



# SFS TAX & ACCOUNTING SERVICES

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## **IRS Launches Test Soft Notice**

According to a number of publications, including last week's *E@lert* and the *Wall Street Journal*, IRS is about to send some 31,000 Automated Soft Notices (given that the agency has a number for everything, this one will be called a CP2057) to taxpayers IRS believes may be underreporting their incomes. Unlike a CP2000, which proposes specific changes to a taxpayer's return, and subsequently increases the taxpayer's federal tax liability, the CP2057 does not propose any specific changes. Instead, the test notice will simply ask taxpayers to recheck specific parts of their returns and to file amended returns if necessary. According to various tax media, the soft notice will not require a taxpayer response; and absent a response, the Service will evidently take no action this year. The agency leaves open the possibility, however, that if nothing is done, the taxpayer could be moved up to the top of the CP2000 list for the next tax year.

IRS has not provided specific release dates for the test notice, although this fall (perhaps October) appears to be the target.

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