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## Correcting interest calculation amounts

Underpayment interest is assessed when a taxpayer doesn't pay its tax liability by the due date.

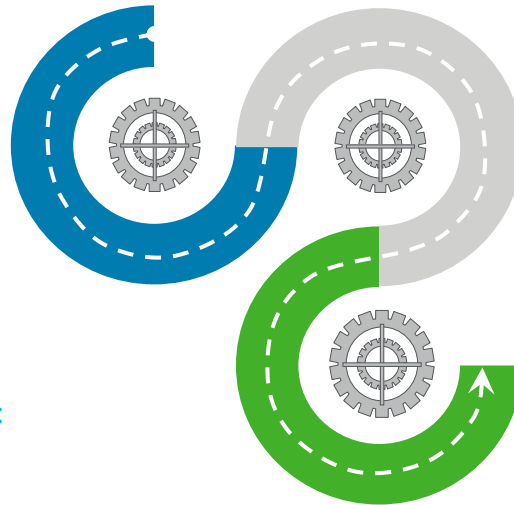
Overpayment interest is allowed when a taxpayer pays more tax than it owes.

### The Issue

IRS calculations of underpayment interest and overpayment interest often require recalculation.

- Complexity of interest rules and the proper application thereof.
- Ever-changing Revenue Rulings & Procedures, IRS pronouncements, case law, and interest rates.
- Reduction in the ranks of the IRS's interest computation specialist group.
- The IRS not applying IRC § 6621(d) interest netting unless the taxpayer formally requests it.

Taxpayers may not have the software, time, and resources to identify IRS errors in interest computations, recognize opportunities, and pursue recoveries.



### Relevant taxpayer attributes

- Corporations with \$100M+ of gross revenue per year. No CAP program.
- Paid a large deficiency of tax, interest, and/or penalty within the past two years.
- Received a large refund (or credit to another account) of tax and/or interest within the past six years.
- Acquired another large company within the last 10 years.
- Survived a statutory merger within the last 10 years.
- Have a history of being overpaid/underpaid on the original income tax return.
- Have loss or credit carryback filings.

### The Opportunity

Deloitte Tax's Interest Analyzer group is comprised of tax professionals and interest specialists with extensive experience in identifying opportunities and filing claims for clients to obtain interest amounts overpaid to and/or owing from the IRS.

- Significant interest recoveries in the past five years.
- 60+ years of combined interest knowledge.
- Group has experience with reviewing tax and interest computations that are generated as a result of IRS Exams, IRS Appeals, and Court Cases.
- Tax professionals that have significant experience interacting with the IRS and IRS Appeals.
- Resources of Deloitte's Washington National Tax group.

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