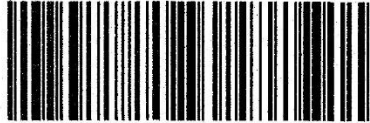




Department of the Treasury  
Internal Revenue Service  
310 LOWELL ST  
ANDOVER MA 01810-4544



9307 1107 5660 7319 3538 99

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DAVID P FONTAINE



Notice CP3219A  
Tax year 2018  
Notice date January 4, 2021  
Social Security number  
AUR control number 70023-7792  
To contact us Phone 1-800-829-8310  
Fax 1-877-477-9485  
Last date to petition April 5, 2021  
Tax Court  
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## Notice of Deficiency

### Proposed increase in tax and notice of your right to challenge

We have determined there is a deficiency (increase) in your 2018 income tax based on information we received from third parties (such as employers or financial institutions) that doesn't match the information you reported on your tax return. See below for an explanation of how this increase was calculated. This letter is your NOTICE OF DEFICIENCY, as required by law.

#### If you disagree

You have the right to challenge this determination in U.S. Tax Court. If you choose to do so, you must file your petition with the Tax Court by April 5, 2021. This date can't be extended. See below for details about how and where to file a petition.

#### If you agree

You can pay now or receive a bill. See the section below titled "If you agree with the proposed changes, you can pay now or receive a bill."

#### Summary of proposed changes

Increase in tax (deficiency)	\$11,884
Substantial tax understatement penalty	\$2,377

#### If you want to resolve this matter with the IRS

You may be able to resolve this matter without going to the U.S. Tax Court if you contact us directly. See the "You may be able to resolve your dispute with the IRS" section below.

#### If you want assistance

You may be able to receive assistance from a Low Income Taxpayer Clinic or from the Taxpayer Advocate Service. See the "Additional information" section below.

#### You have the right to petition the Tax Court

You have the right to challenge our deficiency determination, including penalties, before making any payment by filing a petition with the U.S. Tax Court. You must file your petition within 90 days (or 150 days if the notice is addressed to a person outside of the United States) from the date of this letter, which is **April 5, 2021**. The Tax Court can't consider your case if the petition is filed late. If you decide to file a petition, send that petition to the following address:

United States Tax Court  
400 Second Street, NW  
Washington, DC 20217

Continued on back...



**Notice** CP3219A  
**Tax year** 2018  
**Notice date** January 4, 2021  
**Social security number** [REDACTED]  
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You can download a petition form and rules from the U.S. Tax Court's website ([www.ustaxcourt.gov](http://www.ustaxcourt.gov)) or by contacting the Office of the Clerk of the U.S. Tax Court at the address directly above.

Attach a complete copy of this letter including attachments to your petition. The Tax Court has a simplified procedure for small tax cases when the amount in dispute is \$50,000 or less (including penalties) for any one tax year. You can obtain a copy of these simplified procedures on the Tax Court's website or by contacting the Tax Court.

Review this notice and compare our changes to the information on your 2018 tax return. NOTE: The amounts shown above may differ from your previous notice because not all items can be challenged in the Tax Court.

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**You may be able to resolve your dispute with the IRS**

**If you don't agree with the proposed changes and want us to consider additional information, you may mail or fax that information to us:**

- You may mail additional information together with the enclosed Form 5564 (or signed statement explaining which items you disagree with and why) to the following address:

310 LOWELL ST  
ANDOVER MA 01810-4544

- You may fax additional information together with the enclosed Form 5564 (or signed statement explaining which items you disagree with and why) to 1-877-477-9485.

To resolve your dispute with the IRS, it is important you contact us IMMEDIATELY. Our consideration of any additional information will not extend the April 5, 2021 deadline to file a petition with the U.S. Tax Court.

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**If you agree with the proposed changes, you can pay now or receive a bill**

**If you agree with the proposed changes, you can pay your tax liability now or choose to receive a bill:**

- If you choose to pay some or all of your tax liability now, you may enclose a check or money order payable to United States Treasury Department with the enclosed Form 5564, Notice of Deficiency Waiver, to the address below. You will receive a bill for any unpaid tax, interest, and applicable penalties.

INTERNAL REVENUE SERVICE  
FRESNO CA 93888-0415

- If you are not paying your tax liability now, sign the enclosed Form 5564, Notice of Deficiency Waiver and mail it to the IRS at the following address:

310 LOWELL ST  
ANDOVER MA 01810-4544





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### If we don't hear from you

You'll receive a bill for the amount due (including any interest and applicable penalties).

