Trindel
Insurance Fund

Alpine - Colusa - Del Norte - Lassen - Modoc - Mono - Plumas - San Benito - Sierra - Sutter - Trinity
A Joint Powers Authority Established in 1980
www.trindel.org

To: Internal Revenue Service
Philadelphia Service Center
Philadelphia, PA 19255-0633

Re: Request for First-time Penalty Abatement

From: Trindel Insurance Fund
PO Box 2069
Weaverville, CA 96093-2069
530-623-2322
Taxpayer Identification Number: 68-0111127

November 30, 2018

To Whom it May Concern:

I am writing to request an abatement of penalties in the amount of $25,480.00 as assessed in the enclosed notice number 972CG that is dated 08/06/2018.

The reason why we failed to file 1099's electronically was because we were unaware of the requirement for filing electronically when the number of returns was over 250.

As this is our first time making an error resulting in a penalty, please accept my petition for abatement of penalties owed. If you have any questions or need any additional information, you can reach me at 530-623-2322.

Sincerely,

Brian Ralph
Financial Analyst
Trindel Insurance Fund

IRS Department of the Treasury
Internal Revenue Service

PHILADELPHIA, PA 19255-0633

RECEIVED
AUG 07 2018
TRINDEL
INSURANCE FUND

IF YOU WRITE OR
CALL US, REFER TO
THIS INFORMATION:

NOTICE NUMBER: 972CG
BOD CODE: TEF
DATE OF THIS NOTICE:
08/06/2018
TAXPAYER IDENTIFICATION
NUMBER: 68-0111127
FORM: CVL PEN
TAX PERIOD: 201612
PENALTY REFERENCE
CODE: 501

000905.732650.364271.13618 2 SP 0.680 1190

TRINDEL JPA INSURANCE FUND
PO BOX 2069
WEAVERVILLE, CA 96093

FOR INFORMATION,
PLEASE CALL:
1-866-455-7438

000905

A PENALTY IS PROPOSED FOR YOUR 2016 INFORMATION RETURNS

ACTION REQUIRED

OUR RECORDS SHOW THAT YOU DIDN'T FILE CERTAIN INFORMATION RETURNS CORRECTLY AS REQUIRED BY INTERNAL REVENUE CODE (IRC) SECTION 6721 FOR THE TAX PERIOD SHOWN ABOVE. THE LAW ALLOWS FOR A PENALTY FOR FILING INFORMATION RETURNS INCORRECTLY. A PENALTY IS PROPOSED IN THE AMOUNT OF $25,480.00. INTEREST ON THIS PENALTY WILL NOT BE CHARGED UNTIL AFTER YOU RECEIVE A BILL.

PLEASE READ THIS NOTICE CAREFULLY. IT EXPLAINS THE PROPOSED PENALTY AND WHAT YOU SHOULD DO IF YOU AGREE OR DISAGREE WITH THE PROPOSAL. THIS PENALTY WILL BE CHARGED IF YOU DON'T RESPOND TO THIS NOTICE. THE PROPOSED PENALTY IS EXPLAINED UNDER THE "EXPLANATION OF PENALTY" SECTION.

HOW YOU SHOULD RESPOND TO THIS NOTICE

PLEASE REVIEW YOUR RECORDS RELATED TO FILING THE RETURNS LISTED ON PAGE 2.

-- IF YOU AGREE TO THE FULL AMOUNT OF THE PROPOSED PENALTY, DO ALL OF THE FOLLOWING:

1. CHECK BOX (A) ON THE RESPONSE PAGE OF THIS NOTICE.
2. SIGN AND DATE THE CONSENT OF PENALTY ASSESSMENT.
3. ENCLOSE YOUR PAYMENT IN FULL. MAKE YOUR CHECK OR MONEY ORDER PAYABLE TO THE UNITED STATES TREASURY.
4. ENCLOSE THE APPROPRIATE MAILING STUB TO INDICATE WHETHER A PAYMENT IS INCLUDED.
5. ENSURE THE ADDRESS ON THE STUB APPEARS IN THE ENVELOPE WINDOW.

