

<p>“Line 2 requests that taxpayers enter the ‘Country, including address, where the account was established’. This question should more clearly be written as ‘Address, including country, where the account was established.’ (Form 14454)</p>	<p>IRS Medic</p>	<p>AGREE.</p>
<p>“Line 10e. requests the taxpayer list the financial institution (complete with location), the name on the account, the amount of the transfer, and the date of transfer for any deposits to the foreign financial account for which the attachment is being prepared that were made by funds transferred from other financial institutions. For taxpayers who frequently interacted with multiple accounts, there would be several transfers which would need to be listed. We recommend having these questions be in a form where the person completing the form could have different lines of this information to accommodate multiple different transfers. ...” (Form 14454)</p>	<p>IRS Medic</p>	<p>AGREE with comment. We recommend that an addendum sheet be added to the back of the form to address instances where answer cannot fit into space provided. Reference to this addendum sheet could read: (if additional space is needed, use addendum sheet at end of this form)”</p>
<p>“Line 11e should be revised to read ‘If funds were transferred <u>to</u> other financial institutions, provide the following information.’” (Form 14454)</p>	<p>IRS Medic</p>	<p>AGREE with comment, and recommend that typographical error be changed. The word “from” should be changed to “to” on the question. Additionally, recommend wording be changed to “If funds were transferred to other offshore financial institutions, provide the following information (if additional space is needed, use addendum sheet at end of this form)”</p>
<p>“It is unclear what Line 12d is requesting. Perhaps better wording would be ‘Provide the following information about the Financial Institution in the United States to which the funds were transferred’ if that is what is being requested.” (Form 14454)</p>	<p>IRS Medic</p>	<p>AGREE with comment. Recommend changing wording to “Provide the following information about the U.S. Financial Institution to which the funds were transferred (if additional space is needed, use addendum sheet at end of this form)”</p>
<p>“There appears to be a typographical error on the Privacy Act and Paperwork Reduction Notice. The last sentence in the first paragraph of this section states ‘If you chose to apply, however, you are required to provide all the information requested on the foreign account or asset statement It is our assumption that this line is meant to read ‘If you chose to apply, however, you are required to provide all information requested on the attachment to offshore voluntary disclosure letter’....” (Form 14454)</p>	<p>IRS Medic</p>	<p>AGREE with comment to change typographical error.</p>
<p>“Question 6 asks ‘Have any of the offshore accounts you are disclosing been identified by the IRS as ineligible for this program?’ More than a year ago, the IRS indicated that it would create a ‘black list’ of foreign institutions, where if a taxpayer had accounts with that institution the IRS would not allow them to make a voluntary disclosure. But, when the IRS issued the revised program terms in 2014, it apparently decided instead to create a list of financial institutions for which there would be an increased Miscellaneous Offshore Penalty if the taxpayer had accounts with that institution. ... [T]here is no reason for this question.” (Form 14457)</p>	<p>IRS Medic</p>	<p>AGREE with the comment and this question should be deleted from the form.</p>
<p>“Question 9 asks whether the taxpayer believes that the IRS has obtained information concerning his/her tax liability. Presumably any person who has an account with a financial</p>	<p>IRS Medic</p>	<p>Do not AGREE with comment. This question is directly related to IRM section 9.5.11.9</p>

<p>institution or a financial institution in a foreign country that has indicated a willingness to make reports under the FATCA reporting obligations or intergovernmental agreement would have reason to believe that the IRS has received information about his/her tax liability. This question would also not have any bearing on program eligibility or a difference in how the OVDP matter would be considered by the IRS. Therefore, this question appears to serve no useful purpose.” (Form 14457)</p>		
<p>“The Form 14457 appears to be misleading as to the requirements with regards to spousal participation in the program.” (Form 14457)</p>	IRS Medic	Do NOT AGREE with comment. In bold lettering above question #1, it states that “if you filed jointly at any point during the past eight years, your spouse should also apply.....” If wording is changed to “your spouse must also apply”, some OVD’s may not occur.
<p>“On Line 1f-1g, the form requests that the taxpayer and spouse separately list their ‘Passport Number(s)’ and ‘Country(ies).’ However, there is not space to list multiple entries in any of these fields” (Form 14457)</p>	IRS Medic	AGREE with comment. Additional space should be provided to allow taxpayers to supply more than one passport number each (ie. US passport number and dual citizenship passport number).
<p>“On Line 1.i. - Line 1.k., the form requests that the taxpayer and spouse separately list their ‘Bank Name(s)’, ‘Name on Bank Account,’ and ‘Bank Account Number(s).’ However, there is not space to list multiple entries in any of these fields even though, in our experience, taxpayers participating in the program typically have more than one bank account.” (Form 14457)</p>	IRS Medic	AGREE with comment. However, since this information is duplicative to information filed on required form 14454, we recommend deleting 1i-1k.
<p>“There is a ‘Note’ between Line 1 and Line 2 that indicates that Estates must include a court document or Form 56 verifying who is authorized to sign the Form 2848. However, nowhere on the form, within the FAQ, or on the ‘How to Make an Offshore Voluntary Disclosure Page,’ does it indicate that a Form 2848 should be submitted with the Disclosure Application if a representative is being appointed.” (Form 14457)</p>	IRS Medic	Do NOT AGREE with comment. It is a standard IRS requirement that if a representative is acting on behalf of a taxpayer that a Form 2848 be filed with the Service. If any clarification is needed, adding a FAQ will suffice.
<p>“[T]he draft Form 14708 requested taxpayer email addresses, indicating that the IRS intends to expand employee usage of email for communication. If this is a trend that the IRS is seeking to encourage, it would make sense to request the email address for Authorized representatives along with the other contact information being requested on Line 2.” (Form 14457)</p>	IRS Medic	AGREE.
<p>“Line 3 of the form asks taxpayers to indicate whether the Voluntary Disclosure is Offshore Only or is for both Offshore and Domestic issues. If a taxpayer indicates both Offshore and Domestic issues are present, the department processing these requests will then send an Application for Domestic Voluntary Disclosure (which is not presently publicly available on the IRS website). It would be helpful to make that form publicly available and to direct taxpayers to submit that form if checking the box that the disclosure is for both offshore and domestic issues.” (Form 14457)</p>	IRS Medic	AGREE. This would reduce phone calls to the VD Hotline as often POAs are looking for the DVD letter prior to CI sending it to them.

