



Just in time for year-end, IRS launches new campaign and safeguards to protect taxpayer data

On November 19, 2015, the IRS launched a new campaign, [*Taxes, Security, Together*](#) to help the public protect its personal tax data. This campaign is the product of an unprecedented collaboration between the IRS, state tax officials and the tax industry, including software creators. The campaign has several components, including YouTube videos, consumer-friendly Tax Tips to be issued weekly and local events across the country.

Background

In March, IRS Commissioner John Koskinen convened the Security Summit with public and private tax administration leaders joining to identify steps to combat tax-related identity theft for the 2016 filing season and beyond.

Participants included IRS officials, the chief executive officers (CEOs) of the leading tax preparation firms, software developers, payroll and tax financial product processors, and state tax administrators. Additional participants included the Federation of Tax Administrators (FTA) representing the states, the Council for Electronic Revenue Communication Advancement (CERCA) and the American Coalition for Taxpayer Rights (ACTR).

The participants divided into three working groups focusing on:

- authentication, information sharing and cybersecurity focused on developing ways to validate the authenticity of taxpayers and information included on tax return submissions,
- information sharing to improve detection and expand prevention of refund fraud, and
- threat assessment and strategy development to prevent risks and threats.

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In IR-2015-117, the IRS announced results from the Security Summit on how governments and the industry can take new steps to protect taxpayers, including more than 20 new data components that will help detect possible identity theft. Another component will enhance identity validation for taxpayers using tax software. Security questions and device identity recognition at the time of log-on will be implemented as additional security measures, similar to what has been implemented in the financial sector. While the IRS, states and tax industry are taking new steps to protect taxpayers, this initiative is designed to help taxpayers protect themselves. Through a variety of platforms, the IRS will share several key steps to keeping taxpayer information secure. Those steps include:

- Use of security software to protect computers
- Mindfulness of phishing emails and phone scams
- Protection of personal information

New IRS publication assists businesses in protecting taxpayer information

Just in time for year end and in support of its initiative to combat tax refund fraud connected with identity theft, the IRS has also released new publication 4557, [*Safeguarding Taxpayer Data—A Guide for your Business.*](#)

This publication is designed to assist non-governmental businesses, organizations, and individuals that handle taxpayer data to understand and meet their responsibility to safeguard taxpayer information. IRS e-file and paper return preparers, intermediate service providers, software developers, electronic return originators, reporting agents, transmitters, their affiliates, and service providers can reference this publication to determine their data privacy and security needs and implement safeguards to meet them.

Ernst & Young LLP insights

As businesses begin the year-end tax season, they should review their current procedures and protocols for protecting taxpayer personal information. Particular focus should be given to the security of data connections with cloud-based portals, how remote employees are accessing systems with taxpayer information and appropriate delivery methods for emails containing sensitive information.

New IRS Publication 4557 contains a handy checklist that businesses should also review and take into consideration.

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