

MEMO# 25337

July 15, 2011

Draft Comment Letter On Extension Of IRS TIN-Masking Pilot Program To 2011 And 2012 -- Comments Requested by July 27, 2011

[25337]

July 15, 2011

TO: PENSION COMMITTEE No. 23-11
PENSION OPERATIONS ADVISORY COMMITTEE No. 17-11
TAX COMMITTEE No. 44-11
OPERATIONS COMMITTEE No. 26-11
TRANSFER AGENT ADVISORY COMMITTEE No. 57-11
PRIVACY ISSUES WORKING GROUP No. 2-11 RE: DRAFT COMMENT LETTER ON EXTENSION
OF IRS TIN-MASKING PILOT PROGRAM TO 2011 AND 2012 -- COMMENTS REQUESTED BY
JULY 27, 2011

Attached for your review is a draft comment letter to the IRS on the extension of the TIN-masking pilot program announced in Notice 2011-38. [\[1\]](#) Notice 2011-38 extends the pilot program permitting financial institutions to mask (or truncate) the first five digits of SSNs on paper statements mailed to payees on Form 1099, Form 5498, and Form 1098.

The draft letter applauds the IRS for extending the pilot program and restates 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.

Please provide your responses to the undersigned by July 27th, COB at pinank.desai@ici.org or (202) 326-5876. The comments are due to the IRS on July 29th.

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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