



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

SMALL BUSINESS/SELF-EMPLOYED DIVISION

June 08, 2023

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Affected IRM(s): 4.24.8

MEMORANDUM FOR: DIRECTOR, SPECIALTY EXAMINATION, CHIEF, ESTATE &  
GIFT/EXCISE TAX EXAM, AND EXCISE TAX EXAMINATION  
MANAGERS

FROM: Timothy J. Bilotta, Acting Director, Examination - Specialty Policy

SUBJECT: Interim Guidance for the New Letter 6517, Paid Fuel Claim Short  
Statute Assessment

This memorandum issues interim guidance relating to the new Letter 6517, Paid Fuel Claim Short Statute Assessment, until IRM 4.24.8, Examination Guidance for Excise Claims for Refund or Abatement, is revised. Please ensure this information is distributed to all affected employees within your organization.

**Purpose:** The purpose of this memorandum is to issue revised guidance and procedures relating to the new Letter 6517 for unagreed paid fuel claims that have short statutes.

**Background/Source of Authority:** Letter 6517 was developed to address the additional steps taxpayers must take to engage in the appeals process for paid claims with short statutes.

Under Internal Revenue Code (IRC) 6206 any portion of a claim made under IRC sections 6416(a)(4), 6420, 6421, or 6427, which constitutes an excessive amount (as defined under IRC 6675(b)) and any civil penalty provided under IRC 6675 may be assessed three years from the last day prescribed for filing such claim. The statute of limitations (SOL) cannot be extended for paid claim assessments that fall under IRC 6206.

As a result, the new Letter 6517 must be used to transmit examination reports for unagreed paid claim assessments that fall under IRC 6206 and have less than 445 days remaining on the SOL.

**Procedural Change:** Currently, IRM 4.24.8.16.2, Paid Claim Report Writing and Case Processing Procedures - Partially Agreed and Unagreed, requires that Letter 950-E, 30-Day Letter - Straight Deficiency or Over-Assessment for Excise Tax Examination Cases, be issued to the taxpayer for paid claims that are partially agreed and unagreed.

Effective immediately, procedures in IRM 4.24.8.16.2 paragraphs (5) & (6) are replaced with the following:

- (5) Issue [Letter 950-E](#), 30-Day Letter - Straight Deficiency or Over-Assessment for Excise Tax Examination Cases, to the taxpayer to transmit the following examination reports:
  - Unagreed paid claim assessments that do not fall under IRC 6206, or
  - Unagreed paid fuel claim assessments that fall under IRC 6206 with 445 days or more remaining on the SOL.
- (6) Issue [Letter 6517](#), Paid Fuel Claim Short Statute Assessment, to the taxpayer to transmit the examination reports for unagreed paid fuel claim assessments that fall under IRC 6206 with less than 445 days remaining on the SOL. Refer to IRM 4.24.8.5.2, Unagreed Paid Claim Statute of Limitations Considerations, for guidance on unagreed paid fuel claims.
- (7) Issue [Form 13683](#) with Letter 950-E or Letter 6517.

**Effect on Other Documents:** This guidance will be incorporated into IRM 4.24.8 by June 08, 2025.

**Effective Date:** This guidance is effective June 08, 2023.

**Contact:** If you have any questions regarding this memorandum, you may contact Kellie L. McCann, Program Manager, Excise Tax Policy, or Allison Boyd, Excise Tax Policy Analyst.

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