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CASE MIS No.: [RP-XXXXXX-YY]

Part III

Administrative, Procedural, and Miscellaneous

[26 CFR 601.702(d)]: [Title of the primary regulation section]  
(Also: [6103(c), 301.6103(c)-1 ])

Rev. Proc. [XXXX-XX]

## SECTION 1. PURPOSE

This revenue procedure establishes the Income Verification Express Services (IVES) program (the Program) and announces the introduction of user fees for requests submitted under the Program. Since December 1999, the Internal Revenue Service (IRS) Return and Income Verification Service (RAIVS) units have offered an expedited two business day service to bulk requesters. Under the current program, transcript requests are processed in two business days, but processing does not include delivery. To ensure expedited delivery to meet their business needs, bulk requesters have made their own arrangements to have transcripts picked up from the RAIVS unit by a contract courier and delivered to the requester's business location.

The IVES Program established by this revenue procedure is an online delivery system open to all "consolidators" as defined in section \_\_\_\_, and their authorized "delegated user" as defined in section \_\_\_\_, who agree to pay the associated fee(s). Under the Program, Consolidators send requests via facsimile on Form 4506-T to a RAIVS unit. Once received a RAIVS unit processes the request and delivers the requested transcript(s) electronically to the delegated user's secured mailbox identified on Form 4506-T. At this time, the Program will only process requests for return transcripts.

## SECTION 2. BACKGROUND

.01 Section 6103(a) provides, in part, that returns and return information shall be confidential and shall not be disclosed by an employee of the IRS unless authorized

by another provision of Section 6103 or another section of the Internal Revenue Code (the Code).

.02 Section 6103(b)(1) provides that return means any tax or information return, declaration of estimated tax, or claim for refund required by, or provided for or permitted under, the Code which is filed with the IRS by, on behalf of, or with respect to any person, including any supporting schedules, attachments, or lists which supplement the filed return.

.03 Section 6103(b)(2)(A) provides that return information includes, but is not limited to, the taxpayer's identity, the nature, source, or amount of his income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld deficiencies, overassessments, or tax payments collected by the IRS with respect a return..

.03 Section 6103(c) provides that upon receipt of written consent, the IRS will disclosure a taxpayer's returns or return information to the taxpayer or the taxpayer's designee.

.04 Section 301.6103(c)-1 of the regulations provides that a taxpayer may request that a return or return information be disclosed to a person designated in a written request for or consent to disclosure. The written document must be signed and dated by the taxpayer who filed the return or to whom the return information relates. The taxpayer must indicate in the written document the following:

- (1) The taxpayer's name, mailing address, and taxpayer identifying number;

- (2) The identity of the person to whom disclosure is to be made;
- (3) The type of return (or specified portion of the return) or return information that is to be disclosed; and
- (4) The taxable year covered by the return or return information. Form 4506-T, Request for Transcript of Tax Return, should be used.

.05 Section 301.6103(c)-1(b) of the regulations provides that a taxpayer may designate a third party to whom the return or return information may be disclosed, provided, the Form 4506-T is signed and dated by the taxpayer or taxpayers who filed the return and the form is received by the IRS within 60 days of the date the form was signed by the taxpayer(s).

.06 Section 301.6103(c)-1(d) of the regulations provides that any person who may obtain returns under section 6103(e)(1) through (5), except 6103(e)(1)(D)(iii), may execute a request for or consent to disclose a return or return information to third parties.

.07 Section 6103(p)(2)(B) authorizes the Secretary to furnish copies of returns and return information in an electronic format to any person authorized to inspect returns and return information, and further authorizes the Secretary to charge a reasonable fee for copies.

.08 Section 601.702(d) of the regulations provides that written request for copies of tax return transcripts shall be made by submitting Form 4506 and that the Commissioner has the authority to charge a fee for such copies.

**SECTION 3. DEFINITIONS**

.01 Business day

.02 Consolidator. The term “consolidator” means an individual or entity that has applied for and been accepted to participate in the IVES program.

.03 Current year

.04 Delegated User. The term “delegated user” mean an individual identified by the Consolidator to act as an authorized agent of the Consolidator in the Program and who, upon registration, will be issued a secured mailbox.

.05 Principal. Person identified by Consolidator as having primary responsibility for managing and overseeing the Consolidator’s participation in the Program. The principal will be the individual responsible for identifying those individuals authorized as delegated users of the Consolidator.

.05 Processing Year

.06 Return Transcript. The term “return transcript” means a record of line items transcribed by the IRS into its computer system(s) from the taxpayer’s original tax return. Return Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L and Form 1120S.

.07 Secured Mailbox. The term “secured mailbox” means the online electronic mailbox maintained on a secure system provided and maintained by the IRS for

purposes of administering this Program.

#### SECTION 4. SCOPE

This revenue procedure applies to all Consolidators accepted in the Program under section 5 of this procedure. Consolidators, for a fee, will be able to receive electronic delivery of return transcripts within two business days of receipt by the RAIVS unit of the request.

#### SECTION 5. APPLICATION, REGISTRATION, ACCEPTANCE

.01 Application to Participate. A consolidator may apply to participate in the Program by submitting an application in the form and manner specified in \_\_\_\_\_. Applications can be obtained by contacting one of the IRS RAIVS units or online at *www.irs.gov*. The application must be signed by an individual with the authority to legally bind the applicant and must identify an individual to serve as the Principal.

