

Identity Protection PINs Are Worth the Hassle

By Thomas W Bassett, CPA, JD, AEP®, Commerce Trust Company East Region Tax Manager

IRS opens the season for IP PINs...

Get yourself an "IP PIN" — an "Identity Protection PIN". But it's different from last year's method, and may take more time, so plan to do it sooner than later.

To start the process, you'll need to go to:

<https://www.irs.gov/identity-theft-fraud-scams/get-an-identity-protection-pin>

Click on the link that says "Get an IP PIN". You'll be sent to a different website – ID.Me.

Know that the IRS will soon transition away from the use of third-party verification involving facial recognition, but for this tax season, the IRS is using that website/service to authenticate taxpayers. You'll need to create an account there -- and you'll need to be able to upload copies of things like a driver's license, a state non-driver ID (or other official photo ID), and be able to take a "selfie".

If you can't finish the process with the automatic tools (I wasn't), you'll schedule an appointment with one of the ID.Me staff, who will then meet you "virtually," ask to see these documents, and will authenticate you. Then you can finish your account creation with the IRS and get your IP PIN.

I did the ID.Me interview a few weeks ago and got my IP PIN in about three minutes. Now my tax return can't be filed by someone else — that little six-digit number "locks" my Social Security Number (SSN) from being used on a fraudulent tax return. WELL WORTH THE HASSLE.

As an aside, this tax season promises to be another brutal one with severe IRS delays and backlogs in processing returns. Not to mention the overhang of 2019 and 2020 returns that are in their queue, somewhere, not yet processed.

If you have an overpayment from 2020 being applied to 2021 and they haven't yet processed your 2020 return, be prepared to get a notice "correcting" your payments (and possibly leaving a shortfall and generating a balance due notice).

Rest assured that, eventually, the IRS will get caught up and get that payment restored to your account, though "eventually" might be later this year or possibly early 2023. But get that IP PIN, and then don't misplace it — once an IP PIN has been assigned for your SSN, you can't e-file nor paper file a return without it (well, you can, but it will be set aside for manual review and confirmation of your identity, which will likely mean months of delay).

Getting a tax refund or expecting a balance due? Contact Commerce Financial Advisors to see how it might affect your investment portfolio.



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Tom has managed the East region tax team for Commerce Trust Company since joining in 2012. He is responsible for the services his department provides to clients of Commerce Trust in the St. Louis, Springfield, Belleville, Peoria, and Bloomington offices. In addition to tax planning and consulting services to that client base, his group annually prepares more than 120 returns for charitable trusts and private foundations and more than 350 returns for individual, estate, gift, trust, and partnership clients of Commerce Trust. Tom also co-manages Commerce Trust's annual tax return preparation process, including reviewing and maintaining Commerce Trust's accounting system and the integration of this system with the organization's external vendor. Prior to joining Commerce, Tom was a manager at BKD, LLP, where he focused on providing tax planning, consulting, and compliance services to high net worth individuals and their businesses in a variety of industries, primarily real estate, healthcare, manufacturing, and distribution. Before BKD, he worked for KPMG, LLP, at various levels, including manager. Tom attended Washington University in St. Louis, earning two bachelor of arts degrees in physics and psychology, a juris doctorate, a master of business administration, and a master of science in business administration. He is a member of the Missouri Society of Certified Public Accountants, the American Institute of Certified Public Accountants, the Missouri Bar Association, The Bar Association of Metropolitan St. Louis, the American Association of Attorney-Certified Public Accountants, and the Estate Planning Council of St. Louis. Tom has chaired the audit, investment, and budget subcommittees of the Finance Committee of The Bar Association of Metropolitan St. Louis for several years.



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