

**DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
Mail Stop 1112, PO Box 12307
Ogden, UT 84412**

DATE OF THIS LETTER:

CONTACT TELEPHONE NUMBER:
1-877-767-2501

CONTROL NUMBER:

RESPONSE DUE DATE:

Employer Identification Number:

Medical Resident Federal Insurance Contributions Act (FICA) Refund Claims

Dear Sir or Madam:

Why We Are Sending You This Letter

The Internal Revenue Service (IRS) is sending you this letter because our records indicate that you have filed claims seeking refunds of social security and Medicare taxes withheld and paid on wages earned for services performed by medical residents for tax periods ending before April 1, 2005. These taxes are Federal Insurance Contributions Act (FICA) taxes, and the claims are referred to as Medical Resident FICA Refund Claims (or MR claims). The IRS intends to pay your MR claims after you provide information necessary to perfect your claims and after the IRS has verified the timeliness and amount of your claims and whether you are entitled to the refund.

What Is Included with This Letter

This letter includes:

- Publication 4843-A, *Instructions for Medical Resident FICA Refund Claims*, and
- Publication 4843, *Medical Resident FICA Refund Claims CD*, a compact disc that contains Form 14130, *Claim Support Spreadsheet*, as well as various forms, instructions, and sample documents.

We have included these items with this letter so you can begin compiling the information necessary to perfect your MR claims. The CD also includes an electronic copy of Publication 4843-A, *Instructions for Medical Resident FICA Refund Claims*, which describes the steps you must take to receive your refund. We urge you to read the instructions carefully.

Representation for MR Claims

Your MR claims cover multiple tax periods and have been held in suspense for several years. Due to the length of time your claims have been in suspense, we want to confirm your choices regarding representations in connection with your MR claims. This will expedite the processing of your MR claims.

You may either represent yourself or, with proper written authorization, have someone else represent you in connection with your MR claims. Your representative must be a person allowed to practice before the IRS. If we have an existing written authorization on file in connection with any of your MR claims, a copy of this letter is being provided to the representative named on the written authorization for each taxable period unless the authorization provides otherwise. A list of representatives that were sent this letter is included on the last page.

Depending upon your situation, you will need to send us either a letter explaining how you want to handle your representation or a completed Form 2848, *Power of Attorney and Declaration of Representative*. A copy of Form 2848 and instructions are included on the CD.

Depending on which of the following applies, send us a letter stating that:

- You have not authorized any individual(s) to represent you in connection with your MR claims and you do not want to authorize any individual(s) to represent you.
- You are currently represented in connection with your MR claims and you want your current representative(s) to continue as your representative(s).
- You are currently represented by different persons for the different taxable periods of your MR claims, and you want the current representative(s) for each taxable period to continue as your representative(s) for that taxable period.

Note: If you retain different representatives for different taxable periods, you should consider completing Forms 8821, *Tax Information Authorization*, consenting to the limited disclosure of return and return information to each representative for the periods for which they do not represent you. Specifically, you should consider consenting to the disclosure of Forms 843, 941, and 941c filed for any of the periods before April 1, 2005 for which an MR claim was filed and any return information related to those returns or refund claims. If you do not consent to this limited disclosure we will process your refund claims, but significant delays in the processing of the claims may occur. The CD contains Form 8821 and instructions.

Send us a Form 2848 if you want to:

- Authorize an individual(s) to represent you in connection with your MR claims. See Form 2848 and instructions for information on authorizing a person eligible to practice before the IRS to represent you.
- Add, substitute, or revoke an existing power of attorney. For details, see Form 2848 and instructions.
- Authorize your current representative(s), who represents you on some but not all of your MR claims, to represent you in connection with all of your MR claims. Send us a completed Form(s) 2848 for any MR claim(s) for which your representative does not have power of attorney.

How To Send Representation Information to IRS

Attach a copy of the first page of this letter to the front of the requested information and mail the information to the address shown in the heading of this letter by the response date shown on the first page. If you prefer, you can fax your reply to 801-620-2132. Failure to use the above mailing address or fax number may result in processing delays.

What Happens After IRS Receives Your Representation Information

After we receive your representation information, we will send you and your authorized representative(s), if any, Letter 4609 and Attachment 8305E. Attachment 8305E lists the tax periods and amounts of your pending MR claims that the IRS has on file for you. A sample Attachment 8305E is included in the CD. You will need Attachment 8305E to complete the Form 14130, *Claim Support Spreadsheet*, which is included on the CD.

What You Can Do Before Receiving Attachment 8305E

Your Medical Resident FICA Refund Claims are subject to the same procedural requirements that apply to all FICA refund claims filed by employers. These requirements include the timely filing of claims, certifications regarding the employee share of the FICA tax, and verification by the IRS of the amount of the claim.

To satisfy these procedural requirements, you will need to perfect your claims by submitting additional information. Although you cannot complete all the necessary steps to obtain your refund until after you receive your Attachment 8035E, you can begin the process of gathering the necessary information to perfect your claims.

Publication 4843-A, *Instructions for Medical Resident FICA Refund Claims*, provides information to help you determine if you need to solicit consents from your employees in order to perfect your claim. The CD also contains information for you to share with your employees on the effect of consenting to a refund on their social security benefits. If you are soliciting consents from your employees, you may begin that process before you receive your Attachment 8305E.

What Other Actions You Must Take

Once the IRS pays your refund, you must repay each employee his or her share of the refund plus statutory interest. You must also file Forms W-2c, *Corrected Wage and Tax Statement*, and 1099-INT, *Interest Income*. See Publication 4843-A, *Instructions for Medical Resident FICA Refund Claims* for more information.

Additional Information

If you have filed any claims for refund of FICA taxes paid with respect to services performed by medical residents for tax periods after March 31, 2005, those claims will remain pending.

If your MR claims seek a refund of tax for an issue other than FICA taxes for services performed by a medical resident, those issues will not be addressed at this time.

Additional Resources

For more information, visit the IRS website at www.irs.gov/charities and click on *Medical Resident FICA Refund Claims*, where you will find Frequently Asked Questions (FAQs) to help you through this process. The FAQs will be updated as needed. If you have additional questions, call the contact telephone number on the top of the first page of this letter.

Sincerely,

Nanette M. Downing
Director, EO Examinations

Enclosures:

Publication 4843-A, *Instructions for Medical Resident FICA Refund Claims*
Publication 4843, *Medical Resident FICA Refund Claims CD*

cc: