



LARGE BUSINESS AND  
INTERNATIONAL DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, DC 20224

October 19, 2026

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Effective Date: 10/19/2026  
Expiration Date: 10/19/2028  
Affected IRM: 4.31.5

MEMORANDUM FOR: All LB&I EMPLOYEES  
SB/SE DIRECTOR, FIELD EXAMINATION

FROM: Ronald H. Hodge II /s/ *Ronald H. Hodge II*  
Assistant Deputy Commissioner Compliance Integration  
Large Business and International (LB&I) Division

SUBJECT: Interim Guidance on the Entity Power of Attorney (POA) to Investor  
Level Statute Control (ILSC) Examinations

**Purpose:** This memorandum issues guidance on changes to the procedures for securing a valid entity POA in ILSC examinations involving S corporations, including who may sign Form 2848 on behalf of the corporation under examination and when Area Counsel should be consulted. This memorandum serves as interim guidance until IRM 4.31.5 is published. Please ensure this information is distributed to all affected employees within your organization.

**Background/Source(s) of Authority:** [26 CFR 601.503\(c\)\(3\)](#), [IRC 6062](#), guidance provided by the Procedures and Administration (P&A) Division of National Office Counsel, and a [2014 Chief Counsel Advice \(CCA\) 201421021](#) conclude that Form 2848, Power of Attorney and Declaration of Representative, be signed by a current officer with authority to legally bind the corporation, and not a former officer or shareholder. This authority replaces existing IRM 4.31.5 procedures that instruct employees not to accept Form 2848 when signed by any current officer or shareholder. This authority also removes IRM 4.31.5.12.1.2, paragraphs (2) through (4), which addressed fact patterns involving former officers or shareholders, as those considerations are no longer relevant when determining the validity of an entity POA.

To implement the procedural changes in securing a valid entity POA from a current officer with authority to legally bind the corporation in ILSC examinations involving S corporations, this interim guidance revised IRM 4.31.5.12.1.2, Entity POA.

**Procedural Change:** Updated procedures can be found on Attachment 1.

**Effect on Other Documents:** This guidance will be incorporated into IRM 4.31.5 within 2 years from the date of this memorandum.

**Effective Date:** This guidance is effective as of the date of this memorandum.

**Contact:** For LB&I questions or comments, contact the LB&I Policy Office through the LB&I Policy Gateway and Create a Request. For SB/SE questions or comments, submit questions through the Exam Procedures Knowledge Base and select Contact an Expert.

**Distribution:** [www.irs.gov](http://www.irs.gov)

## Attachment 1: LB&I-04-1026-0009

The following changes are hereby effective October 19, 2026, for IRM 4.31.5.12.1.2

### 4.31.5.12.1.2 (10-19-2026)

#### Entity POA

- (1) IRM 4.11.55.2.5.4, Corporation or S-Corporation, provides that for an S-corporation, the POA must be signed by an officer of the corporation having authority to bind the corporation. Form 2848, Power of Attorney and Declaration of Representative, must include the corporate name, followed by the signature and title of a **current** officer of the corporation that is authorized under the laws of the state where the corporation is located to sign for the corporation. See [26 CFR 601.503\(c\)\(3\)](#). Therefore, you must look to state law to determine who is authorized to sign. Generally, the current president and the secretary of the corporation are authorized to sign Form 2848. Assistant officers and controllers are not authorized to sign for the corporation unless the corporation's board of directors authorizes them to sign. Contact Area Counsel if there is any question as to the proper person to sign Form 2848. Generally, S corporations are non-taxable entities, with any tax being paid by the individual shareholders. To request a POA in an investor-level examination, see IRM 4.31.5.13.1, Power of Attorney (POA) for Investor Level Statute Control (ILSC) Investors.
- (2) [Deleted paragraph]
- (3) [Deleted paragraph]
- (4) [Deleted paragraph]
- (5) It is becoming more common for an entity to be formed as an LLC. If an LLC has more than one member, it may elect to be taxed as a partnership or a corporation. If the LLC has only one member, it may be taxed as a disregarded entity or a corporation. An LLC that otherwise qualifies may elect, with Form 2553, to be taxed as an S-corporation. In that case, the LLC has a deemed corporation election effective immediately before the S-corporation election without a Form 8832.
- (6) The type of taxable entity is important in determining who may sign the POA Form 2848. To assist examiners in determining who may sign the POA of an LLC, the Privacy, Governmental Liaison, and Disclosure (PGLD) created a job aid titled, POAs for LLCs: If/Then Quick Guide, which is found on their knowledge base. Generally, the POA can be signed by any manager authorized to act in the name of the entity (as determined under state law) and the entity uses its EIN. Alternatively, secure separate Forms 2848 from each investor.
- (7) [26 CFR 601.503\(c\)\(5\)](#) states, "In the case of a partnership, a power of attorney must be executed by all partners, or if executed in the name of the partnership, by the partner or partners duly authorized to act for the partnership, who must certify that he/she has such authority." In other words, this statutory authority allows a single partner to represent a partnership in tax matters.