

If You Want to Volunteer IRS Wants More Facts



February 8, 2015

On January 13, 2015, the IRS further tweaked its Streamlined Certifications on Forms 14653 for Streamlined Foreign Offshore and 14654 for Streamlined Domestic filers for changes which in essence revealed how the IRS feels about some participants in the “simplified” amnesty programs who skip divulging their reasons for the past non-compliance.

The new version mandates a narrative of specific facts which lead to a failure to report all income, pay all tax and submit all required information, including FBARs on a timely basis. Forgoing this, “will be considered incomplete and will not qualify for the streamlined penalty relief”. The requirement of the explanation existed in the old version. The new version just reinforces it.

In light of this revision and a reminder that the IRS does review the submissions, we would like to remind taxpayers to obtain professional advice before signing the said certifications and entering into any of the Streamlined programs. The Certifications are signed under the penalties of perjury which means if one knowingly submits a false statement, he or she may be criminally responsible for false sworn statement. Furthermore, the participation in a Streamlined program will not offer criminal protection if the IRS determines that a taxpayer wilfully failed to meet its past tax and foreign bank accounts compliance.

The link to the FAQ to the Streamlined Programs as recently revised on January 29, 2015 can be found here.

<http://www.irs.gov/Individuals/International-Taxpayers/Streamlined-Filing-Compliance-Procedures-for-U-S-Taxpayers-Residing-in-the-United-States-Frequently-Asked-Questions-and-Answers>