



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

4.70.11

AUGUST 26, 2025

EFFECTIVE DATE

(08-26-2025)

PURPOSE

- (1) This transmits revised IRM 4.70.11, TE/GE Examinations, Administrative Matters.

MATERIAL CHANGES

- (1) Incorporated IGM TEGE-04-0522-0023 dated May 26, 2022, by adding a new section, IRM 4.70.11.8.8, Video Meetings/Conferences with Taxpayers and Representatives.
- (2) Incorporated IGM TEGE-07-0823-0010 dated August 10, 2023, by adding a new section, IRM 4.70.11.8.7, EO/GE Congressional and Technical Correspondence
- (3) Updated IRM 4.70.11.1, Program Scope and Objectives, to include the primary stakeholders for this IRM.
- (4) Updated Wage & Investment (W&I) to Taxpayer Services (TS) throughout.
- (5) Revised IRM 4.70.11.2.1 to include information regarding the moratorium on examining Indian tribal governments and tribal members when the examination relates to a general welfare payment or benefit.
- (6) Revised IRM 4.70.11.2.6(3) to comply with the January 2025 executive orders and OPM guidance.
- (7) Revised IRM 4.70.11.8.4 to specify when examiners can send emails to taxpayers and representatives.
- (8) Revised IRM 4.70.11.8.5 to clarify usage of electronic signatures.
- (9) Revised IRM 4.70.11.9.3, IDR Follow-Up, to provide guidance regarding the use of the IDR enforcement process and proper case documentation during IDR follow-up.
- (10) Revised IRM 4.70.11.10.8.1 to clarify, By-Pass Procedures, to clarify by-pass procedures for each of the functions.
- (11) Revised IRM 4.70.11.11, Third-Party Contacts, to add Letter 3164-P, Third Party Notification for IRC 6700/6701 Investigations, as an additional version of the Letter 3164 series used to notify taxpayers of the IRS' intent to make third-party contacts.
- (12) Revised Exhibit 4.70.11-1, TE/GE Form 2848 and Form 8821 Specific Elements by Function, to add additional details to some of the specific elements by function.
- (13) Revised IRM 4.70.11.15.3 to remove requirement for EOE to make an SRS referral for SB/SE Excise Tax on all hospital and college/university cases as that is no longer a mandatory requirement.
- (14) Updated the IRM for minor editorial changes including grammatical changes, punctuation changes, linkage corrections and IRM citation updates.

EFFECT ON OTHER DOCUMENTS

This IRM supersedes IRM 4.70.11, TE/GE Examinations, Administrative Matters, dated November 22, 2023.

AUDIENCE

Tax Exempt and Government Entities (TE/GE) Examination Employees and Managers

Robert Malone
Acting Deputy Commissioner
Tax Exempt and Government Entities

4.70.11

Administrative Matters

Table of Contents

4.70.11.1 Program Scope and Objectives

4.70.11.1.1 Background

4.70.11.1.2 Authority

4.70.11.1.3 Roles and Responsibilities

4.70.11.1.4 Program Management and Review

4.70.11.1.5 Program Controls

4.70.11.1.6 Terms and Acronyms

4.70.11.1.7 Related Resources

4.70.11.1.8 Examination Process

4.70.11.2 Examination Jurisdiction / Authority

4.70.11.2.1 Examiner Responsibility

4.70.11.2.2 Systems Use

4.70.11.2.2.1 RCCMS

4.70.11.2.3 Safeguarding Sensitive But Unclassified (SBU), Personally Indefinable Information (PII) and Other Sensitive Information

4.70.11.2.3.1 Shipping Personally Identifiable Information (PII)

4.70.11.2.4 Case Chronology Record (CCR) and Examining Officer's Activity Record (EOAR)

4.70.11.2.5 Related Resources

4.70.11.2.6 Indian Tribal Governments Consultation Policy and Protocol Requirements

4.70.11.3 Case Suspense

4.70.11.3.1 Case Suspense for Federally Declared Disaster, Significant Fire, or Terrorist or Military Action

4.70.11.3.2 Mandatory Suspension of Activities

4.70.11.3.3 Statutes of Limitations Expiring During the Postponement Period

4.70.11.4 Taxpayer Rights

4.70.11.5 Confidentiality Privilege Relating to Taxpayer Communications

4.70.11.5.1 Federally Authorized Practitioners

4.70.11.5.2 Privileged Tax Advice

4.70.11.5.3 Asserting Privilege

4.70.11.5.3.1 Fifth Amendment

4.70.11.5.3.2 Work Product Doctrine

4.70.11.6 Time Frames for Conducting an Examination

4.70.11.7 Pocket Commission

4.70.11.8 Communication with the Taxpayer or Representative

4.70.11.8.1 Employee Contact - RRA Section 3705

4.70.11.8.2 Oral Communication

-
- 4.70.11.8.3 Written Communication
 - 4.70.11.8.3.1 Returned or Undeliverable Mail
 - 4.70.11.8.4 Digital Communication
 - 4.70.11.8.4.1 Taxpayer Digital Communication Secure Messaging (TDC SM)
 - 4.70.11.8.5 Electronic Signature
 - 4.70.11.8.6 ITG Customer Assistance
 - 4.70.11.8.7 EO/GE Congressional and Technical Correspondence
 - 4.70.11.8.7.1 Congressional Correspondence and Calls
 - 4.70.11.8.7.2 Technical and Other Correspondence and Calls
 - 4.70.11.8.7.3 Correspondence and Call Transcriptions Sent to the PMO
 - 4.70.11.8.8 Video Meetings/Conferences with Taxpayers and Representatives
 - 4.70.11.8.8.1 Video Conferencing Protocols
 - 4.70.11.9 Information Document Request Process
 - 4.70.11.9.1 Preparation and Discussion of the Initial IDR
 - 4.70.11.9.1.1 Content of Initial IDR
 - 4.70.11.9.2 Preparation and Discussion of Subsequent IDR
 - 4.70.11.9.3 IDR Follow-Up
 - 4.70.11.9.4 IDR Enforcement Process
 - 4.70.11.9.4.1 Delinquency Notice
 - 4.70.11.9.4.2 Pre-Summons and Summons Warranted
 - 4.70.11.9.4.3 Summons Procedures
 - 4.70.11.10 Power of Attorney (POA) and Tax Information Authorization (TIA)
 - 4.70.11.10.1 Persons Who May Be Designated as a POA or Designee
 - 4.70.11.10.2 ITG: Disclosure Responsibilities when Working with Indian Tribal Governments
 - 4.70.11.10.3 Processing POA and TIA Forms
 - 4.70.11.10.4 Working an Exam with a Valid POA or TIA
 - 4.70.11.10.5 Revocation and Subsequent Power of Attorney and Declaration of Representative
 - 4.70.11.10.6 Specific-Use Authorization
 - 4.70.11.10.7 Verbal Tax Information Authorization
 - 4.70.11.10.8 Overview of Power of Attorney By-Pass Procedures
 - 4.70.11.10.8.1 By-Pass Procedures
 - 4.70.11.11 Third-Party Contacts
 - 4.70.11.12 Disclosure Rules - Obtaining Taxpayer Information from Internet Sites
 - 4.70.11.13 Verbatim Recordings
 - 4.70.11.14 Record of Interviews
 - 4.70.11.15 Collateral Examinations and Referrals
 - 4.70.11.15.1 Collateral Examinations
 - 4.70.11.15.1.1 Collateral Examination Procedures: Initiating Area
 - 4.70.11.15.1.2 Collateral Examination Procedures: Receiving Area

-
- 4.70.11.15.2 Coordinating with other Business Operating Divisions for ITG Cases
 - 4.70.11.15.3 General Referral Process within the IRS
 - 4.70.11.15.4 Referrals to TE/GE Functions
 - 4.70.11.15.5 Referrals to Other Business Units
 - 4.70.11.15.6 Referrals to Other Agencies
 - 4.70.11.15.7 TE/GE Group Procedures - SRS Referrals Received from Classification
 - 4.70.11.15.8 TE/GE Group Procedures - Referrals from Other Sources
 - 4.70.11.15.9 EP Large Case Support Examinations Procedures
 - 4.70.11.15.9.1 Definitions
 - 4.70.11.15.9.2 Requirements for EP Large Case Examinations
 - 4.70.11.15.9.2.1 Financial Interests and Disclosure
 - 4.70.11.15.9.2.2 The EP Large Case Engagement Agreement
 - 4.70.11.15.9.3 Preparation of the EP Large Case Engagement Agreement
 - 4.70.11.15.9.3.1 Commitments and Content of the EP Large Case Engagement Agreement
 - 4.70.11.15.9.4 Overview of Deduction Only Support Examinations
 - 4.70.11.15.9.4.1 Deduction Only Support Examinations - Planning and Protocol
 - 4.70.11.15.9.4.2 Deduction Only Support Examinations - Submitting IDRs
 - 4.70.11.15.9.5 Appropriate Records Requests
 - 4.70.11.15.9.6 Inappropriate Records Requests
 - 4.70.11.15.9.7 Deduction Only Support Examinations - AIMS & RCCMS Establishment
 - 4.70.11.15.9.8 Deduction Only Support Examinations - Examination Closing Requirements
 - 4.70.11.15.9.9 Overview of LB&I Support Examinations Involving Plan Qualification
 - 4.70.11.15.9.9.1 LB&I Support Examinations Involving Plan Qualification- Planning and Protocol
 - 4.70.11.15.9.9.2 LB&I Support Examinations Involving Plan Qualification - Submitting IDRs
 - 4.70.11.15.9.9.3 Appropriate Records Requests
 - 4.70.11.15.9.9.4 Inappropriate Records Requests
 - 4.70.11.15.9.9.5 LB&I Support Examinations Involving Plan Qualification - AIMS & RCCMS Establishment Procedures
 - 4.70.11.15.9.9.6 LB&I Support Examinations Involving Plan Qualification - Statute Protection Safeguards
 - 4.70.11.15.9.9.7 LB&I Support Examinations Involving Plan Qualification - Closing Requirements
 - 4.70.11.15.9.10 Overview of EO Support Examinations Involving Plan Qualification
 - 4.70.11.15.9.10.1 EO Support Examinations Involving Plan Qualification - AIMS and RCCMS Establishment
 - 4.70.11.15.9.10.2 EO Support Examinations Involving Plan Qualification - Non-Return Units
 - 4.70.11.15.9.10.3 EO Support Examinations Involving Plan Qualification - Statute Protection Safeguards
 - 4.70.11.16 Whistleblower Claims
 - 4.70.11.16.1 WB Procedures
 - 4.70.11.16.2 Form 11369, Confidential Evaluation Report or Claim for Reward

4.70.11.16.3 Category “A” WB Claim Procedures

4.70.11.16.4 Category “B” WB Claim Procedures

Exhibits

4.70.11-1 TE/GE Form 2848 and Form 8821 Specific Elements by Function

4.70.11.1
(08-26-2025)
**Program Scope and
Objectives**

- (1) **Purpose:** Internal Revenue Manual (IRM) 4.70.11 provides uniform examination guidelines and procedures to identify and address noncompliance in the following areas:
 - a. Employee benefit plans filing Form 5500 series returns.
 - b. Returns filed by tax-exempt organizations.
 - c. Tax-advantaged bonds. (For purposes of this IRM, any reference to tax-advantaged bonds includes tax exempt bonds, tax credit bonds and direct pay bonds, unless otherwise specified).
 - d. Income tax, employment tax, excise tax, tip reporting, backup withholding and related information returns of tax-exempt organizations, Federal, State and Local government entities and Indian Tribal Governments.
- (2) **Audience:** Tax Exempt and Government Entities examiners, specialists, managers, support staff and other employees that process examination cases.
- (3) **Policy Owner:** The Directors, Employee Plans and Exempt Organizations/ Government Entities.
- (4) **Program Owner:** The Directors, Employee Plans and Exempt Organizations/ Government Entities.
- (5) **Primary Stakeholders:** TE/GE Leadership who oversee employees who conduct examinations in TE/GE.

4.70.11.1.1
(11-22-2023)
Background

- (1) The Tax Exempt & Government Entities (TE/GE) Division serves charities and non-profits, small local community organizations, major universities, large pension funds, small business retirement plans, federal, state, and local governments, participants in complex tax-advantaged bond transactions, and Indian tribal governments and their entities. The overall TE/GE examination program's goal is to promote the highest degree of voluntary compliance with:
 - The statutes governing qualification of plans and exemption of certain types of organizations.
 - The federal return filing requirements of certain types of organizations within TE/GE's jurisdiction.
 - Reporting the "substantially correct" tax liability.

Note: IRM 1.2.1.5.36, Policy Statement 4-119 (Rev. 1), Selection and Examination of Returns.

Note: For purposes of this IRM, any reference to tax advantaged bonds included tax exempt bonds, tax credit bonds, and direct pay bonds unless otherwise specified.
- (2) This IRM provides an overview of the responsibilities that examiners should understand and apply in the performance of their duties in executing the TE/GE examination process.
- (3) Examination of exempt organizations will be conducted to determine whether such entities meet continued qualification of exempt status, compliance and the causes of noncompliance with the tax laws and applicable resolutions.
- (4) Examination of employee benefit plans is regulatory, with emphasis on continued qualification of employee benefit plans. The IRS selects and examines returns to:

- Promote the highest degree of voluntary compliance with the tax laws governing plan qualification.
 - Determine the extent of compliance and the causes of noncompliance with the tax laws and applicable resolutions.
 - Determine whether such plans meet the applicable qualification requirements in operation.
- (5) Examination of governmental entities will be conducted to determine whether such entities are in compliance with their employment tax filing, reporting, and payment requirements.
 - (6) The Tax Exempt Bond Examination Program is to identify and correct noncompliance in tax-advantaged bonds.
 - (7) TE/GE Examiners should refer to IRM 4.23.3, Exam Program and Procedures, when examining employment tax cases in addition to this IRM section.
 - (8) The procedures contained in this IRM are not intended to be all inclusive. Examiners must use their professional judgment in completing their exam cases and other compliance activities.

4.70.11.1.2
(11-22-2023)
Authority

- (1) Examinations are conducted according to Policy Statement 1-236 (IRM 1.2.1.2.36), Fairness and Integrity in Enforcement Selection, and the Taxpayer Bill of Rights per IRC 7803(a)(3). The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, see *Taxpayer Bill of Rights*.
- (2) Policy Statement 4-4 (IRM 1.2.1.5.2) provides package audit requirements, that:
 - a. Income tax examinations will include consideration of employment tax liability.
 - b. If warranted, employment tax returns will be examined concurrently with the income tax examination.
 - c. The examination of any return will include a check for filing other federal tax or information returns required to be filed.
- (3) Under Policy Statement 4-117 (IRM 1.2.1.5.34), examiners and managers:
 - a. Have broad authority to consider and weigh conflicting information, data, and opinions.
 - b. Use professional judgement when applying examination standards for findings of fact and application of tax law to determine the correct tax liability.
 - c. Exercise authority to get the greatest number of agreements to tax determinations without sacrificing the quality or integrity of those determinations.
 - d. Resolve tax differences at the lowest level.
- (4) Policy Statement 4-119 (IRM 1.2.1.5.36) provides that the primary objective of the TE/GE program is regulatory, with emphasis on the continued qualification of exempt organizations and employee benefit plans, and continued compliance of governmental entities (federal, state, and local governmental entities,

Indian tribal governments and tribal entities, and entities or organizations that issue tax advantaged bonds). The IRS selects and examines returns to:

- a. Promote the highest degree of voluntary compliance with the statutes governing qualification of plans and exemption of certain types of organizations from tax.
 - b. Determine the extent of compliance and the causes of noncompliance with the tax laws by plans, organizations, and governmental entities.
- (5) IRC 7602 gives examiners the authority to:
- a. Examine any books, papers, records or other data necessary to complete an examination (includes electronic media).
 - b. Issue a summons for information necessary to complete an examination.
 - c. Take testimony under oath to secure additional information needed.
 - d. Ask about any offense connected to administering or enforcing the Internal Revenue laws.
- (6) IRC 7605 - Time and Place of Examination. Gives examiners authority to choose the time and place of the examination as is reasonable under the circumstances.
- (7) IRC 7803 - Commissioner of Internal Revenue; Other Officials. Execute duties in accordance with taxpayer rights as afforded by other provisions of this title.
- (8) IRC 6201 - Assessment Authority, which falls under Chapter 63 - Assessment.
- (9) Delegations of Authority are the official documents the IRS uses to delegate authority. They're published as Delegation Orders. See IRM 1.2.2, Servicewide Policies and Authorities, Servicewide Delegations of Authority.
- Delegation Order 7-13 (Rev. 2) (formerly DO-248, Rev. 1), provides the authority to accept Classification Settlement Program (CSP) Offers and to execute the pro forma Closing Agreements on CSP Issues (see IRM 1.2.2.8.13, Delegation Order 7- 13 (Rev. 2)).
 - Delegation Order 8-3 (formerly DO-97, Rev. 34), provides the authority to enter into and approve a written agreement with any person relating to the Internal Revenue tax liability of such person (or of the person or estate for whom he or she acts) for a taxable period or periods ended before the date of agreement and related specific items affecting other taxable periods (see IRM 1.2.2.9.6, Delegation Order 8-6 (formerly DO-179, Rev.2), Coordination of Certain Issues Before Approval of Settlement or Other Disposition in Appeals).

4.70.11.1.3
(11-22-2023)
**Roles and
Responsibilities**

- (1) The Directors, EO/GE and EP, are the executives responsible for providing policy and guidance for field employees and ensuring consistent application of policy, procedures and tax law to effect tax administration while protecting taxpayers' rights. See IRM 1.1.23, Tax Exempt and Government Entities Division, for additional information.
- (2) The Directors, EO Examinations, GE, and EP Examinations reports to the Directors, EO/GE and EP respectively, and are responsible for the delivery of policy and guidance that impacts the field examination process. See IRM 1.1.23, Tax Exempt and Government Entities Division, for additional information.

- (3) All examiners must perform their professional responsibilities in a way that supports the **IRS Mission**. This requires examiners to provide top quality service and to apply the law with integrity and fairness to all.
- (4) Examiners and their managers should thoroughly acquaint themselves with the examination procedures and information contained in this IRM, as well as other resources.

4.70.11.1.4
(08-26-2025)
**Program Management
and Review**

- (1) The Tax Exempt & Government Entities (TE/GE) Division serves charities and nonprofits, small local community organizations, major universities, large pension funds, small business retirement plans, federal, state, and local governments, participants in complex tax-exempt bond transactions, and Indian tribal governments and their entities. The overall TE/GE examination program's goal is to promote the highest degree of voluntary compliance with:

- The statutes governing qualification of plans and exemption of certain types of organizations.
- The federal return filing requirements of certain types of organizations within TE/GE's jurisdiction.
- Reporting the "substantially correct" tax liability.

Note: IRM 1.2.1.5.36, Policy Statement 4-119 (Rev. 1), Selection and Examination of Returns.

Note: For purposes of this IRM, any reference to tax advantaged bonds includes tax exempt bonds, tax credit bonds, and direct pay bonds unless otherwise specified.

- (2) Reports to monitor the current year's workplan, as well as specific programs, are derived from a variety of sources including the Audit Information Management System (AIMS), Return Inventory Control System (RICS), and Reporting Compliance Case Management System (RCCMS). These reports provide leadership and the various functions with timely and reliable information. There are a variety of reports designed to meet the needs of the group or function. Several of the reports used to monitor examination processes are listed below:

- Table 20, Accomplishments by Project Code
- Table 50, Inventory Returns by Status
- Table 60, Examination Timeliness
- Exam FY Workbook

- (3) Periodic program reviews are conducted to:
 - Assess the effectiveness of specific programs within the examination functions or across TE/GE,
 - Determine if procedures are being followed,
 - Validate policies and procedures, and
 - Identify and share best/proven practices.

4.70.11.1.5
(11-22-2023)
Program Controls

- (1) CP&C administers examination inventory control.
- (2) The FAC coordinates the assignment of examination inventory.

- (3) Two review groups make sure examiners conduct examinations per technical, procedural and administrative requirements:
 - a. Mandatory Review / Technical.
 - b. Special Review, see IRM 4.70.7, Special Review (SR) and Tax Exempt Quality Measurement System (TEQMS) Procedures.
- (4) In order to ensure a consistent level of managerial engagement in the process of making key strategic decisions during an exam, the examiner submits requests for approval by their manager through RCCMS.
- (5) The manager approves or rejects any request through RCCMS.
- (6) The IRS is fully committed to protecting the privacy rights of taxpayers and employees. Privacy laws are included in the IRC, the Privacy Act of 1974, the Freedom of Information Act, and IRS policies and practices. For more information about these laws, visit the *FOIA Library*.
 - a. For questions about privacy, email **Privacy*.
 - b. For question about disclosure, email **Disclosure*.

4.70.11.1.6
(11-22-2023)

Terms and Acronyms

- (1) The following tables lists acronyms, abbreviations, forms, publications and terms used in this manual along with their definitions:

Acronym	Definition
AC	Activity Code
ACA	Affordable Care Act - also known as the Patient Protection & Affordable Care Act, Public Law 111-148
ACP	Actual Contribution Percentage
ADP	Actual Deferral Percentage
AIMS	Audit Information Management System
ARDI	Accounts Receivable Dollar Inventory
ASED	Assessment Statute Expiration Date
ATAT	Abusive Tax Avoidance Transactions
ATRA	American Taxpayer Relief Act of 2012
Audit CAP	Audit Closing Agreement Program
BMF	Business Master File
BOD	Business Operating Division
CADE	Customer Accounts Data Engine
CAF	Centralized Authorization File
CCR	Case Chronology Record
CEP	Coordinated Examination Program
CHNA	Community Health Needs Assessment

Acronym	Definition
CI	Criminal Investigation Division
CL	Cumulative List
C&CA	Classification & Case Assignment
CP&C	Compliance Planning & Classification
CPG	Compliance Programming Group
CSEC	Cooperative and Small Employer Charity Pension Flexibility Act
DINS	Distributive Processing System Image Net
DOL	Department of Labor
EBSA	Employee Benefits Security Administration
EDS	EP/EO Determination System
EEFAX (e-fax)	Enterprise Electronic Facsimile
EFAST	ERISA Filing Acceptance System
EFU	Exam Functional Unit
EGTRRA	Economic Growth and Tax Relief Reconciliation Act
EIN	Employer Identification Number
EMMA	Electronic Municipal Market Access
EO	Exempt Organizations
EP	Employee Plans
EPCU	Employee Plans Compliance Unit
EPMF	Employee Plans Master File
ERISA	Employee Retirement Income Security Act of 1974
ESSP	Examinations Special Support and Processing (Closing Unit)
ESOP	Employee Stock Ownership Plan
FAC	Functional Assignment Coordinator
FAST	Field Agent Support Team
FAP	Financial Assistance Policy
FEA	Fraud Enforcement Advisors
FEMA	Federal Emergency Management Agency
FICA	Federal Insurance Contributions Act
FMV	Fair Market Value
FOIA	Freedom of Information Act

Acronym	Definition
FSL/ET	Federal, State, Local Government / Employment Tax
GCM	General Counsel Memo
GE	Government Entities
GECU	Government Entities Compliance Unit
GM	Group Manager
HCE	Highly Compensated Employee
IDR	Information Document Request
IDRS	Integrated Data Retrieval System
IGM	Interim Guidance Memo
IMF	Individual Master File
INOLES	Information On-Line Entity Summary
IRA	Individual Retirement Account
IRAS	Information Report Analysis System
IRC	Internal Revenue Code
IRM	Internal Revenue Manual
ITG	Indian Tribal Governments
LB&I	Large Business and International
LCC	Large Corporate Compliance
LDC	Lead Development Center
LITC	Low Income Taxpayer Clinic
LUQ	Large, Unusual or Questionable
MAP-21	Moving Ahead for Progress in the 21st Century Act
MEF	Modernized E-File
MF	Master File
MFT	Master File Tax
M&P	Master & Prototype Plan
NMF	Non-Master File
NRU	Non-Return Unit
NSTF	National Standard Time Frames
OSC	Ogden Service Center
OTSA	Office of Tax Shelter Analysis
PBGC	Pension Benefit Guaranty Corporation
PC	Project Code

Acronym	Definition
PII	Personally Identifiable Information
P&M	Planning & Monitoring
PLR	Private Letter Ruling
PM	Program Manager
PMFOL (B, D, S)	Payor Master File On-line
POA	Power of Attorney
POD	Post of Duty
PPA	Pension Protection Act of 2006
PRA	Pension Relief Act of 2010
PSP	Planning and Special Programs
PTIN	Preparer Tax Identification Number
QLAC	Qualified Longevity Annuity Contract
QMS	Quality Measurement System
RA	Revenue Agent
RAC	Remedial Amendment Cycle
RAIC	Revenue Agent in Charge
RAP	Remedial Amendment Period
RAR	Revenue Agent Report
RCCMS	Reporting Compliance Case Management System
RGS	Report Generation Software
RICS	Returns Inventory and Classification System
RRA	Restructuring and Reform Act
SARSEP	Salary Reduction Simplified Employee Pension
SBU	Sensitive But Unclassified
SB/SE	Small Business and Self-Employed
SBJA	Small Business Jobs Act of 2010
SEIN	Statistics of Income EO Image Net
SEP	Simplified Employee Pension
SFR	Substitute for Return
SIMPLE	Savings Incentive Match Plan for Employees of Small Employers
SOL	Statute of Limitations

Acronym	Definition
SR	Special Review
SRS	Specialist Referral System
SSA	Social Security Administration
SSN	Social Security Number
STCP	Student Tax Clinic Program
TBOR	Taxpayer Bill of Rights
TC	Transaction Code
TCO	Tax Compliance Officer
TE	Tax Examiner
TEB	Tax Exempt Bonds
TEGEDC	TE/GE Division Counsel
TE/GE	Tax Exempt & Government Entities
TEQMS	Tax Exempt Quality Measurement System
TIN	Taxpayer Identification Number
TMP	Tax Matters Partner
TS	Taxpayer Services
TWS	Tax Exempt Bonds Workpaper Summary
TXMODA	Tax Module Account
UBI	Unrelated Business Income
URP	Unenrolled Return Preparer
VCP	Voluntary Correction / Compliance Program
VS	Volume Submitter Plan
WebETS	Web-Based Employee Technical Time System

Form	Name
Form 872	Consent to Extend the Time to Assess Tax
Form 886-A	Explanation of Items
Form 940	Employer's Annual Federal Unemployment (FUTA) Tax Return
Form 941	Employer's Quarterly Federal Tax Return
Form 945	Annual Return of Withheld Federal Income Tax
Form 1099 - series	Various
Form 1040	U.S. Individual Income Tax Return

Form	Name
Form 1065	U.S. Return of Partnership Income
Form 1096	Annual Summary and Transmittal of U.S. Information Returns
Form 1120	U.S. Corporation Income Tax Return
Form 1120-POL	U.S. Income Tax Return for Certain Political Organizations
Form 1120-S	U.S. Income Tax Return for an S Corporation
Form 2797	Referral Report of Potential Criminal Fraud Cases
Form 2848	Power of Attorney and Declaration of Representative
Form 3210	Document Transmittal
Form 3244-A	Payment Posting Voucher – Examination
Form 4442	Inquiry Referral
Form 4564	Information Document Request (IDR)
Form 4632	Employee Plans Referral
Form 4759	Address Information Request – Postal Tracer
Form 5464	Case Chronology Record (CCR)
Form 5666	TE/GE Referral Information Report
Form 6882	IDRS/Master File Information Request
Form 8038	Information Return for Tax Exempt Private Activity Bond Issues
Form 8038-G	Information Return for Tax-Exempt Governmental Obligations
Form 8038-GC	Information Return for Small Tax-Exempt Governmental Bonds Issues
Form 8038-T	Arbitrage Rebate, Yield Reduction, and Penalty in Lieu of Arbitrage Rebate
Form 8038-R	Request for Recovery of Overpayment Under Arbitrage Rebate Provisions
Form 8038-B	Information Return for Build America Bonds and Recovery Zone Economic Development Bonds
Form 8038-TC	Information Return for Tax Credit Bonds and Specified Tax Credit Bonds
Form 8038-CP	Return for Credit Payments to Issuers of Qualified Bonds
Form 8328	Carryforward Election on Unused Private Activity Bond Volume Cap
Form 8703	Annual Certification of a Residential Rental Project

Form	Name
Form 8300	Report of Cash Payments over \$10,000 Received in a Trade or Business
Form 8821	Tax Information Authorization
Form 9984	Examining Officer's Activity Record
Form 10329	Transmittal Sheet – Related Cases
Form 12175	Third Party Contact Report Form
Form 12180	Third Party Contact Authorization Form
Form 14242	Reporting Abusive Tax Promotions and/or Preparers
Form SS-10	Consent to Extend the Time to Assess Employment Taxes
Form W-2	Wage and Tax Statement
Form W-4	Employee's Withholding Allowance Certificate
Pub 1	Your Rights as a Taxpayer
Pub 947	Practice Before the IRS and Power of Attorney
Pub 3498	The Examination Process
Pub 4019	Third Party Authorization, Levels of Authority
Pub 4245	Power of Attorney Preparation Guide
Pub 5146	Employment Tax Returns: Examinations and Appeal Rights
Pub 5295	Secure Messaging for Tax Exempt and Government Entities

Term	Definition
Case	A case is defined as the primary return (or other selected return) open for review for one year (or tax period) plus other returns, if any, involving interrelated interests and/or transactions that require concurrent review. Other returns include the taxpayer's returns subsequent, prior, and/or concurrent to the primary return (or other selected return) and returns for related taxpayers.
Case Chronology Record (CCR)	Covers Forms 5464 and 9984.

Term	Definition
Compliance Check	A compliance check is a review conducted by the IRS, to determine whether a taxpayer/organization/plan sponsor is adhering to the requirements under the Internal Revenue Code, including the recordkeeping and information reporting requirements. It is neither an inspection, under section 7605(b) of the Internal Revenue Code, nor an examination, under Section 530 of the Revenue Act of 1978. The compliance check is a tool to help educate taxpayers and to increase voluntary compliance. It should be noted that a compliance check is not an examination, it does not directly relate to determining a tax liability for any particular period
Conduit Borrower	The borrower of proceeds, that is, other than the Issuer. The conduit borrower typically is required to make payments to the Issuer in amounts and at times to permit the Issuer to make timely payments of debt service on the bonds. (See IRM 21.7.7.7.1.5, Business Tax Returns and Non-Master File Accounts, Exempt Organizations and Tax Exempt Bonds, TEB Terms and Definitions).
Examination	An Examination is a review of a return, and supporting books and records, to determine compliance. It requires you to: <ul style="list-style-type: none"> Fully consider classified (pre-selected) issues, and large, unusual or questionable (LUQ) issues and Address mandatory items. <p>Note: You may expand or contract the scope of any examination, with your manager's concurrence, as deemed appropriate or necessary.</p>
Examiner	An Examiner is an Internal Revenue Agent, Tax Compliance Officer, Federal State & Local Government Specialist, Indian Tribal Government Specialist, and Tax Examining Technician.

