



# TaxNewsFlash

## United States

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### **Notice 2016-48: Guidance for implementing changes to ITIN program**

The IRS today released an advance version of Notice 2016-48 to implement changes made to the individual taxpayer identification number (ITIN) program as made by legislation enacted in December 2015 (the Protecting Americans from Tax Hikes Act of 2015 or the "PATH Act").

[Notice 2016-48](#) [PDF 53 KB] explains the legislative changes, reports how the IRS will implement the changes, and states the potential consequences for taxpayers who do not renew an ITIN as required. Notice 2016-48 sets forth guidance concerning:

- The ITIN application process
- Rules for when ITINs must be renewed beginning in 2017
- How to renew an ITIN (based on whether the ITINs have or have not been used in the past three consecutive years) and rules for ITINs issued before 2013 and currently in use
- Consequences for taxpayers that do not renew an ITIN
- The effects on holders of expired ITINs who have or become eligible for a social security number (SSN)
- The use of an ITIN solely on an information return

With this guidance, the IRS explained that ITINs issued before 2013 and that have been used on a federal tax return in the past three years will need to be renewed pursuant to the following renewal schedule:

- ITINs issued before 2008 will remain in effect until January 1, 2017.
- ITINs issued in 2008 will remain in effect until January 1, 2018.
- ITINs issued in 2009 or 2010 will remain in effect until January 1, 2019.
- ITINs issued in 2011 or 2012 will remain in effect until January 1, 2020.

A related IRS release—[IR-2016-100](#) (August 4, 2016)—notes that some of the changes require taxpayers to renew their ITINs beginning in October 2016 and that ITINs that have not been used on a federal tax return at least once in the past three years will no longer be valid for use on a tax return unless renewed by the taxpayer.

## Request for comments

The IRS notice also requests comments concerning the ITIN program and “certified acceptance agents” given that further guidance on other issues regarding the ITIN program will be issued. Comments and recommendations regarding the ITIN program are specifically requested on the following issues:

- The eligibility requirements to be established for organizations or individuals applying to be community-based certified acceptance agents and ways to increase the number of community-based certified acceptance agents in a manner that will minimize the risk of fraud and non-compliance
- Additional beneficial guidance in administering the implementation of the legislation changes to the ITIN program

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