

**MEMO# 25367**

July 29, 2011

## **ICI Files Comment Letter Supporting IRS TIN Masking Pilot Program**

[25367]

July 29, 2011

TO: PENSION MEMBERS No. 42-11  
TAX MEMBERS No. 26-11  
OPERATIONS MEMBERS No. 16-11  
TRANSFER AGENT ADVISORY COMMITTEE No. 61-11  
PRIVACY ISSUES WORKING GROUP No. 3-11 RE: ICI FILES COMMENT LETTER SUPPORTING  
IRS TIN MASKING PILOT PROGRAM

On July 29, the ICI filed the attached comment letter with the IRS on the extension of the TIN masking pilot program announced in Notice 2011-38. [\[1\]](#) The pilot program allows information return filers to truncate an individual payee's nine-digit identifying number (typically, a social security number) on paper payee statements for Forms 1099, 1098, and 5498. Notice 2011-38 extends the pilot program through 2012.

Consistent with our previous comments on the pilot program, the letter applauds the IRS for extending the pilot program and makes the following recommendations:

- The pilot program should be made permanent.
- It should extend to all tax forms and documents that are furnished to taxpayers. It should also extend to employer identifying numbers.
- It should extend to taxpayer statements that are provided electronically.
- The program should remain voluntary.
- The program should permit the payor to mask the entire taxpayer identification number.
- The letter recommends against a new requirement that a filer must provide the complete identifying number on the payee statement if the payee requests it.

Pinank Desai  
Assistant Counsel - Tax Law

[Attachment](#)

## endnotes

[1] See [Memorandum](#) to Pension Committee No. 14-11, Pension Operations Advisory Committee No. 10-11, Tax Committee No. 20-11, Operations Committee No. 12-11, Transfer Agent Advisory Committee No. 25-11, Privacy Issues Working Group No. 1-11 dated April 18, 2011.

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