

INTERIM IRM PROCEDURAL UPDATE

DATE: 11/07/2012

NUMBER: WI-04-1112-1797

SUBJECT: Post Publication revision to TY 2011 IRM 4.19.3, IMF Automated Underreporter Program

AFFECTED IRM(s)/SUBSECTION(s): 4.19.3

CHANGE(s):

IRM 4.19.3.20.1(3) - new for Qualified Offers, renumbered remainder of subsection

3. If the taxpayers response indicates the taxpayers attorney submitted a **qualified offer**, uses the words "**qualified offer**" or mentions "**IRC § 7430(g)**", immediately fax the offer to "Chief, Branch 5, Office of the Associate Chief Counsel (Procedure & Administration)," at (202) 622-8882, requesting a determination of whether the offer is a qualified offer under IRC § 7430. Along with the offer document include the following:
 - o a cover sheet with the name of the taxpayer,
 - o a brief description of the issue(s),
 - o the type of tax and
 - o the name and telephone number of a person in the campus who is the point of contact

The subject line of the fax cover sheet should be "**Purported Qualified Offer under Section 7430**". For more information about qualified offers, see IRC § 7430(g), Treas. Reg. § 301.7430-7, Chief Counsel Notice 2010-007, and IRM 35.10.1.3, *Awards of Litigation and Administration Costs and Fees*. In general, a taxpayer who submits a qualified offer and meets the other requirements of section 7430 may recover reasonable administrative and litigation costs from the IRS if the IRS does not accept the offer and the taxpayer's liability pursuant to a judgment in a court proceeding is equal to or less than the liability the taxpayer would have incurred if the Service had accepted the offer.

IRM 4.19.3.20.1.8.1(4) step 3 - revised to clarify use of IDRS to issue letter

4. If withholding or Excess SST/RRT is the issue
 1. Input the assessment on IDRS for the credit adjustment, NOT the tax.
 2. Send the taxpayer a 2626C letter via IDRS, explaining the partial assessment and advise them that the remaining issues will be addressed as part of the docketed case process. Include a copy of the letter in the case file.

3. Leave a Case Note documenting the actions taken.
4. Input PC 80 and release the case.