



Department of Treasury
Internal Revenue Service
 4000 BUFORD HWY
 CHAMBLEE, GA 39901-0021

AIR Control: 40032-0080

Notice CP2501
 Notice Date: July 24, 2004

Social Security Number:
 ██████████

Form 1040
 Tax Year: 2004

To call for assistance:
 1-800-829-3009 Toll Free

between 8:00 AM - 8:00 PM

To FAX information:
 1-770-454-1742 Local Fax

Contact:
 Kenneth C Corbin

000043 240549 0003 001 3 00 0 543 1404



STEPHEN ████████
 7 ████████ ST
 ████████ GA ████████

You Must Return the Response Form by August 23, 2004

1 Why are you getting this notice?

In our review of your 2004 tax return, we found what appeared to be differences between some of the income and deduction information you reported on your tax return and amounts reported to us by others (employers, banks, and other payers).

2 What steps should you take?

Following these steps can help you understand this notice.

1. Review your 2004 tax return.
2. Compare your return to the information in the *Explanation Section* -- page 5.
3. Decide if the information in the *Explanation Section* is correct.
4. Check the answers to *Frequently Asked Questions* -- page 2.
5. Complete and return the *Response Form* in the enclosed envelope -- page 3.

3 What happens if you don't respond by August 23, 2004?

If we don't hear from you, we will assume the information we have on file is correct and we will send you a notice that details the changes to your tax computation.

If the adjustment results in an increase to your 2004 tax, we will charge interest from (the date your tax was due) to the date you pay your tax in full. In addition, certain penalties may apply.

Stephen XXXXX

<Date>

Internal Revenue Service
4800 Buford Hwy.
Chamblee, GA 39901-0021

Certified Mail # _____

RE: Notice CP 2501

To: Mr. Kenneth C. Corbin

I received an *unsigned* notice CP2501 dated July 24, 2006, that stated in paragraph 1: “In our review of your 2004 tax return, we found what appeared to be differences between some of the income and deduction information you reported on your tax return and amounts reported to us by others (employers, banks, and other payers).”

The income figures you refer to have been addressed by my filing a correcting Form 1099-MISC in regards to the misreporting engaged in by XXXXXXXXX, Inc. and by the filing of the Form 4852 to correct the misreporting of XXXXXXXXX Company. I DO NOT see a need to supply you with a copy of information that is already in your possession, namely, my 2004 Form 1040 and the above mentioned attachments to said return. However, if you MUST have them to satisfy the statement about enclosing documentation under OPTION 3 on page 3 of the CP2501, then please advise me.

In regards to the Tax Credits section on page 6, the only “credits/deductions” I am claiming are those for the standard deduction and the personal exemption amounts that everyone claims and are entitled to. In regards to the Penalty section on the same page, please see below for a statement that may or may not fulfill any one of the three actions described to reduce or eliminate the penalty mentioned there.

Statement Regarding Reducing or Eliminating the Accuracy Penalty – IRC § 6662(d)

I have worked in the **private**-sector for approx. 30 years for XXXXXXXXX, Inc. My 2004 **private**-sector payments that the notice CP2501 erroneously assumes are reportable via a 1099-MISC are **not** reportable under Internal Revenue Code (IRC) § **6041(a)** regarding Information at source. Neither are said payments reportable under IRC § **6041A** as XXXXXXXXX, Inc. is a **private**-sector company. As such, they are **not** described within the definition of “trade or business” in § **7701(a)(26)** and the payments made to me cannot, therefore, be characterized as “salaries,...wages,...compensations, remunerations,...or other fixed or determinable gains, profits, and income...” (**IRC 6041(a)**). Sections **6041(a)** and **6041A(a)** only apply to a “person” or “service-recipient” engaged in a “trade or business”. The reporting requirement applies only to those individuals or entities when the payments described within these two sections are made to “another person” or “any person”, respectively, in the course of a “trade or business”.

The payments received from XXXXXXXXXX Company listed under “Retirement Income Gross” in the Explanation Section of the CP2501, page 5, are also **not** reportable under IRC § **6041(a)** or **6041A(a)** for the same reasons as those noted above for XXXXXXXXXX, Inc.

XXXXXXXX, Inc. and XXXXXXXXXXXXXXX Company were **not** required to report my **private**-sector payments on Form 1099-MISC and Form 1099-R, but did anyway, and in so doing reported to the IRS that my **private**-sector payments are taxable, which they are **not**. I corrected XXXXXXXXXX, Inc.’s erroneous Form 1099-MISC by filing a completed and *signed* rebutting document correcting the Form 1099-MISC (as XXXXXXXXXX, Inc. refused to issue me a corrected form) as part of my 2004 tax return. I also corrected XXXXXXXXXX Company’s 1099-R by filing a completed and *signed* Form 4852 (“Substitute for...Form 1009-R...”). Of course XXXXXXXXXX, Inc.’s and XXXXXXXXXX Company’s *erroneous* Form 1099-MISC and Form 1099-R, respectively, do not match my corrections of them!

I hope this proves to be sufficient information for you to conclude that the information I have provided via my *valid* 2004 Form 1040 and attachments is correct. If you require a copy of my tax return, then let me know.

Sincerely,

Stephen XXXXX

P.S. I am sure that if you will do a little more research, you will find that I was sent a CP49 for 2004 on which was acknowledged an overpayment of tax in the amount of \$2,400.00 that was applied to another year. One would think that 2004 is now closed.