

February 9, 2009

To: Cybertax members

From: Bonnie Speedy, National Director, AARP Tax-Aide

Subject: Cybertax 2009-10: IRC 7216 Update and Recovery Rebate Credit

Internal Revenue Code 7216:

As referenced in the January 22, 2009, Cybertax 2009-06, this announcement is an update on the IRS rules for aggregate data as it relates to IRC 7216.

Since it is now after February 9th, you can now share aggregate/summary taxpayer data IF that data covers 25 or more returns. The aggregate data to which we refer must be summary for 25 returns or more in categories like total EITC dollars, total Child Tax Credit dollars, etc. Total returns processed are always OK to share as that number is a production count unrelated to any taxpayer data. SPEC has not told us if the number of EITC or the number of joint returns, for example, which do have origin with real taxpayer data, but still more production counts, are actually taxpayer data. After February 9th, however, that is no longer an issue as long as it is aggregated for returns totaling 25 or more, those counts can be shared.

Are you wondering why would anyone share the data at all? Perhaps they use the state EITC data for media press releases directly, or someone in your state gives it to the AARP state office who uses it for anything including press, or you give it to the local or state government as results for any grants they might give the AARP Foundation on your local program's behalf. We really don't see this as much of an issue as most aggregate data you would share anyway would be for more than 25 returns. If for some reason it isn't, please don't share that cut of the data.

A new important condition communicated to us from the IRS:

Summary/aggregate reports used for advertising and marketing must not include statistical compilations containing or reflecting average amounts of refund, credit, or rebate. In other words, you cannot state that the average EITC returns amount in the state of XX is \$X,XXX.

Recovery Rebate Credit:

We have heard the concerns about e-filed returns rejecting due to Recovery Rebate Credit (RRC) errors. We understand that volunteers do not want to receive and have to work these rejects.

An easy solution to avoid rejects is to put the maximum payment the taxpayer could have received in the worksheet. All RRC amounts are reviewed so there is no harm to taxpayers if that amount is not correct.

From what I learned on the phone Friday late with IRS staff, if a volunteer is not absolutely sure of the Stimulus Payment (by the taxpayer having a letter, calling the IRS or checking the What Was My Stimulus on the [irs.gov](http://www.irs.gov) home page), the volunteer can and should put the maximum possible as the amount paid in the worksheet.

Leaders, please share this information with volunteers who may not receive CyberTax.

**CyberTax messages will be available weekly on the Extranet (<http://www.aarp.org/tavolunteers>) in the "General Program Communication" section.

*** no attachment intended.

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