



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

SMALL BUSINESS / SELF-EMPLOYED DIVISION

December 28, 2012

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IRM 5.10.3

MEMORANDUM FOR DIRECTORS, FIELD COLLECTION AREA OPERATIONS
DIRECTOR, ADVISORY AND INSOLVENCY

FROM: Scott D. Reisher /s/ **Scott D. Reisher**
Director, Collection Policy

SUBJECT: Reissuance of Interim Guidance Memorandum for Seizure-Related
Enforcement Expenses

The purpose of this memorandum is to reissue the interim guidance memorandum dated June 21, 2012, with control number SBSE-05-0612-051. Please ensure this information is distributed to all affected employees within your organization. These guidelines are effective immediately and will be incorporated into Internal Revenue Manual (IRM) sections 5.10.2 and 5.10.3, and the related sub-sections throughout.

Revenue officers (ROs) who do not have an individual enforcement card may experience difficulty paying seizure-related expenses if a vendor does not accept Form 6888, "U.S. Government Purchase - Invoices -Voucher." Therefore, enforcement purchase authority is being added to the existing small purchase cards held by Field Collection territory secretaries. Territory secretaries will receive enforcement purchase card training and will be responsible for all requirements associated with the automated purchase card module.

Procedures

In keeping with current practice, the RO will conduct a preliminary discussion with the vendor regarding the projected seizure date and secure an estimated cost. The RO will verify and confirm that the expense will not exceed \$2,500.00 per transaction.* If the selected vendor will not accept Form 6888, the RO may then contact his or her territory secretary for assistance. The RO will provide all necessary information so that the territory secretary can directly contact the vendor to procure the required services. This information will include the vendor's name, telephone number, date of service, estimated cost, and a description of the activity being funded.

* If cost will exceed \$2,500, do not order the services and do not contact a small purchase cardholder for bankcard assistance, as it is above their designated procurement authority. Instead, follow local procedures to complete a webRTS request for Procurement to issue a formal contract.

In order to guarantee timely assistance and payment, the RO will make every effort to provide sufficient lead time to secure the territory secretary's assistance. The RO will generally secure payment assistance for a seizure expense from their territory secretary. However, as work schedule needs dictate, any territory secretary within the Area may be contacted for assistance, following local procedures.

As soon as possible after receipt of the services, the RO, via email or fax, will provide the assisting territory secretary with verification that the services were received. This can be done by annotating the invoice with the comment "Services Received and date (xx-xx-xxxx)".

The following are some examples of seizure-related expenses that territory secretaries are authorized to pay:

Seizure-related towing* and/or storage
Seizure-related locksmith services*
Advertising (e.g. for bidders or for sales of perishable goods)

NOTE: This payment option **cannot** be used to procure title searches because other restrictions apply.

*If an indemnification clause is required based on the type of service being requested, the RO must scan and send by secure email a copy of the signed clause to the territory secretary. The RO will maintain the original signed clause with the case file.

If you have any questions or need additional information, please feel free to contact me or Laura Hostelley, Program Manager, Field Operations, Reviews and Enforcement, or a member of your staff may contact Matthew G. Roberts, Senior Program Analyst. Territory personnel should direct any questions through their management staff to the appropriate Area contact.

cc: Director, Field Collection

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