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The [American Institute of CPAs \(AICPA\)](#) has thanked Treasury and the IRS for providing taxpayers with more extensive relief from penalties associated with underpayment of their 2018 tax liability. The IRS recently announced that it had further lowered the threshold to qualify for penalty relief from 85 percent to 80 percent.

“The AICPA welcomes the IRS’ action to lower the threshold to 80 percent as we believe many taxpayers inadvertently underpaid,” Edward Karl, CPA, CGMA, vice president of taxation for the American Institute of CPAs, stated. “Our members have continued to tell us that an 85 percent threshold was not sufficient, as many

taxpayers continue to struggle with the uncertainty and changes created by the Tax

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Nellen explained that the adjusted withholding tables did not account for factors such as the elimination of the personal and dependency exemptions or reduced itemized deductions. As a result, many taxpayers were unable to accurately calculate their tax liability for 2018 and may have inadvertently under-withheld their taxes and potentially face penalties.

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