<p>“Line 4 asks taxpayers to answer ‘How did you learn about the Offshore Voluntary Disclosure Program?’ Our assumption is that this is being asked, at least in part, to aid the IRS in targeting which efforts have been most effective to alert people about the program. To aid in better identifying these efforts, offering a preset selection menu (either as a drop down menu or checkbox), and allowing a category for ‘Other’ for write-in answers, would allow the IRS to more quickly identify and make use of this information. That method would also allow for use of automated programs that could scan for such information and compile a database of the answers to allow for better and easier access to the information.” (Form 14457)</p>	<p>IRS Medic</p>	<p>Do NOT AGREE with comment. CI can work with the form either way and therefore has no preference.</p>
<p>“Line 10 requests that taxpayers indicate the Highest Aggregate Account/ Asset Value per year. The PDF form allows for people to check multiple different value ranges per year. Adjusting the available fields in this section to allow only one value range to be selected could reduce the frequency of improper entries.” (Form 14457)</p>	<p>IRS Medic</p>	<p>AGREE. However, research should first be conducted to determine if this is an issue.</p>
<p>“While Line 10 requests that taxpayers indicate the Highest Aggregate Account/ Asset Value per year, Line 10a only requests that taxpayers list their foreign accounts and does not request any information about other foreign assets. Similarly, there is no requirement to submit an Offshore Voluntary Disclosure Letter Attachment for foreign assets that are not financial accounts. Therefore, at no point during the Disclosure Application process would the IRS learn if a taxpayer had, for example, multiple foreign rental properties that would be disclosed or multiple foreign business entities, if the taxpayer did not have control (or beneficial ownership) over the entity’s financial accounts.” (Form 14457)</p>	<p>IRS Medic</p>	<p>Do NOT AGREE with comment. Although this is true, a taxpayer participating in the OVD program is expected to file amended tax returns for all relevant years, going back eight years. These amended tax returns are expected to be true and accurate in all ways, including the identification of other income that was not identified in the offshore accounts being disclosed. Also, question 10 does ask for Highest Aggregate Account/Asset Value, meaning that all financial assets should be identified and not only standard bank accounts. This form is not meant to identify non-financial assets (rental property, businesses, etc.). Adding verbiage in the FAQ’s regarding this issue would be a way to clarify.</p>
<p>“With regards to Line 10a and 11 a, for taxpayers who have many different accounts that are being reported, which is quite common, there is insufficient space available to list all foreign accounts that would need to be listed. Having this field be an expanding field that would expand to fit the size of the information being entered would better accommodate such situations. Alternatively, the request for this information could be removed from the form since these entries should match the entries for which the taxpayers are required to submitted [sic] Disclosure Letter Attachments.” (Form 14457)</p>	<p>IRS Medic</p>	<p>AGREE</p>
<p>“[M]any people seek the assistance of professionals in preparing this form. Therefore, it would seem to be appropriate to include a location for a professional to sign the declaration as well.” (Form 14457)</p>	<p>IRS Medic</p>	<p>Do NOT AGREE with comment. This declaration is being made by a taxpayer, not a professional who assisted in or prepared the declaration. It is immaterial who prepared the 14457 as it is only matters who is signing the form and making the declaration of the foreign account(s).</p>
<p>“There appears to be a typographical error on the Privacy Act and Paperwork Reduction Notice. The last sentence in the first paragraph of this section states ‘If you chose to apply, however, you are required to provide all the information requested on the foreign account or</p>	<p>IRS Medic</p>	<p>AGREE with comment.</p>

asset statement' Since this line is on the Form 14457, Offshore Voluntary Disclosure Letter, and far more documents are requested than the foreign account or asset statement, it is our assumption that this line is meant to read 'If you chose to apply, however, you are required to provide all the information requested on the offshore voluntary disclosure letter' (**Form 14457**)