CPA QUICK REFERENCE GUIDE

Recognize the Notice. Understand the Risk. Take Action.

IRS NOTICE QUICK REFERENCE

NOTICE / LETTER	WHAT IT MEANS	RESPONSE DEADLINE	RISK LEVEL	WHEN TO CALL US
CP14	Initial balance due notice	Immediate	LOW	If client cannot pay in full
CP501	First reminder	ASAP	LOW–MODERATE	If payment plan needed
CP503	Second reminder	ASAP	MODERATE	If balance remains unpaid
CP504	Final notice before levy action	30 DAYS	HIGH	Before state refund offset
LT11 / Letter 1058	Final Notice of Intent to Levy (Collection Due Process Rights)	30 DAYS	VERY HIGH	Immediate referral – Appeal rights
CP90	Notice of Intent to Levy (Your Right to a Hearing)	30 DAYS	VERY HIGH	Immediate referral – Appeal rights
CP2000	Underreported income	Usually 30 DAYS	HIGH	Before agreeing or paying
Letter 567 / 568	Information Document Request (Audit)	Vary – usually 30 DAYS	HIGH	Before responding
Letter 2205	Audit closure letter	Varies	MODERATE	Review appeal options
Letter 3172	Notice of Federal Tax Lien filed	30 DAYS	HIGH	For lien withdrawal/subordination
Letter 1135	Trust Fund Recovery Penalty	60 DAYS	CRITICAL	Business owners call immediately
LT38	Revenue Officer Assigned	Immediate	CRITICAL	Immediate referral
Letter 1058C	Notice of State Tax Refund Offset	Varies	HIGH	Before state refund is taken

LOW – Informational · LOW–MODERATE · HIGH – Action Needed · VERY HIGH / CRITICAL – Immediate Referral

IRS COLLECTION TIMELINE

- **Tax Due** (Balance remains unpaid)
- **CP14** Initial balance due
- **CP501** First reminder
- **CP503** Second reminder
- **CP504** Final notice before levy action
- **LT11 / 1058** Final Notice of Intent to Levy (30 day to appeal)
- **CP90** Notice of Intent to Levy (30 day to appeal)
- **LEVY ACTIONS** Bank Levy • Wage Garnishment State Refund Offset • Property Levy Revenue Officer Involvement

WHEN TO REFER IMMEDIATELY

- Revenue Officer contact or assignment
- Notice of Intent to Levy (LT11 / 1058 or CP90)
- Bank levy or wage garnishment
- Payroll tax issues or Forms 941/940 problems
- Trust Fund Recovery Penalty assessment
- Federal or State Tax Lien filed
- Audit with proposed adjustments
- Unfiled tax returns for multiple years
- Business closing or considering dissolution
- California FTB, CDTFA, or EDD collections

Early legal intervention can stop collection actions, protect assets, and preserve appeal rights.

CALIFORNIA AGENCY QUICK REFERENCE

FTB	Income tax, collections, wage garnishments, bank levies, liens, installment agreements, penalty abatement. Respond promptly – appeal rights are limited.
CDTFA	Sales & use tax, seller's permits, nexus issues, audits, assessments, collections. Liens can impact business operations and credit.
EDD	Payroll tax assessments, unemployment insurance contributions, employment tax audits Can lead to levies and business liability.

PRACTITIONER TIPS

- Do not ignore IRS or state notices – they will escalate.
- Responding late can result in loss of appeal rights.
- Do not contact he Revenue Officer without representation.
- Do not sign Form 2751 or other liability forms without legal advice.
- Keep copies of all notices and correspondence.

WHAT HAPPENS AFTER YOU REFER?

You Contact Us Case details andds send notices. → **We Evaluate** We review the case and develop a strategy. → **We Represent** We communicate with the IRS/state. → **Case Resolved** Client returns to your care.

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