

**IRS****News Release****Media Relations Office****Washington, D.C.****Tel. 202.622.4000****For Release: 4/09/02****Release No: IR-2002-45****TAX SHELTER DISCLOSURE INITIATIVE ENDS APRIL 23, 2002**

WASHINGTON – April 23 is the last day taxpayers can voluntarily disclose to the IRS their participation in tax shelters and other questionable transactions and be eligible for waiving certain accuracy-related penalties if there is an underpayment of tax.

"There is still time for taxpayers to voluntarily come forward and disclose their participation in abusive tax shelters and questionable transactions. After April 23, the IRS will continue its aggressive pursuit of abusive tax shelters and other questionable transactions and impose penalties when appropriate," said Larry Langdon, Commissioner, Large and Mid-Size Business Division.

"This voluntary disclosure initiative complements the IRS efforts to aggressively pursue tax shelter promoters and obtain lists of investors who have participated in abusive transactions. The IRS is using all of its enforcement tools, including summons, to identify tax shelter promoters and investors," said Langdon. "We are focusing our efforts on promoters who market these tax shelters."

On December 21, 2001, the IRS issued Announcement 2002-2 that provided a 120-day opportunity for taxpayers to voluntarily come forward and disclose tax shelters and other questionable items reported on their tax return. The disclosure initiative is part of the effort by the IRS and the Treasury Department to identify and shut down abusive tax shelter activity.

As of April 5, the IRS has received disclosures from over 250 taxpayers that involve 458 tax shelter transactions with reported deductions and losses of over \$8.5 billion through the initiative. The IRS expects to receive many more disclosures as the deadline approaches.

This disclosure initiative will not apply to taxpayers involved in fraud, criminal conduct, concealment of a foreign financial account or trust, or treatment of personal expenses as deductible business expenses.

To make a disclosure, taxpayers should submit the disclosure information to their assigned IRS Team Manager or, if not under examination, submit the information to:

IRS Office of Tax Shelter Analysis  
LM:PFTG:OTSA  
1111 Constitution Ave, NW  
Washington, DC 20224.

For details, see IRS Announcement 2002-2 on the IRS Web site at [www.irs.gov](http://www.irs.gov). For more information, call the IRS Office of Tax Shelter Analysis at (202) 283-8425.

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