



July 31, 2018

RE: Comments on Proposed 2019 Form 1040

On behalf the members of the National Association of Tax Professionals, we are committed to supporting Congress, the Treasury and the Internal Revenue Service (IRS) in its efforts to ensure a service-oriented, modernized tax administration system that is neither overtly burdensome nor laden with redundant procedures. Since our members advise millions of taxpayers on tax-related matters, assist them with compliance responsibilities, and represent them before the IRS, we are uniquely poised to offer practical observations regarding the revised 2018 Form 1040.

The Department of the Treasury fulfilled its promise to deliver a postcard-sized tax return, thus simplifying tax filing for millions of Americans. Clearly, the simple part is solely the decision as to which form to use since the proposed Form 1040 replaces the current Forms 1040-EZ and 1040-A. What is not so simple are the accompanying schedules.

The proposed Form 1040 removes several pertinent lines from the body of the form and moves them to an attached schedule. This change may simplify filling out the form for those taxpayers who don't need those lines, but conversely it may inadvertently prevent eligible taxpayers from claiming deductions or credits of which they are entitled. When all the applicable lines are contained on one form – only two full sheets of paper – it is much easier for taxpayers to quickly see all potential deductions and credits.

NATP requested feedback from its members regarding the new Form 1040. We received approximately 540 comments that were overwhelmingly unfavorable. Many of the comments focused on the observation that the form is essentially no different than it was previously, with the removed lines simply moved to another sheet of paper as an attached schedule. Many felt this does not accomplish the goal of simplification, but rather it creates confusion.

Other problematic items to note include the removal of the Married Filing Jointly and Single filing status, only two lines for dependents are provided with no apparent option for additional dependents that may qualify for certain credits, and taxpayers who need to file additional schedules run the risk of missing deductions and credits or making errors in transferring information from a schedule to the form.

Treasury Secretary Steven Mnuchin told the media that the administration's main objective was to simplify the forms. In our opinion, making the form smaller and removing lines only to move them to other schedules does not equate to simplification.

Sincerely,

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