

Power of Attorney Policy

I. Introduction

This document contains the policy of the North Carolina Department of Revenue (“Department”) with respect to Powers of Attorney.

This policy applies to a power of attorney (“POA”) filed with the Department on or after June 1, 2024, and supersedes all prior documents. A POA authorizes an individual to represent a taxpayer before the Department, receive and inspect the taxpayer’s confidential tax information, and perform all acts the taxpayer can perform unless otherwise stated in the POA. With limited [exceptions](#), a representative must have a valid POA on file with the Department in order to take any of the above actions. Information on how to file a POA is provided on the [Department’s website](#).

II. Form Gen-58 and Specific Requirements

A. Form GEN-58

The Department strongly recommends a taxpayer use [Form Gen-58](#) to authorize an individual to represent the taxpayer before the Department for tax matters. To be valid, Form GEN-58 must contain the following:

- Taxpayer Information (name, address, ID Type, and ID number)
- Representative(s) Information (name and address)
- Tax Matters Information (type of tax and associated tax period begin and end date)
- Signature of Taxpayer (signature, date, and title, if applicable)
- Signature of Spouse for joint representation (signature and date)
- Signature of All Representatives on POA (signature(s) and date(s))

Form GEN-58 must specify the tax type(s) authorized by the POA. Form GEN-58 cannot authorize representation for all tax types (e.g. “all taxes”, “state taxes”, “all types”). **A Form GEN-58 that does not specify the specific tax type(s) is not valid.**

B. Form GEN-58B, Power of Attorney for Bankruptcy Matters

Due to the specialized nature of bankruptcy law, the Department provides [Form GEN-58B, Power of Attorney for Bankruptcy Matters](#). Taxpayers and others dealing with bankruptcy issues should use this form to request bankruptcy related returns and information. For more information on Form Gen-58B, see the instructions for this form on the [Department's website](#).

C. Alternative POA Forms

Although the Department recommends a taxpayer use [Form GEN-58](#), the Department will accept other POA forms. In general, in order to be valid, the alternative POA form must meet the same requirements as Form GEN-58 and must contain the following:

- Taxpayer Name
- Taxpayer Identification Number
- Representative(s) Information (name and address)
- Tax Information (type of tax and associated tax period begin and end date)
- Signature of Taxpayer (signature, date, and title, if applicable)
- Signature of Spouse for joint representation (signature and date)
- Signature of All Representatives on POA (signature(s) and date(s))

For specific information on alternative POA forms, see [Alternative POA Forms](#).

III. POA Effective Period

A valid POA will generally remain in effect for the tax periods listed on the POA until the taxpayer revokes the POA. For more information, see Section IV, Revoking a POA. All POAs are terminated upon the death of the taxpayer. Only the taxpayer's fiduciary, or a POA authorized by the taxpayer's fiduciary, may represent the taxpayer.

A valid Form GEN-58 will remain in effect after a taxpayer becomes incapacitated.¹ Other POA forms may not remain in effect and must be reviewed individually if a taxpayer becomes incapacitated.

¹ For purposes of this policy, the term "incapacitated" means the inability of a taxpayer to manage property or business affairs because the taxpayer: (1) Has an impairment in the ability to receive and evaluate information or make or communicate decisions even with the use of technological assistance; or (2) Is missing, detained, including incarcerated in a penal system, or outside the United States and unable to return.

IV. Time Period Limitation for POA

A POA may authorize an individual to represent a taxpayer for the current tax period and any earlier tax period. However, a POA can only authorize an individual to represent a taxpayer for future tax periods ending three years from December 31 of the year that the taxpayer files the POA with the Department. Additional information is available in the Instructions for [Form GEN-58](#).

Example 1. A taxpayer files Form GEN-58 with the Department on July 1, 2024. The taxpayer lists individual income tax as the tax type covered by the form and list tax periods January 1, 2022, and December 31, 2028, as the period begin date and period end date for representation.

The POA is effective for the current tax year (i.e., 2024), and the previous tax years (i.e., 2022 and 2023), and any future tax year that ends three years from December 31, 2024, (i.e., December 31, 2027). The POA is not effective for tax year 2028, because the tax period ends more than three years from December 31, 2024.

Example 2. A taxpayer files Form GEN-58 with the Department on October 1, 2024. The taxpayer lists sales and use tax as the type of tax covered by the form and lists tax periods October 1, 2024, and September 30, 2027, as the tax period begin date and tax period end date for representation.

The POA is effective for the current tax period and any future period that ends three years from December 31, 2024 (i.e., December 31, 2027). The POA is effective for all tax periods listed because each tax period ends within three years from December 31, 2024.

V. Revoking a POA

The Department strongly recommends using [Form GEN-58R](#) to revoke a POA.

A. Taxpayer Revocation

A taxpayer may revoke a POA by:

- Submitting Form GEN-58R to the Department. The taxpayer may elect to revoke all of the taxpayer's POAs with the Department or only the POAs for certain tax matters.

