

Partnership Return with All Zeros May Be Invalid

Cross References

- CCA_2026030612260600, August 21, 2026

On August 21, 2026, the IRS Office of Chief Counsel advised that an initial partnership return showing ownership information but containing all zeros would most likely be considered an invalid return, because there is not sufficient data to allow the calculation of tax.

The IRS admits that this determination might not perfectly apply to partnership returns. Numerous tax court decisions have found that Form 1040 returns containing all zeros, even when filed on official IRS forms, do not constitute a valid return because they are usually associated with tax protestors who are not accurately reflecting their activity.

Other court cases have held that a zero return may be valid if there is reason to believe that is an accurate reflection of the taxpayer's activity.