Term	Definition
Information Document Request (IDR)	An Information Document Request (IDR) is a written inquiry sent to taxpayers asking for documents and written answers to questions. This request is typically sent on Form 4564, Information Document Request. Examiners mail, fax, or hand the form to the recipient. Note: Before faxing a document to a taxpayer, make sure the authorized recipient is ready to receive the fax to prevent inadvertent disclosure.
Issuer	A state, local government, municipality, authority, political subdivision or any other entity that can legally issue bonds on behalf of a state or local government.
National Standard Time Frames	National Standard Time Frames are a set of time frames established to evaluate the quality of customer service provided during an examination. See IRM 4.2.8, Guidelines for SB/SE National Quality Review, IRM Exhibit 4.2.8-1, National Standard Time Frames for Case Action.
Primary Return	A Primary Return is the return under the jurisdiction of TE/GE that was originally assigned to the examiner.
Related Return	A Related Return is any other return under the jurisdiction of TE/GE picked up as a result of the primary return. Related returns need not be of the same tax year as the primary return.
Scope	Scope is the extent and boundaries of an examination. In the context of the IRS examinations, the scope of an examination incorporates the: <ul style="list-style-type: none"> • Objectives of the examination. • Issues identified in the pre-contact analysis and during the examination. • Nature and extent of examination procedures to be performed. • Tax periods to be examined. • Identification of activities which the examination will or will not cover.
Taxpayer	The definition of a Taxpayer for TE/GE is defined in IRM 25.1.9.3.1.

Term	Definition
Workpaper	<p>A Workpaper is a document created by examiners to document:</p> <ol style="list-style-type: none"> 1. All procedures completed to identify, develop and resolve the issues. 2. Any analysis, analytical review, or computations completed during the examination.

4.70.11.1.7
(08-26-2025)

Related Resources

- (1) Examiners should consult the Knowledge Management Virtual Library to ensure proper issue development and consistent application of the law.
- (2) To ensure that the IRM is always current, future revisions of the IRM will refer you to Document 11308, Information System Codes, for the correct codes to use in lieu of specifying an activity code, disposal code, source or status code. The IRM will specify the section of the document to reference and the type of activity, disposition, source and status code to look up.

Note: You can also get the current version of the documents at our *Business Systems Planning* page.

4.70.11.1.8
(11-22-2023)

Examination Process

- (1) TE/GE Examinations process provides an organizational approach for conducting professional examinations from the first contact with the taxpayer through the final stages of issue resolution and case closure.
- (2) TE/GE Examinations compliance program takes a strategic approach to effective tax administration.
- (3) Not all examinations are the same in scope, size, and complexity; therefore, portions of this guidance may be more applicable to some cases than others.
- (4) There are three phases to an examination:
 1. Planning Phase
 2. Execution Phase
 3. Resolution Phase
- (5) The planning phase of the examination process determines the scope of the examination.
 - a. Issues selected for examination should have the broadest impact on compliance regardless of the size and type of entity or organization.
 - b. Once the examiner and group manager determine the issues for examination, they will work to establish effective steps to complete the examination in a timely manner.
 - c. Examiners and their managers will determine, on a case-by-case basis, whether the examination is conducted at the taxpayer's place of business, the POA's office, or worked through correspondence.

Note: If the examination location is at a place other than the taxpayer's place of business, the group manager must sign or notate the Form 5464 (CCR) or email the examiner concurrence with the location.

- d. TE/GE processes and procedures for conducting an examination, along with an overview of taxpayer rights, will be explained to the taxpayer/ POA at the opening conference and documented on the CCR.
 - e. The examiner must obtain managerial concurrence upon development, and/or subsequent modification of the exam plan.
- (6) The execution phase of the examination involves reviewing records and developing issues.
- a. Stages of issue development include determining the facts, applying the law to those facts and understanding the various tax or compliance implications of the issue.
 - b. The parties will conduct interactive discussions, using the Information Document Request (IDR) process to develop the facts.
 - c. Every effort should be made to resolve any factual differences.
 - d. A preliminary examination report of proposed issues of noncompliance will be provided throughout this phase to present the government's legal position to the taxpayer. The taxpayer's response to these proposals will allow the examiner to gain an understanding of the entity or organization's position to facilitate issue resolution at the earliest appropriate point.
- Note:** A preliminary examination report could include an IDR, Form 5701 series, Form 886-A, etc. This list is not all inclusive.
- (7) The goal of the resolution phase is to reach agreement, if possible, on the tax or compliance treatment of each issue examined and if necessary, issue a Revenue Agent Report (RAR) or Closing Agreement to the taxpayer.
- a. Starting with the development of the issue and continuing through resolution, early and frequent discussions are crucial for a complete understanding of the respective merits of an issue.
 - b. During this phase, examiners should consider Alternative Dispute Resolutions such as Fast Track Settlement, where appropriate.

4.70.11.2
(11-22-2023)
**Examination Jurisdiction
/ Authority**

- (1) The IRS is authorized to examine any books, papers, records, or other data which may be relevant to verify that a return is correct (IRC 7602(a)(1)).
- (2) TE/GE examiners have the authority to assert income, employment, excise, and civil penalties when warranted.
- (3) Each business unit of TE/GE has a separate examination jurisdiction:

TE/GE Business Unit	Forms
EP	<ul style="list-style-type: none"> • Form 5500 series returns • Form 5330, Excise Tax Return • Form 990-T, Unrelated Business Income, as related to qualified plans • Non-Return Units (NRU) such as SIMPLE plans, SEP plans, SARSEP plans, IRC 457 plans and IRC 403(b) plans

TE/GE Business Unit	Forms
EO	<ul style="list-style-type: none"> • Form 990 series returns, Annual Exempt Organization Returns • Form 990-T, Unrelated Business Income, as related to exempt organizations • Form 1041, U.S. Fiduciary Income Tax Return (when filed by 4947(a)(1) and (a)(2) trusts) • Form 1041-A, U.S. Information Return-Trust Accumulation of Charitable Amounts (when filed by 4947(a)(2) Trusts) • Form 1065, U.S. Partnership Return of Income (when filed by section 501(d) religious and apostolic organizations) • Form 1120, U.S. Corporation Income Tax Return (when filed by a private foundation whose exemption has been revoked) • Form 1120-POL, U.S. Income Tax Return for Certain Political Organizations • Form 4720, Return of Certain Excise Taxes on Charities and Other Persons under Chapters 41 and 42 of the Internal Revenue Code • Form 5227, Split-Interest Trust Information Return • Employment Tax Returns Forms 940, 941, 943 and 944 (relating to the employment tax liability of organizations under the jurisdiction of EO, and also including Form CT-1 and Form CT-2) • Form 945, Annual Return of Withheld Federal Income Tax • Form 720, Quarterly Excise Tax Return • Form 730, Monthly Tax Return for Wagers • Form 11-C, Occupational Tax and Registration Return for Wagering
FSL/ET	Employment Tax Returns Forms; 940, 941, 943, 944, 945, 730, and 11-C
ITG	Employment Tax Returns Forms; 940, 941, 943, 944, 945, 730, and 11-C

TE/GE Business Unit	Forms
TEB	<ul style="list-style-type: none"> • Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues • Form 8038-G, Information Return for Tax-Exempt Governmental Obligations • Form 8038-GC, Information Return for Small Tax-Exempt • Form 8038-T, Arbitrage Rebate, Yield Reduction, and Penalty in Lieu of Arbitrage Rebate • Form 8038-R, Request for Recovery of Overpayment Under Arbitrage Rebate Provisions • Form 8038-B, Information Return for Build America Bonds and Recovery Zone Economic Development Bonds • Form 8038-TC, Information Return for Tax Credit Bonds and Specified Tax Credit Bonds • Form 8038-CP, Return for Credit Payments to Issuers of Qualified Bonds • Form 8328, Carryforward Election of Unused Private Activity Bond Volume Cap • Form 8703, Annual Certification of a Residential Rental Project

4.70.11.2.1
(08-26-2025)

Examiner Responsibility

- (1) In accordance with Policy Statement 4-117, Examination Authority to Resolve Issues, examiners, and managers:

- Have been given broad authority to consider and weigh conflicting information, data, and opinions.
- Use professional judgment in accordance with examining standards to make findings of fact and apply the IRS's position on issues of law to determine the correct tax liability.
- Exercise this authority to obtain the greatest possible number of agreements to tax determinations without sacrificing the quality or integrity of those determinations, and to dispose of tax differences at the lowest level.

Note: See IRM 1.2.1.5.34, Policy Statement 4-117, Examination Authority to Resolve Issues.

- The IRS employees must be familiar with and act according to the TBOR. Every employee must consider these rights in carrying out their duties. See IRC 7803(a)(3).
- The IRS employees working tax related matters must identify themselves (The Restructuring and Reform Act of 1998 (RRA 98) Section 3705(a)).
 - The IRS employees are required to give their name and unique identification number during taxpayer telephone, face-to-face, and written contact.

- b. The IRS employees must put a telephone number on all taxpayer correspondence. This gives taxpayers enough information to identify an employee who has previously assisted with a tax related matter.

Note: The IRS employees must provide this information to each individual they have contact with during an examination or other IRS work. See IRM 3.11.25.2.2, IRS Employee Contacts.

- (4) During an examination, examiners are responsible for:
 - a. Analyzing returns assigned for examination.
 - b. Identifying all potential issues disclosed on the return.
 - c. Setting the proper scope for the examination.
 - d. Asking appropriate questions during the initial taxpayer contact.
 - e. Preparing a clear, concise, and appropriate initial Form 4564, Information Document Request.
 - f. If applicable and appropriate, requesting appropriate taxpayer documents to be received and reviewed in advance of the site visitation.
 - g. Developing appropriate interview and internal control questions prior to the initial appointment.
 - h. Discussing examination progress and proposed issues with the taxpayer or representative at frequent intervals, at least every 45 calendar days. See IRM 4.70.11.6(1) IRM 4.70.13.7(4).

Note: For Declaratory Judgment Cases and cases requiring an Administrative Record, the examiners are responsible for:

- | |
|--|
| • Knowing which cases are subject to declaratory judgement actions. |
| • Determining if a case file would require an administrative record. |
| • Determining how to maintain the administrative record. |
| • Knowing what documents are included in an administrative record. |
| • Properly preparing an index for an administrative record. |

- (5) SB/SE is the program owner for employment tax issues and penalties. FSL/ET maintains responsibility for handling employment tax issues and penalties for government entities. ITG maintains responsibility for handling employment tax issues and penalties for any federal tax issues involving federally recognized Indian tribes. The Bureau of Indian Affairs (BIA) maintains a list of federally recognized tribes and a Tribal Leader's Directory on their website at *Tribal Leader's Directory*.
- (6) There is a moratorium on examining General Welfare issues. Anytime GWE is raised by the tribe, stop and discuss it with your manager. The Tribal General Welfare Exclusion Act of 2014, which enacted 139E, suspended all examinations of Indian tribal governments and tribal members to the extent the examination relates to a general welfare payment or benefit until IRS field staff and tribal financial officers receive further training. Currently, the suspension is in effect. Until the suspension is lifted, you should consult with your group manager and the National Office on all issues with general welfare implications. See *Guidance on Not Raising GWE Issues*.

- (7) The correct and timely reporting of employment taxes are the key to our voluntary compliance system as well as the cornerstone of the Social Security System. Studies show that the issuance of Forms W-2 greatly increases the likelihood that the income will be reported. Employment taxes include:
- Income Tax Withholding
 - Social Security and Medicare taxes under FICA
 - Unemployment Tax
- (8) Examiners are responsible for determining if penalties are applicable in cases such as, but not limited to:
- Form 941, Employer's Quarterly Federal Tax Return, employment tax examinations.
 - Form 945, Annual Return of Withheld Federal Income Tax, back-up withholding examinations.
 - Information Return Examinations.
- (9) IRC 6751 requires written supervisory approval for all penalties except penalties or additions to tax under IRC 6651, IRC 6654, IRC 6655, or IRC 6662(b)(9) or IRC 6662(b)(10); or penalties automatically calculated through electronic means.

4.70.11.2.2
(11-22-2023)
Systems Use

- (1) **IDRS** is the acronym for Integrated Data Retrieval System, a major application of databases and operating programs that support the IRS employees working active tax cases. This system allows the IRS employees to research taxpayer account issues, track status and post transaction updates to the Master Files (MF). IDRS updates are done in both a batch process and through online interactive real-time programs Command Codes.
- (2) **AIMS** is the acronym for the Examination Information Management System, which provides inventory and activity controls of active examination cases. AIMS links to IDRS to input status changes, adjustments, and case closing actions. Compliance checks are not tracked on AIMS.
- (3) **WebETS** is the acronym for the Web-based Employee Technical Time System. WebETS provides TE/GE employees a web-based application to:
- a. Track cases.
 - b. Maintain inventory.
 - c. Report time as it is applied.

Note: To access WebETS, visit *WebETS*.

4.70.11.2.2.1
(11-22-2023)
RCCMS

- (1) **RCCMS** is the acronym for the Reporting Compliance Case Management System. This system is used for electronic transmission of administrative files between the various examination functions (for example, classification to the examination group to the closing unit and then to special review) as well as the generation of workpapers. An RCCMS electronic case file must include all workpapers and pertinent source documents used to decide whether there are any issues or changes to discuss or resolve prior to closing the case. RCCMS is the inventory control and case management system for TE/GE examination functions.
- Is used to create, control, and assign compliance activities.

- Stores documentation and research supporting case conclusions and automatically backs up all stored data files when synchronized with the central database server.
- Is used to create appropriate ad-hoc or pre-formatted accomplishments reports. Management uses these reports to evaluate in-process and completed activities.

Note: RCCMS is an electronic record keeping system which is compliant with NARA requirements.

- (2) Examiners are required to use RCCMS when processing their examination/ compliance cases. RCCMS is:

- a. The “official” case file documenting the completed activity and will serve as the TE/GE official data source.

Note: A case file is any compliance activity record controlled in RCCMS including return and non-return units. (for example, examinations, compliance checks, claims, referrals, compliance reviews).

- b. Has data that supports case conclusions.
c. Supports the current examination process via electronic components that replace manual processes.
d. Automatically backs up all stored data files when the user synchronizes with the central database server.
e. Creates, controls and assigns compliance activities.

- (3) RCCMS, examiners:

- a. Control the case’s electronic copy(ies) of returns, required forms and related research.
b. Concurrently prepare, develop and store workpapers.
c. Are required to use the Microsoft Office software, Adobe pdf files, and the RCCMS repository forms, letters and templates.

- (4) Reviewers review cases, close them electronically, and measure case quality through the TEQMS and update the TEQMS Survey.

- (5) TE/GE Closing Group employees receive and review cases and related files electronically, and process case closings per the case’s closing documents.

- (6) To ensure data is accurate and current, all users must:

- a. Post workpapers and taxpayer provided documents in electronic format in RCCMS within seven (7) workdays of creation/receipt.
b. Complete workpaper updates within RCCMS during the examination.

- (7) Convert paper documents deemed relevant for the compliance activities to an electronic format using current technology as soon as possible, but no later than seven (7) workdays after receipt.

- a. Once converted, store the documents in the RCCMS Electronic Case File.
b. Once you scan the paper documents and add them to the RCCMS Electronic Case File, properly destroy the originals. This includes taxpayer and the IRS signed documents.

Note: Before destroying any originals, confirm that you uploaded the electronic document into RCCMS, validated for completeness, and synchronized to the central server successfully. Securely dispose of the paper documents in designated shred bins (see IRM 10.5.1, Privacy and Information Protection, Privacy Policy, 36 CFR 1236.30 - 1236.36).

- c. Emails exchanged to/from the taxpayer and from other sources (e.g., Manager or Counsel) are saved to RCCMS in PDF format. See IRM 4.70.11.8.4.
 - d. Note this action in the CCR.
- (8) Synchronize (sync) to the central database once per workday. The following are examples of actions that require a synch to complete the action:
- Actions related to processing AIMS and/or RCCMS updates
 - Requests to update, transfer, or close cases
 - Receipts of assignment of new cases
 - Updates/back-ups of case related documents that have been added or changed since the last synch
- Note:** If you cannot connect to the network, synchronize on the next workday that you connect to the network. You must select the automatic sync setting that allows RCCMS to schedule a sync every two (2) hours while connected to the network.
- Note:** There may be circumstances that require an employee to be given more time to: a) upload, b) convert paper documents to electronic format or c) sync records.
- Note:** Requests for additional time should be coordinated with the employee's manager and noted on the CCR.
- (9) The RCCMS Issue Code data grid must be used throughout the examination process. The data grid is updated contemporaneously as issues are identified, updated, resolved, or not pursued throughout the examination.
- a. The RCCMS Issue Data Grid is a functionality in RCCMS that tracks the development of examination cases from selection through the entire examination process. This is required for all examinations.
 - b. Proper workflow associated with this functionality ensures a consistent level of managerial engagement in the process of making key strategic decisions during examinations. Those decisions include, but are not limited to, establishment and/or revision of the exam plan including modifications to the examination scope. Submit requests for approval by your manager through RCCMS. These messages go directly to the manager's inbox in RCCMS for approval or rejection. Managers must monitor this inbox to ensure appropriate and timely action on these messages.
- (10) Use of the Issue Code Data Grid will:
- a. Provide a consistent form of measurement of the impact of each technical issue relation to the overall results of the exam.
 - b. Enhance the evaluation of the productivity of workload selection methodologies (i.e. compliance strategies, compliance query sets, referrals, claims, etc.).

- c. Support systemic identification of potential emerging issues.
 - d. Systemically automate the exam plan approval process.
 - e. Provide meaningful real-time feedback pertaining to issue identification in current workload.
- (11) “RCCMS Office/Case File Documents” folders are part of the electronic case file and must include:
- a. All documents making up workpapers for the specific case that were either obtained or created.
 - b. Any other required forms or documents prepared for a specific case including special handling or closing documents.
 - c. Taxpayer supplied exhibits and source documents only to the extent they are relevant and needed to support the examination steps and conclusions.
 - d. All correspondence with the taxpayer/representative.
- (12) Electronic records that exceeds the current RCCMS file size limitations may be stored in a separate portable storage device e.g. flash drives, and disks. Records stored outside of RCCMS are subject to the retention standard imposed by IRM 1.15.6.6, Creation, Use, and Maintenance of Unstructured Electronic Data, IRM 1.15.6.9, Security of Electronic Records, and IRM 1.15.6.10, Disposition of Electronic Records.
- Note:** Ensure to notate the CCR if any records are stored outside of RCCMS and any related passwords.
- (13) There are certain circumstances that require the use of paper documents:
- a. Store any workpaper document that exceeds the current RCCMS file size limitations in a separate portable storage device e.g., flash drives, disks, etc.
 - b. For cases with paper documents and/or electronic media storage devices, that have not been uploaded to RCCMS, prepare and include a Form 3210, Document Transmittal, with these documents when mailing them for review and or further processing. When your manager- forwards the cases via RCCMS to Mandatory Review, Appeals, or the closing unit, mail the documents that day.
 - c. Keep paper files for cases requiring higher privacy or disclosure handling (that is, whistleblower or grand jury cases).

4.70.11.2.3
(11-22-2023)
Safeguarding Sensitive But Unclassified (SBU), Personally Indefinable Information (PII) and Other Sensitive Information

- (1) The IRS employees are required to ensure that sensitive information is protected from unauthorized disclosure and access. This includes returns and return information but also includes other non-tax information, documents, records and processes.
- (2) For information on protecting and safeguarding Sensitive But Unclassified (SBU), Personally Identifiable Information (PII) and Other Sensitive Information, refer to the *Think Data Protection* website, IRM 10.5.1, Privacy and Information Protection, Privacy Policy, and IRM 10.5.8, Safeguarding Sensitive But Unclassified (SBU), Personally Identifiable Information (PII) and Other Sensitive Information.

4.70.11.2.3.1
(11-22-2023)

**Shipping Personally
Identifiable Information
(PII)**

- (1) The IRS personnel must safeguard Personally Identifiable Information (PII) and follow proper data protection procedures when shipping PII, see IRM 10.5.1, Privacy Policy, and IRM 10.5.1.6.9.3, Shipping.
- (2) For additional procedures on the requirements for shipping PII, see Document 13056, Shipping Procedures for Personally Identifiable Information (PII).

4.70.11.2.4
(11-22-2023)

**Case Chronology
Record (CCR) and
Examining Officer's
Activity Record (EOAR)**

- (1) An official chronology should be included in every case file to record actions taken on the case, contacts made, follow-up dates and time expended. The form is a historical record. Update the chronology at the same time you take actions.
 - a. For EO/EP/TEB cases, use Form 5464 Case Chronology Record (CCR).
 - b. For FSL/ET/ITG cases, use Form 9984 Examining Officer's Activity Record (EOAR), henceforth referred to as "CCR".
- (2) The RCCMS embedded chronology:
 - a. Is optional to use.
 - b. Allows you to create new chronology records for each activity, review existing activity records, establish follow-up dates, and print the record.
 - c. Captures system activities, such as case establishment, transfers, status updates, and so forth.
 - d. Provides easy access for managers, reviewers, and other users with access to the RCCMS case file to document their activities involving the case.
 - e. Allows for Manager documentation of their review and approval of case closures with certain survey disposal codes and will include any applicable Special Handling instructions as required.
 - f. To add a manual chronology entry, click on the Chronology tab and select the new Chronology button. The Untitled – Chronology Box opens and allows you to input various entries. Complete the required red asterisk fields. Click "Save" and "Close" to save your entry.
- (3) Include on the chronology, at a minimum, the following entries:
 - a. Date the examiner receives the case.
 - b. Date the case is updated to status 12.
 - c. Work you performed before, during, and after taxpayer/ representative contact.
 - d. Date the initial contact letter is mailed.
 - e. Appointments scheduled including the date, place, time, and contact.
 - f. Date and summary of contacts with taxpayers, representatives, and third parties, whether in person or by phone.
 - g. Date of receipt and processing of Form 2848, Power of Attorney and Declaration of Representative, Form 8821, Tax Information Authorization, or Form 56, Notice Concerning Fiduciary Relationship.
 - h. Date you toured the organization's site, if applicable.
 - i. Dates you sent or received correspondence to/from the taxpayer and/or representative and with follow-up date(s).
 - j. Date you issued and received Form 872, Consent to Extend the Time to Assess Tax or Form 872-H, Consent to Extend the Time to Assess Tax on a Trust (if applicable).
 - k. Dates you issued and followed up on subsequent IDRs.
 - l. Deadlines, response dates, and follow-up actions.

- m. Any actions taken with respect to validating or protecting the statute of limitations.
 - n. Delays or lack of cooperation by the taxpayer and/or representative.
 - o. Explanations for delays of significant action on the case by the examiner.
 - p. Explanations of any delays in completing the examination resulting from both actions by the IRS (training, details, etc.), and/or the taxpayer/representative.
 - q. The date you issued the report and the date you received the signed report. Note the date that Pub 3498, The Examination Process, or Pub 5146, Employment Tax Returns Examination & Appeal Rights, was issued (if required) to close the case.
- (4) Include in the chronology, at a minimum, the following entries for *management involved*:
- 1. Description of GM involvement, including concurrence of the exam plan, and informal discussions about case development and quality.
 - 2. Dates of formal, in-process case reviews, on-the-job-visitations, and workload reviews. The GM should notate the chronology at the time of involvement.
- Note:** As cases are electronic in RCCMS, email your chronology to your manager for comments, or note in the chronology places for the manager to record approval.
- 3. Date you closed the case to GM.
 - 4. Date GM approved the case for closing.
- (5) Since it is part of the examination trail, the chronology may be disclosed to the taxpayer under the Freedom of Information Act. Ensure entries are professional, accurate, and concise. Omit personal opinions. If an entry is lengthy (for example, a long phone call), place this information on a separate workpaper indexed to the chronology.
- (6) A clear, concise chronology is particularly important in sensitive or high-profile cases, and when the case involves uncooperative taxpayers or representatives (or issuers in TEB cases), or will be the subject of litigation.
- (7) It is **critical** to properly document all delays in cases, the chronology may be used in an interest abatement case. See IRC 6404(e) (providing for the abatement of interest when any assessment of interest on a deficiency is attributable in whole or in part to an unreasonable error or delay on the IRS's part in performing a ministerial or managerial act).

4.70.11.2.5
(11-22-2023)

Related Resources

- (1) The following are related resources that provide additional guidance on procedures related to TE/GE Examinations:
- a. IRM 1.25.1, Practice Before the IRS, Rules Governing Practice Before the IRS.
 - b. IRM 4.5, TE/GE AIMS Manual.
 - c. IRM 4.10.3, Examination of Returns, Examination Techniques.
 - d. IRM 4.23, Employment Taxes.
 - e. IRM 5.1.12.3, Taxpayer Recording of Interviews.
 - f. IRM 10.5, Privacy and Information Protection.
 - g. IRM 11.3, Disclosure of Official Information.
 - h. IRM 20.1, Penalty Handbook.

- i. IRM 20.2, Interest.
 - j. IRM 21.3.7, Processing Third-Party Authorizations onto the Centralized Authorization File (CAF).
 - k. IRM 25.1, Fraud Handbook.
 - l. IRM 25.5, Summons.
 - m. IRM 25.6.23, Statute of Limitations, Examination Process-Assessment Statute of Limitations Controls.
 - n. IRM 25.27.1, Third-Party Contacts.
 - o. Document 11308 , Information Systems Codes ().
- (2) Examination Knowledge base on the *IRS Virtual Library*.
 - (3) TEQMS on TE/GE Connect *TEQMS*, TE/GE TEQMS User Guide is available on the TEQMS website.
 - (4) TEB: If the issuer or conduit borrower is an Indian tribal government, notify the Indian Tribal Governments function within the Government Entities division of TE/GE:EO/GE before you contact the tribal government to ensure compliance with all government-to-government relationship protocols.
 - (5) TEB: If the issuer is a territory or possession of the United States of America or the case otherwise impacts international tax administration:
 - a. Follow the International Operating Procedures for TE/GE Employees. See IRM 4.46.4, LB&I Examination Process, Executing the Examination, and IRM 4.60.1, International Procedures, Exchange of Information.
 - b. Inform the TEB Technical manager of the issuer subject to the examination.
- Note:** The TEB Technical manager will inform the U.S. Territory office (via the TEB Point of Contact) of the opening of the examination.
- (6) TEB: If the borrower is a church, notify the FAC for Exempt Organizations' Examinations before you make contact to ensure compliance with protocols involving churches.

4.70.11.2.6
(11-22-2023)
**Indian Tribal Governments
Consultation Policy and
Protocol Requirements**

- (1) The IRS is governed by consultation policies that may be adopted by the Department of the Treasury. Indian Tribal Governments (ITG) continues this dialogue to ensure we constantly evolve to reflect tribal, the IRS, and stakeholder needs.
- (2) The Treasury Department has a consultation process to dialogue with Indian tribes on a government-to-government basis. This allows better understanding and response to their needs on Treasury regulations, legislative comments, proposed legislation, and policy statements that have Tribal implications, impacts Tribal economy, or preempt Tribal law. The Office of Economic Policy and led by the Assistant Secretary for Economic Policy is responsible for coordinating consultation between the Indian tribes and Treasury Department bureaus and offices.
- (3) A government-to-government relationship is a bilateral recognition of the respective parties' sovereignty. The IRS must interact in a way that respects the tribe's position as a sovereign entity. Follow these guidelines when working with tribal governments:

- Understand each tribe's unique political structure, including the appropriate titles for addressing tribal leaders.
 - Be mindful of tribal preferences in all communication.
 - Be sensitive to cultural considerations.
 - Ensure that appropriate tribal officials are present at initial and necessary follow-up meetings.
 - Negotiate and understand agreed-upon procedures for conducting interactions with tribal governments.
- (4) ITG specialists trained in tribal protocols are the primary IRS point of contact for all interactions with federally recognized Indian tribes and are responsible for:
1. Most IRS compliance activities with tribes.
 2. Ensuring the IRS complies with relevant Presidential Executive Orders that outline the required relationships and protocols in working with tribes.
- (5) ITG specialists are specially trained in the unique areas of tax law and protocols applicable to Indian tribes.
- (6) To alleviate potential problems and ensure that the IRS complies with existing legal requirements, **all IRS employees must contact the Office of Indian Tribal Governments using the Specialist Referral System (SRS) before initially contacting any Indian tribal government or entity. Sometimes, a tribe may request that all IRS employees get the tribe's approval before entering tribal lands when conducting IRS business.**

Caution: The Examiner should secure the Tribe's specific protocol and/or policies from ITG on how to interact with and contact the tribal intergovernmental agency and its entities to conduct an examination. Note this in the CCR and add a copy of the protocol to the RCCMS file.

4.70.11.3
(11-22-2023)
Case Suspense

- (1) Sometimes it is necessary for a case to be placed in a suspense status to remove it from cycle time. Generally, cases are placed in suspense when a significant delay is expected due to actions over which TE/GE has no control. These instances include:
- a. Requests for Technical Advice Memorandum (TAM) - Refer to IRM 4.70.16, TE/GE Technical Assistance, Technical Advice Requests and Requests for 7805(b) Relief.
 - b. Cases pending a court decision or business unit guidance (1254 issue suspense) – Refer to IRM 4.2.1.5, 1254 Suspense.
 - c. Awaiting other formal or informal technical guidance with expected significant delay.
 - d. The examination is affected by a federally declared disaster – Refer to IRM 4.70.11.3.1, Case Suspense for Federally Declared Disaster, or Terrorist or Military Action.
 - e. Cases meeting fraud suspense requirements – Refer to IRM 25.1.9.5.6, Fraud Suspense.
 - f. Taxpayer needs significant time to respond and it is in the IRS's best interest to provide that time.
 - g. Examination delays due to awaiting the results of concurrent examinations or referrals to other examination functions or government entities such as:

- Department of Labor/ Employee Benefit Systems Administration (EP)
- Pension Benefit Guarantee Corporation (EP)
- Social Security Administration (ET)

- (2) Before placing any case in suspense, examiners must notify the group manager via email. Describe the circumstances requiring the exam be suspended and any open items remaining in the case. Document this discussion in your CCR.
- (3) When the group manager concurs with an examiner's request to place the case in suspense, the examiner's request as well as any manager-initiated requests will be submitted to the Program Managers for approval. Upon approval, the group manager will notify the examiner to suspend examination activity on the case.

Note: Include in the written request a listing of all related returns to be suspended, the reason the examination is being delayed and an estimated closure date.

