



How to Respond to a letter from the IRS

If you receive a letter from the IRS with an adjustment to your return, here are factors you should consider before taking any action:

- 1. The type of adjustment:** Different notices from the IRS (e.g., CP12, CP2000) indicate different reasons for adjustment and require different responses. Knowing the specific type of adjustment will help you select the most accurate advice.
- 2. The reason for the adjustment:** Was it a clerical error, a missing document, or something else? Understanding the reason will guide you in choosing the appropriate action.
- 3. Your comfort level:** Some people feel confident understanding IRS notices and taking action on their own, while others prefer to seek professional guidance.

Here are some possible responses, tailored to different situations:

General advice (suitable for most situations):

- **Stay calm:** Receiving an IRS letter can be stressful, but it's important to remain calm and take things step-by-step.
- **Review the notice carefully:** Read the entire notice thoroughly and pay attention to the details, including the type of adjustment, the reason for the change, and any instructions provided by the IRS.
- **Compare the changes to your original return:** Look for any discrepancies between what the IRS adjusted and what you initially reported.
- **Gather supporting documentation:** If you disagree with the changes, collect any documents that support your position, such as receipts, tax forms, or letters from employers.

If you agree with the adjustment:

- **No further action is required:** If you agree with the changes made by the IRS, you generally don't need to do anything. Your refund will be adjusted accordingly, or you may owe additional taxes as specified in the notice.
- **Consider filing an amended return:** If you agree with the adjustment but want to claim additional deductions or credits that you missed in your original return, you can file Form 1040-X, Amended U.S. Individual Income Tax Return.

If you disagree with the adjustment:

- **Contact the IRS within 60 days:** Most IRS notices include instructions on how to dispute the changes. Follow these instructions and contact the IRS within 60 days of the notice date.
- **Explain your disagreement:** Clearly and concisely state why you disagree with the adjustments and provide any supporting documentation.
- **Request a review:** Ask the IRS to review your case and reconsider their decision.
- **Seek professional help:** *If you're uncomfortable dealing with the IRS yourself, call Mission Oaks Tax & Accounting. We can deal with the IRS on your behalf.*