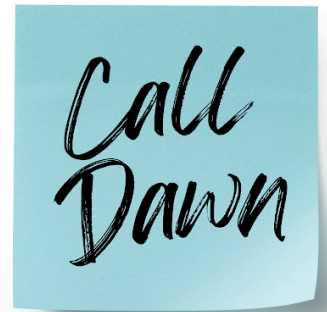




What is a 4506-T Form?

The **4506-T form** is a document from the IRS (Internal Revenue Service) that allows lenders to verify the financial information you provide. Lenders use this form to get a copy of your tax transcript directly from the IRS, making sure your tax documents match the records. Here's why this matters and what you need to know:



Why Lenders Need It

Back in the 2000s, lenders didn't always double-check information from borrowers, leading to big financial problems. Today, lenders are extra careful. They verify almost everything on your loan application. The 4506-T form is like giving permission to your lender to double-check your tax records..

How It Works

When you sign a 4506-T form, you allow your lender to get a copy of your federal tax return transcript from the IRS. This is important because your lender will use it to compare the numbers and information on your tax documents. This ensures everything matches up correctly before approving your loan.

Tips for Filling Out the Form

The IRS can be strict. If any detail on the 4506-T form doesn't perfectly match your tax records, like your name or address, the IRS might reject the request. If this happens, your lender may ask you to fill out the form again using the exact details on your tax return.

Here are some things to keep in mind:

1. **Provide the Right Tax Return Version:** If you made changes and filed an amended return, give that updated version to your lender.
2. **Share Drafts Carefully:** If you've only prepared a draft but haven't filed yet, let your lender know it's a draft version.
3. **Check Your Address and Name:** Use the exact name and address on your tax return to avoid any mismatches.

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Ease Mortgage does not provide tax advice, credit counseling or credit repair services. Please contact your tax adviser for any tax related questions. Applicant subject to credit and underwriting approval. Not all applicants will be approved for financing. Receipt of application does not represent an approval for financing or interest rate guarantee. Restrictions may apply, contact Guaranteed Rate for current rates and for more information.



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Time Matters

If you're self-employed, timing can be crucial. It can take up to 6 to 8 weeks for the IRS to update their records with a newly filed tax return. Lenders need this verified information to calculate your income. So, if you're planning on applying for a loan soon, talk to your lender before you file your taxes. They can guide you to avoid delays.



Bottom Line

The 4506-T form is a simple yet important step in the loan process. It helps lenders confirm your tax records and ensures your loan application is accurate and complete. By understanding how it works and why it's necessary, you'll be better prepared to navigate the process smoothly!

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