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## IRS Relaxes Signature Requirements, Document Exchange Protocols

**\*\*\*UPDATE December 1, 2020** – The IRS has extended through June 30, 2021, temporary procedures instituted in March to facilitate certain taxpayer filings and document exchanges. The procedures, which were established to accommodate taxpayers and IRS employees working remotely during the COVID-19 pandemic, include the acceptance of digital signatures and the use of email for delivering documents, provided that the parties follow steps specified in the memo.\*\*\*

March 27, 2020

In a “temporary deviation” from standard policy, the IRS will now accept taxpayers’ digital signatures and signature images on certain documents related to the determination or collection of tax liability, according to a March 27 memo to all IRS Services and Enforcement employees authored by Sunita Lough, Deputy Commissioner, IRS Services and Enforcement. The memo also outlines temporary, more flexible procedures to facilitate the exchange of electronic documents between the IRS and taxpayers.

The new procedures are designed to enhance the IRS’s “ability to execute on critical duties in a remote working environment where employees, taxpayers and their representatives are working from alternate locations,” said Lough.

Under the new directive, the IRS will accept scanned or photographed images of signatures as well as digital signatures “that use encryption techniques to provide proof of original and unmodified documentation,” as long as the image or digital signature is in an accepted file format. The accepted file formats are: .tiff, .jpg, .jpeg, .pdf, any Microsoft Office suite product format, or .ZIP.

The memo also loosens some of the restrictions on the electronic exchange of documents between taxpayers and IRS employees, outlining separate requirements depending on which party is the sender. Taxpayers that cannot use eFax or established secure messaging channels to send documents to the IRS may – at the taxpayer’s sole option – use standard email with attachments instead, as long as the IRS recipient follows a specific protocol to inform the taxpayer of the risks of using unencrypted email and to document the overall process.

Documents sent by IRS employees to taxpayers may, with the taxpayer's permission, be transmitted by SecureZip or another IRS established secured messaging system, if eFax is unavailable to either the IRS employee or the taxpayer. Again, the IRS employee must follow certain specified procedures to use this approach. The memo does not permit IRS employees to send documents to taxpayers using unencrypted email.

The documents covered by the new procedures include statute of limitations extensions, waivers of statutory notices of deficiency and consents to assessment, closing agreements, and "any other statement or form needing the signature of a taxpayer or representative traditionally collected by IRS personnel outside standard filing procedures (for example, a case specific Power of Attorney)."

All changes are effective immediately.

For questions, please contact a member of our [Tax team](#).