- NOTE: If you filed your tax return married filing jointly, **both** spouses must sign Form 5564.
- Do NOT mail the Form 5564 or any payment of your liability to the Tax Court.

### Additional information

Visit [www.irs.gov/cp3219a](http://www.irs.gov/cp3219a) for more information about this notice, frequently asked questions, and to review the following:

- Publication 1, Your Rights as a Taxpayer
- Publication 5181, Tax Returns Reviewed by Mail: CP2000, Letter 2030, CP2501, Letter 2531

For tax forms, instructions, and publications, visit [www.irs.gov/forms-pubs](http://www.irs.gov/forms-pubs) or call 800-TAX-FORM (800-829-3676).

Keep this notice for your records.

If you'd like to authorize someone to represent you before the IRS, please complete and send us a Power of Attorney and Declaration of Representative (Form 2848), before your representative contacts us on your behalf.

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. If you filed a joint return, we're required to send a copy of this notice to both you and your spouse. Each copy contains the same information about your joint account.

#### Low Income Taxpayer Clinics

Low Income Taxpayer Clinics (LITCs) represent individuals whose income is below a certain level that need help to resolve a tax problem with the IRS. IRS problems can include audits, appeals, tax collection disputes, and cases in the U.S. Tax Court. LITCs can also provide information about taxpayer rights and responsibilities in different languages. Services are offered for free or for a small fee. For more information and to find an LTC near you, see the LTC page on [www.irs.gov/advocate](http://www.irs.gov/advocate) or IRS Publication 4134, Low Income Taxpayer Clinic List. This publication is also available by calling 800-829-3676 or at your local IRS office. LITCs are independent from the IRS.

#### Taxpayer Advocate Service

The IRS office whose phone number appears at the top of the notice can best address and access your tax information and help get you answers. However, you may be eligible for free help from the Taxpayer Advocate Service (TAS) if you can't resolve your tax problem with the IRS, or you believe an IRS procedure just isn't working as it should. TAS is an independent organization within the Internal Revenue Service (IRS) that helps taxpayers and protects taxpayer rights. Call TAS at 877-777-4778 or TTY/TDD 800-

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829-4059 or contact your local Taxpayer Advocate office at:

310 Lowell St., Stop 120  
Andover MA 01810

For more information about TAS and your rights under the Taxpayer Bill of Rights, go to  
[taxpayeradvocate.irs.gov](http://taxpayeradvocate.irs.gov).



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## Changes to your 2018 tax return

Your income and deductions	Shown on return	As corrected by IRS	Difference
Interest	\$198	\$805	\$607
Social security/railroad retirement	\$16,227	\$22,001	\$5,774
Retirement income taxable	\$0	\$60,312	\$60,312
Rents or royalties	\$0	\$808	\$808
<b>Income net difference</b>			<b>\$67,501</b>
<b>Change to taxable income</b>			<b>\$67,501</b>

Your tax computations	Shown on return	As corrected by IRS	Difference
Taxable income, Form 1040, line 10	\$8,884	\$76,385	\$67,501
Tax, Form 1040, line 11	\$788	\$12,672	\$11,884
Foreign tax credit, Schedule 3, line 48	\$47	\$47	\$0
Total tax, Form 1040, line 15	\$741	\$12,625	\$11,884
<b>Tax you owe</b>			<b>\$11,884</b>

## Explanation of changes to your 2018 Form 1040

This section tells you specifically what income information the IRS received about you from others (including your employers, banks, mortgage holders, etc.). This information doesn't match the information you reported on your tax return.

Use the table to compare the data the IRS received from others to the information you reported on your tax return to understand where the difference(s) occurred. To assist you in reviewing your income amounts, the table may include both reported and unreported amounts.

