



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

SMALL BUSINESS/SELF-EMPLOYED DIVISION

December 18, 2013

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MEMORANDUM FOR SB/SE EXAMINATION AREA DIRECTORS

FROM: Brad Bouton /s/ *Brad Bouton*
Director, Examination Policy

SUBJECT: Reissued Interim Guidance Regarding Revenue Procedure
2012-18 and Form 4665, *Report Transmittal*

The purpose of this memo is to reissue IG Memorandum SBSE-04-0812-049 dated August 1, 2012 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. Exam employees should not include this type of information on the Form 4665 (T-Letter). 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.

Additional information is available on the Ex Parte Communications web site, including responses to frequently asked questions.

This guidance will be incorporated into IRM 4.10.8, *Report Writing*, by December 1, 2014.

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