

**Low Income Taxpayer Clinic (LITC)
Interim and Year-End Report
Controversy Issues**

OMB Number
1545-1648

Name of clinic

Grant year

Reporting Period Interim Report - January 1 through June 30 Year-End Report - January 1 through December 31

Controversy Issues Worked

Income Issues

1	Wages	
2	Interest / Dividends (Schedule B)	
3	Business Income (Schedule C)	
4	Capital Gain or Loss (Schedule D)	
5	IRA / Pension	
6	Social Security Benefits	
7	Alimony	
8	Rental, Royalty, Partnership, S Corp (Schedule E)	
9	Farming Income (Schedule F)	
10	Unemployment	
11	Gambling Winnings	
12	Cancellation of Debt	
13	Settlement Proceeds	
14	Other	

Deduction Issues

15	Alimony	
16	Education Expenses (Including student loan interest)	
17	Moving Expenses	
18	IRA Deduction	
19	Medical and Dental Expenses	
20	State and Local Taxes	
21	Home Mortgage Interest	
22	Other Interest Expenses	
23	Charitable Contributions	
24	Casualty and Theft Losses	
25	Unreimbursed Employee Business Expenses	
26	Other Itemized Deductions	
27	Business Expenses (Schedule C)	

Credit Issues

28	Child and Dependent Care Credit	
29	Education Credits	
30	Child Tax Credit / Additional Child Tax Credit	
31	Earned Income Tax Credit	
32	First-Time Homebuyer Credit	
33	Other Credits	

**Low Income Taxpayer Clinic (LITC)
Interim and Year-End Report
Controversy Issues**

Name of clinic

Controversy Issues Worked *(continued)*

Status Issues

34	SSN / TIN	
35	ITIN	
36	Filing Status	
37	Personal/Dependency Exemptions	
38	Injured Spouse	
39	Innocent Spouse	
40	Employment-Related Identity Theft	
41	Refund-Related Identity Theft	
42	Nonfiler	
43	Worker Classification	

Tax / Refund / Return / Statute of Limitations Issues

44	Self-Employment Tax	
45	Suspected Return Preparer Fraud	
46	Estimated Tax Payments	
47	Withholdings	
48	Refund	
49	Assessment Statute of Limitations	
50	Collection Statute of Limitations	
51	Refund Statute of Limitations	

Penalty Issues

52	Trust Fund Recovery Penalty	
53	Other Civil Penalties	
54	Additional Tax on Distributions from Qualified Retirement Plans	

Collection Issues

55	Payments	
56	Installment Payment Agreement (IPA)	
57	Offer-In-Compromise (OIC)	
58	Currently Not Collectible (CNC)	
59	Liens	
60	Levies (Including Federal Payment Levy Program)	

Total Controversy Issues Worked *(add lines 1 through 60)*

Instructions for Form 13424-B, Low Income Taxpayer Clinic (LITC) Interim and Year-End Report Controversy Issues

Note: Each controversy clinic must complete Form 13424-A, *General Information*, Form 13424-C, *Advocacy Information*, Form 13424-K, *Controversy Case Information*, and Form 13424-B, *Controversy Issues*.

When submitting your Interim and Year-End Reports, include this form (Form 13424-B) as part of the Program Narrative. Interim Report and Year-End Report requirements are described in Publication 3319, sections III.B.i and III.B.ii, respectively.

Note: Interim and Year-End Reports, including this form (Form 13424-B) may be released under the Freedom of Information Act (FOIA). In response to a FOIA request, the LITC Program Office will release these reports after appropriate redactions to ensure confidentiality of taxpayer information.

Purpose

This form is used to report issues worked by a clinic while representing taxpayers in controversy cases. The issues reported should relate to all cases reported on Form 13424-K, line 1C.

The Program Office uses the information reported on this form and the other reporting forms to determine the scope of services provided by clinics. Data is also aggregated to provide program-wide statistical information about services provided to low income and English as a Second Language (ESL) taxpayers. Be careful to follow the instructions for this form and to report all information completely and accurately.

Reporting Requirements

Controversy

If your clinic has been funded to provide representation in controversy cases, complete all parts of this form.

