



American Payroll Association

Government Relations • Washington, DC

CC:PA:LPD:PR (REG-1448873-09)

Internal Revenue Service
Room 5203
P.O. Box 7604
Ben Franklin Station, N.W.
Washington, DC 20004

February 26, 2013

Re: REG-148873-09 (Truncated Taxpayer Identification Numbers)

Ladies and Gentlemen:

The American Payroll Association (APA) would like to thank the Service for issuing proposed regulations relating to truncated taxpayer identification numbers (TTINs) and the opportunity to comment on REG-1448873-09. As the country's leading private sector advocate for payroll and information reporting issues, we strongly support making TIN-masking permanent and applaud the Service's decision to expand the program to cover electronic payee statements.

We agree with the Service's concerns about the risk of identity theft stemming from inclusion of taxpayer identifying numbers on payee statements, but also urge you to consider the extension of these regulations to cover truncation of employer identification numbers (EINs). Small businesses and closely-held entities have the same privacy concerns as individuals and should be granted the same benefit in protecting their identifying information.

The Service has also indicated a recent shift towards increased information reporting. As these reporting obligations arise, it is necessary to minimize difficulties relating to the filing process to ensure taxpayer compliance. Expanding TIN-masking to EINs would reduce confusion for filers who are unable to determine the type of TIN being provided and would be one less area of uncertainty for filers to handle.

Further, many filers use software developers and service providers to fulfill all or part of their reporting obligations. Developers and providers alike would be more willing to provide a TIN-masking service if EINs were allowed to be truncated. Requiring the filer and provider to distinguish these numbers leads to increased cost and burden which the provider may avoid.

Again, we thank you for the opportunity to comment. Please feel free to contact us if you have any questions or wish to discuss these comments further.

Sincerely yours,



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