- (4) Prior to suspending the case, the group has responsibility for ensuring the statute of limitations is protected for at least one year. Refer to IRM 4.70.12.3.8, Statute of Limitations.
- (5) The case should remain in Status Code 12 until no further issue development can be completed.
- (6) Once no further issue development occurs, the status should be updated to the appropriate suspense Status Code in RCCMS and AIMS. While Status Code 38 is the most frequently used in TE/GE, suspense Status Codes include:

Status Code	Description
30	Suspense, Form 1254 - Indicates that a compliance activity has been placed in a suspense status and that Form 1254 (Examination Suspense Report) has been placed in the case file.
32	Suspense, Fraud Administrative - Indicates that a compliance activity has been placed in a fraud suspense status after CI has forwarded its investigation to Department of Justice (DOJ) for prosecution.
34	Suspense, TEFRA-PCS - Indicates that a compliance activity has been placed in a suspense status awaiting the closing or establishment of a TEFRA-PCS case.
36	Suspense, Fraud Grand Jury - Indicates that a compliance activity has been placed in a fraud suspense status during an active grand jury investigation.

Status Code	Description
38	Suspense, All Other - Indicates that a compliance activity has been placed in a suspense status for a reason not defined by another suspense status code. A case should not be placed in suspense until further issue development has been exhausted. (Most frequently used in TE/GE).

- (7) Notify the Taxpayer of the delay in the examination using Letter 1014-A, Taxpayer Notification of Examination Delay. The examiner and manager will continue to monitor all inventory controls to protect the government's interest and interface with the taxpayer as needed to communicate case status and secure statute extensions. Examiners should review and choose that appropriate selectable paragraph as applicable to the facts and circumstances of their assigned case.
- (8) When the matter is resolved, update the case via RCCMS and AIMS to reflect that the exam is no longer in suspense (in other words, status code "12" to continue exam activity).
- (9) Prior to closing cases that were previously suspended, make a notation indicating the case was previously in suspense. When submitting the case in RCCMS to the group manager for closing, provide comments in the RCCMS dialogue box and on RCCMS 3198-A Checksheet indicating the case was previously in suspense (status 38). This alerts the Closing Function Tax Examiner to change the case to status 55, Closing Unit: Cases Previously Held in Suspense or Returned from Appeals.
- (10) If the case is closed "agreed", the TE/GE Closing Unit Group will update the case from status 51, **Closing Unit: Unassigned**, to status 55 first and then to status 90, Closed, when it closes.

Note: The closing unit puts the case in status code 55 immediately before placing the case in status 90. This tells AIMS that the return must not be counted against the official table upon which cycle time is measured.

4.70.11.3.1 (11-22-2023)

Case Suspense for Federally Declared Disaster, Significant Fire, or Terrorist or Military Action

- (1) When the IRS issues a Declaration Notice under IRM 25.16.1.5.3, Internal and External Notification Process, a freeze code is placed on all IMF and BMF accounts with addresses in the area affected by the federally declared disaster (the "covered disaster area") designated by FEMA as qualifying for "individual assistance" for the period specified in the Declaration Notice (the "postponement period").

Note: The IRS Disaster Memo & Declarations by Calendar Year for all Federal disaster events can be found on the intranet at *IRS Disaster Assistance Program*.

- (2) An affected taxpayer under IRM 25.16.1.3, Identification of Covered Disaster Area, Postponement Period, and Affected Taxpayers, may contact the IRS to self-identify as eligible for relief under a Declaration Notice.
 - a. For these cases, contact the FAST Unit (**TEGE FAST*) to have the – S freeze code, under IRM 25.16.1.7.1, -S Freeze, or the – O freeze code, under IRM 25.16.1.7.2, -O Freeze, entered on the taxpayer's account.

Note: IRM 25.16.1.4, Tribal Nation Authority Under the Sandy Recovery Improvement Act, explains legislation authorizing federally recognized Indian tribal governments the option to make their own request, independently of a state, for a federal emergency or major disaster declaration, or to seek assistance under a declaration for a state. ITG Specialists and group managers are the points of contact for a tribal government that has had a natural disaster. The Specialist coordinates efforts with the Disaster Assistance Program Office, IRM 25.16.1, Program Guidelines.

Note: For TEB, confirm that the issuer and, if applicable, the conduit borrower of tax-advantaged bonds subject to an exam, is not located within a Federally Declared Disaster Area within the designated postponement period of up to one-year per IRC 7508A. If the issuer or conduit borrower is located within a Federally Declared Disaster Area, suspend the examination in accordance with the rules and procedures in IRM 4.2.2, Disaster Assistance Relief, IRM 25.16.1, Program Guidelines, and IRM 25.16.9, Federally Declared Disaster, or Terrorist or Military Action Procedures for TE/GE.

- (3) Use Letter 6017, Taxpayer Contact after Disaster - TE/GE, from the IRS, for cases in status 12, when communicating with affected taxpayers. Be considerate and sensitive to personal circumstances such as stress and fatigue even if the taxpayer didn't experience any personal, monetary, or physical damage from the declared disaster.
- (4) Include Notice 1462, Important! You Have More Time to File and Pay Your Taxes Due to a Disaster, in any subsequent correspondence (such as IDRs cancelling an appointment, postponing an IDR deadline, or requesting additional information when the taxpayer opts out of the postponement period) that you send to the taxpayer/POA during the postponement period.

Exception: You don't need to include Notice 1462 when you send Letter 6017 because it contains the same information.

- (5) Cases not subject to suspension of examination activities:

- Cases involving jeopardy assessments
- Cases in AIMS status 18, Acceptance by Criminal Investigation
- Grand Jury Cases
- Cases other than those listed here but where the functional Director has determined an exigency exists

Note: An exigent circumstance is one involving the government's loss of opportunity to collect taxes due, such as the expiration of the statute of limitations, assets being placed beyond the reach of the government, etc. An indication that the taxpayer may file for bankruptcy is generally not an exigent circumstance. Managers and employees must consider all relevant factors including the amount of the liability, the time remaining on a statute of limitations, the taxpayer's individual circumstances and other relevant matters to determine that an exigent circumstance exists. If an exigent circumstance exists regarding an affected taxpayer during the postponement period, compliance activity may be pursued with documented managerial approval. If approval is granted, the -O freeze code will be replaced with a -S freeze code and the appropriate enforcement action taken.

- (6) If you have been assigned a case that has an -O freeze, and you have not contacted the taxpayer, do not make contact. Place the case in status 38 suspense, cease all activity until the first business day after the close of the postponement period and document the CCR.

- a. Place the case in status 38 suspense.
- b. Cease all activity until the first business day after the close of the postponement period and document the CCR.

Note: Refer to IRM 4.2.2.9, Status 10 Inventory, for additional guidance.

- (7) Cases in development:

- a. If you already sent an initial contact letter, send Letter 6017 to notify the taxpayer that you're suspending the examination and postponing any scheduled appointment(s) until after the end of the postponement period. You don't have to return documents you received from the taxpayer. Provide the taxpayer the option to continue with the examination. If the taxpayer chooses to continue with the examination, document your conversation or the taxpayer's correspondence in the CCR and email the FAST Unit (*TEGE FAST) and ask them to replace the -O freeze code with a -S freeze code. See IRM 4.2.2.8.1 for additional guidance regarding soft contact procedures.
- b. If you have all the necessary information to work the case and you don't need to contact the taxpayer, continue working the case (in status 12). If the result is favorable to the taxpayer, close the case under normal processing procedures.

Note: For cases that can't be closed with a -O Freeze code in effect, contact the FAST Unit (*TEGE FAST) to remove the -O freeze code, so the case can be closed. The FAST Unit will put the -O freeze code back on the module after the case is closed. If you have an appointment scheduled, cancel it, subject to (iv) and (v) below.

- c. If you have an appointment scheduled, cancel it, subject to (d) and (e) below.
- d. If you have an IDR outstanding, postpone the due date to the end of the postponement period, subject to (e) below.
- e. If you **don't** have all the necessary information to work the case and you **previously** spoke with the taxpayer, call the taxpayer/POA to inform them that we'll postpone the examination unless they choose to continue with the examination. Discuss the contents of Letter 6017 and document your CCR to fully explain your conversation and whether the taxpayer wants relief or chooses to bypass the postponement period and continue the examination.
- f. If you **don't** have all the necessary information and you can't reach the taxpayer by phone, or you **never** spoke with the taxpayer, send the taxpayer/POA Letter 6017.
- g. If the taxpayer opts out of the postponement period after receiving Letter 6017, document in the CCR the taxpayer's oral or written request to bypass the postponement period and continue the examination.
- h. If you can't continue to work on the case due to the Declaration Notice, place the case in status 38 suspense, cease all activity until the first business day after the close of the postponement period and document the CCR.

Note: During the postponement period you may do electronic research (for example, Westlaw, IDRS, Accurant) and prepare an action plan for the necessary case actions you'll take when you resume examination activities, but you can't require the taxpayer to provide documentation or to take action unless the statute of limitations will expire during the postponement period and only if you get the area manager's approval.

- i. If you issued a summons before the postponement period and the period for the taxpayer to quash expired before the beginning of the postponement period, you may proceed with summons enforcement if the bank or third-party record-keeper doesn't reply. Consult Division Counsel about enforcement of the summons. No other summons may be issued or enforced during the postponement period.
- (8) Cases in 30-day processing (preliminary notice of deficiency, revocation or non-qualification) offering opportunity to appeal:
- If a 30-day letter was issued prior to the postponement period, notify the taxpayer by telephone or mail (enclose Notice 1462) that a response to the 30-day letter will be timely if received at the end of the postponement period.
 - If a taxpayer provided a valid protest to Appeals before the postponement period, contact the taxpayer to confirm that the taxpayer is still prepared to continue with Appeals. If yes, update the Case Chronology and contact the FAST Unit to change the -O freeze code to a -S freeze code. Forward the case to the Closing Unit.
- (9) If Mandatory Review issued a 90-day letter before the postponement period, and the 90-day period will end within the postponement period:
- The 90-day letter is not retracted and the period in which to respond is not suspended. The 90-day period established by the 90-day letter starts and ends as described in the letter (as if no disaster).
 - Due to the federally declared disaster, the Taxpayer can, but is not required to respond to the 90-day letter any time during the postponement period. However, the Taxpayer must act on or before the last day of the postponement period for the response to be timely.
 - If the Taxpayer reaches out to TE/GE during the postponement period, TE/GE can respond; however, it may be prudent to consult with Division Counsel, especially if TE/GE's response could be construed as adverse to the Taxpayer. See IRM 4.2.2.11.4, Technical Services – Correspondence Received During Postponement Period.
 - If the Taxpayer protests the 90-day letter (that is, the Taxpayer files a petition to Tax Court, during the postponement period) TE/GE should promptly take all actions necessary to transfer the case to Division Counsel. See IRM 4.8.9.25.4, Processing Petitioned Cases.
 - If the Taxpayer does not respond, in any matter, to the 90-day letter before the end of the last day of the postponement period, TE/GE can resume case activities on the first business day after the end of the postponement period. See IRM 4.2.2.11.2.3, Technical Services – Statutory Notices of Deficiency Defaulted During Postponement Period.
- (10) If Mandatory Review issued a 90-day letter before the postponement period, and the 90-day period ended before the postponement period, the defaulted notice of deficiency can be assessed. However, you must contact the FAST

Unit to re-input the disaster-related freezes with the original suspension start and end dates to delay collection actions.

4.70.11.3.2
(11-22-2023)
**Mandatory Suspension
of Activities**

- (1) You must suspend the following activities during the postponement period:
1. Contacting the taxpayer to schedule **initial appointments** when the taxpayer has been granted a suspension of examination activities and IDRS shows a –O freeze code.
 2. Making assessments **except** when the taxpayer agreed to the assessment before, or after, the start of the postponement period.
 3. Inspecting books and records and conducting examination-related activities with the taxpayer unless the taxpayer gives you permission to continue with the examination.
- Note:** You may continue work that doesn't require taxpayer contact, such as reviewing records obtained before the postponement period or doing electronic research, tax law or other necessary research.
4. Issuing any summons to the taxpayer or third-party record-keeper.
 5. Requiring the taxpayer to comply with a previously issued summons, except if the activity falls under IRM 4.70.11.3.1, Case Suspense for Federally Declared Disaster, or Terrorist or Military Action.
 6. Initiating third-party contacts.
 7. Issuing an examination report, except when the taxpayer agreed to the assessment before, or after the start of the postponement period.
 8. Entering into a Fast-track settlement.
 9. Issuing a 30-day letter (preliminary notice of deficiency, revocation or non-qualification offering opportunity to appeal).

4.70.11.3.3
(11-22-2023)
**Statutes of Limitations
Expiring During the
Postponement Period**

- (1) Secure approval from your Area or Program Managers to solicit a consent to extend the statute. If you solicit a statute extension, follow the procedures in IRM 4.70.12.3.7, Statute of Limitations and Statute Control Procedures.
- (2) If your Area or Program Managers approves a statute extension during the postponement period, document the CCR accordingly.
- (3) If you can't contact the taxpayer or the taxpayer refuses to extend the statute of limitations, close the case to Mandatory Review or the Closing Unit following the procedures in IRM 4.70.14.3.4, Unagreed Resolution.

Note: The exam group manager must contact the Mandatory Review manager to discuss the case and get mailing instructions.

4.70.11.4
(11-22-2023)
Taxpayer Rights

- (1) The TBOR lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, see *Taxpayer Bill of Rights*.
- (2) For additional detail refer to IRM 4.10.1.2, Taxpayer Rights.

4.70.11.5

(11-22-2023)

**Confidentiality Privilege
Relating to Taxpayer
Communications**

- (1) IRC 7525 extends the attorney–client privilege in noncriminal cases to communications between taxpayers and other federally authorized tax practitioners with respect to tax advice. Before this provision, there was no equivalent confidentiality privilege for communications between taxpayers and other federally authorized tax practitioners.
- (2) The statute applies to any noncriminal tax matter before the IRS or any non-criminal tax proceeding in a federal court. IRC 7525 does not apply to written communications between a federally authorized tax practitioner and certain representatives of an entity in connection with the promotion of direct or indirect participation in a tax shelter. This privilege is not automatic, but it must be asserted by the taxpayer. The privilege may be asserted orally or in writing.
- (3) This provision is effective for privileged communications made on or after the date of enactment of RRA 3411. This means that certain communications (oral or written) between federally authorized tax practitioners and taxpayers made on or after July 22, 1998, may now be privileged communications within the meaning of the statute and may be withheld from the IRS.

4.70.11.5.1

(11-22-2023)

**Federally Authorized
Practitioners**

- (1) Federally authorized practitioners are individuals authorized to practice under 31 U.S.C. 330. Generally, this means attorneys, CPAs, enrolled examiners, enrolled actuaries and enrolled retirement plan examiners as set forth in Circular 230.
- (2) Refer to TEGEDC questions as to whether the taxpayer confidentiality privilege applies to communications made to other individuals.

4.70.11.5.2

(11-22-2023)

Privileged Tax Advice

- (1) The term “tax advice” means advice given by an individual with respect to a matter which is within the scope of the individual’s authority to practice before the IRS per IRC 7525(a)(3). Information disclosed for the purpose of preparing a tax return would not be privileged. This provision was not intended to provide tax practitioners a greater privilege than currently exists between attorneys and their clients.
- (2) The American Jobs Creation Act of 2004 amended IRC 7525(b) by stating that the federally authorized tax practitioner privilege doesn’t apply to any written communication in connection with the promotion of the direct or indirect participation of the person in any tax shelter between a federally authorized tax practitioner and any person, director, officer, employee, agent, or representative of the person.
- (3) In general, communications from a taxpayer to an attorney made in confidence while obtaining legal advice are privileged. The attorney can’t be compelled to disclose that information to the IRS. The privilege is a provision of common law upheld by the courts.
- (4) If the taxpayer creates records to facilitate the exchange of privileged communications with a federally authorized tax practitioner, those records are privileged.
- (5) If a taxpayer turns over pre-existing records to a federally authorized tax practitioner, the IRS can obtain those records by summons, unless the records were otherwise privileged from production while in the taxpayer’s possession.

- (6) A federally authorized tax practitioner's client in an examination may be any officer or employee of the taxpayer. You can obtain underlying factual information from the employees whether they've communicated this same information to the taxpayer's federally authorized tax practitioner.
- (7) The taxpayer confidentiality privilege is not all-inclusive and does not protect everything a federally authorized tax practitioner may do for a client. The privilege is limited to communications the client made in confidence to obtain legal advice from an attorney, or to obtain tax advice from a non-attorney federally authorized tax practitioner.
- (8) The following items are also **not** covered by the taxpayer confidentiality privilege:
 - Ministerial or clerical services
 - Records of financial transactions involving monies paid by or on behalf of a client to a federally authorized tax practitioner
 - Records of transactions where the federally authorized tax practitioner acts as the client's business advisor, or examiner for the receipt or disbursement of money or property to or from third parties
 - The identity of a client or the fact that a given individual has become a client, absent special circumstances
- (9) The preparation of a tax return is primarily an accounting service. The taxpayer confidentiality privilege does not cover:
 - Work papers produced while preparing the returns or the tax records used.
 - Communications between the client and the federally authorized tax practitioner about the return being prepared.

4.70.11.5.3
(11-22-2023)
Asserting Privilege

- (1) An officer, director, trustee, or representative may attempt to hinder or halt an examination by various methods, including:
 - a. Invoking the Fifth Amendment privilege against self-incrimination
 - b. Asserting a taxpayer confidentiality privilege
 - c. Claiming documents are covered by the work product doctrine
 - d. Asserting a federal tax practitioner-client privilege under IRC 7525
 - (2) The person can assert these privileges orally or in writing.
- Note:** A person may forfeit a privilege by expressly waiving or failing to assert it.
- (3) A person can't successfully refuse to testify or provide information solely based on the facts that he/she stands in a confidential relationship with another person. The burden is on the witness to:
 - a. Establish the facts on which the asserted privilege is based.
 - b. Demonstrate how, and the extent to which, the requested information is covered by the privilege.
 - (4) The federal tax practitioner-client privilege may only be asserted in:
 - a. Any noncriminal tax matter before the IRS (IRC 7525(a)(2)(A)).
 - b. Any noncriminal tax proceeding in federal court brought by or against the United States. (IRC 7525(a)(2)(B)).

Note: A case will cease to be a noncriminal tax matter before the IRS only after it is referred to Criminal Investigation for the assignment of the special examiner. Once the matter becomes a criminal matter, the taxpayer may no longer assert the IRC 7525 privilege.

- (5) The federal tax practitioner-client privilege may not be asserted to prevent disclosing of information to any regulatory body (i.e., the Securities and Exchange Commission) other than the IRS, including in an administrative or court proceeding.
- (6) When a taxpayer or federally authorized tax practitioner declines to provide testimony or documents citing IRC 7525 confidentiality privileges as the reason:
 - a. Request that the taxpayer or federally authorized practitioner provide a written statement regarding the reason that the IRC 7525 confidentiality privilege is being asserted.
 - b. Consult with TEGEDC for guidance.
- (7) See IRM 4.10.1.2, Taxpayer Rights, and IRM 5.17.6, Legal Reference Guide for Revenue Officers, for additional information, including court case citations and additional analyses.

4.70.11.5.3.1
(11-22-2023)
Fifth Amendment

- (1) An individual can't make a blanket claim of the Fifth Amendment privilege. The person is required to establish a reasonable belief that providing answers to specific questions or producing specific documents would subject him/her to substantial hazards of self-incrimination.
- (2) Fifth Amendment protections don't extend to the books and records of corporations, associations, or trusts. The custodian of corporate records may not be compelled to incriminate themselves by their own testimony.
- (3) Immediately suspend any interview during which an individual asserts a Fifth Amendment privilege. Notify your manager and consult with TEGEDC for guidance.
- (4) The courts, not the examiner, will determine the protection of oral testimony or written records by a Fifth Amendment privilege.

4.70.11.5.3.2
(11-22-2023)
Work Product Doctrine

- (1) The work product privilege protects documents an attorney prepares for his client anticipating legal action. This doctrine applies to IRS summonses.
- (2) The courts typically determine whether the work product doctrine applies in a hearing concerning summons enforcement.
- (3) The work product doctrine doesn't cover accountant-prepared documents, unless produced for the attorney in anticipation of or for use in litigation.

4.70.11.6
(11-22-2023)
**Time Frames for
Conducting an
Examination**

- (1) The National Standard Time Frames (unless noted, measured in calendar days) are:

Limit:	Applicable time frames:
45 days	To start a field examination measured from the first contact to the initial appointment
30 days	To start a correspondence examination measured from the date you mail the initial examination letter to the date you first review the records
45 days	Between significant activities (field examination)
30 days	Between significant activities (correspondence examination)
10 days	To close agreed or no-change examinations measured from the date the report is received or the date the no-change status is communicated to the taxpayer
20 days	To close unagreed examinations measured from the date of your final closing conference, or after the closing conference was declined
10 days	For the group manager to initial, date and close the case file after receiving the case from the examiner
3 days (business)	To respond to telephone calls
14 days	To respond to correspondence

4.70.11.7
(11-22-2023)
Pocket Commission

- (1) A TE/GE Internal Revenue Examiner's pocket commission is designed to show proof of the examiner's authority in the performance of his/her official duties. With few exceptions, pocket commissions are primarily intended to identify the IRS personnel to the public when dealing with tax matters. Examiners participating in the examination must present their pocket commission for inspection to the organization's officers and/or authorized representative at the initial meeting.

Note: Title 18 U.S.C. 701 prohibits anyone from copying or duplicating the employee's credentials, causing that person to be fined under Title 18 or imprisoned not more than six months, or both. This includes hotel employees when verifying government employment to receive federal government rates for lodging when in travel status. Pocket commissions may be viewed, but not copied, by the hotel employee.

- (2) IRM 10.2.6, Pocket Commissions, provides policies, authorities, directives, and responsibilities for civil enforcement and non-enforcement pocket commissions.
- (3) Examiners are responsible for:
- Safeguarding their pocket commission.
 - Producing their commission at the request of either their group manager or by system notification.

- Reviewing the required training in ITM, online course 64619, Pocket Commission Credential Responsibilities Training.
- Returning their pocket commission to their group manager when they no longer meet the criteria in IRM 10.2.6.6, Authorization, Criteria and Eligibility to hold a Non-Enforcement Pocket Commission.
- Initiate Form 13716-B, Request for Pocket Commission, prior to current pocket commission expiring.

Note: Examiners should follow the guidance in IRM 10.2.6.10, Reissuance of Non-Enforcement Pocket Commissions, if the pocket commission is lost or stolen.

4.70.11.8
(11-22-2023)

**Communication with the
Taxpayer or
Representative**

- (1) Communication with the taxpayer or representative on an ongoing basis is a critical part of the examination process.
 - a. Examiners must use effective and persuasive oral and written communication skills to ensure their message is easily understood. Communication is important because it establishes a working rapport with the taxpayer, facilitating information sharing, and alleviating misunderstandings.
 - b. Examiners should advise the taxpayer and representative of any identified issues, actions needed to correct the issues, and the status of the examination on a regular basis, at least every 45 calendar days (IRM 4.70.11.2.1).

Note: All federal tax information transmitted from one location to another (either externally or internally) must be properly safeguarded and transmitted through secure means following all the IRS protocols. For guidance on privacy policy see IRM 10.5.1, Privacy Policy.

- (2) Disclosure, privacy and security rules must be followed when transmitting federal tax information to a taxpayer or their authorized designee. Related resources regarding privacy and security rules include:
 - Cell Phones and Cordless Devices: See IRM 10.8.1, Information Technology (IT) Security.
 - Electronic mail (Email): See IRM 1.10.3, Standards for Using Email, and IRM 10.5.1.6.8, Privacy Policy, Email.
 - Facsimile (FAX) and the IRS Internal Enterprise Electronic Facsimile (EEFAX): See IRM 10.8, Information Technology (IT) Security, and IRM 10.5.1.6.9.4, Privacy Policy, Email.
 - Mail and Shipping: See IRM 10.5.1.6.9.2, Privacy Policy, Mail, and IRM 10.5.1.6.9.3, Privacy Policy, Shipping.
- (3) The IRS employees must confirm an individual has legal access under IRC 6103 and must authenticate that individual's identity before providing any federal tax information. See IRM 4.70.11.10, Power of Attorney (Form 2848) and Tax Information Authorization (Form 8821).
- (4) The ITG function of TE/GE is the primary point of contact for assistance and tax help for Indian Tribal Governments and Tribal entities. ITG uses partnership opportunities with Indian tribal governments, tribal associations, and other federal agencies to meet the needs of both governments respectfully and cooperatively and to simplify the tax administration process. **All IRS employees are required to contact the Office of Indian Tribal Governments within**

TE/GE before making initial contact on Indian tribal government cases.
Contact should be made through the Specialist Referral System (SRS).

Caution: The Examiner should secure the Tribe's specific protocol and/or policies from ITG on how to interact with and contact the tribal intergovernmental agency and its entities to conduct an examination. Note this in the CCR and add a copy of the protocol to the RCCMS file.

4.70.11.8.1
 (11-22-2023)
**Employee Contact - RRA
 Section 3705**

- (1) Employees working tax related inquiries must provide taxpayers with information to identify the appropriate employee who can address any further questions (Section 3705 the Restructuring and Reform Act of 1998 (RRA '98)).
- (2) For face-to-face and telephone contacts, all the IRS employees will provide the following information:
 - Name (first and last)
 - Unique identification number (Smart ID badge number)
 - Group manager's name and phone number during the initial conversation
 - Purpose of your call

Caution: When disclosing the purpose of your call, remember that only authorized individuals are entitled to receive notice of an examination.
- (3) For all manually generated correspondence sent to a taxpayer, all IRS employees will provide the following information:
 - Name (first and last)
 - Unique identification number (Smart ID badge number)
 - Telephone number
 - Group manager's name and phone number on initial correspondence
- (4) Employees must repeat their name and unique identification number (Smart ID card badge number) to each new and subsequent contact made during the work assignment.
- (5) Examiners should document their CCR with the person's name, title and date when you gave them your contact information.
- (6) If a case is reassigned to another examiner, the new examiner must also give their name and unique identification number (Smart ID badge number) to the taxpayer.

Note: The Smart Identification (Smart ID) card is a standardized identification card for Federal employees and contractors. This new ID card is required by Homeland Security as per Presidential Directive-12. The Smart ID has a 10-digit number string called a Personal Identification (PID) Number that is printed on the front of the card. You must use the entire 10-digit Smart ID

card badge number (without spaces or dashes, for example, 10000XXXXX) when communicating verbally or in writing, with taxpayers.

4.70.11.8.2
 (11-22-2023)
Oral Communication

- (1) Examiners should ensure verbal communication is firm, courteous, and professional by:

- a. Using effective communication skills (i.e., listening, responding and clarifying), to secure the taxpayer/representative's cooperation.
 - b. Using tact to explain findings and conclusions to ensure tax law and accounting principles and practices are clearly communicated.
 - c. Ensuring the communication methods used are appropriate to the taxpayer.
 - d. Always considering the taxpayers/representative's point of view.
- (2) Answering machines and voice mail are frequently used when communicating with taxpayers, representatives, and other IRS employees.
- CAUTION:** These systems are not secure and may not be used to transmit sensitive information, including tax information, except under the provisions of IRC 6103.

Note: Guidelines for leaving information on answering machines/voice mail are located in IRM 10.5.1.6.7.2, Answering Machines or Voice Mail.

4.70.11.8.3
(11-22-2023)

Written Communication

- (1) Written communication to the taxpayer or representative must:
- Be complete, clear, and professional without jargon or IRS acronyms.
 - Communicate the message in a concise and professional tone using correct grammar, spelling, and punctuation.
- (2) All correspondence must contain the name of the person to contact (examiner or group manager depending on the type of letter), telephone number, unique identification number, and a signature.
- Note:** The Smart Identification (Smart ID) card is a standardized identification card for Federal employees and contractors. This new ID card is required by Homeland Security as per Presidential Directive-12. The Smart ID has a 10-digit number string called a Personal Identification (PID) Number that is printed on the front of the card. You must use the entire 10-digit Smart ID card badge number (without spaces or dashes, for example, 10000XXXXX) when communicating verbally or in writing, with taxpayers).
- (3) When possible, all correspondence with taxpayers should be prepared using approved form letters, since the specific language in these documents has been approved for general public use.
- Note:** If examiners must modify an approved letter, or create a letter, the correspondence must be approved by the group manager and the approval must be documented in the case file.
- (4) All correspondence generated by examiners is considered manually generated correspondence.
- a. Examiners must provide the taxpayer with their group manager's name and phone number during the initial conversation.
 - b. Examiners should document on the CCR or case activity record when their name and unique identification number was provided.
- (5) If mail is returned as undeliverable after the case is closed, follow the procedures in IRM 4.70.11.8.3.1, Returned or Undeliverable Mail.

4.70.11.8.3.1
(11-22-2023)

**Returned or
Undeliverable Mail**

- (1) If a letter sent to the taxpayer is returned by the Post Office as undeliverable, find the taxpayer's current address using these steps:
 1. Inspect correspondence for any change of address noted by the U.S. Postal Service.
 2. Review the case file for possible sources of information that may lead to the taxpayer's whereabouts.
 3. Check the current address by researching IDRS command code INOLES. If you do not have IDRS access, submit Form 15036, TE/GE IDRS Research Request or Form 6882, IDRS/Master File Information Request to your manager. The information provided will be from the latest return module that posted to the Master File and will include entity and address data.
 4. Use Accurint™ to find the taxpayer/organization's, or an officer's, director's, trustee's, or plan official's current address and phone number.
 5. Check internet resources for possible leads.
 6. Contact the Post Office for a current address using Form 4759, Address Information Request.
 7. If the organization is a corporation, check the state annual corporate registration for the name of the current corporate examiner.

Example: The *Vermont Secretary of State* or the *Utah Division of Corporations*. Most states have business information available online.

8. Contact third parties, such as current or former employees or return preparers.

Caution: Be sure to follow all third-party procedures in 26 CFR 301.7602-2. See IRM 25.27.1, Third-Party Contacts.

- (2) Document all steps taken in the CCR. If an updated address is located, re-mail the correspondence. Also mail Letter 3948, Request to Complete Form 8822-B because of a Change of Address, with Form 8822-B, Change of Address of Responsible Party - Business.

Note: If the correspondence is a "notice of deficiency", ensure that new address meets the definition of "last known address", see 26 CFR 301.6212-2.

- (3) If you can't locate the taxpayer after following the applicable procedures above, send letters by certified mail to the organization's last known address and the last known officers, as reported to the state or to the IRS, whichever was most recently reported. List a date on the letter by which the taxpayer should respond.

4.70.11.8.4
(08-26-2025)

Digital Communication

- (1) IRC 6103 provides details on the confidentiality and disclosure rules that must be followed when working with taxpayer return or taxpayer return information. Examiners must remember to protect tax information when using the fax machine or EEFax, which provides the ability to send, receive, route and deliver fax documents electronically using Microsoft Outlook.
- (2) See IRM 4.10.1.3.6, Use of Fax Machine or Enterprise e-Fax (EEFax) for Outgoing Taxpayer Communications. See IRM 4.10.1.3.7, Policy for Use of Fax in Taxpayer Submissions.