Reporting period

Clinics are required to report on clinic activities twice for each grant year. The *grant year* is January 1 through December 31 for the year in which a grant award is received. An Interim Report is required to report activities conducted for the period from January 1 through June 30; a Year-End Report is required to report activities conducted for the entire grant year, the period from January 1 through December 31. Check the appropriate box at the beginning of the form indicating for which period the report is being completed.

The reports capture all controversy issues arising from all controversy cases that were open at any time during the reporting period, including cases carried over from the previous grant year. The issues reported should relate to all cases reported on Form 13424-K, line 1C for the same reporting period.

Definition of a controversy issue

A controversy arises from representation of a taxpayer in a dispute with the IRS concerning the determination, collection, or refund of any tax, additions to tax, additional amounts, penalties, or interest. A controversy issue is counted and reported when the clinic advocates on behalf of a taxpayer to the IRS or a court to resolve a dispute related to that issue. An issue is not counted on this form when the clinic only discusses the issue with the taxpayer. See Example 3 below. Instead, advice is reported as a consultation on Form 13424-A.

A case may involve more than one issue and each issue that the clinic actively works on a case should be reported separately. An issue is counted only once for each case, regardless of the number of tax years involved. See Example 2 below.

Examples

Example 1: Clinic A represented ten taxpayers in Earned Income Tax Credit (EITC) examination cases during the reporting period. Each case has four issues - head of household filing status, dependency exemptions, child tax credit, and EITC eligibility. To complete this form, Clinic A would enter "10" on lines 28, 31, 36, and 37.

Example 2: Clinic B represented a taxpayer in a collection case that involved having six tax periods classified as currently not collectible. Clinic B would count this as one currently not collectible issue, regardless of the number of tax periods involved.

Example 3: Clinic C represented a taxpayer in a collection case that involved negotiating with the IRS to establish an installment agreement. In the course of the representation, Clinic C discussed with the taxpayer various collection alternatives, including the possibility of making an offer-in-comprize. The installment agreement issue would be counted as an issue, but the offer-in-comprize (OIC) issue would not be counted as an issue because the OIC was discussed but not worked.

Instructions for Form 13424-B, Low Income Taxpayer Clinic (LITC) Interim and Year-End Report Controversy Issues

Specific Instructions

Income Issues

Lines 1 through 14. Report on the appropriate line the number of cases worked during the reporting period where the taxpayer's controversy involved the particular income issue. For example, a dispute involving the amount or classification of a taxpayer's wages would be reported on line 1, Wages.

Deduction Issues

Lines 15 through 27. Report on the appropriate line the number of cases worked during the reporting period where the taxpayer's controversy involved the particular deduction issue. For example, a dispute involving the allowability of a deduction for alimony would be reported on line 15, Alimony.

Credit Issues

Lines 28 through 33. Report on the appropriate line the number of cases worked during the reporting period where the taxpayer's controversy involved the particular credit issue. For example, a dispute involving a taxpayer's eligibility for an adoption credit would be reported on line 33, Other Credits.

Status Issues

Lines 34 through 43. Report on the appropriate line the number of cases worked during the reporting period where the taxpayer's controversy involved the particular status issue. For example, a dispute involving the taxpayer's eligibility to claim head of household filing status would be reported on line 36, Filing status.

Tax / Refund / Return / Statute of Limitations Issues

Lines 44 through 51. Report on the appropriate line the number of cases worked during the reporting period where the taxpayer's controversy involved the particular tax or refund or statute of limitations issue. For example, a dispute involving suspected fraud on the part of a return preparer would be reported on line 45, Suspected Return Preparer Fraud.

Penalty Issues

Lines 52 through 54. Report on the appropriate line the number of cases worked during the reporting period where the taxpayer's controversy involved the particular penalty issue. For example, a dispute involving the assessment of an accuracy-related penalty would be reported on line 53, Other Civil Penalties.

Collection Issues

Lines 55 through 60. Report on the appropriate line the number of cases worked during the reporting period where the taxpayer's controversy involved the particular collection issue. For example, a dispute involving the release of a levy on a taxpayer's Social Security benefits would be reported on line 60, Levies.