



Notice	CP3219A
Tax year	2016
Notice date	October 22, 2018
Social Security number	XXX-XX-XXXX

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You can download a petition form and rules from the U.S. Tax Court's website (www.ustaxcourt.gov) or by contacting the Office of the Clerk of the U.S. Tax Court at the address directly above.

Attach a complete copy of this letter including attachments to your petition. The Tax Court has a simplified procedure for small tax cases when the amount in dispute is \$50,000 or less (including penalties) for any one tax year. You can obtain a copy of these simplified procedures on the Tax Court's website or by contacting the Tax Court.

Review this notice and compare our changes to the information on your 2016 tax return. NOTE: The amounts shown above may differ from your previous notice because not all items can be challenged in the Tax Court.

You may be able to resolve your dispute with the IRS

If you don't agree with the proposed changes and want us to consider additional information, you may mail or fax that information to us:

- You may mail additional information together with the enclosed Form 5564 (or signed statement explaining which items you disagree with and why) to the following address:

310 LOWELL ST
ANDOVER MA 01810-4544

- You may fax additional information together with the enclosed Form 5564 (or signed statement explaining which items you disagree with and why) to 1-877-477-9485.

To resolve your dispute with the IRS, it is important you contact us IMMEDIATELY. Our consideration of any additional information will not extend the January 22, 2019 deadline to file a petition with the U.S. Tax Court.

If you agree with the proposed changes, you can pay now or receive a bill

If you agree with the proposed changes, you can pay your tax liability now or choose to receive a bill:

- If you choose to pay some or all of your tax liability now, you may enclose a check or money order payable to United States Treasury Department with the enclosed Form 5564, Notice of Deficiency Waiver, to the address below. You will receive a bill for any unpaid tax, interest, and applicable penalties.

FRESNO CA 93888-0415

- If you are not paying your tax liability now, sign the enclosed Form 5564, Notice of Deficiency Waiver and mail it to the IRS at the following address:

310 LOWELL ST
ANDOVER MA 01810-4544



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You'll receive a bill for the amount due (including any interest and applicable penalties).

- NOTE: If you filed your tax return married filing jointly **both** spouses must sign Form 5564.
- Do NOT mail the Form 5564 or any payment of your liability to the Tax Court.



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If we don't hear from you

If we do not hear from you and you do not petition the U.S. Tax Court, we will assess the additional tax you owe plus any applicable penalties and interest and send you a bill.

Additional information

Visit www.irs.gov/cp3219a for more information about this notice, frequently asked questions, and to review the following:

- Publication 1, Your Rights as a Taxpayer
- Publication 5181, Tax Returns Reviewed by Mail: CP2000, Letter 2030, CP2501, Letter 2531

For tax forms, instructions, and publications, visit www.irs.gov/forms-pubs or call 800-TAX-FORM (800-829-3676).

Keep this notice for your records.

If you'd like to authorize someone to represent you before the IRS, please complete and send us a Power of Attorney and Declaration of Representative (Form 2848), before your representative contacts us on your behalf.

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. If you filed a joint return, we're required to send a copy of this notice to both you and your spouse. Each copy contains the same information about your joint account.

Low Income Taxpayer Clinics

Low Income Taxpayer Clinics (LITCs) represent individuals whose income is below a certain level that need help to resolve a tax problem with the IRS. IRS problems can include audits, appeals, tax collection disputes, and cases in the U.S. Tax Court. LITCs can also provide information about taxpayer rights and responsibilities in different languages. Services are offered for free or for a small fee. For more information and to find an LTC near you, see the LTC page on www.irs.gov/advocate or IRS Publication 4134, Low Income Taxpayer Clinic List. This publication is also available by calling 800-829-3676 or at your local IRS office. LITCs are independent from the IRS.

Taxpayer Advocate Service

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. However, you may be eligible for free help from the Taxpayer Advocate Service (TAS) if you can't resolve your tax problem with the IRS, or you believe an IRS procedure just isn't working as it should. TAS is an independent organization within the Internal Revenue Service (IRS) that helps taxpayers and protects taxpayer rights. Call TAS at 877-777-4778 or TTY/TDD 800-

IRS Letter CP3219A Sample Tax Notice

This sample is provided by TaxAudit, the nation's leading tax representation firm.

