



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

June 12, 2015

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Affected IRM: 4.24.10

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MEMORANDUM FOR CHIEF, EXCISE FIELD OPERATIONS, EXCISE TERRITORY
MANAGERS, EXCISE FIELD GROUP MANAGERS

FROM: Barbara J. Fiebich /s/*Barbara J. Fiebich/lmp*
Director, Specialty Examination Policy and Quality, SB/SE

SUBJECT: Interim Guidance – Statute of Limitations for Appealed Excise
Tax Cases

The purpose of this Interim Guidance Memorandum (IGM) is to provide guidance for Excise Tax cases transmitted to and from Appeals. Please ensure this information is distributed to all affected employees within your organization

The Appeals Judicial Approach and Culture is an Appeals initiative that impacts compliance functions Service-Wide. It intends to clarify Appeals' core mission, which is an issue resolution and an enhanced customer perception of a fair, impartial, and independent Office of Appeals. Appeals issued IGM AP-08-0714-004 affecting Examination cases received in Appeals. Most changes became effective for Appeals cases received on or after September 27, 2014. Although several changes impacted the processing of SB/SE Excise Tax cases, the most significant changes related to the statute of limitations.

Cases closing to Appeals for the first time on and after September 2, 2014, require at least 365 days on the statute of limitations for assessment when they are received in Appeals.

Additional changes regarding statute of limitations were also implemented:

- There must be at least 210 days remaining on the statute of limitations when a case is received in Excise Tax, if Appeals returns the case to Excise Tax for consideration of new information or new issues raised by the taxpayer.

- There must be at least 180 days remaining on the statute of limitations when a case is received in Appeals, if Appeals previously released jurisdiction of the case and returned it to Excise Tax for additional work.

For purposes of Excise Tax case processing, examiners should be aware of the 365 day requirement and plan accordingly when issuing a 30 Day Letter. Examiners should plan for 30 days to allow for shipping and processing a case through Technical Services before being sent to Appeals. This would then require at least 395 days remaining on the statute when closed from the group and 425 days (365+30+30) on the statute when issuing the 30 Day Letter. Examiners should also account for time needed to review the protest, prepare any rebuttal, and close the case from the group.

If a statute extension is not received, the case will be processed based on the proposed changes.

This guidance is effective immediately and will be incorporated in IRM 4.24.10, *Appeals Procedure*.

If you have any questions, please contact Kellie McCann, Excise Tax Policy Manager or John Mark Jackson, Excise Tax Program Analyst.

cc: www.irs.gov