



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

SMALL BUSINESS/SELF-EMPLOYED DIVISION

August 1, 2012

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MEMORANDUM FOR SB/SE EXAMINATION AREA DIRECTORS

FROM: Justin L. Abold */s/ Justin L. Abold*
Acting Director, Examination Policy

SUBJECT: Revenue Procedure 2012-18 and Form 4665, *Report Transmittal*

This memorandum provides guidance regarding [Rev. Proc. 2012-18](#), *Ex Parte Communications Between Appeals and Other Internal Revenue Service Employees*, and the use of Form 4665, *Report Transmittal*. Please ensure this information is distributed to all affected employees within your organization.

Rev. Proc. 2012-18 states, "The transmittal memorandum, a T-Letter, or any similar document that the originating function uses to transmit the administrative file should not include statements or comments intended to influence Appeals' decision-making process." This includes recommendations concerning what Appeals should consider and how Appeals should resolve the case. This is in contrast to the guidance currently contained in IRM 4.10.8.11.5, *Report Transmittal: Form 4665*, which states the Form 4665 (T-Letter) can be used to present information of a confidential nature to Appeals.

Starting immediately, Exam employees should no longer include this type of information on the Form 4665 (T-Letter). In addition, if a rebuttal to a taxpayer's protest is prepared, a copy **must** be provided to the taxpayer at the time it is sent to Appeals.

Rev. Proc. 2012-18 is effective for communications between Appeals employees and other IRS employees that take place after May 15, 2012 (see Rev. Proc. 2012-18, Section 4, Effective Date). Examiners and managers should consider Rev. Proc. 2012-18 during all interactions with Appeals.

This guidance will be incorporated into IRM 4.10.8, *Report Writing*, by July 31, 2013.

If you have questions, you may contact me or a member of your staff may contact Cathy Demetra, Program Manager, Examination Policy, Examination General Processes.

cc: www.irs.gov