

IRS News Release

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Updated Rules Issued for IRS Communications with Appeals Office

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WASHINGTON — The Internal Revenue Service today updated existing rules on permissible communications between the Office of Appeals and other parts of the IRS. The updated rules are in Revenue Procedure 2012-18, posted today on IRS.gov.

The updates are necessary because the IRS has made changes to some of its business practices and adopted new ones since the existing rules were issued in October 2000. These rules address *ex parte* communications, which are communications between the Office of Appeals and other parts of the IRS that take place without the taxpayer or the taxpayer's representative being given an opportunity to participate in the communication.

These rules implement a provision in the IRS Restructuring and Reform Act of 1998, aimed at ensuring that the Office of Appeals remains an independent and flexible vehicle for settling audit and collection-related disputes between taxpayers and the IRS. A part of IRS, but independent of the agency's compliance functions, Appeals serves as one of the checks and balances built into the U.S. system of tax administration.

"Our mission is to impartially resolve tax disputes, without litigation, in a way that is fair to both the taxpayer and the government," said Chris Wagner, IRS Chief, Appeals. "Independence is the cornerstone of Appeals, and we believe these new *ex parte* rules will help us carry out our mission more effectively by providing everyone involved with the clear and consistent guidance they need."

IRS Chief Counsel William Wilkins added, "I am pleased that the revenue procedure provides safeguards and procedures to preserve independence, while still ensuring that Appeals has access to the full and frank legal advice that it needs."

In one key change from the 2000 *ex parte* communication rules, Appeals will no longer participate on issue management teams (IMT) but can be briefed by IMTs, as long as the discussion remains generic rather than case specific. IMTs include representatives

from various IRS components, typically Compliance and Counsel, and the IMT meetings usually involve general discussions of how to handle technical issues or procedural matters.

In addition, today's revenue procedure includes several changes suggested during a [public comment](#) period, following the issuance of a proposed revenue procedure last summer. For example, when there is a breach of the ex parte communication rules, Appeals employees will now ask the affected taxpayer or their representative for input on the appropriate remedy and the appropriate remedy will be determined by a senior management official.

The Office of Appeals resolves more than 100,000 tax cases each year. More information about the [Office of Appeals](#) and the appeals process is available on IRS.gov.