Visit [TaxAudit.com](https://www.TaxAudit.com)



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829-4059 or contact your local Taxpayer Advocate office at:

555 Avenue St., Suite 111
Portsmouth NH 55555

For more information about TAS and your rights under the Taxpayer Bill of Rights, go to taxpayeradvocate.irs.gov.



FIRST LAST
555 AVENUE ST.
MERRIMACK NH 55555-5555



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Changes to your 2016 tax return

Your income and deductions	Shown on return	As corrected by IRS	Difference
Retirement income gross	\$0	\$39,991	\$39,991
Taxable dividends	\$0	\$559	\$559
Income net difference			\$40,550
Medical deduction	\$37,795	\$33,740	-\$4,055
Miscellaneous deduction	\$2,660	\$1,849	-\$811
Deduction net difference *1			-\$4,866
Change to taxable income			\$45,416

Your tax computations	Shown on return	As corrected by IRS	Difference
Taxable income, line 43	\$60,527	\$105,943	\$45,416
Tax, line 44	\$8,151	\$18,028	\$9,877
Credit for child and dependent care expenses, line 49	\$400	\$400	\$0
Child tax credit, line 52	\$150	\$0	-\$150
Tax on qualified plans, including IRAs, and other tax-favored accounts	\$0	\$3,999	\$3,999
Total tax, line 63	\$7,601	\$21,627	\$14,026
Tax you owe *2			\$14,026

Payments	Shown on return	As corrected by IRS	Difference
Income tax withheld, line 64	\$14,846	\$14,879	\$33
Total payments *3			\$33

- (*1) Decreases to deductions result in an increase to taxable Income.
- (*2) Decreases to credits result in an increase to tax.
- (*3) Increases to payments decrease the amount owed.

Explanation of changes to your 2016 Form 1040

This section tells you specifically what income information the IRS received about you from others (including your employers, banks, mortgage holders, etc.). This information doesn't match the information you reported on your tax return.

Use the table to compare the data the IRS received from others to the information you reported on your tax return to understand where the difference(s) occurred. To assist you in reviewing your income amounts, the table may include both reported and unreported amounts.

Taxable Dividends	Received from	Address	Account Information	Shown on return	As corrected by IRS	Difference
	COMPANY A	555 STREET AVE. LONE TREE CO 80124	XXXXXXXX SSN XXX-XX-XXXX Form 1099-DIV	\$0	\$441	\$441
	COMPANY B	999 CITY LANE PROVIDENCE RI 02944	XXX_XXXXXXXXXXXXXX SSN XXX-XX-XXXX Form 1099-DIV	\$0	\$118	\$118
Taxable Dividends Total				\$0	\$559	\$559



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Qualified Dividends

Received from	Address	Account Information	Shown on return	Reported by others	Difference
COMPANY A	555 AVENUE ST. LONE TREE, CO 55555	XXXXXXXX SSN XXX-XX-XXXX Form 1099-DIV	\$441	\$441	\$0
COMPANY B	555 AVENUE ST. LONE TREE, CO 55555	XXXXXXXX SSN XXX-XX-XXXX Form 1099-DIV	\$118	\$118	\$0
Qualified Dividends Total			\$559	\$559	\$0

Retirement Income Gross

Received from	Address	Account Information	Shown on return	Reported by others	Difference
COMPANY A	555 AVENUE ST. LONE TREE, CO 55555	XXXXXXXX SSN XXX-XX-XXXX Form 1099-DIV	\$0	\$39,991	\$39,991

Tax Withheld

Received from	Address	Account Information	Shown on return	Reported by others	Difference
COMPANY A	555 AVENUE ST. LONE TREE, CO 55555	SSN XXX-XX-XXXX Form w-2		\$14,845	
COMPANY B	555 AVENUE ST. LONE TREE, CO 55555	XXXXXXXX SSN XXX-XX-XXXX Form 1099-DIV		\$33	
Tax Withheld Total			\$14,845	\$14,878	\$33

Backup Withholding on interest and dividends

Our proposed changes are based on interest or dividends not reported on your tax return. If you agree that the income shown in our proposal is correct, but do not pay the tax increase, we may notify payers to deduct and withhold 28% of any payments they make to you in the future. This is called backup withholding and occurs when interest or dividend income is not reported on your tax return, as required by law.