Interest			Shown on return	Reported by others	Difference
Received from	Address	Account Information			
NUSTAR GP HOLDINGS LLC	ATTN LP TAX DEPT SAN ANTONIO TX 78278	SSN Form PTK-1	\$0	\$4	\$4
SANDRIDGE MISSISSIPPIAN TRUST II	BONY MELLON TRUST CO NA TRUSTEE HOUSTON TX 77002	SSN Form PTK-1	\$0	\$16	\$16
SANDRIDGE PERMIAN TRUST	BONY MELLON TRUST CO NA TRUSTEE HOUSTON TX 77002	SSN Form PTK-1	\$0	\$587	\$587
<b>Interest Total</b>			<b>\$0</b>	<b>\$607</b>	<b>\$607</b>

## Retirement Income Taxable

Received from	Address	Account Information	Shown on return	Reported by others	Difference
BERKSHIRE BANK	PO BOX 1308 PITTSFIELD MA 012021308	100C SSN Form 1099-R Distrib CD 7	\$0	\$60,312	\$60,312

## Rents or Royalties

Received from	Address	Account Information	Shown on return	Reported by others	Difference
SANDRIDGE MISSISSIPPIAN TRUST II	BONY MELLON TRUST CO NA TRUSTEE HOUSTON TX 77002	SSN Form PTK-1	\$0	\$30	\$30

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### Rents or Royalties

Received from	Address	Account Information	Shown on return	Reported by others	Difference
SANDRIDGE PERMIAN TRUST	BONY MELLON TRUST CO NA TRUSTEE HOUSTON TX 77002	SSN Form PTK-1	\$0	\$778	\$778

### Rents or Royalties Total

\$0 \$808 \$808

### Social Security/Railroad Retirement

Received from	Address	Account Information	Shown on return	Reported by others	Difference
SOCIAL SECURITY ADMINISTRATION	** 00000	SSN Form 1099-SSA	-	\$25,884	-

### Retirement distributions

We couldn't identify the retirement distribution reported on your return based solely on information your payers reported to us. We need to know if the reported income is a pension, an annuity, an IRA, a lump sum distribution, or an employee savings plan.

If it's a pension, an annuity, or an employee savings plan and you're recovering your contributions using the Simplified Method or General Rule, send us a signed statement with the date of your first payment, the amount you receive monthly, and the total amount you contributed.

If it's an IRA or lump sum distribution which you rolled over, send us Form 5498, IRA Contribution Information or similar documentation.

If the income is an employee savings plan, send us a copy of the document showing the gross and non-taxable amount of the distribution you received.

### Social Security or Tier 1 Railroad Retirement benefits

Our notice includes Social Security or railroad retirement benefits. These benefits are partially taxable if your modified adjusted gross income, plus 50% of the gross benefits received, exceeds one of the following:

- \$25,000 if filing single, head of household, qualifying widow(er), or married filing separately and you didn't live with your spouse at any time during the year.
- \$32,000 if married filing jointly.
- \$0 if married filing separately and you lived with your spouse at any time during the year.

We cap the amounts of taxable Social Security or Tier 1 railroad retirement benefits reported on Form 1040, U.S. Individual Income Tax Return, at 85% of the gross benefits you receive. Gross benefits are reported to you on Form 1099-SSA or Form RRB-1099, box 5.

If we later find we need to change the proposed underreported items shown on this notice, we'll adjust the taxable Social Security or Tier 1 railroad retirement benefits accordingly.





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**Social Security benefits for taxpayers who filed married filing separately**

We're proposing to increase the taxable amount of your Social Security benefits. Since you and your spouse filed separately but lived together during the tax year in question, you must include 85% of your Social Security benefits as income. For more information, see Form 1040, U.S. Individual Income Tax Return, instructions on Social Security benefits or Publication 915, Social Security Benefits and Equivalent Railroad Retirement Benefits.

**Amended information from your payers**

This notice reflects the new or amended information we received from your payers or employers.

**Misidentified income**

If any of the income shown on this notice isn't yours, send us the name, address, and taxpayer identification number of the person who received the income. To prevent future incorrect reporting to the IRS, notify the payer to adjust their records to show the correct name and taxpayer identification number.

**Form W-2 or 1099 not received**

The income reported on your return doesn't match the documents we received from your employer or payers. The law requires you to accurately report all income you receive. If your employers don't send proper information documents or forms (for example, Form W-2, Wage and Tax Statement, Form 1099), you must estimate your income based on your paycheck stubs, bank statements, or other records and include your estimate on your tax return.

**Qualified business income deduction adjustment**

The proposed changes made to your taxable income may affect the qualified business income deduction claimed. If you believe an adjustment to the qualified business income deduction is necessary, complete the appropriate worksheet from the Form 1040, U.S. Individual Income Tax Return, instructions or Publication 535, Business Expenses. Send the completed worksheet to us along with a statement explaining what changes were made to the original qualified business income deduction reported.

**Refigured tax based on Schedule D computation**

We recalculated your tax using the Schedule D gain or loss computation.