- a. In addition to the list in IRM 4.10.1.3.7(3), requests for public inspection or copy of Exempt or Political Organization IRS Form 4506-A will continue to be accepted by fax in routine operations.
 - b. In addition to items listed in IRM 4.10.1.3.7(4), the following items can be accepted by fax if contact has been made with the taxpayer and the case file is updated as required:
 - Early Referral Requests
 - Fast Track Mediation Requests
 - Consents to assess additional tax (Form 4549, Form 4549-E, Form 870, and others)
 - c. Employee Plan and Exempt Organization determination letter applications will not be accepted via fax.
- (3) Examiners may send and receive emails from taxpayers or their representative in limited circumstances and only for certain purposes. Examiners must follow IRS policy regarding sending and receiving emails from taxpayers or their representatives. See IRM 10.5.1.6.8.1, Emails to Taxpayers and Representatives; IRM 10.5.1.6.8.2, Emails to Other External Stakeholders; IRM 10.5.1.6.8.3, Emails to IRS Accounts; and IRM 10.5.1.6.8.4, Emails with Personal Accounts.
- (4) Emails exchanged to/from the taxpayer and from other sources (e.g., Manager or Counsel) are saved to RCCMS in PDF format. This can be done by selecting:
- File/Save as Adobe PDF, or
 - File/Print and select Adobe PDF as the print option

Save the PDF file to your hard drive, edit the label as provided by RCCMS naming convention, and post to RCCMS Office Documents or the Administrative Record folder, as appropriate. Do not save emails in .msg format.

4.70.11.8.4.1
(08-26-2025)

**Taxpayer Digital
Communication Secure
Messaging (TDC SM)**

- (1) All employees with taxpayer contact must:
- Introduce TDC SM to the taxpayer and their representative during initial contact and invite them to use it during the case.
 - Use TDC SM if an eligible taxpayer and their representative accepts the invitation by submitting a completed agreement form (Form 15314 TE/GE Secure Messaging Taxpayer Agreement Authorization of Disclosure to Designated Users).
 - Document the invitation to use TDC SM and the taxpayer's and their representative's response in the Case Chronology Record (CCR).
 - As permitted by law, use TDC SM for interacting with the taxpayer and their representative during the case until closure.
- (2) To gain access to TDC SM:
- Complete mandatory training for TDC SM. Refer to *TE/GE Secure Messaging* Webpage on TE/GE Connect. During completion of mandatory training, submit a BEARS request to access TDC SM.
 - Upon managerial approval in BEARS, BSP will establish a profile for you on the TDC SM system. You will then have access to the secure platform. The eGain platform is a web-based application. No additional software is needed. TDC SM is separate from Outlook email.

(3) Case processing procedures to use TDC SM:

- TE/GE has revised many initial contact letters to include language that advises taxpayers and their representatives of the availability of TDC SM to communicate securely with you. The revised letters use selectable paragraphs that you must choose. Use the TDC SM paragraph and include a copy of Pub 5295 with the letter on all new contacts.
- If the initial contact letter does not include language that advises taxpayers and their representatives of the availability of TDC SM to communicate securely, include the following language with the request for information (e.g., Information Document Request). “While you can always reach me via the telephone number, fax number, and mailing address shown above, the IRS now has an easier method of communicating with taxpayers: IRS Secure Messaging. With this service, you (and your authorized representative, if applicable) will be able to quickly and easily communicate with me about your case. Please see the enclosed Publication 5295, Secure Messaging for Tax Exempt and Government Entities, for more information about secure messaging. Please visit *TE/GE Secure Messaging* for more information.”
- Taxpayers/representatives participating in the TDC SM must consent to receive and send information and documents via the TDC SM platform. Secure from taxpayer and their representatives electing to participate with the TDC SM platform a signed Form 15314, TE/GE Secure Messaging Taxpayer Agreement Authorization of Disclosure to Designated Users. When returned, submit the signed form to the BSP shared mailbox (**TEGE TDC TP Provisioning*) for taxpayer and representative account creation.
- Once established, the system will notify the taxpayer and their representative through email with instructions on how to access their TDC SM account. You will send a welcome message to the taxpayer and their representative.
- Document your invitation to use TDC SM during the case and the response of the taxpayer and their representative in your Case Chronology Record (CCR).
- Upon closure of your case, send a message to the taxpayer that you are closing your case and future communications within TDC will not be possible for this case and follow procedures to close the case within TDC SM.

Note: You can reopen the TDC SM case as needed. To do so, conduct a search for the closed TDC case in closed case folder and change the case setting from closed to open. This ensures the same message thread continues for this case.

- (4) TDC should not be used when issuing the initial appointment letter, the 30-day letter package, the 90-day letter package, the closing letter, and when a certified letter is required as provided by IRM procedures.

4.70.11.8.5
(11-22-2023)

Electronic Signature

- (1) This section contains guidance regarding the appropriate use of electronic signatures on letters, forms and other documents.

Reminder: All documents can be signed by manually placing a handwritten signature on a printed copy of the document.

- (2) To sign documents electronically, the following procedures must be followed to comply with the Government Paperwork Elimination Act (GPEA):
 1. The signer must use an acceptable electronic form of signature;
 2. The electronic form of signature must be executed or adopted by a person with the intent to sign the electronic record (e.g., to indicate a person's approval of the information contained in the electronic record);
 3. There must be a means to identify and authenticate a particular person as the signer; and
 4. There must be a means to preserve the integrity of the signed record.
 - (3) Examiners and managers should use Adobe to create digital signatures that meet the requirements of GPEA. Adobe can create a digital signature that displays the signer's Standard Employee Identifier (SEID), typewritten name, or an image of the signer's handwritten signature. For assistance in creating digital signatures, including a graphical image of a handwritten signature, refer to the *IT4U Self Help Website*, and type in **Adobe** in the **Search** field, then select the appropriate option based on the Adobe version.
 - (4) Internal use documents can be signed electronically by using a digital signature that displays the signer's SEID or typewritten name.
 - (5) Generally, letters, forms and other documents issued to the taxpayer and representative can be signed digitally. However, the digital signature should display an image of the signer's handwritten signature in the signature block.
Under no circumstances should a letter or document provided to the taxpayer reflect the SEID as the signature.
- Caution:** Original handwritten signatures are required on Form 872, Consent to Extend the Time to Assess Tax, series. See IRM 10.10.1, IRS Electronic Signature (e-Signature Program, and specifically IRM Exhibit 10.10.1-2, Deviation from Handwritten Signature Requirement for Limited List of Tax Forms Memorandum, for a list where electronic or digital signatures are permitted.
- Reminder:** Copies of the signed letters and documents must be included in the case file.
- (6) For additional details refer to IRM 10.10.1, IRS Electronic Signature (e-Signature) Program.
 - (7) Examiners may accept images of an original signature on documents related to the determination or collection of a tax liability or to the resolution of tax controversies. See IRM 10.10.1.6.1, Accepting Images of Signatures and Digital Signatures in Certain Taxpayer Interactions. In all cases, the examiner must document in the case history:
 - That taxpayer contact has been made.
 - The date of contact.
 - The desire of the taxpayer to submit the document by fax.
 - They authenticated the signature.

Note: Examiners must authenticate the taxpayer or representative by phone or in-person to ensure they are authorized to sign the document in question. See IRM 11.3.2.3.2, Requirements for Verbal or Electronic Requests.

- (8) The taxpayer's and representative's dated signatures are required. An electronically signed, printed or stamped signature is **not** acceptable. A hand printed (not typed) signature is acceptable.

Exception: The only method for accepting electronic signatures on the Form 2848 and Form 8821 is through the Taxpayer Digital Communication (TDC) online platform.

- (9) See IRM 21.3.7.5.1, Essential Elements of Form 2848 and Form 8821, and IRM 21.3.7.1.4, Taxpayer Digital Communication (TDC) CAF Overview, for more information.

4.70.11.8.6
(11-22-2023)
**ITG Customer
Assistance**

- (1) The office of ITG will provide assistance throughout Indian country as needed.
- a. Taxpayers may request assistance after receiving a letter, notice or other contact between the IRS and a tribal entity. For example, penalties, filing requirements, deposit due dates, and information return reporting, correcting a reporting problem or error.
 - b. With managerial approval, a specialist may proactively offer assistance to a tribal entity when the need is identified.
 - c. Outreach contacts may identify additional opportunities for ITG customer assistance.
- (2) The objective of this individualized assistance is to increase voluntary compliance by helping our customers to understand, implement and fulfill their responsibilities. Help may be by phone, correspondence, email, fax, or face-to-face.

Note: Individual help is distinguished from outreach by its focus on one taxpayer's issue, rather than general information to a group.

- (3) If the customer is having difficulty resolving a tax situation, consider whether the situation meets Taxpayer Advocate criteria. See IRM 13.1.7, Taxpayer Advocate Case Procedures, and Pub 1546, Taxpayer Advocate Service - We Are Here to Help You.
- (4) Customers can also get educational materials and answers to questions about federal tax matters by contacting the office of Indian Tribal Governments in the following manner:

Visit: ITG website at *ITG*

Call Customer Account Services:

Toll-free 877-829-5500

Call the Business and Specialty Tax Line and EIN Assignment Line:

Toll-free 800-829-4933

Write:

Internal Revenue Service

Indian Tribal Governments

SE:T:EOGE:GE:ITG

1111 Constitution Avenue NW

NCA-6th Floor

Washington, DC 20224-0002

4.70.11.8.7
(08-26-2025)
**EO/GE Congressional
and Technical
Correspondence**

- (1) TE/GE receives Congressional and technical correspondence on EO/GE matters from a variety of sources.
- (2) This section describes EO/GE's procedures for processing congressional and technical correspondence relating to matters involving EO/GE, EO Examinations (EOE), EO Rulings and Agreements (EO R&A), and Government Entities (GE) not received by the EO Processing & Support Section – Correspondence Unit.
- (3) These procedures are consistent with guidance in IRM 1.10.1, IRS Correspondence Manual, and IRM 11.5.2, Congressional Affairs Program.

4.70.11.8.7.1
(08-26-2025)
**Congressional
Correspondence and
Calls**

- (1) All EO/GE congressional correspondence received from the Executive Secretariat Correspondence Office (ESCO) or from Legislative Affairs will be controlled in e-Trak by the EO/GE Program Management Office (PMO) except for external complaints which may allege possible non-compliance on the part of a TE/GE entity, political organization, or individual ("referrals"). Referrals will be assigned in e-Trak to Compliance Planning & Classification for a response by Classification and Case Assignment (C&CA). See IRM 4.70.6, Classification and Case Assignment (C&CA) Procedures.
- (2) Correspondence from congressional offices, Communications & Liaison (C&L) (including Legislative Affairs), or any other congressional correspondence received on EO/GE matters directly by any TE/GE employee will be forwarded to the **TEGE-EO-Congressionals* email address (the Congressional Mailbox). The Congressional Mailbox will be managed solely by EO/GE PMO.
- (3) Calls on EO/GE matters from congressional offices received directly by any TE/GE employee will be transcribed by the employee receiving the call. The employee will then forward the written record of the call to the Congressional Mailbox.
- (4) PMO will forward for consultation all congressional inquiries involving requests directly from a member of the House of Representatives or a Senator (rather than on behalf of a constituent) to the EO/GE Senior Technical Advisor (STA).
- (5) PMO will forward for consultation all congressional correspondence involving requests to speak to an EO/GE employee or representative to the STA.

4.70.11.8.7.2
(08-26-2025)
**Technical and Other
Correspondence and
Calls**

- (1) All technical correspondence received relating to matters involving EO/GE will be sent to the Congressional Mailbox and controlled by the PMO. PMO will provide the appropriate response.
- (2) All correspondence received regarding policy and legal matters relating to EO/GE issues will be sent to the Congressional Mailbox. PMO will either forward this correspondence to the STA for consultation or add and assign it in e-Trak for PMO to respond.
- (3) Incoming phone calls to the EO main line (202-317-8989) will be transcribed by PMO and sent to the Congressional Mailbox. PMO will review each transcription and forward it to the appropriate office to respond.
- (4) PMO may determine that items received in e-Trak or in the Congressional Mailbox are the responsibility of another office. In that event, PMO will make contact with the other office to ensure a smooth transition prior to relinquishing responsibility.

4.70.11.8.7.3
(08-26-2025)

**Correspondence and
Call Transcriptions Sent
to the PMO**

- (1) Except as otherwise provided, the PMO will:
 - Oversee EO/GE e-Trak inventory.
 - Collaborate with the appropriate EO/GE function, as necessary, prior to responding.
 - Prepare responses for the appropriate executive's signature.
 - Coordinate follow-up on requests within EO/GE.
 - Provide status updates in e-Trak, as appropriate.
 - Track congressional, technical, and other correspondence.
 - Report on congressional, technical, and other correspondence monthly.

4.70.11.8.8
(08-26-2025)

**Video Meetings/
Conferences with
Taxpayers and
Representatives**

- (1) Examiners, with their manager's approval, may meet virtually with taxpayers and their representatives. Likewise, taxpayers or their representatives may request to meet virtually with examiners and their managers.
- (2) Virtual meeting tools may include Microsoft Teams, WebEX, and ZoomGov tools.
- (3) Before approving a video meeting, examiners and their managers must decide whether a video meeting rather than an in-person meeting is the most appropriate means of meeting with the taxpayer and their representative.
- (4) Document any decision to hold a video meeting (conference) rather than an in-person meeting in the case chronology, including the reasoning behind the decision and the manager's approval. Examples of when a video meeting may add value include:
 - Performing an initial meeting to discuss the case followed by an in-person visit.
 - Clarifying Information Document Requests (IDRs) or responses received.
 - Conducting follow-up meetings after in-person visits to clarify facts not requiring another in-person visit.
 - Working the case via correspondence where a video meeting would help in resolving certain issues.
 - Holding a closing conference with the taxpayer/representative.

Note: The video meetings/conferences discussed in this IRM should not be used to avoid travel. When an in-person conversation, facility tour, or site visit is more appropriate to conduct the exam, do not use a video meeting/conference.

4.70.11.8.8.1
(08-26-2025)

**Video Conferencing
Protocols**

- (1) Privacy Considerations:
 - a. Share SBU (including PII and tax information, but not electronic files) in virtual meetings verbally and on screen only with those authenticated, authorized individuals who have a need to know.
 - b. Do not transfer files on these platforms.
 - c. Protect taxpayer privacy by following IRM 10.5.1.6.18.2, Online Meetings.

Note: Examiners on telework agreements may conduct the video meetings at their post of duty or at their telework location. Examiners NOT on telework agreements must host the video meetings from their post of duty location.

- d. For information on taping interviews by either the taxpayer or the Service, see IRM 4.10.3.4.7, Requests to Audio Record Interviews, and subsections within for additional guidance.

Note: Taxpayers have no right to make a video recording, and it is IRS policy to not allow video recordings.

(2) Authentication:

- a. For purposes of identification and to prevent unauthorized disclosures of tax information, you must know with whom you are speaking, complete name and title and the purpose of the call/contact. See IRM 21.1.3.2.3, Required Taxpayer Authentication, for additional guidance.
- b. Examiners must verify valid, unexpired, government issued phone identification (ID) to authenticate taxpayers/representatives for virtual meetings.

4.70.11.9
(11-22-2023)
**Information Document
Request Process**

- (1) The Information Document Request (IDR) Process will be used for all examinations. The IDR Process is a structured process used when gathering information during an examination. It is intended to encourage collaboration between the taxpayer and the IRS to discuss and determine the necessary information for proper issue development.

(2) All IDRs must:

- a. Clearly state the agreed upon response date.
- b. List the specific records, information and documents that the taxpayer should have available on the response date.

Note: In addition to requesting documents, you can request written answers to questions and/or the completion of questionnaires.

- c. Be specific and avoid requesting more information than is necessary to resolve the identified issues.
- d. Include an adequate description of the requested data.
- e. State the time period of the necessary records.

Example: If the examiner is examining the 2020 year, but only needs records for July through August of 2020, then you should state on the IDR the specific periods you need.

- f. Include your mailing address at the bottom of the form.
- g. Check the appropriate box at the bottom of the form for delivery of documents (select "At Next Appointment" or "Other").

Note: If EEFax is an option for delivery, add a sentence explaining this to the taxpayer and providing the taxpayer with your EEFax number.

Note: If the records are too voluminous and the taxpayer has electronic records available in either a pdf or excel format, inform the taxpayer that they can send or provide requested items using TDC SM. See IRM 4.70.11.8.4.1, Taxpayer Digital Communication Secure Messaging (TDC SM).

- h. The examiner will review the information for completeness within 10 business days after receiving the response to the IDR. The examiner will state this acknowledgment date on the IDR. If for some reason the review will be delayed, the examiner should notate the delay in the CCR

and call the taxpayer/representative to inform them of the delay and provide an expected completion date.

- i. If after full review, the response is complete, the employee must call the taxpayer to advise the taxpayer that the response was complete and notate this action in the CCR.
- j. If the taxpayer did not respond or if the response was not complete, the examiner must determine within five business days if an extension will be granted by calling the TP/POA to discuss.

(3) All IDR headers must include the following information:

- a. Request Number: sequence number of the request (0001, 0002, and so forth).
- b. Name of the taxpayer/organization.
- c. Subject of the request.
- d. SAIN (Standard Audit Index Number). See IRM 4.46.6.2.2, Standard Audit Index Number (SAIN). (If applicable for your business unit use.)
- e. Name of the person the request is submitted to.
- f. Dates of previous requests if any.

Note: Input N/A if no prior requests have been made.

(4) All IDR footers must include the following information:

- a. Due date (either the appointment date or received by date).
- b. Method of delivery (by mail, at next appointment, other).
- c. Name of the requester.
- d. Smart Identification Card Number (Smart ID).
- e. Date of the request.
- f. Address of the requester.
- g. Contact numbers (phone and fax).
- h. Indicate in the body of the IDR, a date, or the maximum number of days after you receive documents, that you will review the documents for completeness (acknowledgement date).

(5) As a best practice, you may use an IDR Log to help you track the IDRs you issued to taxpayers.

Note: Using an IDR Log is optional. See Form 5699, Information Document Request Log.

4.70.11.9.1
(11-22-2023)

**Preparation and
Discussion of the Initial
IDR**

(1) Before you issue an initial IDR, you should:

- a. Conduct preliminary research relevant to the taxpayer and their activities/operations.
- b. Identify potential issues to determine the specific information necessary to develop and resolve the identified issues.
- c. Consider whether the required information may be obtained from alternate sources.

(2) Identify alternate means to obtain the needed records.

- a. As a best practice, mail your initial Information Document Request (IDR) with the Letter 6031 Initial Exam Appointment or Letter 3850 Employment Tax Appointment.

- b. Consult your manager if you find it may not be appropriate to send the initial IDR with Letter 6031 or Letter 3850 for a specific examination.
- c. Document the consultation in your CCR.

(3) Preparing the initial IDR:

- a. As a best practice, use Form 4564 to generate your initial IDR(s).

Note: For EP, Use IDRs available in the RCCMS Forms, Letters, Templates repository to request items needed for the examination. Send your initial request with Letter 6031.

- b. For TEB, the initial IDR should include the following statement: If the bonds are no longer outstanding, before gathering the information requested below, first contact the examiner as soon as possible.
- c. Request documents, files and information that are pertinent to the purpose of the examination based on the examination plan, periods under examination, and other taxpayer specific factors considered during exam planning.
- d. Explain in the IDR why items are being requested. This helps to increase customer satisfaction with the examination process.
- e. Be specific, clear and concise.
- f. Group the information being requested by issue, explaining why the items are being requested. As a best practice, prepare a separate IDR for each issue. Separate IDRs for each issue improve customer service when taxpayers have different departments or individuals handling different issues.
- g. Number or letter the items requested.
- h. Do not request documents that are already in the IRS possession.
- i. Consider requesting a representative sample of documentation when you reasonably believe a response could be more voluminous than required to assess an issue.
- j. Include a response date (specific date or time frame), form of response (electronic formats accepted; paper copies) and the method the taxpayer should use to submit data (by mail; made available at the initial appointment).

Note: The response date for the initial IDR should be 30 days from mailing. Some items may need to be received ahead of the initial appointment (ONLY if you plan to review them prior to the appointment.) It is important to group those items together in the initial IDR and specify the time period (10 business days before the initial appointment), form and method to respond.

- k. State that additional records will likely be requested as the examination progresses.
- l. Indicate you will review documents for completeness within 10 business days of receipt of the documents.
- m. Ten business days after mailing the initial contact letter, call the taxpayer if the taxpayer has not contacted the examiner prior to that date. See IRM 4.70.12.7.2, Follow-Up to Initial Contact Letter.
- n. TEB: Should the issuer fail to call to inform the examiner that the bonds are no longer outstanding, the examiner should confirm the status of the bonds before any documents are received.

Note: If the bonds are no longer outstanding, the case should be considered for survey after assignment but before receipt of books and

records. The examiner must inform the group manager. The group manager will make the decision whether to seek the Program Manager's approval to survey the case.

o. During the initial call with the taxpayer (or POA, if known):

- Discuss the issues being examined and the items being requested on the IDR. If, after the discussions, you believe that clarification to the IDR is needed, modify the request and reissue it to the taxpayer.
- Agree on an updated response date – which may also be an appointment date.
- An updated response date from this initial call is not treated as the first extension but as a modification of the IDR.

4.70.11.9.1.1 (11-22-2023)

Content of Initial IDR

- (1) The initial IDR must:
 - Identify the books, records, papers, or other data with the particular activity and time period to which they relate.
 - Phrase the request in terms understandable to the taxpayer.
- (2) In addition to physical documents, you can request written answers to questions and/or the completion of questionnaires.
- (3) Documents to consider requesting based on the facts and circumstances of the case may include the following:
 - Organizational documents (articles of incorporation, bylaws, etc.) including amendments.
 - Minutes of meetings for the board and committees (executive, finance, audit, governance, nominating, etc.).
 - Correspondence (letters to and from the organization).
 - Accountant's workpapers (tax reconciliation, audit, representation letter).
 - Internally generated accounting records (chart of accounts, adjusted trial balance, statement of cash flows, income statement, balance sheet statement, general ledger, subsidiary ledgers, transaction journals, audit financial statements).
 - Third party generated records (bank statements, brokerage statements, invoices, receipts).
 - Financial contracts (employment contracts, mortgages, leases, notes payable, notes receivable, pledge agreements, other contracts).
 - Publications (newsletters, pamphlets, brochures, maps, flyers, calendars, directories, program guides, etc.).
 - Auditor's report on Internal Controls.

Reminder: Only request those documents that are pertinent to the purpose of the examination and are needed to complete the examination.
- (4) When requesting documents such as invoices, vouchers, and receipts, it's best to ask for a sample by tailoring the request to a specific account, period of time, or set of documents, in lieu of requesting all invoices, vouchers, and receipts. Below is a list of examples:

- In examining a live performance theater, the examiner asks to review invoices for all sound and lighting services.
 - An examiner, who is examining a fraternal organization that has a bar, asks to inspect the invoices for all liquor purchases for the months of May, August, and October.
 - The examiner requests all travel vouchers submitted by the top five officers of the organization.
 - The examiner asks for the Z tapes for the admissions cash registers at a museum, for the weeks of February 10th, April 10th, June 10th, August 10th, October 10th, and December 10th.
- (5) If the list of requested records includes copies, specify if you are requesting the organization to make copies you can:
- Review during the on-site examination or
 - Keep for case file documentation.
- (6) To ensure a taxpayer is properly prepared for an appointment and the requested information is available, it's a best practice to follow-up with them two or three business days before the IDR response due date. See IRM 4.70.12.7.2, Follow-Up to Initial Contact Letter, for procedures on the follow-up discussion.

4.70.11.9.2
(11-22-2023)
**Preparation and
Discussion of
Subsequent IDR**

- (1) After securing the information from the initial IDR, it may be necessary to secure additional information. A subsequent IDR should be prepared.
- (2) Prior to issuing a subsequent IDR, you and the taxpayer should agree on a response due date.

Note: Select a response date that is reasonable to enable you to promptly complete the examination within the shortest possible cycle time.

- a. Ideally, the response dates should be within 10 business days.
 - b. If the taxpayer responds that they will not provide the information, proceed to the enforcement process. See IRM 4.70.13.9.4.2(4), EO Function Specific Considerations.
- (3) You may mail, EEFax or hand deliver an IDR that is issued after the initial appointment letter.
- (4) Letter 1477, Information Document Request Cover Letter - TEGE, is used as the cover letter when issuing a subsequent IDR.
- (5) As a best practice, call the taxpayer (or POA if there is one) two to three business days prior to the IDR response due date.

Note: This will ensure that the taxpayer understands what is being requested and will serve as a reminder to the taxpayer of the deadline for a response to the IDR. If after discussing the IDR with the taxpayer or POA, you believe that further clarification of an item is needed, modify the request and re- send it to the taxpayer.

4.70.11.9.3
(08-26-2025)
IDR Follow-Up

- (1) When the taxpayer responds to your IDR, review the response within 10 business days of receipt.
- (2) If the taxpayer's response is **complete**:

- a. Call the taxpayer, within 10 business days, to advise that the response was complete.
 - b. Notate this action in the CCR.
 - (3) If the taxpayer's response is **incomplete** or they fail to respond:
 - a. Call the taxpayer, within 5 business days to discuss the missing or incomplete items with the taxpayer to determine if an extension is warranted.
 - b. If an extension is warranted, you may grant a first extension.
 - c. You may grant up to 15 business days for the taxpayer to provide the incomplete or missing information.
 - d. You **must** send an extension approval letter, Letter 5798.
 - (4) If the taxpayer fails to respond to the first extension in IRM 4.70.11.9.3(3), or if the response is still incomplete you may:
 - a. Determine, within five business days, whether to grant a second extension.

Note: Second extension must be approved by your GM.

 - b. Discuss the missing or incomplete items with your GM to determine if you'll grant a second extension.
 - c. With managerial approval, you may grant up to 15 business days for the taxpayer to provide the incomplete or missing information.
 - d. Send a second extension approval letter, Letter 5798, TE/GE Information Document Request Extension Notice, to the taxpayer.
 - (5) If the manager determines in their discretion that the IDR enforcement process is warranted in the interest of tax administration, then they will notify the examiner of the need to proceed with the IDR enforcement process. For example, cases with short statutes, listed transactions, fraud development, or other situations as necessary including a subjectively reasonable passage of time factoring in unique taxpayer circumstances in relation to the COVID-19 pandemic if applicable.
 - (6) Make every effort to review IDR responses within 10 business days of receipt of documents.
- Note:** If for some reason, the review will be delayed, the examiner should notate the delay, with description of cause, in the CCR and notify the taxpayer of the delay.
- (7) When you review information from the taxpayer, contact the taxpayer (or POA) to update them on the status of the case. Document CCR of contact made.
 - (8) If the requested information is not received after a second extension, begin the Enforcement Process.

4.70.11.9.4
(11-22-2023)
**IDR Enforcement
Process**

- (1) IDRs must comply with the general IDR procedures before the IRS can issue a summons. The process for enforcing delinquent IDRs from delinquency to summons issuance has three graduated steps:
 - a. Delinquency Notice
 - b. Pre-summons Letter
 - c. Summons

- (2) This process is mandatory and has limited exceptions. It requires managers at all levels to be actively involved early in the process. This ensures that Counsel is prepared to support IDRs through the issuance of a summons when necessary.

4.70.11.9.4.1
(11-22-2023)
Delinquency Notice

- (1) During your review if you determine the IDR response is incomplete:

- a. Notify your GM.
- b. Prepare a Delinquency Notice.

Note: Letter 5077-B, TE/GE IDR Delinquency Notice, for items that can't be summoned. Letter 5077-D, TE/GE Information Document Request Delinquency Notice - Pre- Summons, for items that can be summoned.

Note: Consult with the manager and/or Counsel to determine what can and cannot be summoned.

- c. Call the taxpayer to discuss an appropriate due date.
 - d. Sign and mail the delinquency notice, with a revised due date.
 - e. Obtain your GM's approval if more than 10 business days are needed for the taxpayer to respond.
- (2) If the taxpayer responds to the IDR Delinquency Notice, review the response within 10 business days.
 - (3) If the taxpayer provides a complete response:
 - a. Inform the taxpayer their response is complete.
 - b. Notate the CCR.
 - c. The enforcement process is ended.
 - (4) If the taxpayer doesn't respond or the response is incomplete, discuss the issue with your group manager and TEGEDC within 10 business days to determine if:
 - a. A summons will be issued to obtain the records.
 - b. We have enough information to propose revocation.
 - c. We have enough information to propose a tax adjustment.
 - (5) After receiving approval from your manager (and advice from Counsel), advise the taxpayer of the next action (e.g., proposal of tax adjustment, summons or proposal of revocation).

4.70.11.9.4.2
(11-22-2023)
**Pre-Summons and
Summons Warranted**

- (1) If the taxpayer has failed to respond to the IDR Delinquency Notices and the requested items can be summoned:
 - a. Prepare Pre-Summons Notice (Letter 5077-A) within 10 business days of the taxpayer not responding to the Delinquency Notices.
 - b. Notify the taxpayer and determine a response date.
 - c. Seek manager approval, if response date is more than 10 business days.
 - d. Have your manager sign the Pre-Summons Notice and issue to taxpayer.
- (2) If the taxpayer responds to the Pre-Summons Notice, review the response within 10 business days.
- (3) If a complete response is provided by the taxpayer:

- a. Inform the taxpayer their response is complete.
- b. Notate the CCR.
- c. The enforcement process is ended.

(4) If the taxpayer doesn't respond or the response is incomplete:

- a. Discuss with your GM and TEGEDC, within 10 business days.
- b. Coordinate the issuance of the summons with TEGEDC.
- c. Follow summons procedures in IRM 25.5, Summons.

Reminder: Additional summons resources are located on the *Summons Knowledge Base Homepage*.

4.70.11.9.4.3
(11-22-2023)

Summons Procedures

- (1) The authorized purposes for issuing a summons under IRC 7602 are to:
 - Examine a return.
 - Prepare a return for a non-filer.
 - Determine the tax liability of any person or transferee or fiduciary.
 - Inquire into any matter related to the administration or enforcement of the federal tax laws.
- (2) You should issue a summons when the taxpayer refuses to send you important documents.
- (3) Get your group manager's and Area Manager's approval before issuing a summons.
- (4) After securing approval to issue a summons, you should contact TEGEDC to help you perfect the summons before you issue it.
- (5) For general summons information, procedures, and examples, refer to IRM 25.5, Summons.
- (6) Consult the following sections of the Code when preparing and issuing a summons.

IRC	Provision	Applicability
IRC 7521	Procedures involving taxpayer interviews. Section (c) mentions bypassing an uncooperative representative.	All types of summonses.
IRC 7602	Examination of books and witnesses.	All types of summonses. IRC 7602(c) applies to third-party summonses only.
IRC 7603	Service of summons.	All types of summonses.
IRC 7604	Enforcement of summons.	All types of summonses.
IRC 7605	Time and place of examination.	All types of summonses.