-- IF YOU DON'T AGREE WITH ALL OR PART OF OUR FINDINGS OR BELIEVE YOU HAVE A REASON ALL OR PART OF THIS PENALTY SHOULD NOT BE CHARGED, DO ALL OF THE FOLLOWING:

1. CHECK BOX (B) OR (C) ON THE RESPONSE PAGE OF THIS NOTICE.
2. ENCLOSE A SIGNED STATEMENT EXPLAINING WHY YOU DISAGREE.
3. INCLUDE ANY SUPPORTING DOCUMENTS YOU WISH TO HAVE CONSIDERED.
4. IF YOU AGREE TO PART OF THE PENALTY, ENCLOSE YOUR PAYMENT. MAKE YOUR CHECK OR MONEY ORDER PAYABLE TO THE UNITED STATES TREASURY.
5. ENCLOSE THE APPROPRIATE MAILING STUB TO INDICATE WHETHER A PAYMENT IS INCLUDED.
6. RETURN THE RESPONSE PAGE OF THIS NOTICE WITH YOUR STATEMENT AND DOCUMENTS IN THE ENCLOSED ENVELOPE (ENSURE THE ADDRESS APPEARS IN THE ENVELOPE WINDOW). PLEASE INCLUDE A TELEPHONE NUMBER, INCLUDING THE AREA CODE, AND THE BEST TIME TO CALL.

IT'S IMPORTANT THAT YOUR COMPLETED RESPONSE BE RECEIVED WITHIN 45 DAYS FROM THE DATE OF THIS NOTICE. YOU HAVE 60 DAYS TO RESPOND IF YOU LIVE OUTSIDE THE UNITED STATES. IF YOU DO NOT RESPOND WITHIN THIS PERIOD, YOU WILL RECEIVE A BILL CALLED "NOTICE OF PENALTY CHARGE" FOR THE AMOUNT OF THE PROPOSED PENALTY. INTEREST WILL BE CHARGED FROM THE DATE OF THE "NOTICE OF PENALTY CHARGE" TO THE DATE PAYMENT IS RECEIVED IN FULL.

IF YOU HAVE ANY QUESTIONS ABOUT THIS NOTICE, YOU MAY WRITE TO THE RETURN ADDRESS ON THIS NOTICE. IF YOU PREFER, YOU MAY CALL THE TELEPHONE NUMBER SHOWN ABOVE FOR GENERAL INFORMATION ABOUT THIS NOTICE. HOWEVER, THE OFFICE AT THE ADDRESS SHOWN ON THIS NOTICE IS MOST FAMILIAR WITH YOUR CASE.

A PENALTY IS PROPOSED BASED ON HOW YOU FILED THE FOLLOWING INFORMATION RETURNS. THE EXPLANATION OF THE PENALTY FOLLOWS THE LIST OF INFORMATION RETURNS. THE PAGE TITLED "SUMMARY OF PROPOSED PENALTY" SHOWS YOU THE TOTAL NUMBER OF RETURNS FOR WHICH A PENALTY IS PROPOSED.

TRINDEL INS FUND JPA
PO BOX 2069
WEAVERVILLE, CA 96093

FORM 1099-MISC RECEIVED:
ORIGINAL RETURNS: 318
AMENDED RETURNS: 6
HOW RECEIVED: PAPER
TRANSMITTER CONTROL CODE:

PROPOSED PENALTY TYPE: ELECTRONIC MEDIA

TRINDEL INSURANCE FUND
51 ARBUCKLE COURT
PO BOX 2069
WEAVERVILLE, CA 96093

FORM 1099-MISC NEC RECEIVED:
ORIGINAL RETURNS: 34
AMENDED RETURNS: 0
HOW RECEIVED: PAPER
TRANSMITTER CONTROL CODE:

PROPOSED PENALTY TYPE: ELECTRONIC MEDIA

EXPLANATION OF PENALTY

501
A PENALTY IS PROPOSED FOR EACH INFORMATION RETURN DOCUMENT THAT YOU DIDN'T SEND TO US ON ELECTRONIC MEDIA AS THE LAW REQUIRES. THE LAW REQUIRES YOU TO FILE ON ELECTRONIC MEDIA IF YOU FILE MORE THAN 250 RETURNS. THE PENALTY FOR NOT FILING ON ELECTRONIC MEDIA IS $260 FOR EACH RETURN OVER 250 THAT YOU FILED ON PAPER. FOR EXAMPLE, IF YOU FILED 300 PAPER RETURNS THAT SHOULD HAVE BEEN FILED ON ELECTRONIC MEDIA, THE PENALTY WOULD APPLY TO 50 OF THEM. THE MAXIMUM PENALTY CHARGE IS $260 PER INFORMATION RETURN, UP TO $3,193,000 PER YEAR ($1,064,000 FOR SMALL BUSINESSES AS DEFINED BELOW). NOTE: FINANCIAL INSTITUTIONS MUST FILE ALL FORM 1042-S DOCUMENTS ELECTRONICALLY.

