

Part III

Administrative, Procedural, and Miscellaneous

26 CFR 601.201: Rulings and determination letters

Rev. Proc. 2020-29

SECTION 1. PURPOSE

This revenue procedure modifies the procedures in Rev. Proc. 2020-1, 2020-1 I.R.B. 1 (Jan. 2, 2020), temporarily to allow for the electronic submission of requests for letter rulings, closing agreements, determination letters, and information letters under the jurisdiction of the Internal Revenue Service (IRS) Office of Chief Counsel, and for determination letters issued by the IRS Large Business and International Division (LB&I). Until this revenue procedure is modified or superseded, both paper and electronic requests for advice described in section 2.01 of this revenue procedure provided by Associate Chief Counsel Offices and LB&I, as defined in section 2.02 of this revenue procedure, will be accepted.

SECTION 2. BACKGROUND

.01 Revenue Procedure 2020-1 provides detailed information on how taxpayers can request advice from the IRS in the form of letter rulings (including non-automatic requests for changes in methods of accounting and non-automatic requests for changes

in accounting periods), closing agreements, determination letters, and information letters (together, requests for advice). Rev. Proc. 2020-1 generally requires taxpayers to submit paper copies of written materials with wet signatures.

.02 For purposes of this revenue procedure, the term “Associate Chief Counsel Offices and LB&I” collectively refers to the following Associate Chief Counsel offices and LB&I: the Associate Chief Counsel (Corporate), the Associate Chief Counsel (Financial Institutions and Products), the Associate Chief Counsel (Income Tax and Accounting), the Associate Chief Counsel (International), the Associate Chief Counsel (Passthroughs and Special Industries), the Associate Chief Counsel (Procedure and Administration), and the Associate Chief Counsel (Employee Benefits, Exempt Organizations, and Employment Taxes).

SECTION 3. OPTIONS FOR SUBMISSION OF REQUESTS FOR ADVICE

.01 Scope. This revenue procedure modifies Rev. Proc. 2020-1 to permit the electronic submission of requests for advice from the Associate Chief Counsel Offices and LB&I. This revenue procedure does not modify procedures for determination letters issued by the IRS’s Small Business/Self Employed Division, Wage and Investment Division, or Tax Exempt and Government Entities Division. Those procedures are outlined in sections 7 and 12 of Rev. Proc. 2020-1, in Rev. Proc. 2020-4, 2020-1 I.R.B. 148 (Jan. 2, 2020), and in Rev. Proc. 2020-5, 2020-1 I.R.B. 241 (Jan. 2, 2020).

.02 Option for electronic submission. The IRS will accept electronic submissions for requests for advice made for matters under the jurisdiction of Associate Chief Counsel Offices and LB&I if the submissions are —

(1) Transmitted by facsimile or compressed and encrypted email attachments using the electronic submission procedures described in section 4 of this revenue procedure,

(2) Signed using the electronic signature procedures described in section 5 of this revenue procedure.

.03 Option for paper submission. The IRS will also continue to accept requests for advice as provided in Rev. Proc. 2020-1, although the IRS expects to have limited personnel available, which will likely delay for some period of time the processing of requests that are submitted in paper copies through the mail and private delivery services. Electronic submission in accordance with this revenue procedure will allow for more expeditious processing than paper submission.

SECTION 4. ELECTRONIC SUBMISSION PROCEDURES

.01 Submission by electronic facsimile. Taxpayers and their representatives are encouraged to use a secure electronic facsimile service for transmitting requests for advice. The secure electronic facsimile line for submitting requests under the jurisdiction of any of the Associate Chief Counsel Offices is (877) 773-4950. The secure electronic facsimile line for submitting determination letter requests under the jurisdiction of LB&I is (844) 249-6231. To use the secure electronic facsimile method, first submit the full user fee payment set forth in Appendix A of Rev. Proc. 2020-1 through www.pay.gov. The request package must include a copy of the receipt that is generated on the last page of www.pay.gov with the completed form, a cover sheet, and the materials specified in Rev. Proc. 2020-1, as modified by this revenue procedure. Provide clear titles for the documents and distinguish files containing administrative forms and receipts from files that contain the request itself and from supplemental materials. Transmit the full

package, along with a cover sheet, to the IRS at the number indicated above for the office with jurisdiction over the request. If the submission is over 10 MB or over 50 pages, break it into smaller components and number the components sequentially with the total number, such as 1 of 4, 2 of 4, 3 of 4, and 4 of 4.

.02 Submission by compressed and encrypted email attachments. There are more risks associated with compressed and encrypted email attachments than with electronic facsimile, such as the possibility that sensitive taxpayer information could be intercepted. Accordingly, the IRS encourages taxpayers and their representatives to use a secure electronic facsimile service for transmitting requests for advice. As an alternative, this section 4.02 provides procedures for using compressed and encrypted email attachments for transmitting a request for advice under the jurisdiction of any of the Associate Chief Counsel Offices and LB&I. The compression and encryption utility used must be compatible with SecureZIP and allow the password-enabled encryption of email attachments and other files. Both the sender and recipient must have the decompression/ decryption utility installed. To compress and encrypt email attachments, follow the directions provided by the program. Because these programs do not encrypt the subject line, the body of the email, or the file name of the attachment, all taxpayer information, including the name of the taxpayer, and return information should be included only in the encrypted attachment.