IRC	Provision	Applicability
IRC 7609	Special procedures for third-party summonses.	Third-party summons only.
IRC 7609(f) and IRC 7609(h)	Special procedures for John Doe summonses.	John Doe summons. (Third-party summons).
IRC 7610	Fees and costs for witnesses.	All types of summonses.
IRC 7612	Special procedures for summonses for computer software.	All types of summonses.
IRC 7622	Authority to administer oaths and certify.	All types of summonses.

(7) For TEB, there are certain line items on the first page of Form 2039 Summons requiring specific instructions. Prepare these line items as follows:

- a. **“In the Matter Of..”** Identify the Form 8038 series return filed for the bonds under consideration for example, Form 8038, Form 8038-G, Form 8038-GC). Provide a complete description of the bond issue including amount, issuer name, issue name, series, and CUSIP. If the complete bond description does not fit on the “In the Matter of” line, enter “See below”; and then in the “description of records” section, enter “In the Matter Of” followed by the bond description, followed by the requested records. Do not place this information on an attachment. It should always be on page 1.

Example: \$5,000,000 City of Anytown Housing Authority Bonds (ABC Project), Series A, CUSIP 00000XX0.

- b. **“Internal Revenue Service (Division).”** Enter “Tax Exempt and Government Entities”.
- c. **“Industry/Area.”** Enter “Tax Exempt Bonds”.
- d. **“Periods.”** For examinations of information returns describing a bond issue, the period is identified as the “Date of Issue” followed by the issue date of the bonds in an alphabetical Month-Day-Year format.

Example: Date of Issue: June 30, 2012. For examinations of tax returns covering specific calendar years, fiscal years, quarterly or monthly periods, specifically state the period the tax return covers.

Example: Indicate “Quarterly Period Ended June 30, 2014”, or “Interest Payment Date July 1, 2018”.

Note: When conducting an IRC 6700 examination, the period should begin with the year in which the earliest related bond was issued and end with the current year.

- e. **“To:”** If no specific individual is required to provide the information, enter the entity’s name only. When seeking testimony or records that a specific person holds in his or her capacity as trustee, receiver, custodian, corporate or public official, add the person’s title or official status.

Example: Use “James Beagle, as President of X Authority”. If the summons is to obtain testimony from a person only in his or her capacity as trustee, receiver, custodian, corporate, or public official, but the name of the person is unknown, identify the summoned party as “Custodian of Records, X Authority”. When seeking testimony or records held by a specific person who is an employee (but not an officer), direct the summons to the specific person. Include his or her job title, if known. The summons must be served personally on the individual named on the “To” line.

Example: Examiner issues a summons to Authority X. Examiner’s contact during the examination has been Mr. Terrier, Executive Director. The summons is directed to “Authority X”. It can be served on Mr. Terrier, if he’s authorized to accept service on behalf of the Authority. However, if examiner is summoning Mr. Terrier to provide testimony, the summons should be issued to “Mr. Terrier, as Executive Director of Authority X”. It doesn’t matter that Mr. Terrier can accept the summons on behalf of the Authority because in this case, he was named personally.

Example: Examiner issues a summons to the trustee for specific records. The summons is issued to “Trustee Bank”. To confirm the summons is directed to the appropriate person, however, examiner mails it to a specific person or position description, such as “s. Pointer, Custodian of Records” or “Legal Department”.

- f. **“At.”** Insert the correct address (per IDRS) of the person summoned. If the summoned party is a municipality or other entity, insert the current address of the municipality. If the summoned party is an individual summoned in his capacity as an officer or employee of the municipality or entity, and the individual is still employed by the entity, use the individual’s business address. If the summoned party is no longer employed by the entity, use the individual’s residential address.

4.70.11.10
(11-22-2023)

**Power of Attorney (POA)
and Tax Information
Authorization (TIA)**

- (1) The information in this subsection relates to entities commonly under examination in TE/GE. It provides guidelines for situations encountered during the ordinary course of the examination of TE/GE taxpayers. If the examination involves other entities or individuals, unusual situations, or issues that aren’t addressed here or for additional information, refer to:
 - a. IRC 6103, Confidentiality And Disclosure Of Returns And Return Information.
 - b. 26 CFR 301.6103(a) through 26 CFR 301.6103(p).
 - c. 26 CFR 601.501 through 26 CFR 601.509, republished as Pub 216 Conference and Practice Requirements.
 - d. IRM 11.3, Disclosure of Official Information.
 - e. IRM 1.25.1, Practice Before the IRS, Rules Governing Practice Before the IRS.
 - f. IRM 21.3.7, Processing Third-Party Authorizations onto the Centralized Authorization File (CAF).
 - g. Pub 947, Practice Before the IRS and Power of Attorney.
 - h. Form 2848, Instructions.
 - i. Form 8821, Instructions.

- (2) If at any time a taxpayer requests an examination be conducted with a person who has not been authorized to receive confidential tax information, request that they send proper authorization before you discuss any confidential tax information with the designated individual.
- A POA authorizes the designated individual to represent the taxpayer in certain circumstances. Form 2848, Power of Attorney and Declaration of Representative, is the standard IRS form to designate a POA.
 - A written or verbal TIA authorizes the designated individual to receive or inspect the taxpayer's tax information, but it doesn't authorize the designated individual to represent the taxpayer before the IRS. Form 8821, Tax Information Authorization, is the standard IRS form to designate a TIA.
- (3) Pub 4019, Third Party Authorization, Levels of Authority, lists guidance on the levels of authority.
- (4) The following table shows the primary acts that can or can't be performed by an individual holding a valid POA or a written or verbal TIA during the examination process.

ACT	POA	TIA
Act as a contact point for the Taxpayer during the examination	YES	YES
Receive and inspect returns and return information	YES	YES
Receive tax notices, correspondence, and other communications	YES - If the checked boxes are marked.	YES (Can receive copies, if specifically authorized.)
Discuss issues with the examiner	YES	NO
Represent the Taxpayer at conferences	YES	NO
Sign agreements	YES ¹	NO
Sign a closing agreement	YES ¹	NO
File a protest in response to a 30-day letter	YES ¹	NO
Record interviews	YES	NO
Sign a tax return	GENERALLY, NO ²	NO

ACT	POA	TIA
<p>¹ An unenrolled preparer designated on a POA form cannot sign any document for the Taxpayer. See Rev. Proc. 81-38, 1981-2 C.B. 592. An unenrolled preparer's representation is limited to practice before examination officers of TE/GE, LB&I, SB/SE, and Taxpayer Services (TS) (formerly W&I) operating divisions and in the Office of International Operations and may only encompass matters concerning the tax liability for returns the unenrolled preparer prepared for the taxpayer. An unenrolled return preparer may not represent the taxpayer before Appeals or Collection or any other IRS function other than the examination functions.</p> <p>² A POA may only sign a return on behalf of the taxpayer in very limited circumstances. 26 CFR 1.6012-1(a)(5) permits a recognized representative may sign the return on behalf of a taxpayer if it is specifically authorized in the POA (Form 2848), Power of Attorney and Declaration of Representative and the taxpayer:</p> <ul style="list-style-type: none"> a. Is unable to sign the return due to disease or injury; b. Is unable to sign the return by reason of continuous absence from the United States for a period of at least 60 days before the return is due; or c. Requests permission, in writing, from the area director and the director determines that there is good cause for permission to be granted. 		

- (5) Solicit, from the taxpayer, a Form 8821, Tax Information Authorization, in certain situations. This form authorizes the designated individual to receive or inspect tax return information but will not authorize the designee to represent the taxpayer before the IRS. The Form 8821 should be signed by the taxpayer under examination. These situations include but are not limited to:

- When the representative appointed is not designated in paragraphs (a) through (r) of Part II of Form 2848.
 - When direct communication between the examiner and the designee with respect to the taxpayer's tax matters may expedite the exam.
 - When direct communication with other parties to transactions that are not designated to represent the taxpayer under a Form 2848 is necessary (for example, communication with third-party service providers, financial advisors, investment providers, trustee, bond counsel, rebate consultants, underwriters, bidding examiners, etc.).
- (6) Persons designated by the taxpayer via Form 8821 authorized to receive return information shall not use the information for any purpose other than the express purpose for which consent was granted and shall not disclose return information to any other person without the express permission of, or request by, the taxpayer.
- (7) The taxpayer's and representative's dated signatures are required. An electronically signed, printed or stamped signature is **not** acceptable. A hand printed (not typed) signature is acceptable.
- Exception:** The only method for accepting electronic signatures on the Form 2848 and Form 8821 is through the Taxpayer Digital Communication (TDC) online platform.
- (8) See IRM 21.3.7.5.1, Essential Elements of Form 2848 and Form 8821 and IRM 21.3.7.1.4, Taxpayer Digital Communication (TDC) CAF Overview, for more information.
- (9) In many cases, communication with the other parties to a transaction will not require an authorization on Form 8821 when the communication is limited to requesting and/or receiving information. It is important for examiners to understand their authority to receive information from, and to disclose return information to, third-party witnesses. IRM 11.3.21.7, Disclosure by Certain Officers and Employees for Investigative Purposes - IRC 6103(k)(6) , addresses disclosure by certain officers and employees for investigative purposes that allow the disclosure of return information. This is allowable to the extent that such disclosure is necessary to obtain information, which is not otherwise reasonably available, with respect to the correct determination of tax. Such disclosures shall be made only in such situations and under such conditions as the Secretary may prescribe by regulation. Examiners may identify themselves, their organizational affiliation with the IRS, and the nature of their investigation when making an oral, written, or electronic contact with a third-party witness. This can include an IRS badge, credential, or business card, or using an information document request, summons or correspondence on IRS letterhead or which bears a return address or signature block that reveals affiliation with the IRS.

4.70.11.10.1
(08-26-2025)

**Persons Who May Be
Designated as a POA or
Designee**

- (1) The following may be designated in a TIA:
- a. An individual
 - b. A trust
 - c. A corporation
 - d. A association
 - e. A partnership

- f. A federal, state, local, and foreign government agency, or a sub-units of such agency
- (2) The persons who may be designated as a representative under a POA, as listed and fully described on Form 2848, include:
- a. Attorneys
 - b. Certified public accountants
 - c. Bond Issuers
 - d. Conduit Borrowers
 - e. Enrolled actuaries.
 - f. Enrolled agents
 - g. Enrolled retirement plans agents
 - h. Family members (for individual income taxes only)
 - i. Full-time employees
 - j. Officers
 - k. Qualifying Students
 - l. Unenrolled return preparers

Note: The acts an unenrolled return preparer can perform are limited as discussed in Footnote 1 of the table in IRM 4.70.11.10(4), Power of Attorney (POA) and Tax Information Authorization (TIA). The acts the registered tax return preparer can perform is also limited.

- (3) In Part II, Declaration of Representative of Form 2848, the representative(s) must list the following information in the Designation column:

Designation	Required Information
Attorney	The two letter abbreviation for the state in which admitted to practice
Certified Public Accountant	The two letter abbreviation for the state in which licensed to practice
Enrolled Agent	The enrollment card number issued by the Office of Professional Responsibility
Officer	The title of the officer (e.g., President, Vice President, or Secretary)
Full-Time Employee	The title or position (e.g., Comptroller or Accountant)
Family Member	The relationship to taxpayer (must be a spouse, parent, child, brother, sister, grandparent, grandchild, stepparent, step-child, step-brother or step-sister)
Enrolled Actuary	The enrollment card number issued by the Joint Board for the Enrollment of Actuaries

Designation	Required Information
Unenrolled Return Preparer	The two letter abbreviation for the state in which the return was prepared and the year(s) or period(s) of the return(s) they prepared
Qualifying Student	The permission to represent the taxpayer before the IRS comes from his/her status as a law, business, or accounting student working in a Low Income Taxpayer Clinic (LITC) or Student Tax Clinic Program (STCP) as noted in section 10.7(d) of Circular 230
Enrolled Retirement Plan Agent	<p>The enrollment card number issued by the “Office of Professional Responsibility” must be entered.</p> <p>Note: This is an individual who is enrolled as a retirement plan examiner under the requirements of Circular 230 (their authority to practice before the IRS is limited by section 10.3(e)).</p>

- (4) Only individuals who are recognized to practice before the IRS and aren’t under suspension or disbarment from practice can be designated as a recognized representative. Corporations, associations, partnerships, and other persons who aren’t individuals can’t be appointed as a recognized representative.
- (5) Check to see if the representative has a current, active license using these resources:
- Check a Certified Public Accountant’s (CPA) license at the *AICPA and CIMA Website* “State Information” section or by calling appropriate state CPA board.
 - Check an attorney’s license by contacting the appropriate state bar association. This information may also be available on the state bar association’s website or try the *American Bar Association’s (ABA)*. The ABA doesn’t operate a lawyer referral service but provides links to the state resources.
 - Check the representative’s status, by searching the CAF using command code CFINK.

1. CFINK is input using the full CAF number (CFINK 9999-99999R).

2. The table below reflects the possible CAF STATUS results. If the status is anything other than “GOOD”, the individual is **not** authorized to represent the taxpayer:

GOOD
DISBARRED
SUSPENDED
DECEASED
RETIRED
INELIGIBLE

- d. If there is no enrolled agent indicator on the CAF, you may email requests for enrolled agent status verification directly to the Enrolled Practitioner Program mailbox: *Enrolled Practitioner Program*. Include the following information:

- First and last name
- Complete address (if available)
- Enrolled agent number (if available)

Note: To reduce the likelihood of a verification error, provide as much information as is available.

- e. To determine if a practitioner has been sanctioned by the Office of Professional Responsibility’s (OPR), visit the OPR website *OPR*.

Note: If the search shows that the representative has lost his or her license (or had it suspended, revoked, or classified as inactive), send the POA form to the Area Return Preparer Coordinator.

- f. Check the current roster of Enrolled Actuaries by following the link below *Roster of Active Enrolled Actuaries*.

- (6) If the officers or authorized officials of the entity designate a company employee to represent the taxpayer during the examination, obtain Form 2848 for that employee.
- a. If the entity chooses a specific employee (irrespective of title) to advocate, negotiate, or dispute issues with the IRS on behalf of entity, obtain a Form 2848 from the taxpayer authorizing that representation.
 - b. The Form 2848 must be signed by a duly elected officer or director of the entity (or other official with authority to bind the entity as determined by state law) as identified in the articles of incorporation or by-laws (typically, the same officer who signs tax returns and consents to extend the time for assessment of tax). The designation in Part II of Form 2848 will be “e”, Full-Time Employee—a full-time employee of the taxpayer.
 - c. For a partnership with a tax year ending prior to January 1, 2018, all partners must sign and enter their exact titles. If one partner is authorized to act in the name of the partnership, only that partner is required to sign and enter his/her title. A partner is authorized to act for the partnership if,

under state law, the partner has authority to bind the partnership. A copy of such authorization must be attached. For purposes of executing Form 2848 in the case of a TEFRA partnership examination, the TMP has authority to act for the partnership and may sign the Form 2848. For tax years beginning after December 31, 2017, the partnership is required to designate a partnership representative. However, such designation is not necessary if the partnership is an eligible partnership that has elected out of the centralized partnership examination regime. The partnership representative, as defined in section 6223(a), has the sole authority to act on behalf of the partnership under the centralized partnership examination regime. See IRM 4.31.9, Centralized Partnership Audit Regime (BBA) Field Examination Procedures.

Note: The Bipartisan Budget Act of 2015 repealed the TEFRA partnership examination and litigation procedures and the rules applicable to electing large partnerships. The Act replaced these rules with a new centralized partnership examination regime. The Act also eliminated the role of “tax matters partner” and replaced it with “partnership representative” effective for tax years beginning after December 31, 2017.

Note: Representation under Circular 230 means, advocate, negotiate, or dispute issue. Form 2848 is not required if the role of the designated individual is limited to providing or receiving information or to offer general explanations.

- (7) Any person allowed to perform “limited practice” per section 10.7(c)(1) of *Product Catalog Information Circular 230* must be designated on a Form 2848.
- (8) If a representative, appointed by the taxpayer, is not qualified to sign Part II of Form 2848, return the form to the taxpayer. You must not treat an invalid Form 2848 as authority for the individual to receive tax information.
- (9) A valid Form 2848 or Form 8821 should contain the following information:
 - Issuer/conduit borrower name, EIN, and business address.
 - Name, address, and phone number of the representative/appointee.
 - Type of tax (legal name of the bond issue, including issue amount) and tax form number (Form 8038 series).
 - Year or period (date of issue).
 - Signature, with date, of an appropriate official of the entity designating the authority.
 - On Form 2848, the representative must sign and date the declaration (Part II) and enter the designation under which practice before the IRS is authorized.
- (10) For TEB: Issuers and conduit borrowers use Form 2848, Power of Attorney and Declaration of Representative, to authorize an attorney or other qualified person to represent them before the IRS. See IRM 1.25.1, Rules Governing Practice Before the IRS. You may need to solicit a Form 8821, Tax Information Authorization, from the issuer or conduit borrower. This form authorizes the designated individual to receive or inspect tax return information but will not authorize the designee to represent the issuer or conduit borrower before the IRS. Situations requiring a Form 8821 include but are not limited to:

- When the representative appointed is not designated in paragraphs (a) through (r) of Part II of Form 2848.
- When direct communication between the examiner and the conduit borrower with respect to the issuer's tax matters may expedite the exam, the Form 8821 should be signed by the issuer.
- When direct communication between the examiner and the issuer with respect to the conduit borrower's tax matters may expedite the examination, the Form 8821 should be signed by the conduit borrower.
- When direct communication with other parties to the transaction that are not designated to represent the issuer under a Form 2848 is necessary (for example, communication with bond counsel, financial advisors, trustee, rebate consultants, underwriters, bidding agents, or investment providers), the Form 8821 should be signed by the issuer under examination.

4.70.11.10.2
(11-22-2023)

**ITG: Disclosure
Responsibilities when
Working with Indian
Tribal Governments**

- (1) The Centralized Authorization File (CAF) function doesn't process Forms 2848 submitted using a version older than the October 2011. So, if a POA submits an obsolete form, ask them to resubmit using the most current revision.
- (2) Review the form for completeness and validity. For a list of required elements, see IRM 21.3.7.5.1, Essential Elements for Form 2848 and Form 8821. Elements specific to TE/GE Taxpayers are tabled by function in Exhibit 4.70.11-1, TE/GE Form 2848 and Form 8821 Specific Elements by Function.
- (3) Taxpayers and representatives may not use signature stamps when signing POA/TIA forms. Original signatures are required.
- (4) IRS accepts a faxed POA/TIA form and generally recognizes it. If there is some indication of forgery, the representative can be required to produce the original form.
- (5) If the taxpayer wants the representative or designee to receive correspondence from the IRS, he/she must check the box in Part I, Item 2 of Form 2848 (below the representative's name and address) or Item 2 of Form 8821. Only two representatives will receive correspondence.
- (6) The IRS will accept a non-IRS form. See IRM 21.3.7.5.1(5), Power of Attorney and Form 2848, for a list of the required information.
- (7) A signed and dated statement made by the representative should also be attached to the non-IRS form. The statement must contain the same declarations contained in Part II of Form 2848.
- (8) "Pen and ink" changes to Form 2848 or Form 8821 are not acceptable. If you discover imperfections, you must request that the taxpayer submit a new form.
- (9) Verify that the individual shown as the representative is in good standing to practice before the IRS by using IDRS Command Code CFINK.

Note: CFINK is input using the full CAF number (CFINK 9999-99999R).

- (10) If you receive a form that doesn't contain all the required items, it is invalid. If the form doesn't include all the types of tax, form numbers, and years or periods under examination, the form won't be valid for the missing types of tax, forms and/or tax years or periods. If there is missing information, contact the taxpayer or representative/designee and discuss the missing information.

Caution: Don't make any changes or add any information to the form other than completing the information requested in the box labeled, "For IRS Use Only" on Form 2848 or Form 8821 or date stamping the front of a non-IRS form.

- (11) In addition to following the above guidelines for Disclosure of Official Information, there are specific requirements when working with Indian Tribal Governments.
- a. Returns and return information of a tribal government may be disclosed to any person legally authorized to act for such government. Generally, verification that the requester is a government official, such as Treasurer or Comptroller, will be sufficient to indicate entitlement to returns and return information.
 - b. Requests for returns must be made in writing on appropriate governmental letterhead.
 - c. If the tribe, in a resolution of the tribal council or other exercise of its powers as a sovereign government, duly designates in accordance with regulatory requirements an individual or individuals as the primary point of contact for the IRS, ITG will honor that designation and contacts should be made through that individual. The designation may be made with regard to specific matters or on an on-going basis.

Example: A tribe may provide specific protocol requirements on how the IRS (ITG) is to interact and contact the tribe or its entities when conducting government-to-government business.

Caution: The Examiner should secure the Tribe's specific protocol and/or policies from ITG on how to interact with and contact the tribal intergovernmental agency and its entities to conduct an examination. Note this in the CCR and add a copy of the protocol to the RCCMS file.

- d. When the specialist has an on-going relationship with the tribe and is familiar with the official responsible for a particular matter, on-going contacts should be made with that official (provided that official has been duly designated by the tribe to receive returns and return information of that matter, or is otherwise authorized to receive returns and return information of the tribe because he/she is a tribal government official legally authorized to act for the tribe).
- e. When there is any doubt as to the responsible official, the following steps should be followed:

1. Contact the local Bureau of Indian Affairs (BIA). The BIA Area Office may be contacted to assist in identifying the recognized tribal leadership and the location of the tribal offices. The IRS employee should not advise the BIA of the purpose of the inquiry.
2. Inquiries should be made to the recognized leaders as to the responsible official(s) with regard to a particular matter.
3. If the contact is in regard to a specific return and the signer of the return can be identified, that person will be treated as the responsible official provided the individual is still acting in the same capacity as when the return was signed and filed.
4. If any doubts remain as to whom the responsible official is or who is entitled to return information, written instructions from the tribal government should be requested.

- f. A tribe may have several entities with separate accounting staffs. There may be a different responsible official for each of these entities.

Example: A tribe may have the tribal government office, a housing authority, a health clinic, a casino, and a smoke shop.

4.70.11.10.3
(11-22-2023)

Processing POA and TIA Forms

- (1) If a Form 2848 or Form 8821 is complete and valid, complete the block labeled "For IRS Use Only" with the examiner's name, phone number, function, and date the form was received.
- (2) If a non-IRS POA form is complete and valid, date stamp the front of the form. Attach a completed Form 2848, with "IRS Use Only" section filled with examiner's name, phone number, function, and date so the form can be processed to the CAF system.
- (3) If a non-IRS TIA form is complete and valid, date stamp the front of the form. Attach a completed Form 8821, with "IRS Use Only" section filled with examiner's name, phone number, function, and date so the form can be processed to the CAF system.
- (4) In the top margin of the form notate the date the form was sent to the Service Center and the name of the specific Service Center.

Example: "EE Faxed POA to Memphis Service Center on 10/21/202".

- (5) Fax a copy of Form 2848, Form 8821 or non-IRS forms, to the Service Center reflected in the table below as soon as possible. Please see the table for specific elements for each TE/GE function in Exhibit 4.70.11-1 below for instruction.

Note: The form should be readable without removing staples.

Exception: If a specific form number is not listed under "Tax Form Number", the Service Center will not process it.

If the Taxpayer's address is in	THEN use this address	EE Fax number *
Alabama, Arkansas, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, or West Virginia	Internal Revenue Service 5333 Getwell Road Stop 8423 Memphis, TN 38118	855-214-7519
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wisconsin, or Wyoming	Internal Revenue Service 1973 Rulon White Blvd., MS 6737 Ogden, UT 84201	855-214-7522

- (6) If the CAF unit rejects the form, they issue Letter 861-C to the taxpayer. IDRS command code ENMOD indicates a notice was sent.
- (7) Note in the CCR (EP, EO, TEB) or the Examining Officer's Activity Record (FSL/ET and ITG) the date the form (Form 2848 or Form 8821) was received and the date it was sent to the Service Center.
- (8) Maintain copies of all secured Forms 2848 (or Form 8821) in the RCCMS Office Documents folder when you close the case, use the RCCMS naming convention.

Note: For TEB, for electronic workpaper, an electronic copy of the authorization may be posted to the Office Documents section of the workpaper using the Adobe push pin method or use the TE/GE naming convention.

4.70.11.10.4 (11-22-2023)

Working an Exam with a Valid POA or TIA

- (1) Valid POA and TIA forms submitted by a taxpayer are always required to be honored unless the criteria for bypassing are met. See IRM 4.70.11.10.8.1, Bypass Procedures.
- (2) Send correspondence and notices to the taxpayer and the authorized representatives/designee as requested in Part 1, Item 2 of Form 2848, per 26 CFR 601.506(a).

- (3) Send copies of correspondence and other written communications to the authorized designee if Form 8821 item 2 is checked, or if the TIA is submitted in a document other than Form 8821, the document specifically requests copies be sent to the appointees.
- (4) Use Letter 937-A, Transmittal of Information to Power of Attorney, to transmit correspondence to a POA.
- (5) Blank forms, notices, and publications available on *IRS.gov* should not be sent to the taxpayer's representative or designee.
- (6) If you expand the examination scope to include additional tax periods or different returns, notify the taxpayer. Give the taxpayer time to secure a new form to cover the additional periods or different return before you take any examination action. A new form should be submitted with the additional periods or different return, signed by both the taxpayer (or officer of the entity) and the representative/designee. If the taxpayer chooses not to have representation or designee for those additional periods/returns, then examination information for those periods/returns won't be disclosed to any person other than the taxpayer.

4.70.11.10.5
(11-22-2023)

**Revocation and
Subsequent Power of
Attorney and Declaration
of Representative**

- (1) If the taxpayer chooses to revoke an existing POA and not name a new representative, they must send a copy of the previously executed power of attorney to the IRS along with a cover letter. The taxpayer must:
 - a. Write "REVOKE" across the top of Form 2848.
 - b. Include in the cover letter: a written statement that the authority of the power of attorney is revoked and list the name and address of each recognized representative whose authority is being revoked along with the applicable return(s), tax matter(s) and year(s) (or if the taxpayer is completely revoking a representative, they may state: "remove all years/periods").
 - c. Sign and date the cover letter.
- (2) If the taxpayer chooses to revoke an existing TIA and not name a new designee, they must send a copy of the previously executed Form 8821 to the IRS along with a cover letter. The taxpayer must:
 - a. Write "REVOKE" across the top of Form 8821.
 - b. Provide a current taxpayer signature and date under the original signature.
- (3) If a representative wants to withdraw from representation, they must send a copy of the previously executed power of attorney to the IRS along with a cover letter. The representative must:
 - a. Write "WITHDRAW" across the top of Form 2848.
 - b. Include in the cover letter: a written statement that they are withdrawing from representing the taxpayer and the taxpayer's name, TIN and address with the applicable return(s), tax matter(s) and year(s) alternatively the representative may indicate that they are withdrawing from "all years/periods".
 - c. Sign and date the cover letter.
- (4) The taxpayer/representative must send the statement of revocation/withdrawal to the TE/GE group responsible for the case.

- (5) The examiner or manager will forward the revocation/withdrawal request to the applicable Service Center.
- (6) The filing of a Form 2848 automatically revokes all previously submitted Forms 2848 for the same tax matters and years or periods covered unless the box in item 6 of the Form 2848 is checked.
- (7) The filing of a Form 8821 automatically revokes all prior TIAs on file unless the box on line 5 of Form 8821 is checked.
- (8) If the taxpayer wants to keep previous representatives, they must check the box in Item 6 on Form 2848 and attach copies of the applicable Forms 2848 for those representatives to the new Form 2848 being submitted.
- (9) If the taxpayer wants to keep previous designees, they must check the box in Item 5 on Form 8821 and attach copies of the applicable Forms 8821 for retained designees to the new Form 8821 being submitted.

4.70.11.10.6
(11-22-2023)
**Specific-Use
Authorization**

- (1) Form 2848 or Form 8821 can indicate a specific use by making an entry on line 4 for a specific issue authorization. For examples of specific-use authorizations, see IRM 21.3.7.8.12, Specific Use Authorizations.
- (2) If you receive a specific-use POA/TIA form, save a copy in the RCCMS Office Documents folder indicating its relation to specific documents. The representative keeps the original form. Specific-use forms aren't recorded on the CAF system and therefore, don't have to be forwarded to a CAF unit. A specific-use form doesn't revoke any prior POA/TIA forms.

4.70.11.10.7
(11-22-2023)
**Verbal Tax Information
Authorization**

- (1) IRS employees are authorized to accept a taxpayer's verbal consent to disclose return information to parties helping the taxpayer to resolve a federal tax matter (26 CFR 301.6103(c)-1(c)(2)). The regulation also clarifies that the taxpayer can verbally approve IRS disclosures to someone accompanying the taxpayer at in-person meetings with the IRS or participating in a phone conversation between the taxpayer and the IRS.
- (2) See IRM 11.3.3.2.1, Requirements for Oral Authorization, for procedures on verbal authorizations.

The following examples illustrate potential examination situations when you should secure a POA or TIA form:

Example 1: The president of the entity advises that Mr. Monroe, the accountant who prepared the entity's returns, will be the contact point for receiving information and correspondence relating to the examination and providing information to and discussing issues. Mr. Monroe is an unenrolled return preparer. Secure a POA form for Mr. Monroe.

Example 2: The president of the entity advises that Mr. Carroll, the bookkeeper, will be the contact point for receiving tax information and correspondence relating to the examination and providing information. The entity doesn't wish to authorize Mr. Carroll to sign agreements, consents, or represent the entity as a POA. Secure a written or verbal TIA for Mr. Carroll.

The following examples illustrate potential examination situations when you should secure a POA or TIA form:

Example 3: The president of the entity brings several employees to a meeting. The employees aren't authorized to receive confidential tax information just because the president brought them to the meeting. In this situation, secure a verbal TIA for each of the employees attending the meeting. Record the pertinent information concerning the verbal TIA in the CCR or a separate workpaper as soon as possible.

Example 4: The entity's attorney has a valid POA form to represent the entity. He requested his secretary call to determine the status of the examination. The secretary doesn't have the right to receive confidential tax information concerning the entity. Don't discuss the status of the examination with the secretary unless you secure a verbal or written TIA from the taxpayer.

4.70.11.10.8
(11-22-2023)
Overview of Power of Attorney By-Pass Procedures

- (1) IRC 7521(c) states that an examiner, with the approval of the group manager, may notify the taxpayer directly that such officer or employee believes such representative is responsible for unreasonable delay or hindrance of an IRS examination or investigation of the taxpayer.
- (2) If taxpayer notification does not resolve the delays, the procedures to by-pass the power of attorney (POA) permit the examiner to contact the taxpayer directly and to request any information necessary to complete the examination. See IRM 4.11.55.4, Examining Officers Guide, Power of Attorney Rights & Responsibilities, By-Pass of a Representative.
- (3) Under the "By-Pass Procedures" the POA continues to represent the taxpayer, and you must send all correspondence issued to the taxpayer to the representative. The taxpayer may at his/her discretion forward the requested information/documentation to you through the representative.
- (4) The by-pass procedures do not constitute a disbarment or a suspension of the practitioner. The taxpayer still has a statutory right to representation per IRC 7521(c).

