

IRS Rev. Proc. 2012 – 32
Excerpts: Disclosure Requirements effective November 2012

SECTION 1. PURPOSE

.01 This revenue procedure provides the requirements for completing and submitting Form 8655, *Reporting Agent Authorization* (which) allows a taxpayer to designate a Reporting Agent to perform the following acts on behalf of a taxpayer:

(1) Sign and electronically file Form 940, *Employer's Annual Federal Unemployment (FUTA) Tax Return*; Form 941, *Employer's QUARTERLY Federal Tax Return*; and those forms set forth in section 4.02(1) of this revenue procedure. * * *

(3) Make federal tax deposits (FTDs) and other federal tax payments (FTPs) electronically via the Electronic Federal Tax Payment System (EFTPS)...

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SECTION 3. SIGNIFICANT CHANGES TO REV. PROC. 2007-38

(1) Section 5.02(3) has been revised to state that whenever Reporting Agents make FTDs or FTPs for client taxpayers, the Reporting Agents must use the EFTPS or FTA. Since a taxpayer enrolled in the EFTPS can view FTDs and FTPs made on its behalf by Reporting Agents, a taxpayer will be able to verify that a Reporting Agent has, in a timely manner, made those FTDs and FTPs.

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(3) Section 5.05 has been revised to require Reporting Agents to notify taxpayers in writing on at least a quarterly basis that an Authorization does not eliminate the taxpayer's liability for the failure to remit employment taxes.

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SECTION 5.05

A Reporting Agent must provide the taxpayer with a written statement that . . . authorizing a Reporting Agent to perform any of these obligations does not relieve the taxpayer from any liabilities; recommends that the taxpayer enroll in and use the EFTPS to ascertain whether the Reporting Agent has made all required FTDs and FTPs, and advises the taxpayer that state-level tax verification programs may also be available. The Reporting Agent must provide the taxpayer with this statement when it enters into a contract for services with the taxpayer and on at least a quarterly basis. The statement described in this section 5.05 shall consist of the following or similar language:

Please be aware that you are responsible for the timely filing of employment tax returns and the timely payment of employment taxes for your employees, even if you have authorized a third party to file the returns and make the payments. The Internal Revenue Service recommends that you enroll in the EFTPS system to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at www.eftps.gov, or call (800) 555-4477 for an enrollment form.

State tax authorities generally offer similar means to verify tax payments. Contact the appropriate state offices directly for details.

SECTION 8. SUSPENSION

.01 The Service reserves the right to suspend a Reporting Agent from the Reporting Agent program for the following reasons (this list is not all-inclusive):

- (1) Failing to perform the acts described in sections 4.02 or 5.05 of this revenue procedure or Publication 1474.
- (2) Submitting payment information on behalf of taxpayers for which the Reporting Agent did not receive Authorizations.
- (3) Failing to comply with the requirements of any regulation, revenue procedure, or other published guidance applicable to Reporting Agents.
- (4) Failing to cooperate with the Service's efforts to monitor Reporting Agents and investigate abuse in the Reporting Agent program.

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SECTION 10. EFFECT OF SUSPENSION

.01 The Reporting Agent's suspension will continue for the length of time specified in the suspension letter, or until the conditions for terminating the suspension have been met, whichever is later. * * *

.02 After suspension, a Reporting Agent may not perform the acts described in this revenue procedure. As an exception, a Reporting Agent may submit an FTD if the FTD is due not more than 30 days after the effective date on the suspension letter. A Reporting Agent, however, cannot submit FTPs during the suspension period.

.03 A Reporting Agent must provide written notification of a suspension from the Reporting Agent program to each taxpayer in the program within 10 days from the date on the suspension letter. * * *

SECTION 15. EFFECTIVE DATE

This revenue procedure is effective November 19, 2012.