Form GEN-58R will also revoke the authority granted by the taxpayer under any joint power(s) of attorney. **Note:** A joint POA will remain in effect for the taxpayer's spouse until revoked by the spouse. Additional information is available in the instructions for [Form GEN-58R](#).

- Submitting a copy of the previously filed Form GEN-58 revoking the POA. The form should be re-signed and dated by the taxpayer on Part 1, line 5. The taxpayer should write "Revoke" across the top of the form.
- Submitting a written statement revoking the POA. The revocation will be effective on the date the statement is received by the Department. The revocation must include the taxpayer's name and ID number, the representative's name, and must be signed by the taxpayer. The revocation is effective for all tax types and tax periods unless otherwise provided in the statement.

B. Representative Revocation

A taxpayer's representative may also revoke a POA by:

- Submitting [Form GEN-58R](#) to the Department. The representative may elect to revoke all of the representative's POAs on file for that taxpayer or only the POAs for certain tax matters for that taxpayer. A representative wishing to revoke POAs for multiple taxpayers must submit a separate Form GEN-58R for each taxpayer. A representative cannot revoke a different representative's POA even if entered on the same Form GEN-58 (either the taxpayer or the other representative must revoke the power of attorney granted for that representative).
- Submitting a copy of the previously filed Form GEN-58 revoking the POA. The form must be re-signed and dated by the representative in Part 2. The representative must also write "Revoked by Representative" across the top of the form.
- Submitting a written statement revoking the POA. The revocation will be effective on the date it is received by the Department. The revocation must include the taxpayer's name and ID number, the representative's name, and must be signed by the representative. The revocation is effective for all tax types and tax periods, unless otherwise provided in the statement.

VI. POA Exceptions

There are six limited exceptions to the requirement for a written POA.

1. Paid Preparers Signing Returns. Subject to the limitations listed below, the Department will accept a paid preparer's signature on a return as authorization to discuss certain matters relating to that return. Paid preparer authority is extended only to the paid preparer shown on the return, not to other employees of the paid preparer's company. The Department is authorized to share the following information about the return and attachments with the paid preparer:

- Information contained or missing on the return.
- The processing status of the return.
- The status of a payment or refund claimed on the return.
- Mathematical errors on the return or occurring during the processing of the return.
- Copies of notices related to the return, upon request.

The paid preparer may respond to proposed notices of assessment or notices of adjustment. However, this communication is limited to notices resulting from the authorized information listed above. This authorization does not extend to audit activity or requests for review of proposed assessments or proposed denials of refund unless the paid preparer also has a valid POA. In addition, the Department may call the paid preparer to answer questions that arise during the processing of the return. The Department may also obtain information missing from the return from the paid preparer.

With respect to federal tax information provided to the Department pursuant to the exchange agreement with the Internal Revenue Service, the Department will not discuss federal tax information with a paid preparer without a valid POA.

Note: Forms D-400, D-403, D-407, CD-405, CD-401S, and CD-418 provide taxpayers with a checkbox authorizing the Department to discuss the applicable tax form filed and its attachments with the paid preparer listed on the return. If the box is checked, the Department may discuss the form and attachments as provided above. If the box is not checked, the Department will not discuss any matters relating to the taxpayer or the return with the paid preparer unless the paid preparer has a valid POA. In addition, for a checked box to be valid, the taxpayer must have signed the return.

- 2. Fiduciaries.** A fiduciary (trustee, executor, administrator, receiver, or guardian) stands in the position of a taxpayer and acts as the taxpayer. Therefore, a fiduciary does not act as a representative and should not file a POA. The fiduciary must provide evidence to the Department substantiating the fiduciary relationship.

If a fiduciary wishes to authorize an individual to represent or perform certain acts on behalf of the taxpayer, a POA must be filed and signed by the fiduciary acting in the position of the taxpayer.

- 3. Taxpayer Verbal Permission (*Not Applicable to Federal Tax Information*).** If a taxpayer and third party visit the Department, the Department may discuss tax matters with the third party as long as the taxpayer authorizes the Department to do so and remains present during the discussion.

If the taxpayer gives verbal permission to discuss tax information with a third party over the phone, the Department may discuss the tax information with the third party without a written POA if:

- The taxpayer remains on the line; or
- The taxpayer places the call on speakerphone; or
- The taxpayer adds the person via conference call.

The taxpayer must remain able to hear the conversation and be able to participate in the conversation as necessary. With respect to federal tax information provided to the Department pursuant to the exchange agreement with the Internal Revenue Service, the Department **will not** discuss federal tax information with a representative without a POA. This restriction applies even if the representative meets the verbal permission requirements listed above.

- 4. Partnerships (*Not Applicable to Federal Tax Information*).** When the taxpayer is a partnership, the Department may disclose business tax information to the managing partner, tax matters partner, or partnership representative of the partnership without requesting a POA. The Department may also disclose business tax information to a person who was a member or partner of the partnership during any part of the period

covered by the return. In such instances, the individual must be able to confirm their identity and provide relevant and accurate taxpayer information.

