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Appeals: Navigating Examination Cases through the Appeals Process



Appeals Mission

To resolve tax controversies, without litigation, on a basis which is fair and impartial to both the Government and the taxpayer in a manner that will enhance voluntary compliance and public confidence in the integrity and efficiency of the Service.

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How we accomplish our mission

- We listen to and consider the positions of both sides
- We consider and evaluate all arguments and available information
- We independently determine the best settlement by weighing the hazards of litigation
- We negotiate settlements that are impartial to both taxpayers and the government



Examination Cases

- Non-Docketed
 - 30-Day Letter
 - Innocent Spouse Relief
 - Claims & Audit Reconsiderations
 - Penalty Appeals & Interest Abatements
- Docketed



When to Appeal

- Generally, there needs to be 365 days remaining on Statute of limitations
- Law is unclear
- Differing opinions or interpretations of law and/or facts
- Conflicting court decisions (Golsen Rule)

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Hearing Your Client's Case

- Campus or Field Appeals Office
- Correspondence
- Telephone
- Face-to-Face Conference
- Video Conferencing (available in some locations)



Role Play-Scenario I

- Non-docketed Income Tax
- Failure to pay penalty assessed
- Executor position-emotional distress and reliance on professional advice
- Government position-failure to make payment at time of filing extension



Effectively Representing Your Client



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- Establishing basis for abatement of penalty
 - Reasonable cause
 - Ordinary business care and prudence
- Opportunity for Executor to discuss with Appeals Officer



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Role Play-Scenario II

- TP audited and casualty loss claimed on return was denied
- TP did not respond to 30 day letter. A statutory notice was issued. TP failed to file petition. Tax was assessed
- TP has requested audit reconsideration



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Effectively Representing Your Client

- Raise a new issue or provide new information to the examiner. Don't wait until the case is in Appeals
- Important to document the items you provide to the examiner
- Be prepared to make an offer of settlement



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Getting to Resolution Sooner

- Alternative Dispute Resolution Options
 - Early Referral
 - Fast Track Settlement
 - Post Appeals Mediation



ADR Benefits

- Speed
- Cost
- Flexibility
- Control
- Reduced Risk
- Full appeal rights retained if no agreement reached in a Fast Track Settlement.
- Pursuant to Rev. Proc. 2014-63 a taxpayer that has utilized Fast Track Settlement will not be eligible for Post Appeals Mediation.



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Appeals... Resolving Tax Disputes



- Employees
- Self-Employed
- International Taxpayers
- Military
- Parents
- Seniors & Retirees
- Students



Taxpayer Bill of Rights

What You Should Know >

Appeals



About the Office of Appeals

Every year, the Office of Appeals helps over 100,000 taxpayers resolve their tax disputes without going to Tax Court. We are an independent organization within the IRS whose mission is to help taxpayers and the Government resolve tax disagreements. Appeals does not seek to take sides in a dispute; rather we offer an objective point of view on each individual case. We review each case after the applicable IRS compliance has made its decision and work to resolve disagreements in the case on a basis that is fair and impartial to both the Government and the taxpayer.

Appeals also offers mediation services through Fast Track Settlement and other programs. These mediation programs are designed to help you resolve your dispute at the earliest possible stage in the audit or collection process.

Getting Started with Appeals

If you've received an IRS letter stating that your case qualifies to be reviewed by Appeals then the following topics will help you get started.

- [Appeals – An Independent Organization](#)
- [Is Appeals the place for you?](#)
- [Preparing an Appeals request](#)
- [What can you expect from Appeals?](#)

www.IRS.gov/appeals

Helpful Tools

- > Online Videos and Podcasts of the Appeals Process
- > Appeals Online Self-Help Tools
- > Forms and Publications About Your Appeal Rights

Programs & Services

- > Appeals Mediation Programs
- > Domestic and International Programs
- > Art Appraisal Services