4.70.11.10.8.1
(11-22-2023)
By-Pass Procedures

- (1) Document the case chronology/activity record if any of the following occur:
 - a. The representative impedes or delays an examination by failing to submit the records or information requested by the examiner.
 - b. The representative impedes or delays an examination by failing to keep scheduled appointments.
 - c. The representative impedes or delays an examination by failing to return telephone calls and written correspondence.
- (2) If you notice a trend and the examination is being hindered because of the representative, notify your manager of the representative's actions. The manager will ensure that all reasonable efforts have been taken to deal directly with the representative and that the case file sufficiently details the facts that support how the examination has been delayed or hindered.

- (3) If you have not done so already, send copies of all correspondence that you sent to the representative to the taxpayer. This includes all IDR's.

Note: ITG: Send all correspondence to the tribal contact as well as the tribal leader.

Note: In many cases, the taxpayer may not be aware that the representative is procrastinating and may correct the situation once he/she is made aware of the problem.

- (4) The Examiner will prepare, and the group manager will send, Letter 4020-A, Warning Letter for By-Pass Procedures for Preparers Covered Under Circular 230, to advise the representative of his/her responsibilities under Circular 230 and conveying advance notice of a possible "by-pass" because the representative is violating Circular 230.

- a. Attach copies of prior document requests, a list of outstanding items, and a brief chronology of events to the letter.

Caution: The taxpayer will not be sent a copy of the warning letter. A copy of the letter must be sent to the Area/Program Manager, and the Area Return Preparer Coordinator must be contacted and advised of the possible by-pass. See IRM 4.55.4.1 for additional guidance.

- (5) **EP, EO, FSL/ET:** If the representative continues to delay or refuses to provide the information requested, obtain the Area/Program Manager's written approval to "by-pass" the representative by preparing a draft Letter 4020-C and sending to the Area/Program Manager via encrypted email with a copy to your manager. The Area/Program Manager will issue Letter 4020-C, Final Bypass Letter to the representative and a copy to the taxpayer. The Area/Program Manager sends a copy of the sent Letter 4020-C to you and your manager as authority to bypass the representative on the exam.
- (6) The "by-pass" permits the IRS to contact the taxpayer/ issuer directly. The practitioner can continue to represent the taxpayer/ issuer, if accompanied by the taxpayer/ issuer. The representative will be afforded the courtesy of being advised of the time and place for future appointments with the taxpayer/ issuer. Continue to send copies of all correspondence that you send to the issuer to the bypassed representative.
- (7) Use a summons to obtain information if both the taxpayer/ issuer and the representative are both intentionally uncooperative.
- (8) Refer to IRM 4.11.55, Power of Attorney Rights and Responsibilities, for additional details.

4.70.11.11
(08-26-2025)
Third-Party Contacts

- (1) In general, Examiners will receive information directly from the taxpayer under examination. Contacts with third parties are made when the Examiner is unable to obtain the information from the taxpayer or when it is necessary to verify the information provided by the taxpayer. The provisions of IRC 6103(k)(6) and corresponding regulations apply to all third-party contacts.
- (2) Follow IRM 25.27.1, Third-Party Contact Program, for Servicewide procedures relating to third-party contacts.

Note: Refer IRM 25.27.1.4, Recording and Reporting TPCs, for where to send Form 12175. The listing of servicewide TPCs can be found here: *Technical Services Third Party Coordinators*.

Note: For EOE and GE, send Form 12175 to the EOE functional TPC coordinator in EOE PMO.

- (3) IRM 25.27.1.3, Notification Requirements, indicates the Letter 3164 series notifies taxpayers of the IRS's intent to make third-party contacts. The following are versions of the 3164 series letters usually used in TE/GE.
 - a. Letter 3164-E, (Exam-1) Third-Party Contact, is used for general exams.
 - b. Letter 3164-K, Third Party Contact (TEGE), is used when a third-party contact will be made in a ruling or determination matter (including compliance statements or closing agreements).
 - c. Letter 3164-P, Third Party Notification for IRC 6700/6701 Investigations, is used to provide a third-party notification to persons investigated for promoting abusive tax shelters or aiding and abetting the understatement of tax (IRC 6700/6701 investigations).
- (4) Third-party contact procedures do not apply to Whistleblower Claims. Case files involving Whistleblowers should not contain any reference to the Whistleblower in the primary case documentation. Even making reference to Form 11369, Confidential Evaluation Report on Claim for Award, or to the Whistleblower in the activity record is prohibited because the administrative case file is subject to FOIA and could lead to disclosure.

4.70.11.12
(11-22-2023)

**Disclosure Rules -
Obtaining Taxpayer
Information from
Internet Sites**

- (1) This is a list of the applicable law for disclosure and internet research:
 - a. IRC 6103(a) provides that return or return information will be confidential.
 - b. IRC 6103(b)(2) provides, in part, that return information means a taxpayer's identity, the nature, source or amount of income, payments, receipts, deductions, exemptions, credits, assets, liabilities, net worth, tax liability, tax withheld, deficiencies, over assessments or tax payments, whether the return was, is being or will be examined or subject to other investigation.
 - c. IRC 6103(b)(6) defines taxpayer identity information as: the name of a person who files the return, his/her mailing address, his/her taxpayer identifying number (as described in section 6109) or a combination thereof.
 - d. IRC 6103(k)(6) provides that investigative disclosures of return information may be made to the extent that such disclosure is necessary in obtaining information, which is not readily available to determine tax liability or the current amount of tax due. Such disclosures will be made only in such situations and under such conditions as the Secretary may prescribe by regulations.
 - e. 26 CFR 301.6103(k)(6)-1(a)(1) provides that an employee of the IRS may disclose return information, of any taxpayer, to the extent necessary to obtain information relating to such official duties or to accomplish properly any activity connected with such official duties.
 - f. 26 CFR 301.6103(k)(6)-1(a)(2) provides in part, that the disclosure of return information is authorized only if the IRS employee reasonably believes the information is not otherwise reasonably available or if the activity connected with the official duties cannot occur properly without the disclosure.

- (2) In light of these provisions of the law, follow this guidance:
- a. When searching the internet in the performance of official duties in compliance with IRC 6103(k)(6) and 26 CFR 301.6103(k)(6)-1, the fact that an identifying “cookie” trail is left behind on the internet site does not result in an unauthorized disclosure.
 - b. When performing an investigative disclosure under IRC 6103(k)(6), only disclose return information that is necessary to obtain information relating to such official duties or to accomplish properly any activity connected with such official duties. See 26 CFR 301.6103(k)(6)-1.
 - c. Generally, disclosure of a taxpayer’s name and/or address in the pursuit of information posted on the internet for an official purpose will meet the necessity test. However, return information should not be disclosed if the information can be secured without a disclosure.
 - d. Disclosing a SSN is particularly sensitive. Be careful and disclose only when necessary.
 - e. Based on the narrow interpretations in court cases under IRC 6103(k)(6) and related regulations, we have been advised by TEGEDC and the Disclosure office that any disclosure of return information beyond the taxpayer name and address during an internet search should be carefully analyzed on a case-by-case basis. Be alert to the “Necessity Test” as provided by IRC 6103(k)(6) and 26 CFR 301.6103(k)(6)-1 and that any disclosure of return information should be weighed against this criteria.
 - f. 26 CFR 301.7602-2(c)(2)(i)(B) clarifies that accessing information from a computer database or an internet web site does not represent a third-party contact under IRC 7602.

4.70.11.13
(11-22-2023)
Verbatim Recordings

- (1) The taxpayer has the right under IRC 7521, Procedures Involving Taxpayer Interviews, to make an audio recording of an in-person interview. Under Notice 89-51, 1989-17 I.R.B. 21, ten calendar days advance written notice from the taxpayer is required. If 10 calendar days’ advance notice is not given, the IRS may, in its discretion, conduct the interview as scheduled (permitting the recording) or set a new date. See IRM 4.10.3.3.6, Requests to Audio Record Interviews for additional guidelines.
- (2) Requests by taxpayer or their representative to tape or make stenographic or other verbatim recordings of examination proceedings will ordinarily be allowed, except where the taxpayer’s or representative’s behavior is clearly disruptive of normal examination process or investigative proceeding. Requests to videotape or otherwise film examination proceedings will not be granted.
- (3) In situations where a taxpayer or his/her representative requests to tape or make stenographic or other verbatim recordings of examination proceedings, you will generally concur subject to the following provisions:
 - a. Secure your group manager’s approval prior to the recording.
 - b. The taxpayer and/or representative should furnish his/her own recording equipment.
 - c. The examiner or group manager may also record the proceeding.
 - d. The recording should take place in a suitable location, ordinarily in an IRS office.
- (4) Immediately refer any request to make a tape, stenographic or other verbatim recording to the group manager for approval. If granted, the manager will

arrange an appropriate time and suitable location in an IRS office where equipment is available to make the IRS's recording.

- (5) If a taxpayer, legal representative, or witness appears in an examination proceeding and requests to make a verbatim recording without the IRS's prior knowledge of this intent, the examiner, with approval of the group manager, may attempt to make arrangements for space and recording in order for the proceedings to continue.
- (6) At the outset of the recording, you must identify yourself, the date, time, place, and purpose of the proceedings. Each participant in the proceeding also must identify himself/herself, his/her role in the proceeding and acknowledge and consent to the making of a verbatim recording. If an additional participant arrives or a participant leaves the proceeding, note these facts on the recording.
- (7) Describe written records presented during the proceeding in enough detail to make the verbatim recording a meaningful record when matched with the other documentation contained in the case file.
- (8) At the conclusion of the proceeding, state that the proceeding has been completed and the recording is ended.
- (9) Immediately review the recording produced by the IRS for clarity and substance and, if needed, immediately prepare a complete written report of the conference.

4.70.11.14
(11-22-2023)

Record of Interviews

- (1) Interviews may be recorded in several ways:
 - Informal notes
 - Memoranda
 - Affidavits
 - Questions and answers
 - Depositions (Verbatim Recordings)
- (2) **Informal Notes:** Informal note taking is a commonly used way to record an interview. It may consist of notes you made during or immediately after an in-person or telephone interview or conversation.
 - a. The notes should contain enough detail to refresh your memory about the interview.
 - b. The format of the notes should sufficiently identify the date, place, persons present and describe the events and content of the interview.
 - c. The contemporaneous notes should be kept, even after you prepare formal notes.
- (3) **Memoranda:** A memorandum of interview is an informal statement of the facts obtained during an interview.
 - a. The memorandum should show the date, time, place, and persons present, and describe the interview events and content.
 - b. When possible or necessary, record the interviewee's exact words. Do not assume or interpret meanings; request clarification when needed.
 - c. Promptly prepare, sign, and date the memorandum.
- (4) **Affidavits:** An affidavit is a written statement of facts, made voluntarily and confirmed by oath.

- a. You may take an affidavit when an affiant (taxpayer, representative, or informant) presents information (written or oral) relating to a tax matter. While the IRS provides Form 2311 for this purpose, affidavits may also be taken on plain paper. Either you or the affiant can type or handwrite the affidavit. Verify that all words in the affidavit are spelled correctly.
- b. Ideally, two IRS representatives should be present, although it is permissible for one representative to conduct an interview and create an affidavit.
- c. At a minimum, an affidavit must contain the following information about the affiant:

Name: This should be the current full name as well as any current or prior alias.

Address: The most current.

Occupation: The present occupation of the person giving the affidavit. If the information relates to a prior occupation, add that occupation as well.

Identity: The identity of documents submitted as part of the affidavit. Note the date on which each document was prepared, the person who prepared it and the source from which it was prepared.
--

Sworn statement: After the affidavit is filled out, swear the affiant by asking the following: "Do you swear or affirm that the foregoing facts are true to the best of your knowledge?"
--

Note: The affiant must have his/her right hand raised at the time of responding to this statement.

- (5) **Questions and Answers:** A question and answer statement is a transcript of questions and the participant's answers and statements during an interview. This form of recording an interview can become an affidavit if it is confirmed by a declaration made under oath. This form has the advantage of following the exact sequence of the questions asked in the interview.
 - a. The interview transcript is considered an affidavit once it is signed under oath.
 - b. At the bottom of the interview, add the statement, "Under penalties of perjury, I declare that I have reviewed the above interview information, and to the best of my knowledge and belief, it is true, correct, and complete."

You secure your manager's approval prior to the recording.

The taxpayer and/or representative furnishes his/her own recording equipment.

The recording takes place in a suitable location, ordinarily in the IRS offices.

If the taxpayer or representative records the proceedings, you/your manager must strongly consider recording them as well to prevent future disputes over the verbiage or tone used in the interview.

- c. Provide two lines at the bottom underneath the perjury statement for the individual's signature and a typed or printed name and title.
 - d. After signing, the individual should also provide the date their signature was applied to the document.
- (6) **Deposition** (Verbatim Recordings). Depositions are formal interviews primarily recorded during criminal investigations, at which the examiner, any counsel, and a stenographer are present. For further information, see IRM 9.4.5, Investigative Techniques, Interviews.
- a. We generally allow a taxpayer or their representative's request to make a tape, stenographic or other verbatim recording of examination proceedings except when the taxpayer's or representative's behavior is clearly disruptive of the normal exam process or investigative proceeding. We do **not** grant requests to videotape or otherwise film exam proceedings.
 - b. If a taxpayer or his or her representatives asks to make a tape, stenographic or other verbatim recordings of an exam, the examiner will generally comply subject to the following provisions:

You secure your manager's approval prior to the recording.
--

The taxpayer and/or representative furnishes his/her own recording equipment.

The recording takes place in a suitable location, ordinarily in IRS offices.
--

If the taxpayer or representative records the proceedings, you/your manager must strongly consider recording them as well to prevent future disputes over the verbiage or tone used in the interview
--

- c. Immediately refer any request to make a tape, stenographic or other verbatim recording to your manager for approval. If granted, the manager will arrange an appropriate time and suitable location in an IRS office where equipment is available to make the IRS's recording.
- d. If a taxpayer, legal representative, or witness appears in an examination proceeding and asks to make a verbatim recording without the IRS's prior knowledge of this intent, you, with your manager's approval, may attempt to arrange for space and recording equipment so the proceedings can continue.
- e. At the beginning of the recording, identify yourself, the date, time, place, and purpose of the proceeding. Each participant in the proceeding also must:

Identify himself or herself.

Identify his or her role in the proceeding.

Acknowledge and consent to the making of a verbatim recording.
--

Note: If an additional participant arrives or a participant leaves the proceeding, note these facts on the recording.

- f. When written records are presented during the proceeding, the submitter must describe them in sufficient detail to make the verbatim recording a meaningful record when matched with the other documentation in the case file.
- g. State that the proceeding is complete, and the recording is ending.
- h. Immediately review the IRS-produced recording for clarity and substance and, if needed, immediately prepare a complete written report of the conference.

4.70.11.15
(11-22-2023)
**Collateral Examinations
and Referrals**

- (1) This IRM describes the procedures to follow when initiating or receiving a request to conduct a collateral examination. See IRM 4.2.1.7, Collateral Examinations, for more information.
- (2) This IRM describes the referral procedures between TE/GE functions, from TE/GE to other Business Units, or referrals to other agencies external to the IRS.
- (3) Classification and Case Assignment (C&CA) is responsible for classifying all cases to ensure that adequate internal controls are maintained. See IRM 4.70.3, Classification and Case Assignment (C&CA) Procedures.

4.70.11.15.1
(11-22-2023)
Collateral Examinations

- (1) To properly develop examination issues sometimes you may need to request:
 - a. Information from another IRS office.
 - b. The concurrent examination of another taxpayer in another IRS office.
- (2) Use collateral examinations when:
 - a. The need to exchange information between areas is essential to resolve an issue of material consequence.
 - b. You cannot obtain the information from the taxpayer, the taxpayer's representative, or third parties.

Note: Attempt to secure the information rather than routinely requesting a collateral examination.

- (3) A collateral examination is justified when:
 - a. An interview is required to obtain sworn testimony or affidavits.
 - b. A document is to be obtained.
 - c. A transcript of an account or a listing of invoices is needed.
 - d. A summons needs to be served.

4.70.11.15.1.1
(11-22-2023)
**Collateral Examination
Procedures: Initiating
Area**

- (1) Research IDRS before you request a collateral examination to see if the taxpayer located in another office's jurisdiction is currently under examination (AIMS status 12 through 18). If so, contact the examiner to exchange information.
- (2) Prepare Form 6229, Collateral Examination, if it is urgent that another Business Unit conduct a coordinated examination of a related form. See IRM 4.70.12.5.1, Workpaper Summary and Examination Workpapers Index, for an example of a completed Form 6229.
 - a. Write a clear description of the issue in the "Narrative" section of the form.

Note: You may also prepare and attach a Revenue Examiner Report or additional schedules and attachments as needed.

- b. Explain the extent to which you're requesting the other Business Unit involvement in the "Narrative" section of the form.
- c. Email or mail the Form 6229 (and attachments, if any) to your group manager for approval.
- d. Once approved, the group manager sends Form 6229 (and attachments, if any) to the Area Manager for review and approval.
- e. The Area Manager signs the upper right-hand side of the paper version of Form 6229 in the box containing "From TE/GE Territory/Area____ Manager."
- f. The Area Manager returns the signed Form 6229 to the group manager who forwards it to **Manager EO Classification*.

Note: Include "Collateral Exam Request" in the subject line of the email.

4.70.11.15.1.2
(11-22-2023)

**Collateral Examination
Procedures: Receiving
Area**

- (1) Treat collateral requests as priority.
- (2) The receiving area acknowledges receipt of the request by completing the Form 6229 and secure emailing it back to the initiating area or informally calling the requester.
- (3) When you receive a request for a collateral examination:
 - a. Include your name, address, telephone number, and date received. If the case is reassigned, the new examiner must notify the initiating area of the change.
 - b. Use secure email, fax, and phone calls to further discuss case with the requesting examiner. If a formal response is required, complete the Form 6229 and secure/encrypt e-mail it to the requesting area office.
 - c. Give a clear, concise response to each question raised.
- (4) The receiving office must:
 - a. Act promptly and report the results to the requesting area office within 20 days from receipt of the Form 6229 with their decision about working the collateral request.
 - b. Consider staffing when they decide whether to accept the collateral examination request.
- (5) A requester for a collateral examination is responsible for promptly completing the necessary action and reporting the results to the requesting area office within 20 days from receipt of the Form 6229 for a decision to work the collateral request. Staffing concerns would be addressed by the area/territory/group manager receiving the request.
- (6) If the receiving office believes the anticipated results of a collateral examination wouldn't justify the time and other costs of conducting the examinations, it sends a memo stating so to the requesting area office. The area manager approves the memo and sends a copy to the respective Classification or Planning and Special Programs units.
- (7) Both offices' area managers/program managers should resolve any disagreement between the requesting and receiving offices concerning the need for a

collateral examination. If the area managers/program managers disagree, they should consult the Director for the specific functional unit.

4.70.11.15.2
(11-22-2023)

**Coordinating with other
Business Operating
Divisions for ITG Cases**

- (1) ITG specialists trained in tribal protocols are the primary IRS point of contact for all interactions with federally recognized Indian tribes and are responsible for:
 - a. Most IRS compliance activities with tribes.
 - b. Ensuring the IRS complies with relevant Presidential Executive Orders that outline the required relationships and protocols in working with tribes.
- (2) ITG employees are specially trained in the unique areas of tax law and protocols applicable to Indian tribes.
- (3) To alleviate potential problems and ensure that the IRS complies with existing legal requirements, **all IRS employees must contact the Office of Indian Tribal Governments before initially contacting any Indian tribal government or entity. Sometimes, a tribe may request that all IRS employees get the tribe's approval before entering tribal lands when conducting IRS business.** Contact the IRS Office of Indian Tribal Governments through the Specialist Referral System.

Caution: The Examiner should secure the Tribe's specific protocol and/or policies from ITG on how to interact with and contact the tribal inter-governmental agency and its entities to conduct an examination. Note this in the CCR and add a copy of the protocol to the RCCMS file.

- (4) Because ITG coordinates all aspects of tax administration impacting tribes, ITG entered into a Memorandum of Understanding (MOU) with these parts of Small Business/Self-Employed (SB/SE) for the following:

MOU with SB/SE	MOU states
Specialty Examination Excise Tax Program, formerly known as Office of Excise Taxes (OET)	<p>ITG:</p> <ul style="list-style-type: none"> • Is responsible for all wagering tax issues related to Indian tribal governments, including any subdivision, subsidiary, or wholly owned business of the Indian tribal government. • Is the single point of contact to authorize or to make contacts with Indian tribal governments. • Will refer any issues they identify concerning non-wagering excise taxes to an Excise Tax specialist using the <i>Specialist Referral System</i>. • Will coordinate education and outreach sessions with the applicable Excise tax group and Indian tribal governments where potential non-wagering excise tax responsibilities may exist. • Will contact appropriate Excise Issue Specialists (EIS) for assistance to answer specific excise tax questions that do not involve wagering <p>Specialty Examination Excise Tax Program:</p> <ul style="list-style-type: none"> • Has jurisdiction over all other excise tax issues relating to Indian tribal governments. • Will coordinate with ITG before they initiate any examination or outreach activity with an Indian tribal government, including any subdivision, subsidiary, or wholly owned business of the Indian tribal government.
Bank Secrecy Act (BSA) Program	ITG and BSA share responsibilities for BSA and IRC 6050I notification and education activities for entities owned by Indian tribal governments.

Note: Find the MOUs at *ITG Memorandum of Understanding*.

(5) ITG interacts with other IRS offices:

IRS office/employee	Procedures/interactions	IRM Section
Field Collection revenue officers (RO)	<ul style="list-style-type: none"> Becomes involved in collection enforcement on an Indian tribal government/enterprise account. RO must contact ITG using the Specialist Referral System before making initial contact on ITG accounts. 	IRM 5.1.12, Field Collecting Procedures, Cases Requiring Special Handling. See IRM 5.1.12.24.2.
Criminal Investigations (CI) special agents	<ul style="list-style-type: none"> Sometimes CI is prohibited from disclosing information to ITG employees: Criminal investigations involving sensitive investigative techniques, pending enforcement actions and/or the use of federal grand juries. CI will, to the extent possible, coordinate pertinent tribal activities and interaction with ITG. 	IRM 9.3.1, Criminal Investigation, Disclosure.
Coordinated Industry Case Program (CIC) exam agents	<ul style="list-style-type: none"> CIC promotes uniform, consistent management of coordinated examination cases. Examination activities in tribal governments may raise concerns which require assigning specific work to multiple agents. 	IRM 4.24.5.2, LB&I Examinations - Categories for Excise Tax.

4.70.11.15.3
(11-22-2023)
**General Referral
Process within the IRS**

- (1) When making referrals within the IRS, research IDRS before you initiate a referral to see if the taxpayer is currently under examination in another business operating division. If so, contact the examiner to exchange information.
 - (2) Refer issues not within the scope of the current examination using a Form 5666, TE/GE Referral Information Report. "Complete Form 5666: IRM Exhibit 4.5.1-12" to "Complete Form 5666. IRM Exhibit 4.5.1-12 for instructions for preparing Form 5666."
- Note:** If a concurrent examination is warranted, do not complete Form 5666. Prepare Form 6229, Collateral Examination, if it is urgent that a coordinated examination of a related return be conducted. See IRM 4.70.11.15.1, Collateral Examinations.
- (3) As part of an examination, the examiner must determine whether an issue exists on a return that is not under the jurisdiction of their functional area.
 - (4) When dealing with referrals, this section covers the responsibilities of:
 - a. Examiners and
 - b. Group Managers
 - (5) Referrals should be made as soon as possible during the examination but no later than 30 days after you identify an issue.
 - (6) Save a copy of any applicable referral forms in the RCCMS Office Documents folder using the RCCMS Naming Convention.
 - (7) Indicate on RCCMS 3198-A Checksheet that the case file contains referral information.
 - (8) Document in the CCR the actions taken in making any referral.
 - (9) Complete Form 5666. See IRM Exhibit 4.5.1-12, Instructions for Preparing Form 5666, TE/GE Referral/Information Report.
 - (10) Securely email Form 5666 to Classification at **Manager EO Classification*. Include a description of the referral, e.g., EP Referral, EO Referral, LB&I Referral, SBSE Referral, etc., in the subject line of the email.
 - (11) After making the referral, keep the case open until you receive feedback from the Business Unit or 20 workdays, then close the case.
 - (12) Use Form 8484, to report a complaint of suspected cases of misconduct by tax practitioners (attorney, CPA, enrolled agent, enrolled actuary, or enrolled retirement plan agent).
 - (13) Use Form 5666, to report a complaint about an unenrolled return preparer's conduct to SB/SE Area Planning and Special Programs Office.

4.70.11.15.4
(11-22-2023)
**Referrals to TE/GE
Functions**

- (1) Referrals to EP Determinations:
 - a. When you determine that a pre-approved Master & Prototype or Volume Submitter plan has erroneous language, make a referral to the Pre-Approved Plan Coordinator.
 - b. See Employee Plans Examinations Exhibits at *Employee Plans Examination Exhibits* for an example of a Pre-Approved Plan Referral Form.

- c. Submit a copy of the plan sections in question and a copy of the opinion letter or advisory letter with the referral:
 - i. A copy of the plan sections in question.
 - ii. A copy of the opinion letter or advisory letter.
- d. Mail the referral to:
Internal Revenue Service
Attention: Pre-Approved Plan Coordinator
550 Main St. Room 5106, Group 7521
Cincinnati, OH 45201
- e. Refer income tax issues not within the scope of Form 1040/1120 Discrepancy Adjustments to an EFU on Form 5666.
- f. Refer income tax issues on Forms 1041 resulting from a proposed plan revocation or disqualification to an EFU on Form 5666.

(2) Referrals to EP Examinations:

- a. As part of an examination, the examiner must determine whether or not an entity has a 401(a), 401(k), 403(b), 408(k), 408(p), 457, or Social Security Alternative plan with any potential compliance problem that warrants a referral to Employee Plans.
- b. When you are unsure of whether to request EP help for a related plan or to refer to TE/GE Referrals, complete Form 4632, Employee Plans Referral.
- c. When completing Form 4632, use the following forms, as appropriate, to assist in making this determination:

Form 4632-A, Employee Plans Referral Checksheet.
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Form 4632-B, Employee Plans Referral Checksheet for EO IRC 403(b)/457 Plans.
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Form 4632-C, Employee Plans Referral Checksheet – For FSL/ET – IRC 403(b)/457 and Social Security Alternative Plans.
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<p>If a referral is indicated or if the Examiner has a question about a pension issue, then the Examiner should submit a request for assistance per IRM 4.70.12.3.5, Specialist Referral System.</p>
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<p>Note: The applicable Form 4632 checksheet provides guidance to the examiner of the appropriate questions to be asked to determine if an EP Referral is warranted. Use of the applicable checksheet can serve as an excellent workpaper related to the issue.</p>
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- d. When you determine that the referral to EP Examinations is warranted, complete Form 5666 TE/GE Referral Information Report, and send it along with the completed Form 4632 Employee Plans Referral, and any applicable checksheet to **Manager EO Classification*.
- e. If a concurrent examination is recommended, do not complete Form 5666. Instead, complete Form 6229, Collateral Examination, along with Form 4632 and the applicable checksheet and process according to IRM

4.70.11.15.1, Collateral Examinations, to request the collateral examination.

(3) Fraud Referrals:

- a. If during your examination indicators of fraud are identified, discuss the indicators with your manager. If the manager agrees that indicators of fraud are present, the Functional Fraud Subject Matter Expert (SME) or the TE/GE Fraud Specialist should be contacted. See IRM 4.70.13.13, Fraud and Abusive Transaction Procedures.

Note: See the *Fraud Contacts* link on the on the TE/GE Home Page.

(4) Promoter and Abusive Transaction Referrals:

- a. If during your examination, you suspect that the taxpayer has been involved in abusive transactions, discuss the transactions with your manager. See IRM 4.70.13.12, Fraud and Abusive Transaction Procedures, and IRM 4.70.3, Promoter Investigations.
- b. When you become aware of a practitioner who may be promoting an abusive transaction, refer the transaction to the Lead Development Center (LDC) on Form 14242. See IRM 4.70.3.3.3, SB/SE Lead Development Center, for an example of a completed Form 14242. "See IRM 4.70.3.3.3, SB/SE Lead Development Center, for additional information about LDC."
- c. Send completed LDC Referral Forms through encrypted email or e-fax to *LDC, or e-fax to 877-477-9135.

(5) Tax Exempt Bonds:

- a. Use the *Specialist Referral System (SRS)* or Form 5666, TE/GE Referral Information Report, to refer a potential noncompliant bond issuance to the TEB Referral Coordinator. Detailed instructions for completing the form are located in IRM Exhibit 4.5.1-12, Instructions for Preparing Form 5666.
- b. Complete a separate Form 5666 with all information that is available about the issuer of the bonds and the nature and size of the potential noncompliance issue.

Include information pertaining to the source of the EO examination and attach any news articles, correspondence or other documentation concerning the potential noncompliance issue with the Form 5666.

The referral package should be as complete as possible with objective information to facilitate the TEB Classifiers in making their recommendations of compliance actions.

Use the proper AIMS Source Codes for each referral. The following guidance will assist the originator in determining the proper source code for referrals and the preparation of Form 5666 or the Specialist Referral System.

Use the appropriate source codes based on the EO examination. TEB source codes are identified in Document 11308, Information Systems Codes.

(6) Emerging Issues:

- a. CP&C maintains the Compliance Issue Submission Portal for use when you discover a potential emerging issue.
- b. The Portal should be used to submit TE/GE compliance issues that may have widespread effect. See *TE/GE Compliance Issue Submission Portal*.
- c. The Portal helps enable TE/GE to leverage examination experiences to pursue non-compliance actions with a broader base of taxpayers.
- d. CP&C reviews all submitted issues to determine the level of non-compliance and determine if a Compliance Strategy is warranted.

4.70.11.15.5

(11-22-2023)

**Referrals to Other
Business Units**

(1) Exam Functional Units:

- a. Prepare Form 5666 TE/GE Referral Information Report and forward to Classification as described in IRM 4.70.11.15.3(10), General Referral Process, within the IRS.
- b. Prepare Form 6229 Collateral Examination if it is urgent that another Business Unit conduct a coordinated examination of a related return. See IRM 4.70.11.15.1.1(2), Collateral Examination Procedures Initiating Area.

(2) For assistance from another Business Unit when a referral is not warranted, use the Specialist Referral System (SRS) online at the SRS home page. See IRM 4.70.12.3.5, Specialist Referral System.

(3) If the taxpayer refuses to file a required return and the return is:

- a. Under EP jurisdiction, discuss the issue with your manager and determine whether to start an examination of that year.