**Backup Withholding on interest and dividends**

We based our proposed changes on interest or dividends you didn't include on your tax return. If you agree our proposal is correct, but you don't pay the tax increase, we may notify payers to deduct and withhold 28% of any payments they make to you in the future. This is called backup withholding.

**Penalties**

We are required by law to charge any applicable penalties.

**Substantial tax understatement**

Description	Amount
Accuracy-related penalty substantial understatement of tax - IRC 6662(b)(2); 6662(d)	\$2,377

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If we increase your tax and the increase is more than the greater of 10% of your correct tax liability or \$5,000, we're required to charge an accuracy-related penalty for the substantial understatement of tax. The penalty is 20% of the portion of the underpayment of tax attributable to a substantial understatement of income tax. We may reduce or eliminate the penalty if you send a signed statement with one of the following:

- Facts that support your treatment of the understated income and the authority for your decision, such as the Internal Revenue Code, Treasury Regulations, Revenue Rulings, Revenue Procedures, etc.
- An explanation as to how you clearly disclosed the item, such as by attaching Form 8275, Disclosure Statement, or Form 8275R, Regulation Disclosure Statement, and that there is a reasonable basis for your position.

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### Interest charges

We are required by law to charge interest when you do not pay your liability on time. Generally, we calculate interest from the due date of your return (regardless of extensions) until you pay the amount you owe in full, including accrued interest and any penalty charges. Interest on some penalties accrues from the date we notify you of the penalty until it is paid in full. Interest on other penalties, such as failure to file a tax return, starts from the due date or extended due date of the return. Interest rates are variable and may change quarterly. (Internal Revenue Code Section 6601)

Interest is calculated to 30 days from the date of the notice for domestic addresses and 60 days from the date of the notice for foreign and APO/FPO/DPO addresses. Interest will continue to accrue until you pay the amount you owe in full.



FORM 5564  
(November 2016)

Department of the Treasury -- Internal Revenue Service  
**Notice of Deficiency - Waiver**

Symbols  
**ANDOVER  
860 ANSC**

Name and address of taxpayer(s) **DAVID P FONTAINE**

**January 4, 2021**

Kind of Tax

☐ Copy to Authorized Representative

**Individual Income**

Tax year ended

**Deficiency**

**December 31, 2018**

Increase in tax **\$11,884**

Penalties

**Accuracy-Related Penalty, IRC Section 6662(a)**

**\$2,377**

I consent to the immediate assessment and collection of the deficiencies (increase in tax and penalties) shown above, plus any interest. Also, I waive the requirement under section 6532 (a) (1) of the Internal Revenue Code that a notice of claim disallowance be sent to me by certified mail for any overpayment shown on the attached report.

I understand that the filing of this waiver is irrevocable and it will begin the 2-year period for filing suit for refund of the claims disallowed as if the notice of disallowance had been sent by certified or registered mail.

<b>Signature</b>		Date
		Date
	By	Title

**Note:** If you consent to the assessment of the deficiencies shown in this waiver, please sign and return this form to limit the interest charge and expedite our bill to you. Please do not sign and return any prior notices you may have received. Your consent signature is required on this waiver, even if fully paid.

Your consent will not prevent you from filing a claim for refund (after you have paid the tax) if you later believe you are so entitled; nor prevent us from later determining, if necessary, that you owe additional tax; nor extend the time provided by law for such action.

If you later file a claim and the Service disallows it, you may file suit for refund in a District Court or in the United States Claims Court, but you may not file a petition with the United States Tax Court.

**Who Must Sign:** If you filed jointly, both you and your spouse must sign. Your attorney or agent may sign this waiver provided that action is specifically authorized by a power of attorney which, if not previously filed, must accompany this form.

If this waiver is signed by a person acting in a fiduciary capacity (for example, an executor, administrator, or a trustee), Form 56, Notice Concerning Fiduciary Relationship, should, unless previously filed, accompany this form.

**If you agree, please sign and return this form; keep one copy for your records.**

**FORM 5564**(Rev. 11-2016)

Use this address if you are enclosing a payment:



Internal Revenue Service  
INTERNAL REVENUE SERVICE  
FRESNO CA 93888-0415  


Fold here

1. Choose appropriate address
2. Fold page so correct address appears in window.

Fold here

Use this address if you are NOT enclosing a payment:



Internal Revenue Service  
310 LOWELL ST  
ANDOVER MA 01810-4544  