Underclaimed withholding

Our records indicate you may be entitled to a larger amount of withholding and/or Additional Medicare Tax withholding than claimed on your tax return. Please review the payer information provided in this notice with your records. If this payer information is incorrect, please provide a statement so that we can correct our records. If this payer information is correct, please respond to this notice so that we may make the necessary adjustments to your account.



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10% additional tax on premature distributions from a qualified retirement plan

Premature distributions from a qualified retirement plan are subject to a 10% additional tax. A distribution is considered premature if it was paid before you reached age 59 1/2. Exceptions may apply as indicated in the instructions for Form 5329, Additional Taxes on Qualified Plans (Including IRAs) and Other Tax-Favored Accounts. If the distributions shown on this notice qualify for an exemption, submit a completed Form 5329.

Child Tax Credit

The allowable amount of the Child Tax Credit is based on filing status, the number of qualifying child(ren), modified adjusted gross income and tax. The credit is adjusted when modified adjusted gross income changes. The credit cannot be more than the tax.

If you filed and claimed credits for mortgage interest, residential energy credit and/or District of Columbia first-time homebuyer with your original tax return, please provide us with recomputed worksheets from Publication 972, Child Tax Credit. In order to apply any unused credits from these sources, send us the recomputed forms. If you have already applied these unused credits to any other tax year(s), you need to file a Form 1040X, Amended U.S. Individual Tax Return for the other year(s) with the appropriate Internal Revenue Service Center. If the tax return for the affected period has not yet been filed, confirm with a signed statement that your records have been corrected.

Schedule A miscellaneous deductions percentage limitation

Miscellaneous deductions are reduced by 2% of your adjusted gross income. Since we refigured your adjusted gross income, we also refigured your miscellaneous deduction.

Schedule A medical and dental expenses percentage limitation

Medical and dental expense deductions are reduced by 10% (7.5% if you or your spouse is age 65 or older) of your adjusted gross income. Since we refigured your adjusted gross income, we also refigured your medical and dental expense deduction.

Form W-2 or 1099 not received

The law requires you to report your income correctly. If your payers did not send you a yearly income statement (Form W-2, Wage and Tax Statement, Form 11099, etc.), you must use the information you have (pay stubs, monthly income statements, deposit slips, etc.) to estimate the total amount of income you received during the year.

Misidentified income

If any of the income shown on this notice is not yours, send us the name, address, and social security number of the person who received the income. Please notify the payers to correct their records to show the name and social security number of the person who actually received the income, so that future reports to us are accurate.



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Retirement distributions

We need more information for the distribution shown on this notice. We need to know if the income is a pension or an annuity, an IRA or lump sum rollover, or an employee savings plan.

If the income is from a pension or annuity or an employee savings plan and you are recovering your contributions using the Simplified Method or General Rule, send us a signed statement with the date of your first pension payment, the amount you receive monthly, and the total amount you contributed.

If the income is an IRA or lump sum distribution that was rolled over, send us Form 5498, IRA Contribution Information or similar documentation.

If the income is an employee savings plan, send us a copy of the document showing the total distribution amount you received for 2016 and the nontaxable amount of the distribution.

Nondeductible IRAs - Form 8606

Our records indicate you did not report the full taxable amount of your retirement distributions as shown on Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., on your tax return. If your Form 1099-R shows a different taxable amount, submit a copy of your Form 1099-R with your response. If you feel the full amount is not taxable, complete the appropriate part of Form 8606, Nondeductible IRAs and send it with your response. For additional information, see Publication 590-B, Distributions from Individual Retirement Arrangements (IRAs).

Qualified dividends

Our records indicate that you may be eligible for a lower tax rate since the Dividends reported to us contain Qualified Dividends. Please respond and tell us of any needed changes to the eligible Qualified Dividends reported.

Penalties

We are required by law to charge any applicable penalties.

Substantial tax understatement

Description	Amount
Accuracy-related penalty for substantial understatement of tax	

If we increase your tax, and the increase is more than the greater of 10% of your correct tax liability or \$5,000, we're required to charge an accuracy-related penalty for the substantial understatement of tax. The penalty is 20% of the portion of the underpayment of tax attributable to a substantial understatement of income tax. (Internal Revenue Code Section 6662(d))

We may reduce the penalty or not apply if you:

- Provide the substantial authority (such as Internal Revenue Code, Regulations, Revenue Rulings, Revenue Procedures, etc.) you used to decide how to treat your income or deduction, or
- Tell us where on your return you clearly show the facts supporting your treatment of the income or deduction, or



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- Submit a signed statement clearly outlining the facts supporting your treatment of the understated income.