Note: Refer to DOL when the taxpayer refuses to file. Send the original Form 6212-B to Classification and save the referral in the RCCMS Office Documents folder.

- b. Not under EP jurisdiction, refer to the appropriate unit on Form 5666.

4.70.11.15.6

(11-22-2023)

**Referrals to Other
Agencies**

(1) Department of Labor/Employee Benefits Security Administration (DOL/EBSA):

- a. When you suspect a breach of fiduciary responsibility under ERISA regarding the operation of a retirement plan under the jurisdiction of the DOL/EBSA, complete Form 6212-B Examination Referral Checksheet B.
- b. Make a referral to DOL/EBSA when any question on Form 6212-B is answered yes. when you're proposing plan revocation /non-qualification, or if you determine that a plan covering only one participant (or participant and spouse) should cover additional people.
- c. When you make a referral to DOL, email Form 6212-B to the FAC/EP DOL Coordinator. Include any relevant information about the referred issue, including a copy of the RAR if there is an unagreed IRC 4971 issue, IRC 4975 issue or a proposed revocation.

Note: The attachments you include with Form 6212-B will not be sent to DOL/ EBSA but will be kept by Classification. When Classification receives DOL/ EBSA's written request, they release relevant information as required by IRC 6103(l)(2).

- d. Select the "DOL Participation Requested" block on Form 6212-B only when DOL/EBSA's joint participation is needed and for all unagreed cases involving IRC 4791 and IRC 4795 excise tax.
- e. Hold any examination for which Form 6212-B is referred open until you receive a response or 30 days from the date sent to Classification, if earlier.
- f. The IRS will delay action in a case when, as a result of a referral of a checksheet between the agencies, the DOL/EBSA Regional Office advises the Manager, Classification, in writing that the DOL/EBSA Regional Office referred the case to the DOL/EBSA National Office. The IRS does not take further case action until DOL/EBSA notifies the Classification Unit of their final action in the case.

Exception: The IRS works the case when collection of a tax is in jeopardy, the statute of limitations expires soon, or the plan assets or the plan participants' interest must be protected.

Note: If the IRS must work a case, the IRS will immediately notify DOL of the action by calling them and confirming in writing within five workdays.

- g. Document the CCR whether the IRS made a referral to EBSA.

(2) Pension Benefit Guaranty Corporation (PBGC).

- a. Most defined benefit plans are covered by PBGC insurance. ERISA section 4021(b) lists plans that aren't covered. Defined benefit plans not covered include:

Plans offered by professional service employers (i.e., doctors and lawyers) that have never had more than 25 active participants.
Plans outside the United States for nonresident aliens.
Plans established exclusively for one or more substantial owners.
Church plans, as defined by IRC 414(e), unless the plan has made an election under IRC 410(d) to be covered and has notified PBGC that it wishes to be covered.
Plans sponsored by federal, state and local governments.

- b. The PBGC has jurisdiction of retirement plans covered by Title IV of ERISA.
- c. When making a referral to the PBGC, consider the questions on Form 6533, Examination Referral Worksheet. If one or more of the answers in the right-hand column can be checked, a referral to the PBGC is warranted. If none of the boxes are checked in the right-hand column, do not refer to the checksheet to the PBGC.
- d. When you determine a referral to the PBGC is warranted, send the Form 6533 referral to:

Pension Benefit Guaranty Corporation - Chief Negotiating Actuary
Corporate Finance and Negotiations Department
1200 K Street, NW, Suite 270
Washington, DC 20005-4026

- e. Email a copy of the Form 6533 to Classification at the address listed in the exhibit under Contact Information for Business Units and Sub-

functions, with a note stating when you sent the original referral to the PBGC. See Exhibit at *Employee Plans Examination Exhibits*.

- f. You don't have to hold the case for any length of time after you make the referral.

4.70.11.15.7

(11-22-2023)

TE/GE Group

Procedures - SRS

**Referrals Received from
Classification**

- (1) When a group receives an SRS referral (or consultation request), the manager should immediately evaluate the SRS referral and assign to an appropriate examiner in their group.
- (2) The examiner assigned the SRS referral will contact the EFU examiner, Determinations specialist, EP/EO Examinations, FSL/ET, ITG, TEB examiner, or EBSA investigator within 30 workdays of the group's receipt of the SRS referral which may include one or more of the following:
 - Form 4632, Employee Plans Referral (with checksheet 4632-A, 4632-B, or 4632-C, as applicable)
 - Form 5346, Examination Information Report
 - Form 5666, TE/GE Referral Information Report
 - Form 6212-A, Examination Referral Checksheet A

if the related case is being held open in the EFU or in EBSA.

Note: The examiner should periodically update the related examiner or investigator on the examination's status and results.

- (3) If a related examination is open in EP, EO, FSL/ET, ITG, TEB, EBSA, or an EFU, or determination is open in EP or EO Determinations, make every attempt to resolve every issue within 90 days of your group's referral receipt. If the case is not closed within 90 days, the group manager should contact the referring group manager to update them on the status of the examination.
- (4) Examiner: Once you resolve the referral:
 - a. Prepare a brief examination report on findings on the referred issue. Use Form 886-A, Explanation of Items, or a memo.
 - b. Send a copy of the examination report and the SRS referral to Classification.
 - c. Notify the Determinations specialist of the issue(s)' resolution, if they have a related open determination case and are expecting an update.
 - d. Document Form 5464, Case Chronology Record.
 - e. Save a copy of the examination report and SRS referral package in the RCCMS Office Documents folder using the RCCMS Naming Convention.

4.70.11.15.8

(11-22-2023)

TE/GE Group

**Procedures - Referrals
from Other Sources**

- (1) If a TE/GE function receives a referral directly from one of those listed here, then the group should email referrals to the TE/GE Referrals group in Classification at the email address in paragraph (4) of IRM 4.70.11.15.3, General Referral Process within the IRS.
 - a. Other agencies (e.g., DOL/EBSA)
 - b. Other TE/GE functional units
 - c. Individual taxpayers
 - d. Examiners from an EFU
- (2) If a referring entity does not prepare a referral form, the receiving group should prepare the applicable referral form and send it to the TE/GE Referrals group.

- (3) An examiner will prepare and mail Letter 4426, Acknowledging Receipt of Information from Third Party about Tax Exempt or Government Entities if classification doesn't prepare the letter for referrals received by TE/GE from the public or other government entities.
- (4) Do not begin any compliance activity for a referral unless you receive it from Classification or Classification approves the decision to examine.

4.70.11.15.9
(11-22-2023)

EP Large Case Support Examinations Procedures

- (1) These procedures apply to EP Large Case Support Examinations coordinated with LB&I or EO Exam.
- (2) The three types of EP Large Case Support Examinations are:
 1. Deduction Only Support Examinations - restricted to income tax issues.
 2. LB&I Support Examinations Involving Plan Qualification - involve IRC 401(a) plan qualification support, which may include the deduction.
 3. EO Support Examinations Involving Plan Qualification - involve IRC 401(a), IRC 403(b) and IRC 457 plan support, which may include the plan sponsor's deduction for contributions to its retirement arrangement.
- (3) Every EP Large Case Support Examination with LB&I or EO Exam requires examiners to complete and include an exam plan in the EP examination case file, which at a minimum should describe the extent of the EP examination activity.

4.70.11.15.9.1
(11-22-2023)

Definitions

- (1) The following terms are used in EP Large Case Support Examinations with LB&I or EO.

Term	Definition
Benchmark Events	Target dates or timelines for specific actions, such as: <ul style="list-style-type: none"> • Case start and completion dates, • Timing of issuing and responding to Information Document Requests (IDRs) and Notices of Proposed Adjustments (NOPAs), • Frequency of case progress meetings and other events.
Deduction Only Support Examination	All EP examination support assignments with LB&I or EO, restricted to an EP examiner's investigation of one or more income tax related issue.
EO Support Examination	All EP support assignments with EO involving at least one IRC 401(a), IRC 403(b) or IRC 457 plan compliance issue, regardless of the scope and whether: <ul style="list-style-type: none"> • The assignment includes the deduction or other income tax analysis.

EP Exam Plan	<p>Written document the EP team coordinator or examiner prepares which serves as the exam process map.</p> <ol style="list-style-type: none"> Lists the scope, depth, and exam procedures for each issue under examination. Describes work assignments, exam procedures, time estimates and special instructions. <p>Note: For Deduction Only Support Examinations with only one EP examiner, the EP exam plan may be brief, and it should summarize the scope and depth of the assistance provided.</p>
Large Case Examination	An EP examination of a qualified retirement plan with at least 2,500 participants.
Large Case Examiner	An EP examination examiner assigned to conduct Large Case examinations.
Information Document Request (IDR)	Form 4564 and all IRS information and records requests regardless of the form used or the format.
LB&I Support Examination Involving Plan Qualification	EP support assignments involving at least one IRC 401(a) compliance issue, regardless of the scope and whether the assignment includes the employer's or sponsor's deduction for contributions to a qualified plan or other compensation deferral arrangement.
Taxpayer	The legal entity and all related entities or subsidiaries that EP, LB&I or EO considers as the large case taxpayer.

4.70.11.15.9.2
(11-22-2023)

**Requirements for EP
Large Case
Examinations**

- (1) All EP large case examinations must include:
 - Financial Interests and Disclosure of conflicts an examiner may have, which might create a real or apparent conflict of interest.
 - A large case engagement agreement that clearly identifies, in writing, the agreements made by the taxpayer.

4.70.11.15.9.2.1
(11-22-2023)

**Financial Interests and
Disclosure**

- (1) The manager ensures that each team member (including specialists, support examiners, and accounting aides) is aware of and understands the statute requiring disclosure of any financial interest or conflicts, which might create a real or apparent conflict of interest.
- (2) At the start of every examination, each team member reports any financial interests that are potential conflicts of interest.

- a. Use the Large Case Financial Interest Disclosure Form. See Exhibit at *Employee Plans Examination Exhibits*, Financial Interest Disclosure.
 - b. Each team member must complete and sign a separate form.
 - c. See IRM 1.2.1.5.4 for Policy Statement 4-6 and IRM 1.2.1.5.5 for Policy Statement 4-7
- (3) The manager:
- a. Reviews each Financial Interest Disclosure form.
 - b. Determines whether a potential conflict of interest may exist.
 - c. Signs each form.
- (4) If a potential conflict of interest exists:
- a. The manager and the applicable team member complete Form 6782 Certification of Financial Interest in a Work Assignment.
Example: A potential conflict of interest may exist if the team member owns publicly traded securities of the taxpayer valued at more than \$15,000. See the instructions to Form 6782.
 - b. If the manager determines that a financial interest (as defined in the Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. part 2635, subpart D) does not exist, the team member will remain on the team.
Note: A key factor in determining this is whether the team member's work on the case will cause others to question his/her impartiality and independence.
 - c. If the manager determines that a financial interest may exist, he/she won't permit the member to work on the case.
 - d. The manager may seek legal advice from the Ethics and General Government Law Branch of General Legal Services if they need help determining this and will remove the member from the case until he/she determines that there's no financial conflict of interest.
- (5) The manager certifies to their area manager that there is no conflict of interest with respect to their personal or financial interest using the Large Case Financial Interest Disclosure Form. See *Employee Plans Examination Exhibits* for an example of the Large Case Financial Interest Disclosure Form.
- (6) If a potential conflict exists, the manager follows the disclosure procedures and completes the certification form discussed in the handbook for the Rules of Conduct.
- (7) Save the Financial Interest Disclosure form in the RCCMS Office Documents folder using the TE/GE Naming Convention.

4.70.11.15.9.2.2
(11-22-2023)

**The EP Large Case
Engagement Agreement**

- (1) The EP Large Case engagement agreement has two purposes:
 - a. To formalize the groundwork for an examination consistent with the Large Case Program concepts.
 - b. To prevent misunderstandings of commitments and agreements made.
- (2) The EP Large Case engagement agreement is optional. Another option is that the Large Case Team Coordinator may document all agreements discussed at

the opening conference in the minutes. See *Employee Plans Examination Exhibits*, Engagement Agreement for an example.

4.70.11.15.9.3
(11-22-2023)

**Preparation of the EP
Large Case Engagement
Agreement**

- (1) The coordinator completes the EP Large Case engagement agreement after the opening conference and in the early stages of the examination.
- (2) The pre-contact analysis, the preliminary survey of the plan sponsor's records, and the opening conference should provide the information necessary to prepare the Large Case engagement agreement.
- (3) The EP Large Case engagement agreement should clearly identify, in writing, the agreements made with the taxpayer.
- (4) The manager and the elected officer, or taxpayer's delegate, should each sign the EP Large Case engagement agreement acknowledging the opening conference's matters covered and agreements made.

4.70.11.15.9.3.1
(11-22-2023)

**Commitments and
Content of the EP Large
Case Engagement
Agreement**

- (1) Taxpayer and the IRS commitments for examination activities should be realistic. Both the EP Large Case team and the taxpayer should diligently try to meet these commitments, particularly in the following areas:
 - a. The date to begin field work on the examination.
 - b. The location of the examination.
 - c. Records required.
 - d. Space and equipment required.
 - e. Requests for information (IDR due dates in general).
 - f. Requests for statute extensions.
- (2) In seeking commitments from the taxpayer, the manager should be sure that the individual they are dealing with:
 - a. Is an elected corporate officer, trustee, or delegate, who can provide information and enter into agreements regarding examination procedures.
 - b. Will be responsible for notifying primary individuals in the taxpayer's organization of the arrangements affecting them.
- (3) In communicating with the taxpayer, the manager should be sure that:
 - a. The written authorization agreement specifies the authorized individuals in the taxpayer's organization who will furnish information, discuss tax matters, negotiate adjustments and approve adjustments to tax returns with the team.
 - b. Taxpayer employees designated to furnish information to team members are the best-qualified persons to give complete first-hand information. This may include people responsible for preparing the examination documents.

4.70.11.15.9.4
(11-22-2023)

**Overview of Deduction
Only Support
Examinations**

- (1) EP support to an LB&I examination is often limited to issues that affect the LCC taxpayer's income tax liability. In Deduction Only Support Examinations, EP helps LB&I determine whether their taxpayer's IRC 404 deductions are proper.
- (2) The LB&I case manager may want EP's involvement expanded to include other income tax matters.

Example: LB&I may ask EP to help determine the proper income tax treatment of nonqualified deferred compensation plans and develop income recognition and excise tax issues.

- (3) The EP examiner's examination activity in Deduction Only Support Examinations is restricted to the investigation of one or more income tax issues.

4.70.11.15.9.4.1
(11-22-2023)

Deduction Only Support Examinations - Planning and Protocol

- (1) LB&I responsibilities in Deduction Only Support Examinations include:
- Notifying the LB&I taxpayer of the Form 1120 U.S. Corporation Income Tax Return, examination
 - Apprising the taxpayer of its rights
 - Engaging the taxpayer in the examination planning process
 - Explaining the examination process
- (2) The LB&I case manager negotiates all case processing benchmark events.
- (3) The EP examiner assigned to the team assists the LB&I case manager explain EP's role in the LB&I examination to the taxpayer.

Exception: For EP involvement in deduction only support, the EP examiner isn't required to explain the Form 5500 exam process or the taxpayer rights for examination of any plan that the LB&I taxpayer sponsors because the Form 5500 isn't under examination.

- (4) The EP examiner gives the LB&I case manager an EP exam plan in a format consistent with LB&I procedures.
- The EP exam plan describes the extent of the EP examination activity.
 - The EP case file contains a copy of the EP exam plan.
 - The EP group manager reviews and approves the EP exam plan before the examiner submits it to LB&I.
 - The EP and LB&I case managers approve significant changes to the EP exam plan.
- (5) EP examiners aren't responsible for protecting the statute of limitations of a LB&I taxpayer's qualified plan.

Exception: When the EP examiner expands the scope of a Deduction Only Support Examination to include an IRC 401(a) compliance issue, the Form 5500 is under examination and the examiner must protect the statute of limitations for the plan(s) placed under examination per established procedures. See IRM 4.70.12.3.8, Statute of Limitations.

- (6) For Deduction Only Support Examinations, EP examiners use alpha code "PP" for a Form 5500 established on AIMS and the Reporting Compliance Case Management System (RCCMS) to track time charges and examination results.

4.70.11.15.9.4.2
(11-22-2023)

Deduction Only Support Examinations - Submitting IDRs

- (1) Consider these rules when you prepare IDRs:
- Submit IDRs according to the agreements between LB&I and the taxpayer, unless EP, the LB&I team leader and the taxpayer negotiate something different.
 - Limit IDRs to reflect the EP exam plan examination scope. LB&I case managers approve the scope of the EP examination.

Note: Don't circumvent the LB&I case manager's authority by issuing requests that exceed the scope of your support obligations.

- c. Include the income tax rationale for requesting information. This helps avoid misunderstandings about the entity or entities under examination.
- d. Avoid submitting IDRs that the taxpayer may construe as having initiated an examination of the plan or entity other than the LB&I taxpayer. These include requests for an unfunded nonqualified deferred compensation arrangement and inquiries for the non-deductibility of Chapter 43 excise taxes (IRC sections 4971 through 4980). The former rarely creates a separate exam and the latter never does.
- e. Follow the procedures in IRM 4.70.11.15.9.9, Overview of LB&I Support Examinations Involving Plan Qualification, when you open a plan examination, whether inadvertently or by intent

(2) LB&I team leaders should review IDRs submitted by team members.

(3) The examiners should bring any dispute between a team leader and an EP examiner as to the need for, or scope of, an IDR to the LB&I and EP group managers for resolution.

4.70.11.15.9.5
(11-22-2023)

Appropriate Records Requests

- (1) Avoid inadvertently opening a plan examination. Therefore, limit IDRs to the records of the taxpayer whose return is under examination.
- (2) Confine your IDRs to the LB&I taxpayer's records, and those records relating to tax issues requiring specialized assistance.
- (3) Typically, you can resolve EP related income tax issues by reviewing the LB&I taxpayer's records. Examples of LB&I taxpayer records used in a Deduction Only Support Examination are:
 - a. Taxpayer's copy of a favorable determination letter.
 - b. Compensation data.
 - c. Trust reports that verify the receipt of an employer contribution.
 - d. Deductible limit calculations prepared 404 calculations by plan administrator or the plan actuary.
 - e. Schedule M-1 or M-3 (Form 1120) detail.
 - f. Accounting records.
 - g. Board of Directors resolutions.
 - h. Verification of ESOP dividends paid directly by the employer.
 - i. Verification of plan expenses paid directly by the employer.
 - j. Actuarial valuation reports.
 - k. Confirmation as to the plan year to which a particular contribution relates.

4.70.11.15.9.6
(11-22-2023)

Inappropriate Records Requests

- (1) Don't request plan administrator or trustee records, unless they are integral to resolving the EP deduction issue (primarily IRC 404). If you don't limit your IDR to the LB&I taxpayer's records, the taxpayer or representative may question which entities are under examination.
- (2) Don't request plan records that don't directly relate to an income tax issue under investigation, as such requests may constitute plan compliance inquiries. See the list below for examples of plan records you shouldn't request in a Deduction Only Support Examination:
 - a. Plan allocation schedules.

- b. ADP/ACP nondiscrimination tests.
- c. Plan investment records (except to substantiate employer contributions).
- d. Coverage and IRC 401(a)(4) testing.
- e. Benefit calculation or distribution records.

4.70.11.15.9.7
(11-22-2023)

**Deduction Only Support
Examinations - AIMS &
RCCMS Establishment**

- (1) EP establishes on AIMS and RCCMS:
 - a. Only one Form 5500 return for purposes for charging time for a Deduction Only Support Examination.
 - b. Form 5500 for the plan year that corresponds to one of the LB&I tax years under examination, if possible.
 - c. A recent plan year rather than an earlier plan year (for statute of limitations purposes).
- (2) Establishing a Form 5500 on AIMS and RCCMS for a Deduction Only Support Examinations doesn't constitute opening the plan for examination.
- (3) Use the following procedures when establishing the Form 5500:
 - a. Research IDRS to verify that the Form 5500 series return has posted on the EPMF.

Note: If the return hasn't posted on the EPMF, follow the appropriate procedures in IRM 4.70.13.9, Delinquent, Amended and Substitute for Returns.
 - b. Obtain your manager's approval for the year(s) to be established.
 - c. Prepare the Related and Subsequent Year Form 5500 Request Form. See *Employee Plans Examination Exhibits* for an example of the form.
 - d. Correctly complete all the information (the project code, condition code, group number, etc.) on the form or it will be returned. Note in your request that the return has posted to the EPMF.
 - e. Submit the form to your group manager for approval.
 - f. The group manager or designee will email the approved form to Classification's group mailbox at **TE/GE-EP-Classification* and to the examiner.
 - g. Save a copy of the approved form (Related and Subsequent Year Form 5500 Request) in the RCCMS Office Documents folder using the RCCMS Naming Convention.
- (4) Classification will:
 - a. Acknowledge receipt of the request to establish the return (normally within five business days).
 - b. Mark the return on RICS, establish the return on AIMS and RCCMS and update these systems to the group.
 - c. Inform the examiner and group manager (normally within 10 business days) that the record has been assigned to the group on AIMS and RCCMS.

Note: AIMS will be in status 10 when there is a full AIMS account.
- (5) Follow these special rules:

Action	Explanation
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Update the statute of limitations to alpha code "PP" immediately upon assignment.	Don't use alpha code "FF" because our system won't capture the Deduction Only Support Examination exam results when we use this alpha code.
Apply the general statute of limitation procedures in IRM 4.70.12.3.8, EP Statute Control Procedures, and protect the statute of limitations for Form 5500/1041 because the plan is then considered to be under exam.	If you expand the scope to include an IRC 401(a) issue and the statute of limitations is still open for that year.
Use "PP" alpha code for the statute of limitations for that year. Note: If you open Form 5500 exams in later years for which the statute is still open, follow the general statute of limitation procedures in IRM 4.70.12.3.8, EP Statute Control Procedures and protect the statute of limitations for Form 5500/1041.	If you expand the scope to include an IRC 401(a) issue and the statute of limitations is not open for that year

- (6) When you expand the examination to include IRC 401(a) compliance issue(s) or other years or other returns, get your manager's approval to expand beyond the deduction only issue and:
- Clearly reflect any decision to expand the examination in the case chronology and in the workpapers.
 - Charge the case time to the related returns as appropriate.
 - Follow the procedures in IRM 4.70.11.15.9.9, Overview of LB&I Support Examinations Involving Plan Qualification.

4.70.11.15.9.8
(11-22-2023)

**Deduction Only Support
Examinations -
Examination Closing
Requirements**

- Don't issue a closing letter for Deduction Only Support Examination cases.
- Communicate your findings to the LB&I case manager.
 - LB&I incorporates EP's results of related income tax adjustments in its examination report.
 - The EP examiner prepares Form 5701 Notice of Proposed Adjustment and Form 886-A, Explanation of Items, or other written feedback to address their Deduction Only Support Examination findings and conclusions.
 - The LB&I case manager communicates any EP issues to the taxpayer as part of the overall LB&I examination report.

- (3) Absent any EP related Form 5701, Notice of Proposed Adjustment, the EP examiner prepares a post-examination critique or feedback report to inform LB&I of EP's findings and includes this report in the EP case file.
 - (4) To report the total income tax adjustment recommendation, the EP examiner includes the amount in the RCCMS closing record details tab line item titled "Adjustment to SB/SE, Taxpayer Service (TS) (formerly W&I), LB&I".
 - (5) When you establish only one return, don't restrict the entry in RCCMS closing record to only that of the plan year you established on AIMS. To properly capture LB&I support activity, enter the total recommended deduction adjustment (increase or decrease) derived from all EP related code sections, for all corporate tax years, and for all deferred compensation arrangements qualified or otherwise on the one record established..
 - (6) Except for unusual circumstances, use only three applicable RCCMS disposal codes for Deduction Only Support Examinations:
 - a. RCCMS disposal code 107, No Change (AIMS disposal code 02).
 - b. RCCMS disposal code 205, Change to a Related Return (AIMS disposal code 04).
 - c. RCCMS disposal code 207, Delinquent Related Return Secured (AIMS disposal code 05).
 - (7) Use disposal code 205, when you make or propose an EP-related adjustment to the deduction claimed on the sponsor's tax return.
- Note:** Disposal code 205 may be used when you close the support case, regardless of the outcome of subsequent protests, settlements, or court petitions.
- (8) When practical, don't close a Deduction Only Support Examination involving an unagreed EP related deduction issue until after LB&I's closing conference with their taxpayer.
 - (9) Use disposal code 207 if you secure Form 5330 to report IRC 4971 or other excise tax.
 - (10) Don't use RCCMS disposal code 102, Agreed Tax Change, (AIMS disposal code 03) because you established the Form 5500 on AIMS simply to track time and results. Since EP is working directly with LB&I, LB&I will make any proposed tax adjustments.
 - (11) Don't enter an ARDI code on the RCCMS closing record because LB&I is responsible for soliciting any tax payments from the CIP taxpayer.
 - (12) Follow IRM 4.70.14.2.2.1, Electronic Case File Assembly, when you assemble the case for closure.
 - (13) Include in your case file:
 - a. The EP exam plan.
 - b. Deduction workpapers.
 - c. Form 5701 (if an adjustment is proposed).

Note: Form 5701 may be prepared by LB&I or by EP.

- d. The EP Revenue Agent Report (or Form 886-A).

Note: This is generally issued as an attachment to Form 5701.

- e. Form 4632 or Form 4632-A.

Note: Form 4632 isn't always available when the Specialist Referral System (SRS) is used. If it's not, include the electronic referral in the case file.

- f. Minutes or feedback report from the post-examination critique.

- (14) Save all applicable forms and workpapers in the RCCMS Office Documents folder using the TE/GE RCCMS Naming Convention.

4.70.11.15.9.9
(11-22-2023)

**Overview of LB&I
Support Examinations
Involving Plan
Qualification**

- (1) This section applies when you have a Deduction Only Support Examination and decide to examine the plan (open a Form 5500 examination), open a Form 5330 examination, or LB&I requests support for an issue related to plan qualification.
- (2) When you initiate an examination for the plan or a related return (usually Form 5330):
 - a. Notify the plan sponsor in writing that an EP examination is being conducted.
 - b. Conduct an EP specific opening conference with the plan sponsor.
 - c. Invite the LB&I case manager and team coordinator to the conference.
 - d. Explain the EP examination process to the plan sponsor.
 - e. Inform the plan sponsor of taxpayer rights for the plan examination.

Note: Even though LB&I may have apprised the taxpayer (typically the plan sponsor) of their examination rights, you still must inform them of the same for the plan examination.

 - f. Solicit the plan sponsor and/or the plan administrator's active participation in the examination planning process.
 - g. Protect the plan trust's statute of limitations per IRM 4.70.12.3.8, Statute of Limitations.
- (3) Follow examination procedures in IRM 4.70.12, Planning the Examination, IRM 4.70.13, Executing the Examination, and IRM 4.70.14, Resolving the Examination.
- (4) Prepare the appropriate closing letter per IRM 4.70.14.4.3, Generating a Closing Letter.

4.70.11.15.9.9.1
(11-22-2023)

**LB&I Support
Examinations Involving
Plan Qualification-
Planning and Protocol**

- (1) LB&I is responsible for:
 - a. Notifying their taxpayer of the Form 1120 examination.
 - b. Apprising the taxpayer of their rights, engaging the taxpayer in the examination planning process, and explaining the examination process.
- (2) EP examiners are responsible for fulfilling these same obligations for:
 - a. IRC 401(a) compliance.
 - b. Excise tax examinations.
- (3) The LB&I case manager negotiates agreements as to benchmark events.
 - a. EP examiners generally honor LB&I agreements for benchmark events.

- b. Circumstances may require EP to deviate from these agreements to meet EP obligations for IRC 401(a) compliance or other areas that fall within EP jurisdiction.
- (4) LB&I and EP may disagree on EP's request to deviate from LB&I negotiated target dates or examination protocol on IDR deadlines, memoranda windows or deadlines, or case closing dates.
 - a. The EP group manager should attempt to resolve any dispute.
 - b. If the EP group manager can't resolve the dispute, he/she will discuss the issue with the EP Area Manager to negotiate a resolution.

4.70.11.15.9.9.2
(11-22-2023)
**LB&I Support
Examinations Involving
Plan Qualification -
Submitting IDRs**

- (1) The plan sponsor is responsible for maintaining plan records.
 - a. The plan sponsor will identify the contact person who will work with EP at the EP opening conference.
 - b. The EP contact person may not be the same individual as LB&I's primary examination contact.
 - c. In many cases, pre-established examination protocol may require the examiner to deliver EP IDRs through the tax manager or other designated officer.
- (2) Limit your IDRs to items needed to verify IRC 401(a) compliance of plans examined within the scope of your support assignment.

4.70.11.15.9.9.3
(11-22-2023)
**Appropriate Records
Requests**

- (1) Although unlikely, a plan year under exam may correspond to an LB&I tax year that isn't currently under exam.
- (2) You may request information for a plan year not under examination when you need it to determine compliance in the year under examination. Examples include:
 - a. Prior plan year highly compensated employee (HCE) related information used to determine current year ADP compliance.
 - b. Prior plan year actuarial valuation reports when analyzing the report for the plan year examined.
- (3) To avoid initiating an examination of the plan sponsor's income tax return:
 - a. Restrict your IDRs to records relating to IRC 401(a) compliance and other matters within EP's jurisdiction.
 - b. Address IDRs to the plan sponsor's designated contact.
 - c. Provide an explanation to the plan sponsor's designated contact and the rationale for requesting specific items of information.
- (4) Requests for information relating to compliance within the jurisdiction of EP generally don't result in an examination of the plan sponsor's tax return. Examples include:
 - a. Minimum funding requirements under IRC 412.
 - b. Prohibited transactions under IRC 4975.
 - c. Other Chapter 43 excise tax liabilities.
- (5) Requests for prior or subsequent year information solely needed to apply the relief provisions of EPCRS don't constitute an examination of those plan or corporate tax years.

4.70.11.15.9.9.4
(11-22-2023)

**Inappropriate Records
Requests**

- (1) Don't request records from the plan sponsor, trustee or plan administrator unless they're:
 - a. Integral to plan administration.
 - b. Related to IRC 4021(a) compliance or other matters within EP jurisdiction.
 - c. Related to plan(s) or plan year(s) currently under examination.

Note: You may request information for a plan year not under examination when you need it to determine compliance for the exam year.

4.70.11.15.9.9.5
(11-22-2023)

**LB&I Support
Examinations Involving
Plan Qualification - AIMS
& RCCMS Establishment
Procedures**

- (1) You may examine related or subsequent year returns when the examination reveals recurring issues or transactions that may adversely affect the plan's qualified status or the trust's exemption for the examination year assigned.
- (2) Discuss the issue(s) with your manager who will decide whether to examine the related or subsequent year returns.
- (3) Follow the following procedures when you examine a related or subsequent year Form 5500 series return:
 - a. Research IDRS to verify that the Form 5500 series return has posted on the EPMF.

