Reasonable cause letter: Reliance on Tax Professional

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Replace every [bracketed] blank with your own facts and dates, and delete what does not apply. Only state what you can document.

[Your full name]
[Spouse's full name, if a joint return (optional)]
[Street address]
[City, state and ZIP code]
[Daytime phone number]

[Date]

Internal Revenue Service
[Address from your notice, or the IRS address for your state]

Re: Request for penalty relief for reasonable cause (Reliance on Tax Professional)
Taxpayer: [Your full name]
Taxpayer ID: [SSN or ITIN]
Tax form and year: [Tax form, for example 1040], [Tax year]
Notice: [Notice number, for example CP14] dated [Notice date]
Penalty: [Penalty name, for example failure-to-file], [Penalty amount]

Dear Sir or Madam:

I am asking the IRS to remove the [Penalty name, for example failure-to-file] penalty of [Penalty amount] for tax year [Tax year] for reasonable cause. Below I explain what happened, how it kept me from complying, and what I did to comply once I could. Copies of supporting documents are enclosed.

1. What Happened

I engaged [Professional Name], a [Professional Type] (License/PTIN: [License/PTIN Number]), on [Engagement Date] to [Scope of Engagement]. On [Date of Advice], [Pronoun] advised me that [Advice Received]. Based on this advice, I [Action You Took]. I later learned that this advice was incorrect when [How You Discovered the Error].

2. How It Prevented Compliance

I relied on this advice because [Why You Relied on Advice]. I [What You Did/Did Not Do] specifically because [Specific Reason]. I had no reason to doubt this advice because [Why No Reason to Doubt]. The incorrect advice directly caused [Penalty Consequence].

3. Ordinary Business Care Exercised

I exercised ordinary business care by [Care Exercised]. Specifically, I: (1) [Care Point 1], (2) [Care Point 2], and (3) [Care Point 3]. I provided [Professional Name] with [Information Provided]. I asked [Questions You Asked (optional)] and was assured that [Assurance Received (optional)].

4. Corrective Actions Taken

Upon discovering the error, I immediately took the following corrective actions: [Corrective Actions]. I [Filing/Payment Action] on [Compliance Date]. Regarding the tax professional, I [Action Regarding Professional (optional)]. I have since [Future Measures (optional)] to prevent this from happening again.

For these reasons, I ask the IRS to remove the penalty. If you need more information, you can reach me at [Daytime phone number]. Thank you for considering my request.

Sincerely,

[Signature]

[Your full name]

[Spouse's signature, if a joint return (optional)]
[Spouse's full name, if a joint return (optional)]

Enclosures:
- Copy of notice [Notice number, for example CP14]
- Engagement Letter or Contract
- Professional Credentials
- Written Advice (if available)