**To summarize, the IIAC proposes that the IRS:**

(The responses below generally refer to QIs/WP/s & WTs.)

**Automatically extend the due date for submitting periodic certifications for review years 2021 or 2022 from September 1, 2024, to June 1, 2025.**

**Certification due dates for periodic certifications originally due in 2024, with 2021 or 2022 selected for periodic year of review, have been extended to November 1, 2024. Due dates for certifications originally due in 2024 with 2023 selected for periodic year of review, have been extended to March 1, 2025. Extending periodic certification due dates to 6/1/25 generally may cause statute of limitations issues relating to potential tax liabilities of QIs, so are not granted except when specifically permitted.**

**To minimize the burden associated with explaining all variances, allow for a de minimis threshold for unexplained differences (unexplained reconciliation differences under the de minimis threshold would not trigger penalties).**

**We do not plan to implement a de minimis threshold for several reasons including:**

1. **We do not want to discourage entities from explaining variances they may be able to explain with a reasonable amount of effort.**
2. **QIs can explain variances and why they should not be subject to penalties during the IRS certification review process.**

**Implement a slip matching program for Forms 1042-S.**

**We do not plan a slip matching program for the following reasons:**

1. **Data security.**
2. **QIs should have their own systems, policies, and procedures for tracking Forms 1042-S received from upstream withholding agents as well as their own independent systems for tracking payments received in their QI capacity.**

**To summarize, the IIAC recommends the following to further minimize the burden associated with collecting information from respondents:**

**Provide standard templates for QIs to complete the certification and the periodic review report.**

1. **The certifications on QAAMS are a standard template.**
2. **We have considered creating a standard periodic review report; however, by providing such a template we may be missing potential issues and may discourage reviewers from using discretion when an issue not covered by the template is identified.**

**Provide access to the eTrak system.**

**We do not plan to provide direct access to information reporting data because of data security.**

**Modify QAAMS to provide more flexibility for QIs to drop file/upload any time without reopening their certification.**

**Files can be sent to the IRS via email; however, QAAMS does not allow the uploading of files by IRS.**

1. **Expand the list of contacts who can access QAAMS and add a list of level 1 and level 2 authorized representatives who the IRS can contact.**

**We have no plans to expand the list of contacts. Presently a QI can have 4 authorized users (RO, POC, & 2 POAs).** **QIs also have the option of having employees serve as the POAs.**

1. **Simplify the renewal process by incorporating an automatic renewal process, unless changes are required.**

**We do not consider the renewal process overly burdensome because it occurs at most every 6 years and the renewal form is mostly pre-populated.**

**Requiring visual review of the form encourages updating of outdated information (e.g., authorized users).**

**The renewal process allows the QI Team to review the compliance of an entity outside the certification process and reconsider an entity’s QI status.**

1. **Facilitate an easier and quicker refund process for over-withholding.**

**We are not contemplating a new refund process. The refund process is a service center function. Any new process needs to be made available to all customers of the IRS.**

1. **Develop a comprehensive approach to modernizing delivery requirements and supporting a move towards greater reliance on electronic delivery.**

**We have addressed this in the new QI agreement to the extent feasible. See below.**

**Sec. 12.06.** Except as otherwise provided on QAAMS, all written notices sent to the IRS by QI must be **sent by either e-mail to lbi.fi.qiwpissues@IRS.gov** or by registered, first class airmail (with each such notice to include the QI's name, QI-EIN, GIIN (if applicable), and the name of its responsible officer), addressed as follows:

Internal Revenue Service

Foreign Payments Practice

Foreign Intermediaries Program

290 Broadway, 12th Floor NW

New York, New York 10007-1867

Written notices provided to QI under this Agreement **shall be sent by IRS by secure e-mail** to the responsible officer of the QI and all contact persons identified by QI.

1. **Expand the portal capabilities so that QIs could easily access Notices and copies of transcripts, when needed.**

**This function resides with the IRS Service Centers. We do not plan to expand the portal to accommodate Notices and copies of transcripts because of data security.**