Note: If the return hasn't posted on the EPMF, follow the procedures in IRM 4.70.13.9 Delinquent, Amended and Substitute for Returns.

 - b. Complete all the information on the form or it will be returned to the group. Note in your request that the return has posted to the EPMF.
 - c. Your group manager/designee emails the approved form to Classification's group mailbox: **TE/GE-EP-Classification*.
 - d. Classification acknowledges receipt of the request for the return (normally within 5 business days).
 - e. Classification informs the examiner and group manager (normally within 10 business days) that the record has been assigned to the group on AIMS and RCCMS.

4.70.11.15.9.9.6
(11-22-2023)

**LB&I Support
Examinations Involving
Plan Qualification -
Statute Protection
Safeguards**

- (1) You are responsible for protecting the statute of limitations in accordance with IRM 4.70.12.3.8, Statute of Limitations, for any return you open for examination.

4.70.11.15.9.9.7
(11-22-2023)

**LB&I Support
Examinations Involving
Plan Qualification -
Closing Requirements**

- (1) Coordinate issuing plan examination closing letters with the LB&I case manager.
- (2) Closing letters are issued in one of two ways:
 - a. LB&I issues the plan closing letter(s) concurrent with its report.
 - b. EP issues the plan closing letter(s) in the usual manner.
- (3) If LB&I issues the closing letter:

- a. Send the undated letter to the LB&I case manager.
- b. Place a copy of the letter in the EP case file.

Note: Notate on the copy as follows: “LB&I Support Case –Closing Letter(s) Forward to: _____ (name, title and address of LB&I case manager) on _____ (date).”

- (4) If EP issues the closing letter(s):
 - a. Date and issue the letter to the taxpayer.
 - b. Forward a dated copy of the letter to the LB&I case manager.
 - c. Notate on the file copy of the letter: “LB&I Support Case – Original closing letter sent to taxpayer on _____ (date). Copy of closing letter(s) forwarded to _____ (name, title and address of LB&I case manager) on _____ (date).”
- (5) Follow normal closing procedures in IRM 4.70.14.2, Closing a Case.

4.70.11.15.9.10
(11-22-2023)

Overview of EO Support Examinations Involving Plan Qualification

- (1) This IRM section lists procedures for EP examiners providing support in EO examinations.
- (2) Most EO examination support involves an EP examiner examining one or more of these EO-maintained deferred compensation arrangements:
 - a. Qualified plans under IRC 401(a).
 - b. Eligible deferred compensation plans under IRC 457(b).
 - c. Tax-sheltered arrangements under IRC 403(b).
 - d. “Ineligible” deferred compensation plans under IRC 457(f).
- (3) Follow the procedures of IRM 4.70.11.15.9.9, Overview of LB&I Support Involving Plan Qualification, when examining one of these types of arrangements except substitute “EO” for “LB&I” as the entity being supported.
- (4) Protect the statute of limitations according to IRM 4.70.12.3.8, EP Statute Control Procedures, for any taxable plan trust.
- (5) Although relatively infrequent, you may encounter an EO Deduction Only Support Examination when the EO examination includes:
 - a. Related taxable entities
 - b. Form 990-T
 - c. Organizations that lose their exempt status
 - d. Taxability of nonqualified deferred compensation plans
- (6) If the scope of EP examination involvement is restricted to income tax issues involving the returns or scenarios in item (5) above, follow the procedures of IRM 4.70.11.15.9.4, Overview of Deduction Only Support Examinations, except coordinate with EO instead of LB&I.

4.70.11.15.9.10.1
(11-22-2023)

EO Support Examinations Involving Plan Qualification - AIMS and RCCMS Establishment

- (1) The procedures to establish the case on AIMS and RCCMS depends on the type of deferred compensation arrangement under examination.
- (2) Follow these procedures when you examine a related or subsequent year Form 5500 series return:

- a. Follow these procedures when you examine a related or subsequent year Form 5500 series return.

Note: If the return hasn't posted on the EPMF, follow the appropriate procedures in IRM 4.70.13.9 Delinquent, Amended and Substitute for Returns.

- b. Prepare the Related and Subsequent Year Form 5500 Request form and forward it to your manager for approval. See Exhibit at *Employee Plans Examination Exhibits*.
- c. Correctly complete all the information on the form or it will be returned to the group. Note in your request that the return has posted to the EPMF.
- d. The group manager/designee emails the approved form to Classification's group mailbox: **TE/GE-EP-Classification*.
- e. Classification acknowledges receipt of the request for the return (normally within 5 business days).
- f. Classification informs the examiner and group manager (normally within 10 business days) that the record has been assigned to the group on AIMS and RCCMS.

4.70.11.15.9.10.2
(11-22-2023)

**EO Support
Examinations Involving
Plan Qualification -
Non-Return Units**

- (1) IRC 457 plans and IRC 403(b) annuity arrangements aren't always required to file a Form 5500.
- (2) Follow the Non-Return Unit (NRU) procedures in IRM 4.70.13.3.4.1.1, Function Specific Procedures EP – Non-Return Unit Examinations, when establishing IRC 403(b) and IRC 457 examinations on Non-Master File AIMS and RCCMS.
- (3) For inventory control purposes, it's crucial that the EP group establish (through Classification) any NRU examination in conjunction with an EO examination support assignment on RCCMS.
- (4) Managers will ensure the RCCMS record reflects the following codes or information:
 - a. Use MFT code 74 to track cases on RCCMS.
 - b. Use Activity code 370.
 - c. Follow IRM 4.70.11.15.9.10.3, EO Support Examinations Involving Plan Qualification - Statute Protection Safeguards, to enter the statute date of the related Form 941, Employer's Quarterly Federal Tax Return, as the statute of limitations date in the IRC 403(b) or IRC 457(b) RCCMS record.

4.70.11.15.9.10.3
(11-22-2023)

**EO Support
Examinations Involving
Plan Qualification -
Statute Protection
Safeguards**

- (1) EO is responsible for:
 - a. Protecting the employment tax statutes of limitations of its taxpayers.
 - b. Issuing closing letters for employment tax examinations.
- (2) EP examination activity for EO support usually relates to IRC 403(b) and IRC 457 examinations. Since these are NRU examinations, they don't have statute of limitations. Examiners must protect the statute of limitations of the related tax return.
- (3) For IRC 403(b) and IRC 457(b) examinations establishment on RCCMS:
 - a. Reflects the statute of limitations date for the Form 941 for the last quarter of the tax year examined.

Note: The last quarterly Form 941 is due by January 31 of the subsequent year and has a three-year statute of limitations date starting on April 15.

- b. The group manager approves the establishment and control of the related Form 941 return.
- (4) The EP examiner will:
 - a. Protect the Form(s) 941 statute of limitation(s), when EO has not protected these returns, regardless of establishment on RCCMS.
 - b. Coordinate the protection of employment tax statutes with the EO team coordinator.
 - c. Keep a copy of the Form SS-10, Consent to Extend the Time to Assess Employment Taxes, in the EP case file regardless of whether another business function secured it.
- (5) Follow the procedures in IRM 4.70.12.3.8.5 , Monitoring the Statute Date on a Non-Return (NRU Case) Case, for protecting the statute of limitations for NRU cases.

4.70.11.16
(11-22-2023)
Whistleblower Claims

- (1) An informant submits Whistleblower (WB) claims on Form 211, Application for Award for Original Information.
- (2) WB claims are either “A” or “B” Claims. These letters refer to the applicable sub-sections of IRC 7623.

4.70.11.16.1
(11-22-2023)
WB Procedures

- (1) After debriefing, taint review, and selection for examination, CP&C, Classification and Case Assignments (C&CA) assigns the case to an examination group.
- (2) When the examination group receives a WB examination case, the group manager must contact the appropriate C&CA manager to request the WB electronic file be sent to the group. The group will generally receive two files:
 - a. The examination case file.
 - b. The WB case file which contains the Form 211 and the documentation submitted by the WB.

Note: There may be multiple Forms 211 included in one case file.

- (3) An ICE indicator code “1” will be on the primary return on AIMS. The freeze code will need to be changed on AIMS as shown below, before the case can be closed from group level.
- (4) Except as detailed below, follow the normal examination procedures.
- (5) The WB case file instruction should be in the WB case file. This document gives the examination group basic procedures and guidance for the WB aspects of the examination.
- (6) WB communications are confidential. If there are paper files, transmit all claims, reports, and information from office to office in double sealed confidential envelopes marked, “To be Opened by Addressee Only” and keep them locked in file cabinets. Use secure email for all electronic submissions.
- (7) Keep all WB information separate from the examination case file. If there is a hard copy WB case file, keep it locked up when not in use.

- (8) DO Not mention the WB in either the examination case file in RCCMS or in the hard copy examination case file. This includes not mentioning the existence of a WB in any of the examination files such as the Case Chronology Record and workpapers. The taxpayer can't be informed there is a WB.
- (9) The examiner shouldn't make any contact with the WB. If the examiner wants to interview the WB, contact your WB Coordinator.

Note: Counsel needs to be involved if the WB is interviewed. The WB Coordinator will coordinate this.

- (10) Develop the issues by seeking independent corroboration and/or refutation of the WB provided information. Independently developed information must form the basis for any proposed adjustments.
- (11) Electronically prepare Form 11369, Confidential Evaluation Report on Claim for Award, when the examination is fully concluded, but prior to final closing. You and your manager must sign the form.
- (12) The WB Office uses information on Form 11369, Confidential Evaluation Report on Claim for Award, as well as any relevant workpaper information to determine if an award is paid.
- (13) DO NOT leave WB information or references to a WB in the closed examination case file; even if you close the case unagreed.
- (14) If the examination case file is going to Appeals, DO NOT include any WB information or the Form 11369, Confidential Evaluation Report on Claim for Award, in the examination case file sent to Appeals.

4.70.11.16.2
(11-22-2023)

**Form 11369, Confidential
Evaluation Report or
Claim for Reward**

- (1) WB Awards must consider proceeds, which may include penalties, fines and forfeitures. See IRC 7623(c).
- (2) If the WB claim has any actions outside of U.S. Code Title 26, like Title 18 or Title 31, attach additional information to Form 11369 Confidential Evaluation Report on Claim for Award, that documents:
 - a. What actions were taken outside Title 26.
 - b. How WB information was used to identify and develop issues, facts or evidence and
 - c. Any other agencies that were involved.
- (3) Refer to the *Whistleblower Office* website for additional guidance.

4.70.11.16.3
(11-22-2023)

**Category "A" WB Claim
Procedures**

- (1) A Category "A" case is any WB Claim that isn't a Category "B" case.
- (2) If you open additional years or returns, contact the Informant Claims Examination (ICE) unit to add the ICE indicator on AIMS for the additional years or returns. Find the contact information for the ICE unit in the instructions for Form 11369, Confidential Evaluation Report on Claim for Award.
- (3) If at any time, the amount of potential proceeds (e.g. taxes, interest and penalties) is \$2 million or more, contact the WB Coordinator.
- (4) After you prepare Form 11369 send the following information to the ICE unit:
 - a. Completed Form 11369.

- b. WB case file.
- c. Copy of an RAR, if applicable.
- d. Copy of a Closing Agreement, if applicable.
- e. Case Chronology Record or Activity Record (depending on which form your division uses).
- f. Workpaper Summary or Workpaper Index (depending on which form your division uses).
- g. All relevant workpapers which will help the WB Office to determine the award.

Note: If there's a hard copy WB case file, mail it back to the ICE unit. Otherwise, send it electronically using secure email.

- (5) The WB Coordinator reviews the information, makes sure it's complete, then sends it to the WB Analyst.
- (6) Once the ICE unit has all the necessary information, they change the ICE indicator to "2". Once the indicator is changed, close the case under normal closing procedures.

4.70.11.16.4
(11-22-2023)

Category "B" WB Claim Procedures

- (1) A Category "B" case is one in which the proceeds in dispute exceed \$2,000,000. In the case of an individual, the individual's gross income must also be greater than \$200,000 for any taxable year subject to the action. An informant submits Whistleblower (WB) claims on Form 211, Application for Award for Original Information.
- (2) WB claims are either "A" or "B" Claims. These letters refer to the applicable sub-sections of IRC 7623. A WB action against an individual is only a "B" case if the individual's gross income exceeds \$200,000 for any taxable year subject to the action.
- (3) If you open additional years or returns, contact the WB Coordinator. The Coordinator will contact the ICE unit to add the ICE indicator on AIMS for those additional year or returns.
- (4) After Form 11369, Confidential Evaluation Report on Claim for Award, is prepared and the examiner has ensured that no WB materials remain in the case file, the following information is sent to the WB Coordinator:
 - a. Completed Form 11369.
 - b. WB case file.
 - c. Copy of RAR, if applicable.
 - d. Copy of a Closing Agreement, if applicable.
 - e. Case Chronology Record or Activity Record (depending on which form your division uses).
 - f. Workpaper Summary or Workpaper Index (depending on which form your division uses).
 - g. All relevant workpapers which help the WB Office to determine the award amount.

Note: If there's a hard copy WB case file, mail it to the WB Coordinator. Otherwise, send electronically, using secure email.

- (5) The WB Coordinator reviews the information, makes sure it's complete, then sends it to the WB Analyst.

- (6) Once the WB Analyst has all the necessary information, they change the ICE indicator to "2." Once the indicator is changed, close the case under normal case closing procedures.

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Exhibit 4.70.11-1 (08-26-2025)

TE/GE Form 2848 and Form 8821 Specific Elements by Function

Form Section	EO Specific Elements
Taxpayer Information	If an IRC Section 501(c) exempt organization is being examined , list the organization's name, address, and EIN.
	If a trust is being examined , list the name, title, and address of the trustee, and the name and EIN of the trust (if the trust has an EIN).
	If an individual is being examined (e.g. Form 4720) , list the name, address and SSN of the individual.
	If the Form 2848 relates to a Form 1040 discrepancy adjustment, list the name, address and SSN of the individual. Note: For a joint return, each spouse (or former spouse) must submit a separate Form 2848, even if they're using the same representative.
Representative(s) / Designee(s)	Enter the designee or representative's name, address, phone number and CAF number in the Representative(s) section. Note: Only the individual(s) named on the Form 2848 has the authority to represent the taxpayer. This authority is not automatically extended to other employees of the firm which employs the individual(s) designated as the representative(s). To provide a substitution, without the submission of a new Form 2848, the requirements of 26 CFR 601.505(b)(2) must be followed. Caution: Before discussing a taxpayer matter over the phone, the caller's identity (individual on the other end of the phone) must be authenticated to be the designated representative(s) (not an employee of the representative or another employee of the employer employing the representative).
Description of Matter / Type of Tax	For Forms 990, 990-EZ, or 990-N , specify "exempt status / income". Note: This will ensure that if the representative signs an agreement form for revocation or modification (exempt status), it will be valid. This will also ensure that if a representative signs a statute extension (for assessment of income tax), it too will be valid.
	For Form 990-PF , specify "exempt status / income / excise". Note: This will ensure that if the representative signs an agreement form for revocation or modification (exempt status), it will be valid. This will also ensure that if a representative signs a statute extension (for assessment of income tax), it too will be valid.
	For income tax forms (e.g. 990-T, 1040) , specify "income".
	For employment tax returns (e.g. 941, 940, 945) , specify "employment tax".
	For trust returns (e.g. 1041, 5227) , specify "income".
	For excise tax returns (e.g. 4720, 730, 11-C) , specify "excise".

Exhibit 4.70.11-1 (Cont. 1) (08-26-2025)**TE/GE Form 2848 and Form 8821 Specific Elements by Function**

Form Section	EO Specific Elements
Tax Form	<p>List the forms under examination.</p> <p>Note: If a specific form number is not listed under “Tax Form Number”, the Service Center will not process the Form 2848 (or Form 8821). Therefore, do not forward the Form 2848 (or Form 8821) secured for an NRU to the Service Center. Form 2848 (or Form 8821) secured for Form 1040 related to an NRU will be processed under normal procedures.</p>
Years or Periods	<p>Years covered must be specifically listed. It is not acceptable to simply say “all years”.</p> <p>Example: “2018 – 2020” or “2018, 2019, 2020”.</p> <p>Note: If the examination is expanded to years not covered by the current Form 2848, request another Form 2848 listing all years or periods under examination if the same representative is representing the taxpayer for those years or periods.</p>
Additional Acts Authorized	<p>Pay special attention to Items 5a and 5b of Form 2848, to see if the taxpayer makes any restrictions or additions to acts automatically authorized by the Form 2848.</p>
Taxpayer Declaration and Signature	<p>In order to be valid, the Taxpayer listed in box 1 must sign and date the Form 2848.</p>
	<p>For Form 1041, exams, the trustee must sign and date the Form 2848 as the taxpayer and include his/her title (trustee) next to the signature line.</p>
Declaration of Representative	<p>Follow the instruction in IRM 4.70.11.10.1, Persons who may be designated as a POA or Designee, to verify an individual meets the requirements to be a designated representative.</p>
	<p>An unenrolled return preparer (URP) may only represent the taxpayer for the return that he/she prepared and signed. See also Publication 947 and Circular 230.</p> <p>Note: The URP must be verified on all subsequent year pick-ups.</p>
	<p>A URP may not represent a taxpayer before Appeals or Collection, execute closing agreements, extend the statute of limitations, execute waivers, execute claims for refund, receive refund checks or sign any documents for a taxpayer. Additionally, unless they check the appropriate box(es) on Line 5, the representative(s) is (are) not authorized to execute a request for disclosure of tax returns or return information to a third-party, substitute another representative or add additional representatives or sign certain tax returns.</p>

Exhibit 4.70.11-1 (Cont. 2) (08-26-2025)

TE/GE Form 2848 and Form 8821 Specific Elements by Function

Form Section	EP Specific Elements
Taxpayer Information	<p>If a Form 5500 is being examined, the plan sponsor's name, address and EIN, and the three digit plan number must be listed. See <i>Employee Plans Examination Exhibits</i> Form 2848 for Plan Sponsor Example.</p> <p>Note: In addition to the plan number, the plan name is entered on Line 3 - Acts authorized.</p> <p>Note: You must get a separate Form 2848 for the trust when you and your manager decide to place the trust under examination (e.g., Form 990-T is picked up for examination, plan disqualification is proposed), or when you are requesting a statute extension (i.e., Form 872-H) for the trust.</p> <p>Note: The term "under examination" in this context generally means you have reached a point in your examination of the plan where you are looking at the trust records with the intent to possibly assess tax on the trust (e.g., Form 1041 or 990-T). It doesn't include the request for general trust information and the initial Letter 6031 sent to the plan sponsor as required by current standards.</p>
	<p>If a trust is being examined, the name, title and address of the trustee, and the name and EIN of the trust (if the trust has an EIN) must be listed. See <i>Employee Plans Examination Exhibits</i>, Form 2848 for the Trust Example.</p>
	<p>If Form 5330 for an individual or Form 5329 is being examined, the name, address and SSN of the individual must be listed. See <i>Employee Plans Examination Exhibits</i>, Form 2848 for Excise Tax Individual Example.</p>
	<p>If Form 5330 for a corporation, partnership or association is being examined, the name, address and EIN of the entity liable for the excise tax must be listed. See <i>Employee Plans Examination Exhibits</i>, Form 2848 for Excise Tax Corporation Example.</p> <p>Note: The same Form 2848 could also be used to cover Form 1120 if "income" is added on "Description of Matters" line and "1120" is added on the "Tax Form Number" line.</p>
	<p>If the Form 2848 relates to a Form 1040 discrepancy adjustment, the name, address and SSN of the individual must be listed. See <i>Employee Plans Examination Exhibits</i>, Form 2848 for Income Individual Primary SSN Example and Exhibit at <i>Employee Plans Examination Exhibits</i>, Form 2848 for Income Individual Secondary SSN Example.</p> <p>Note: For a joint return, each spouse (or former spouse) must submit a separate Form 2848, even if they're using the same representative.</p>
	<p>If the examination involves a Non-Return Unit (NRU), the name, address and EIN of the entity being examined must be listed.</p>

Exhibit 4.70.11-1 (Cont. 3) (08-26-2025)**TE/GE Form 2848 and Form 8821 Specific Elements by Function**

Form Section	EP Specific Elements
Representative(s) / Designee(s)	<p>The designee or representative's name, address, phone number and CAF number in the Representative(s) section.</p> <p>Note: Only the individual(s) named on the Form 2848 has the authority to represent the taxpayer. This authority is not automatically extended to other employees of the firm which employs the individual(s) designated as the representative(s). To provide a substitution, without the submission of a new Form 2848, the requirements of 26 CFR 601.505(b)(2) must be followed.</p> <p>Caution: Before discussing a taxpayer matter over the phone, the caller's identity (individual on the other end of the phone) must be authenticated to be the designated representative(s) (not an employee of the representative or another employee of the employer employing the representative).</p>
Description of Matter / Type of Tax	<p>For a Form 5500 examination - the plan name and number.</p> <p>Example: "Examination of plan name 001" or "Examination of The ABC Plan, 001".</p>
	<p>For SEPs, SARSEPs and SIMPLEs - type of IRA based plan.</p> <p>Example: "SEP IRA", "SARSEP IRA" or "SIMPLE IRA".</p>
	<p>For income tax forms (990-T, 1040/1120, 5330, 5329 etc.) - The type of tax.</p> <p>Example: "income", "UBI", "excise", or "employment".</p> <p>Note: Only the type of tax that can be paid by that taxpayer can be entered.</p>
Tax Form	<p>Form(s) for the examination(s) that is being represented for.</p> <p>Example: "5500", "5330", "5329", "990-T", "1120", "1040", "1041" etc.</p>
	<p>For SEPs, SARSEPs and SIMPLEs, - "Not Applicable".</p> <p>Note: If a specific form number is not listed under "Tax Form Number", the Service Center will not process the Form 2848 (or Form 8821). Therefore, do not forward the Form 2848 (or Form 8821) secured for an NRU to the Service Center. Form 2848 (or Form 8821) secured for Form 1040 related to an NRU will be processed under normal procedures.</p>

Exhibit 4.70.11-1 (Cont. 4) (08-26-2025)

TE/GE Form 2848 and Form 8821 Specific Elements by Function

Form Section	EP Specific Elements
Years or Periods	<p>Years covered must be specifically listed. It is not acceptable to simply say “all years.”</p> <p>Example: “2018 – 2020” or “2018, 2019, 2020”.</p> <p>Note: If the examination is expanded to years not covered by the current Form 2848, get another Form 2848 listing all years under examination if the same representative is representing the taxpayer for those years.</p>
Additional Acts Authorized	<p>Pay special attention to Item 5a and 5b of Form 2848, to see if the taxpayer makes any restrictions or additions to acts automatically authorized by the Form 2848.</p>
Taxpayer Declaration and Signature	<p>In order to be valid, the Taxpayer listed in box 1 must sign and date the Form 2848.</p>
	<p>For Form 5500 and NRUs (SEPs SARSEPs, or SIMPLEs) exams involving, the title of the individual (e.g., president) signing for the plan sponsor must be included next to the signature line.</p>
	<p>For Form 990-T or Form 1041, exams, the trustee must sign and date the Form 2848 as the taxpayer and include his/her title (trustee) next to the signature line and a Form 56 with the trustee’s signature. See <i>Employee Plans Examination Exhibits</i>, for an example of a completed Form 56.</p>
Declaration of Representative	<p>Follow the instruction in IRM 4.70.11.10.1, Persons who may be Designated as a POA or Designee, to verify an individual meets the requirements to be a designated representative.</p>
	<p>An unenrolled return preparer (URP) may only represent the taxpayer for the return that he/she prepared and signed.</p> <ol style="list-style-type: none"> For that reason, a URP may not represent a taxpayer for a Form 5500 examination for years in which the Form 5500 doesn’t provide either a line for the return preparer to sign or an area for information identifying the return preparer. A URP may still represent a taxpayer for other types of tax returns (e.g., Forms 1040, 1120, 990-T or 1041) that he or she prepared and can sign or provide the necessary information, but Section 5 of Rev. Proc. 81-38 does limit this authority. <p>Note: See also Pub 947 and Circular 230.</p> <ol style="list-style-type: none"> Beginning with the 2012 plan year through 2016, the Form 5500 did provide an area in which the URP can enter the necessary information. For that reason, for 2012 through 2016 plan years, an URP can represent a plan sponsor during an EP examination subject to the above-mentioned limitations. <p>Note: The URP should be verified on all subsequent year pick-ups.</p>

Exhibit 4.70.11-1 (Cont. 5) (08-26-2025)**TE/GE Form 2848 and Form 8821 Specific Elements by Function**

Form Section	EP Specific Elements
	A URP may not represent a taxpayer before Appeals or Collection, execute closing agreements, extend the statute of limitations, execute waivers, execute claims for refund, receive refund checks or sign any documents for a taxpayer. Additionally, unless they check the appropriate box(es) on Line 5, the representative(s) is (are) not authorized to execute a request for disclosure of tax returns or return information to a third-party, substitute another representative or add additional representatives or sign certain tax returns.

Form Section	FSL/ET and ITG Specific Elements
Taxpayer Information	Taxpayer name (Federal, State, and Local or Indian tribal entity), address, employer identification number or social security number, telephone number, and employee plan number if applicable.
Representative(s) / Designee(s)	Full names, address telephone and fax numbers, and CAF number.
Description of Matter / Type of Tax	Type of Tax involved (employment, excise, etc).
Tax Form	Federal tax form number involved.
Years or Periods	Years covered must be specifically listed. It is unacceptable to state "all years".
Specific Use Authorizations	<p>Specific use authorizations generally are not recorded on the CAF database. These authorizations must be provided by the representatives with each contact with the IRS. Don't detach the POA/TIAs filed for specific issues from its related document or send it to the CAF function, unless the POA/TIA authorizes a return in addition to the specific issue. If so, send a copy of the POA/TIA to the CAF unit to input the return portion on the CAF system. Examples of specific issues include, but are not limited to the following:</p> <ul style="list-style-type: none"> • Form SS-4, Application for Employer Identification Number • Form W-2, Series • Form W-3, Transmittal of Wage and Tax Statements • Form W-4, Employee's Withholding Allowance Certificate • Form 843, Claim for Refund and Request for Abatement • Form 1096, Annual Summary and Transmittal of U.S. Information Returns • Form 1099, Series • Form 1128, Application to Adopt, Change, or Retain a Tax Year • Form 5308, Request for Change in Plan/Trust Year • "General" or "Durable" POA. Even if these instruments contain sufficient information to function as IRS power of attorneys, they usually lack information sufficient to process on CAF. If the taxpayer submits a general or durable POA, attach a completed Form 2848 (a transmittal POA) and send both forms to the CAF unit for processing.
Taxpayer Declaration and Signature	The authorized government official signs and dates as Taxpayer.
Declaration of Representative	Representative must sign, date and enter specific designation under which they practice before the IRS.

Exhibit 4.70.11-1 (Cont. 6) (08-26-2025)**TE/GE Form 2848 and Form 8821 Specific Elements by Function**

Form Section	TEB Specific Elements
Taxpayer Information	Issuer/Conduit Borrower name, EIN and business address.
Representative(s) / Designee(s)	Name, address and phone number of the representative/appointee.
Description of Matter/ Type of Tax	Legal name of the bond issue, including issue amount.
Tax Form	Form 8038 series.
Years or Periods	Date of issue.
	Ensure that the Period column of line 3 of the authorization indicates the "YYYYMM" period format for the return(s) to which the authorization applies. For any period that is not in an "YYYYMM" format, the period(s) should be noted in the margin to the right of the issue date or other period specified.
	In the margin to the right of the Periods column of line 3, enter "RPT # NNN" for the report number of the period(s) covered by the authorization. The report number is essential for proper recording to the master file account to which the authorization applies.
Taxpayer Declaration and Signature	Signature, with date, of an appropriate official of the entity designating the authority.
Declaration of Representative	Signature, date and specific designation under which practice before the IRS is authorized.
	Be alert to all facts and circumstances of a practitioner's representation to identify any apparent conflicts of interest and to be ready to address it with a representative if a conflict arises under section 10.29(a) of Circular 230.
	Circular 230, Section 10.29(a) defines a conflict of interest to exist when either: <ul style="list-style-type: none"> • The representation of one client will be directly averse to another client. • There is a significant risk that the representation of one or more clients will be materially limited by the practitioner's responsibilities to another client, a former client or a third person, or by a personal interest of the practitioner.
	Circular 230, Section 10.29(b) states that a practitioner may represent a client despite a conflict of interest if: <ul style="list-style-type: none"> • The practitioner reasonably believes that they will be able to provide competent and diligent representation to each affected client. • The representation is not prohibited by law. • The affected clients each have waived the conflict and given informed consent to the representation, confirmed in writing by each client.

Exhibit 4.70.11-1 (Cont. 7) (08-26-2025)**TE/GE Form 2848 and Form 8821 Specific Elements by Function**

Form Section	TEB Specific Elements
	<p>Because bond attorneys provide opinions to their clients on whether a bond issuance will qualify for tax-advantaged status, be sensitive to conflict-of-interest issues in examinations that involve the tax-advantaged status. Not all situations will present a conflict of interest.</p> <p>Example: A conflict of interest doesn't necessarily arise because an attorney is representing the bond issuer after that attorney provided the opinion underlying the issuance of the bond, such as when the focus of the exam is post-opinion compliance. Consider other facts in each situation under exam involving a potential conflict of interest.</p>
	<p>If you have reason to believe, based on all pertinent facts and circumstances available, that a representative has a conflict of interest as defined above, promptly raise the issue with the representative and request that the representative act to address the conflict of interest.</p> <ol style="list-style-type: none"> 1. If you're persuaded, based on the representative's response to your concern over a conflict of interest, that there is not one under the facts and circumstances, or the representative has provided written assurance that the conflict has been waived as discussed below, treat the matter as resolved. 2. A representative may also resolve a conflict of interest by withdrawing and rescinding the power of attorney.
	<p>If the representative responds that he or she has obtained or will obtain the client's informed consent to the representation notwithstanding the conflict of interest:</p> <ul style="list-style-type: none"> • Specifically require a letter or other signed document from the representative stating that after being informed of the conflict of interest, each affected client has waived the conflict and given informed consent to the representation and such consent was confirmed by each client in writing. • Include in the case file the written assurance received from the representative that resolves the conflict of interest. • Don't request copies of the informed-consent documents that the affected clients have signed or that otherwise function as the clients' written confirmation described in Circular 230 section 10.29(b).
	<p>The Office of Professional Responsibility (OPR) has exclusive authority to enforce the rules governing practice before the IRS and to pursue sanctions against a practitioner for violations of Circular 230. When a representative with a conflict of interest does not resolve the conflict:</p> <ol style="list-style-type: none"> 1. Consult your manager and contact OPR for guidance. 2. You and your manager can consult OPR about other conflict of interest questions and concerns, including. <ul style="list-style-type: none"> • Questions about whether there is a potential conflict of interest. • Whether a representative's written assurance of client consent is adequate. • Whether a representative complies with Circular 230, Section 10.29.