5. Limited Liability Company (“LLC”) (*Not Applicable to Federal Tax Information*).

When the taxpayer is an LLC, the Department may disclose business tax information to the manager, tax matters member/partner, or the partnership representative of the LLC without requesting a POA. The Department may also disclose business tax information to a person who was a member or partner of the LLC during any part of the period covered by the return. In such instances, the individual must be able to confirm their identity and provide relevant and accurate taxpayer information.

6. Corporation (*Not Applicable to Federal Tax Information*).

When the taxpayer is a corporation, the Department may disclose business tax information to a responsible officer of the corporation, defined in [N.C. Gen. Stat. § 105-242.2\(a\)\(2\)](#), without requesting a POA. In such instances, the officer must be able to confirm their identity and provide relevant and accurate taxpayer information. The Department may also disclose business tax information of a corporate taxpayer to an individual that meets one of the following requirements:

- Any person designated by resolution of its board of directors or other similar governing body.
- Any officer or employee of the corporation upon written request signed by any principal officer and attested to by the secretary or other officer.
- Any bona fide shareholder of record owning one percent (1%) or more of the outstanding stock of the corporation.
- If the corporation is an S corporation, any person who was a shareholder during any part of the period covered by the return during which an election under [IRC § 1362\(a\)](#) is in effect.
- If the corporation has been dissolved, any person authorized by applicable State law to act for the corporation or any person who the Department finds to have a material interest which will be affected by information contained in the return.

If the Department contacts a business taxpayer and the taxpayer transfers the Department to an employee or agent of the business (e.g., an in-house payroll or tax department), the Department may communicate with that person without a written POA. In such instances,

the employee or agent must be able to confirm their identity and provide relevant and accurate taxpayer information.

If an employee of a business taxpayer contacts the Department about a notice received or a return, report, or payment submitted by the employee, the Department may discuss the notice, return, report, or payment without a written POA. The employee must be able to confirm the employee's identity and provide relevant and accurate taxpayer information, such as the FEIN, account number, address, notice number, and the period in question.

7. Payroll Service Provider with Memorandum of Agreement (MOA). Certain "payroll service providers" ("PSPs") have a Memorandum of Agreement ("MOA") in place with the Department. This MOA certifies that the PSP obtains a POA or other signed authorization from its clients. The Department reserves the right under the MOA to validate that the PSP is maintaining a valid POA or other authorization for its clients.

The Department uses the MOA as the supporting authorization for the PSP to submit and receive information on client filing frequency. The MOA also authorizes the PSP's representatives to contact the Department for resolution of questions regarding notices for returns or deposits submitted by the PSP on behalf of its clients. The information provided by Departmental employees to PSP representatives will be limited to the following:

- Information shown on the return or report submitted by the PSP and how the return or report was originally processed by the Department.
- Mathematical errors on the return or report submitted by the PSP and an automated correction of the error performed by the Department.
- The amount and date of a payment submitted by the PSP and the amount and date of the payment as processed by the Department.
- The filing frequency, withholding number, and registration status of the PSP client during the period for which a return, report, or payment was submitted by the PSP on the client's behalf.

The PSP representative must disclose information to the Department to verify that the representative is calling about a specific taxpayer and notice. This information includes the following:

- The client's name, social security number or federal identification number, and address.
- The amount of tax the PSP reported and paid on client's behalf on the most recent return or report processed by the Department.

The PSP representative may not request a penalty waiver on behalf of a client unless a POA is provided to the Department. A PSP representative may not open or close a client's account unless a POA is provided to the Department.

A POA is required for the PSP to obtain information regarding audit activity or requests for review of proposed assessments or proposed denials of refund. A POA is required for tax periods in which the PSP did not submit the tax return or tax payment for the taxpayer.

- 8. Sales Tax and Certified Service Providers.** Certified service providers ("CSPs") enter into a contract with the Department or Streamlined Sales Tax Governing Board pursuant to [N.C. Gen. Stat. § 105-164.42I](#) to collect and remit sales and use taxes. The Department will accept the contract as authorization to discuss certain matters relating to the sales and use returns and payments submitted by the CSP on behalf of a taxpayer. This authority is extended to employees of the CSP. A POA is required to discuss audit activity or requests for review of proposed assessments or proposed denials of refunds.

VII. Alternative POA Forms

A. Statutory Uniform Power of Attorney

The Department will accept a uniform POA that indicates the taxpayer granted authority to the taxpayer's representative for "Taxes." The taxpayer may do so by initialing the line for "Taxes" on the statutory form or initialing the line for "All Preceding Subjects" on the statutory form. **Note:** A uniform POA should be notarized in order for the signature to be presumed genuine under North Carolina law.

B. Military Power of Attorney

The Department will accept a military POA that indicates the taxpayer granted the taxpayer's representative authority over North Carolina tax matters. This includes provisions granting the representative authority over all tax matters or all state tax matters.

C. Federal Form 2848 – Power of Attorney and Declaration of Representative

The Department will accept [Federal Form 2848](#) provided the federal form includes all the [information required on Form GEN-58](#) and specifies that the taxpayer is authorizing the Department to discuss North Carolina tax matters.