

IRS Problems the Tax Clinic Handles

If the IRS believes there is an error in your tax return, it will send you a letter with information about the possible error. Because errors in your tax return may increase the amount of tax you were required to pay the IRS and leave you with a tax bill, the letter may also give you the opportunity to provide the IRS with information proving that you did not make an error. The Tax Clinic can help you provide the necessary information.

An IRS letter may state that there is an error with some of the following items:

- The filing status you claimed on your tax return (for example, single or head of household)
- Children or other people you claimed on your tax return as dependents
- The Earned Income Tax Credit
- Income or pay that should have been included in your tax return but was not (sometimes the IRS will state that you earned income that you know you did not earn, in which case you may be the victim of identity theft)
- Expenses you claimed for your business
- Self-employment taxes that you did not pay (which could be the result of a misclassification of your employment status)

The IRS may send you a letter listing one of the items above for a tax return you filed with your spouse. If you did not know about the error or if it would not be fair to hold you responsible for the error, then you may be what is called an “innocent spouse”. You may also receive a letter telling you that part of your refund has been taken to pay for child support, student loan debt, or a federal debt that your spouse owed before you were married. In this case you may be what is called an “injured spouse”. If you are an innocent or injured spouse, you are not liable for the error in the tax return. We can help you demonstrate to the IRS that you qualify as an innocent or injured spouse.

Sometimes the IRS is correct and there was actually an error in your tax return that causes you to owe money to the IRS. The IRS will then send you a tax bill. If you don't pay the bill, eventually the IRS will send you a letter stating that it will take money from

your paycheck, bank account, or Social Security benefits and file a Notice of Federal Tax Lien against your property. If you owe the IRS money and are unable to pay the entire amount owed or if the IRS has filed a Notice of Federal Tax Lien against your property, the Tax Clinic can help by:

- Asking the IRS to reconsider whether you owe the money
- Getting a hold placed on your account so that you are not required to make payments if you are experiencing financial hardship
- Creating a settlement offer that allows you to pay off the tax bill for less than the full amount owed
- Setting up a payment plan so that you can pay over an extended period of time
- Getting the federal tax lien, withdrawn, discharged, subordinated, or released

Another letter the IRS may send you is a Statutory Notice of Deficiency, which states that you have 90 days to petition the U.S. Tax Court to have the issues in your case resolved by a judge. If you receive this letter, the Tax Clinic may prepare your petition and litigate your case on your behalf or help you prepare the petition so that you can litigate the case on your own. The Tax Clinic will litigate your case only if we are unable to resolve your problem with the IRS and we believe that you are entitled to relief.

The Tax Clinic does not file back tax returns or current year tax returns unless it is necessary for resolving your dispute with the IRS. If you need help filing back tax returns or a current year tax return, please contact the Nevada Free Taxes Coalition.

The Tax Clinic does not provide assistance for criminal tax matters.