

MEMO# 23746

September 1, 2009

Institute Renews Request Regarding TIN-Masking on Tax Forms

[23746]

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TO: BANK, TRUST AND RECORDKEEPER ADVISORY COMMITTEE No. 37-09 RE: INSTITUTE RENEWS REQUEST REGARDING TIN-MASKING ON TAX FORMS

The Institute submitted the attached letter to the Internal Revenue Service, urging the Service to include a project on the Industry Issue Resolution (“IIR”) Program [\[1\]](#) to permit payors to mask social security numbers on Forms 1099 and 5498 mailed to individual taxpayers. As the Institute stated in prior submissions to the Service on this topic, masking or obscuring SSNs is the most effective way to combat identity theft, and is a common practice on many non-tax documents. [\[2\]](#) The Institute has urged the Service to permit this practice on Forms 1099 and 5498 mailed to taxpayers so that mutual funds and other financial institutions can make their identity theft prevention measures, affecting millions of account holders, more robust. The Institute urged the Service to make this issue a priority and emphasized that the Service can permit this practice simply by revising instructions to the governing forms, without the need for statutory or regulatory changes.

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[Attachment](#)

endnotes

[1] The objective of the IIR Program is to resolve through issuance of new and improved guidance business tax issues common to significant number of taxpayers.

[2] See [Memorandum](#) to Pension Members No. 25-09 [23510], dated June 5, 2009 (recommending TIN-masking issue for the Treasury/IRS 2009-2010 Business Plan); [Memorandum](#) to 529 Plan Members No. 1-09, Accounting/Treasurers Members No. 23-09, International Members No. 11-09, Tax Members No. 11-09, Transfer Agent Advisory Committee No. 39-09 (recommending TIN-masking issue for 2009-2010 Treasury/IRS Guidance Priority List); [Memorandum](#) to Pension Members No. 55-08, Tax Members No. 31-08, Operations Members No. 14-08, Transfer Agent Advisory Committee No. 53-08, Privacy Issues Working Group No. 12-08 [22882], dated September 19, 2008.

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