

Assessment

Theme 1: Your Role as a Taxpayer
Lesson 4: The Taxpayer's Rights

Part 1

Choose the answer that best completes the following phrases. Write the letter of the correct response in the space provided.

- _____ 1. When the IRS selects a tax return for further study, it carries out an _____
A. appeal.
B. examination, or audit.
C. approval.
D. adjustment.
- _____ 2. Because the IRS respects the taxpayer's right to _____, only authorized tax officials can see a taxpayer's return.
A. appeal
B. courteous service
C. representation
D. privacy
- _____ 3. If a taxpayer disagrees with the IRS about tax liability after an examination or audit, the taxpayer can ask the _____ to review the case.
A. court
B. Congress
C. police
D. state
- _____ 4. Most tax returns are _____ .
A. rejected by the IRS.
B. selected for examination.
C. appealed by taxpayers.
D. accepted as filed.
- _____ 5. You will _____ owe more tax if the IRS examines your tax return.
A. always
B. never
C. sometimes
D. definitely

Part 2

Indicate whether each of the actions below is a right that belongs to the **taxpayer** or to the **IRS**. Write your answer in the space provided.

1. Select a return for examination. _____
2. Accept adjustment and agree to pay. _____
3. Send a refund or bill. _____
4. Share tax information with an outside party. _____
5. Appeal a proposed tax adjustment. _____

Part 3

Put the following steps in the processing of tax forms in the correct order. Write the number in which each event occurs in the space provided.

- _____ IRS checks arithmetic.
- _____ Taxpayer is asked for verification and information.
- _____ Taxpayer accepts adjustment made to the return; receives a refund; or agrees to pay tax liability.
- _____ Return is selected for IRS examination.
- _____ Taxpayer files return by midnight on April 15.