maintenance schedules, IRS e-file Help Desk phone numbers and more
- **Affordable Care Act Information Return (AIR)** – Electronic specifications and system information needed for Issuers/Payers, Transmitters and Software Developers that electronically file Forms 1094-B, 1095-B, 1094-C, and 1095-C to IRS.
- **Information Returns Intake System (IRIS)** – Electronic specifications and system information needed for Issuers/Payers, Transmitters and Software Developers that electronically file non-Affordable Care Act (ACA) forms to the IRS.



E-News for Tax Professionals

e-News for Tax Professionals

September 15, 2023

Useful Links:

[IRS.gov](https://www.irs.gov)

[Tax Professionals Home](#)

[All Forms and Instructions](#)

[Stakeholders Partners'
Headliners](#)

[Training and
Communication Tools](#)

[e-Services](#)

[Taxpayer Advocate Service](#)

[Disaster Relief](#)

[Internal Revenue Bulletins](#)

Issue Number: 2023-37

Inside This Issue

1. [IRS orders immediate stop to new ERC processing amid surge of questionable claims, concerns from tax pros](#)
2. [Client not convinced they're ineligible for Employee Retention Credit? New IRS Q&A document may help.](#)
3. [Beware of warning signs of aggressive promotions that can mislead businesses into improper ERC claims](#)
4. [IRS looks to hire 3,700 employees nationwide to help expand compliance for large corporations, complex partnerships](#)
5. [Georgia taxpayers affected by Idalia qualify for tax relief](#)
6. [Form 1099-K informational video now available in Korean, Russian, Chinese and Spanish](#)
7. [IRS clarifies rules for new corporate alternative minimum tax](#)
8. [Comments requested on expanding tax certainty, issue resolution programs for business taxpayers](#)
9. [Newsletter for the clean vehicle industry now available](#)
10. [Webinars for tax practitioners](#)
11. [Technical Guidance](#)



E-News for Payroll Providers

e-News for Payroll Professionals

September 18, 2023

Useful Links:

[IRS.gov](https://www.irs.gov)

[Payroll Professionals
Tax Center](#)

[Employment Taxes](#)

[Reporting Agents File](#)

[Employment Tax Forms](#)

[Employment Tax Publications](#)

[Online Ordering](#)

[SSA/IRS Reporter](#)

[SSA - Employer Web Page](#)

[Taxpayer Advocate Service](#)

Issue Number: 2023-08

What the IRS is doing and what you can do to avoid Employee Retention Credit scams

The IRS shared [new steps the agency is taking to prevent honest taxpayers from falling victim to Employee Retention Credit \(ERC\) scams](#). The IRS continues to warn small businesses about aggressive promoters encouraging filing potentially ineligible claims. The IRS urges small businesses to check with a [trusted tax professional](#) about ERC instead of relying on a promotion company.

The steps include a moratorium on processing new ERC claims through at least the year's end to prevent further abuse from predatory promoters using the ERC to scam businesses and organizations. Special withdrawal options and settlement initiatives are being prepared to help businesses that have been misled into claim the ERC. In addition, the IRS understands the valuable impact of the ERC credit and is working to process valid ERC claims filed before the moratorium, but with increased scrutiny.

New resources to help businesses navigate complex ERC

- **Special eligibility checklist.** The IRS created a [new ERC eligibility checklist](#) that provides a quick, high-level way for employers to figure out if they might qualify to claim the ERC or if they potentially need to resolve an improper



Questions





Thank you!



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