Failure-to-file

Description	Amount
Failure-to-file penalty	\$967

We assess a 5% monthly penalty for filing a return late for each month or part of a month the return is late, for up to 5 months.

When a penalty for paying late applies for the same month, the amount of the penalty for filing late for that month is reduced by the amount of the penalty for paying late for that month. The penalty for paying late is 1/2% for each month or part of a month.

We base the monthly penalty for paying filing late on the tax required to be shown on the return that you didn't pay by the original return due date, without regard to extensions. We base the monthly penalty for paying late on the net unpaid tax at the beginning of each penalty month following the payment due date for that tax.

When an income tax return is more than 60 days late, the minimum penalty is \$205 (\$135 for returns due between 1/1/2009 and 12/31/2015, \$100 for returns due before 1/1/2009) or 100% of the tax required to be shown on the return that you didn't pay, whichever is less. (Internal Revenue Code Section 6651)

Interest charges

We are required by law to charge interest when you do not pay your liability on time. Generally, we calculate interest from the due date of your return (regardless of extensions) until you pay the amount you owe in full, including accrued interest and any penalty charges. Interest on some penalties accrues from the date we notify you of the penalty until it is paid in full. Interest on other penalties, such as failure to file a tax return, starts from the due date or extended due date of the return. Interest rates are variable and may change quarterly. (Internal Revenue Code Section 6601)

Interest is calculated to 30 days from the date of the notice for domestic addresses and 60 days from the date of the notice for foreign and APO/FPO/DPO addresses. Interest will continue to accrue until you pay the amount you owe in full.

FORM 5564 (November 2016)	Department of Treasury --- Internal Revenue Service Notice of Deficiency - Waiver	Symbols ANDOVER XXX XXXX
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Name and address of taxpayer(s)	FIRST LAST 555 AVENUE STREET MERRIMACK NH 55555	October 22, 2018
	555-555-0000	XXX-XX-XXXX

Kind of tax Individual Income	<input type="checkbox"/> Copy to Authorized Representative
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Tax year ended December 31, 2016	Deficiency		
	Increase in tax \$14,026	Penalties	
		Failure -to-file Penalty, IRC Section 6651(a)(1)	\$967
		Accuracy-Related Penalty, IRC Section 6662(a)	\$2,799

xxxxxx



XXXXXXXXXXXXXXXXXX

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest. Also, I waive the requirement under section 6532 (a) (1) of the Internal Revenue Code that a notice of claim disallowance be sent to me by certified mail for any overpayment shown on the attached report.

I understand that the filing of this waiver is irrevocable and it will begin the 2-year period for filing suit for refund of the claims disallowed as if the notice of disallowance had been sent by certified or registered mail.

Signature			Date
			Date
	By	Title	Date

Note: If you consent to the assessment of the deficiencies shown in this waiver, please sign and return this form to limit the interest charge and expedite our bill to you. Please do not sign and return any prior notices you may have received. Your consent signature is required on this waiver, even if fully paid.

Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are so entitled; nor prevent us from later determining, if necessary, that you owe additional tax: nor extend the time provided by law for such action.

If you later file a claim and the Service disallows it, you may file suit for refund in a District Court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

Who Must Sign: If you filed jointly, both you and your spouse must sign. Your attorney or agent may sign this waiver provided that action is specifically authorized by a power of attorney which, if not previously filed, must accompany this form.

If this waiver is signed by a person acting in a fiduciary capacity (for example, an executor, administrator, or a trustee), Form 56, Notice Concerning Fiduciary Relationship, should, unless previously filed, accompany this form.

If you agree, please sign and return this form; keep one copy for your records.

Use this address if you are enclosing a payment:

Internal Revenue Service
FRESNO CA 93888-0415



.....
Fold here

- 1. Choose appropriate address**
- 2. Fold page so correct address appears in window.**

.....
Fold here

Use this address if you are NOT enclosing a payment:

Internal Revenue Service
310 LOWELL ST
ANDOVER MA 01810-4544