(1) Compression utilities will request that the sender/ taxpayer create a password for the recipient/ IRS to use to decrypt the attachments. The password should never be sent in the same email with the encrypted attachment. Instead, it should be provided to

the IRS in a separate email with a subject line that makes it easy to connect the password to the encrypted email.

(2) The package for a request transmitted through email must include electronic images of the Acknowledgement of Risks of Email (see Attachment A to this revenue procedure) signed by the taxpayer or officer of the taxpayer (note this requires the signature of the taxpayer, not the representative), the receipt that is generated on the last page of www.pay.gov, and all materials specified in Rev. Proc. 2020-1, as modified by this revenue procedure. Provide clear titles for the documents and distinguish files containing administrative forms and receipts from files containing the request itself and from supplemental materials. Enable the compression and encryption utility on the email system before generating the email. If a submission is over 5 MB, break it into smaller components that do not exceed 5 MB each, and number the components sequentially with the total number, such as 1 of 4, 2 of 4, 3 of 4, and 4 of 4. The email address for requests that fall under the jurisdiction of any of the Associate Chief Counsel offices is: Userfee@irscounsel.treas.gov. The email address for determination letter requests that fall under the jurisdiction of LB&I is: lbi.irt.info@irs.gov.

.03 Submission of copies and originals. Taxpayers and their representatives do not need to submit multiple copies of documents when submitting them electronically. Where Rev. Proc. 2020-1 requires original forms or documents, submissions made under the provisions of this revenue procedure will be sufficient.

.04 Submission of additional information and signed consent agreements. Any additional information required for a ruling and signed consent agreements may be submitted under the procedures set forth in this revenue procedure, but should be

directed to the secure facsimile number or email address provided by the office assigned to the request.

.05 Electronic submission after paper submission. Taxpayers who filed a paper request and who have not received confirmation that it has been received and processed may wish to make an electronic submission to ensure faster processing. If a duplicate request is submitted electronically, please indicate on the request that it is a duplicate submission of a paper submission.

SECTION 5. ELECTRONIC SIGNATURE PROCEDURES

.01 This revenue procedure modifies Rev. Proc. 2020-01 to allow electronic signatures to be submitted when wet signatures previously were required. This modification applies to both paper and electronic submissions.

.02 The IRS will accept the following images of signatures (scanned or photographed) in one of the following formats: tiff, jpg, jpeg, pdf, Microsoft Office suite, or Zip.

.03 The IRS will accept digital signatures that use encryption techniques to provide proof of original and unmodified documentation in one of the following formats: tiff, jpg, jpeg, pdf, Microsoft Office suite, or Zip.

SECTION 6. CONFERENCES AND ISSUANCE OF ADVICE

.01 Conferences. Conferences will be conducted by telephone in the manner provided in and subject to the requirements of Rev. Proc. 2020-1.

.02 Issuance of advice. The IRS has the discretion to determine the form in which it will issue advice to the taxpayer, including transmittal by facsimile or email. The IRS generally will follow established procedures for sending email if compressed and

encrypted emails attachments will be used to correspond with the taxpayer.

SECTION 7. EFFECT ON OTHER DOCUMENTS

Rev. Proc. 2020-1 is modified.

SECTION 8. EFFECTIVE DATE

This revenue procedure is effective April 30, 2020, until modified or superseded.

SECTION 9. DRAFTING INFORMATION

The principal author of this revenue procedure is Teresa Dondlinger Trissell of the Office of Associate Chief Counsel (Procedure & Administration). For further information regarding this revenue procedure, contact Ms. Trissell at (202) 317-3400 (not a toll-free call).

Attachment A

Acknowledgement of Risk with Email

I acknowledge that there are risks associated with email, such as the possibility that sensitive taxpayer information could be intercepted and viewed by unauthorized persons. I understand the importance of securing email using appropriate encryption, particularly when transmitting sensitive or confidential tax-related information. I understand that SecureZIP and compatible utilities only encrypt the email attachment and not the subject line or the body of the email itself, and that confidential information should not be included in the subject line, the body of the email itself, or the file name of the attachment. By signing this agreement, I understand that sensitive or confidential information should be sent only by compressed and encrypted email attachments in communicating with the IRS.

Even with encryption it is possible electronic communications could be intercepted. I acknowledge that the United States Government does not guarantee the security of data transmitted electronically by email and accepts no liability, regardless of

fault, for any loss or damage sustained without negligence of United States Government employees.

(Name of Taxpayer)
(Title of Individual Signing Acknowledgment)

*SIGNATURE: _____

DATE: _____

*Signature must be from any person who could sign the return of the taxpayer, not a representative. If the taxpayer is a corporation, the signature must be from an officer of the corporation.