.02 Registration. Once a Consolidator's application has been accepted, a Consolidator may designate one or more individuals to serve as delegated users, who are authorized to receive return transcripts on behalf of the Consolidator. The Consolidator shall be responsible for all costs associated with any return transcript request received where the request submitted identifies the Consolidator and/or a secured mailbox of a delegated user. A delegated user may only access return transcripts through an Internal Revenue Service user account. To obtain an account,

the delegated user must complete a registration process. Registration is accomplished online in the manner specified in \_\_\_\_\_. The delegated user must provide name, social security number, adjusted gross income from the current or prior year's tax return, and date of birth. The delegated user must self select a user name, password, and PIN. After verifying the information provided, the Service will mail a registration notice containing a confirmation number to the registrant's postal address of record.

.03 Access to System. A newly registered individual will have \_\_\_\_\_ system access until the registrant receives and enters the confirmation number. Upon entering the confirmation number, the registrant receives and enters the confirmation number. Upon entering the confirmation number, the registrant may access the system on behalf of a consolidator that has authorized such access by a designation of the registrant under Section 5.02.

## SECTION 6. REQUIREMENTS FOR PARTICIPATION

Consolidators in the Program must --

- .01 Comply with all requirements of this revenue procedure.
- .02 Designate one individual to be the Principal and identify those individuals to serve as delegated users.
- .03 Notify the IRS of any change in the individual designated to serve as the principal or any change in the individuals identified as delegated users.
- .04 Complete Form 4506-T in its entirety prior to presenting it to a taxpayer for

signature and once signed the Consolidator must not alter the consent in any manner.

.05 Comply with all relevant statutory, regulatory, and administrative requirements relating to the handling of sensitive but unclassified information, including the Fair Credit Reporting Act, as amended by the Consumer Reporting Reform Act of 1996 (15 U.S.C. Sections 1681-1681u).

.06 Maintain the confidentiality of the information obtained through the Program by keeping the data received from a secured mailbox as part of the application for which the request was submitted and protect it from further disclosure.

## SECTION 7. PROCEDURES

.01 Completing Form 4506-T. All information required on the form must be provided. Where the form requests information as to the third party to whom the transcript is to be delivered, Consolidators must provide the Consolidator's name, address, telephone number, facsimile number, and the secured e-mail user identification of the delegated user authorized to access the taxpayer's return transcript.

02. Submitting Requests. Requests for tax return transcripts shall be submitted on Form 4506-T and sent via facsimile to the RAIVS unit corresponding with the location where the taxpayer's return is filed. All requests must be accompanied by a cover sheet that lists the number of requests and the identifying information for each request.

.03. Delivery of Transcript. The return transcript(s) requested on Form 4506-T



will be delivered to the secured mailbox of the delegated user identified on Form 4506-T within two business days of receipt. If delivery to secured mailbox fails or is not able to be completed, the transcripts will be delivered via facsimile to the facsimile number listed on the applicable Form 4506-T.

04 Fees. Effective October 1, 2006, a user fee of \$\_\_\_\_\_ will be charged for each tax year for which a Return Transcript request is submitted by a Consolidator. The fee will apply regardless of whether (1) the Service is unable to delivery the transcript as described in \_\_\_\_; (2) a duplicate request for a return transcript is submitted; or (3) an incomplete (i.e. a request that cannot be processed due to missing or incorrect information) or invalid (i.e. a request that has been altered in someway) request is submitted. Consolidator will be responsible for all fees incurred by their delegated users.

.05 Time and Method of Payment. Upon receipt of a request, the RAIVS unit will charge the Consolidator's account. Consolidators will be invoiced every seven days based on the requests received since the last invoice. Payments are to be made through \_\_\_\_\_. Payments must be received within 30 days of the date of the invoice.

.06 Effect of Nonpayment. If a Consolidator fails to timely pay an invoice, the consolidator will be suspended from the Program until such time that all outstanding invoices have been paid in full. Any request received after the Consolidator has been notified of its suspension will be processed and delivered in accordance with the IRS's standard practices. Invoices outstanding past 30 days will be subject to interest, penalties, and administrative charges and will be subject to the Treasury Offset Program (TOP).

.07 Billing Disputes. Billing disputes must be raised within \_\_\_\_ days of receipt of an invoice and should be addressed to \_\_\_\_\_ by contacting them at \_\_\_\_\_.

## SECTION 8. TERMINATION

A Consolidator and/or a delegated user can be terminated from the Program, if –

.01 a judgment is entered against the Consolidator for failure to comply with the Federal Credit Reporting Agency (FCRA);

..02 a Consolidator and/or a delegated user submits or attempts to submit a

false or fraudulent consent (Form 4506-T).

**SECTION 9. INQUIRIES**

Questions about this IVES Program may be addressed to:

\_\_\_\_\_.

**SECTION 10. EFFECT ON OTHER DOCUMENTS (when applicable)**

**SECTION 11. EFFECTIVE DATE**

This revenue procedure is effective upon the IRS issuing a Notice announcing the availability of IVES.

**SECTION 12. DRAFTING INFORMATION**

The principal author of this revenue procedure is Adrienne Mikolashek of the Office of Associate Chief Counsel (Procedure & Administration). For further information regarding this revenue procedure contact Ms. Mikolashek at (202) 622-4570 (not a toll free call).