ACCORDING TO OUR RECORDS, YOU DIDN'T RECEIVE AN UNDUE HARDSHIP WAIVER TO EXEMPT YOU FROM FILING RETURNS ON ELECTRONIC MEDIA FOR 2016. IF YOU FEEL THAT THIS PENALTY IS NOT APPLICABLE BECAUSE TO FILE ON ELECTRONIC MEDIA WOULD HAVE CAUSED YOU AN UNDUE HARDSHIP, YOU MUST SEND:

1. AN ESTIMATE, INCLUDING THE COST OF PREPARATION, OF WHAT IT WOULD HAVE COST YOU TO FILE PAPER RETURNS, AND
2. AN ESTIMATE, INCLUDING THE COST OF PREPARATION, OF WHAT IT WOULD HAVE COST YOU TO FILE ON ELECTRONIC MEDIA, AND
3. COST ESTIMATES FROM TWO COMPUTER SERVICE BUREAUS SHOWING THE COST OF RETURN PREPARATION.

IF YOU CAN'T SHOW AN UNDUE HARDSHIP EXISTED, YOU MUST SHOW YOU HAVE AN ACCEPTABLE REASON WHY THE PENALTY SHOULDN'T BE CHARGED.

LOWER PENALTY FOR SMALL BUSINESSES

THE LOWER MAXIMUM PENALTIES STATED ABOVE FOR SMALL BUSINESSES APPLY IF A BUSINESS HAD AVERAGE GROSS RECEIPTS OF $5 MILLION OR LESS FOR THE THREE MOST RECENT TAX YEARS (OR TIME IN BUSINESS, IF SHORTER) ENDING BEFORE THE CALENDAR YEAR THE INFORMATION RETURNS WERE DUE. FOR EXAMPLE, IF YOU WERE CHARGED A PENALTY FOR 2016 INFORMATION RETURNS DUE IN 2017, THE THREE MOST RECENT TAX YEARS ARE 2014, 2015, AND 2016. IF THE PENALTY ON THE NOTICE YOU RECEIVED IS MORE THAN THE MAXIMUM PENALTY FOR SMALL BUSINESSES, THE PENALTY MAY BE REDUCED BASED ON EVIDENCE YOU GIVE THAT YOU'RE A SMALL BUSINESS.

SUMMARY OF PROPOSED PENALTY

THE SUMMARY ON THE FOLLOWING PAGE SHOWS THE INFORMATION RETURNS FOR WHICH A PENALTY IS PROPOSED AND THE AMOUNT OF PENALTY FOR EACH PENALTY TYPE. THE AMOUNT OF THE PROPOSED PENALTY MAY BE LOWER THAN THE ACTUAL PENALTY AMOUNT DUE TO THE DOLLAR LIMITATIONS IMPOSED UNDER IRC 6721.

PROPOSED PENALTY AMOUNT: $25,480

PROPOSED PENALTY AMOUNT -- THIS AMOUNT MAY BE LESS THAN THE TOTAL OF THE INDIVIDUAL PENALTY AMOUNTS SHOWN ABOVE IF MORE THAN ONE TYPE OF PENALTY APPLIES TO ANY OF THE RETURNS FILED. FOR EXAMPLE, IF YOU FILED A RETURN LATE AND WITH A MISSING TAXPAYER IDENTIFICATION NUMBER, THE RETURNS WILL BE SHOWN IN BOTH PENALTY COLUMNS. HOWEVER, THE MAXIMUM CHARGE IS $260 FOR THAT RETURN.

000905 LATE FILING PENALTY -- THIS PENALTY APPLIES TO RETURNS FILED AFTER THE DUE DATE. IT MAY ALSO APPLY TO RETURNS FILED BY THE DUE DATE BUT NOT FILED CORRECTLY.

ELECTRONIC MEDIA PENALTY -- THIS PENALTY APPLIES TO THE NUMBER OF PAPER RETURNS OVER 250 THAT YOU FILED.
NOTE: FINANCIAL INSTITUTIONS MUST FILE ALL FORM 1042-S DOCUMENTS ELECTRONICALLY.

INCORRECT TIN -- THIS PENALTY APPLIES TO RETURNS FILED WITH A MISSING OR INCORRECT TAXPAYER IDENTIFICATION NUMBER.

Vendor: United States treasury

Description: 2016 Electronic filing fee

Inv#: Date 972CG

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