

## New IRS Payee Statement Regulations Intended to Reduce Identity Theft

*Legal Alert*

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The IRS has recently released final regulations (T.D. 9675) to help combat the growing threat of identity theft.

Under applicable regulations, taxpayers are now allowed to use truncated taxpayer identification numbers (TTINs) to identify parties on certain payee statements (e.g., 1099s) and other documents that the internal revenue law requires to be furnished to another person. TTINs are an individual's social security number (SSN), taxpayer identification number (TIN), IRS adoption taxpayer identification number (ATIN), or IRS employer identification number (EIN), with the first five digits replaced with Xs or asterisks. For example, a SSN may appear as XXX-XX-5555 or \*\*\*-\*\*-5555. TTIN use is prohibited in certain circumstances, including on W-2s and other statements where statute or applicable specific regulation still requires use of the full number. The issuer of the statement also cannot truncate its own TIN or EIN.

These regulations are generally effective for payee statements due after December 31, 2014.

To learn more about this new regulation, we invite you to contact any member of Flaster Greenberg's Taxation Practice Group.

### **ATTORNEYS MENTIONED**

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