

Form 8879 Record Retention Guidance

Revised Policy

Effective for Filing Season 2012, Volunteer Income Tax Assistance (VITA)/Tax Counseling for the Elderly (TCE) volunteers are not required to retain a copy of Form 8879, IRS e-file *Signature Authorization* and supporting documents such as Form W-2 and 1099. Form 8879 is used only for taxpayers using the Practitioner PIN method for signing an electronically filed return. Under the Practitioner PIN method, the **taxpayer(s) must sign and date the Form 8879, after reviewing the return and ensuring the information is accurate. The volunteer should return the signed Form 8879 to the taxpayer along with a copy of their tax return.** Forms 8879 are not sent to the IRS.

If using the Practitioner PIN, "PP" will be noted in the PIN Presence Indicator under the "Sig Doc" column on the Acknowledgement Report. This signifies the use of the Practitioner PIN. If using the Self-Select PIN, "SSP" will be noted in the PIN Presence Indicator under the "Sig Doc" column on the Acknowledgement Report. **This signifies the use of the Self-Select PIN, and no Form 8879 is required.**

Background

Prior to tax year (TY) 2010, volunteers were allowed to mail Forms 8879 to IRS Cincinnati Submission Processing Center (CSPC) or local Stakeholder Partnerships Education and Communication's (SPEC) offices. The IRS would then retain these documents for the mandatory three year retention period.

The retention requirement of these documents is resource intensive on our volunteers and employees as well as the increased postage cost. Forms 8879 being held in our possession have not been utilized in criminal cases.

Process

The VITA/TCE program received a waiver during the 2011 filing season to the three year retention requirement for Forms 8879 and supporting document.

This waiver does not provide an exception to the volunteers' responsibility to solicit and maintain consents required under IRC 7216. Volunteers who have been attaching the signed consent notices to Form 8879 will have to retain these forms for the required period.

Territory Offices are responsible for communicating this process to

partners and ensuring the remaining CSPC Business Reply mailing labels (Document 9282F, Catalog Number 33268G) are destroyed.

Benefits

The benefits gained from receipt of this waiver outweigh those gained from retention. By implementing this policy, SPEC will be reducing the burden placed on volunteers, employees and postal cost.

**State
Retention**

In an effort to further reduce volunteer burden, we are working to secure waivers from the 11 states that have a similar retention requirement for their Form 8879 equivalent. **As of today, we have received waivers from all states: Alabama, Arkansas, Iowa, Indiana, Georgia, Massachusetts, Nebraska, New York, Oklahoma, Pennsylvania and Vermont.**

Retention of Form 8879
Question and Answers

1. Will IRS Cincinnati Submission Processing Center (CSPC) continue to accept Forms 8879 and supporting documents?

No. CSPC will no longer accept Forms 8879 and supporting documents after December 31, 2011.

2. Do the volunteers still need to retain copies of Forms W-2s and 1099s?

No. The waiver includes Forms 8879 and required documentation.

3. Do the volunteers have to retain prior year Forms 8879 they have stored for the required retention period?

Yes. The waiver applies to TY 2011 and beyond. Volunteers should continue to retain TY 2010, 2009 and 2008 documents to fulfill the three year requirement.

4. What is the final date CSPC will accept new receipt of Forms 8879?

CSPC will accept TY 2010 documents through December 31, 2011. Any documents received other than TY 2010 and after December 31, 2011 will be destroyed as "classified waste".

5. What happens to the Forms 8879s already stored at CSPC?

CSPC will retain documents in their possession for the required three year retention period prior to destroying.

6. Will the CSPC employees continue to return Form 3210 to acknowledge receipt of shipment?

Yes. Through December 2011 the CSPC will continue to forward the acknowledgments back to the originator. Currently, they have a large backlog of inventory.

7. Will we receive updated information from the state that has not responded to waiving the retention requirement of the form similar to Form 8879?

Yes. As we receive the response waiver from the one remaining state we will share it with the Territories. If waiver is not received from Georgia, the state will provide a retention process that can be used by VITA/TCE volunteers. These documents should not be mailed to the IRS.

8. Does the volunteer need to retain the consent notices required under IRC 7216?

Yes. The waiver for retention of Form 8879 does not apply to consents required under IRC 7216.

9. Can volunteers retain copies of Form 8879 and supporting documents?

Yes. However, they cannot send the documents retained to the IRS for storage.

10. How should Forms 8879 and supporting documents be destroyed after the three year retention period?

All documents containing personally identifiable information (PII) are considered classified waste and should be properly destroyed (i.e. burn or shred).

11. Will the IRS retain prior year forms prepared during filing season 2012?

No. The IRS will not retain any new submission of Form 8879 regardless if they are for current or prior tax year.