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# Is Your Case Ready for Appeals? Collection Edition





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# 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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# Policy on New Information

- Any significant new information may cause delays
- Any significant new information or evidence may need to be sent to the Compliance division of the IRS for review and consideration (and possible resolution of the case).
- Interest and penalties continue to accrue during delays





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# Appeals Process Collection Issues

- Collection Appeal Program
- Collection Due Process
- Offer in Compromise
- Trust Fund Recovery Penalty





# Collection Appeal Program (CAP)

- Appeals' decision is final
- No opportunity for judicial review
- Goal is to provide a response within five days
- Review is for appropriateness of action, based on law, policy and procedure
- Appeals does not consider alternatives to issue

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# When is CAP Possible?

- Taxpayer advised of proposed or taken enforcement actions
- Levy, lien filing, denial of lien certificates, seizure, installment agreement issues
- After a conference with Compliance manager, unless it involves an installment agreement issue





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# How to Submit a CAP Request

- Field or campus compliance employee will provide address/fax
- Collection Appeal Request - Form 9423
- Written requests are also honored
- Submissions must be received or postmarked within three business days of managerial conference or collection may resume





# Can request a Collection Due Process hearing if you receive any of the following notices:

- Notice of Federal Tax Lien Filing and Your Right to a Hearing – 668Y & L3172
- Final Notice—Notice of Intent to Levy and Notice of Your Right to a Hearing – L1058 or LT11
- Notice of Jeopardy Levy and Right of Appeal – L2439A
- Notice of Levy on Your State Tax Refund—Notice of Your Right to a Hearing – CP92 Individuals CP242 Bus
- Notice of Levy and of Your Right to Hearing – L1058D





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# Request for a Collection Due Process or Equivalent Hearing Form 12153

- Written request for hearing must be dated and include the following:
  - The taxpayer's name, address, daytime telephone number (if any) and taxpayer identification number (SSN, ITIN, or EIN)
  - The type of tax involved and tax periods at issue
  - The reason(s) why the taxpayer disagrees with the action
  - Signature of the taxpayer or the taxpayer's properly authorized representative





# Appeal an offer rejection using Form 13711, Request for Appeal of Offer in Compromise

- Your appeal must be postmarked within 30 days of the date on the rejection letter .
- Identify the specific items with which you disagree on the Income and Expense Table and Assets and Equity table you received with your rejection letter
- Provide a brief statement indicating why you don't agree
- Attach supporting documents for each disagreed item
- Provide an explanation with documentation if you do not agree with the Service's analysis of economic hardship or Effective Tax Administration





# A TFRP Protest Should Include the Following:

- Your name, address, and social security number
- A statement that you want a conference
- A copy of the Notification of Proposed Assessment - L1153
- The tax periods involved or listed on Agreement to Assess – F2751 Lists all periods covered in Proposed Assessment
- A list of the findings with which you disagree
- A statement of fact, signed under penalties of perjury, that explains why you disagree and why you believe you shouldn't be charged with the penalty





# Role Play Scenario 1 - CAP

- Proposed levy communicated by Compliance
- Managerial conference – Levy decision upheld
- CAP rights explained – Form 9423
- Submit Completed Form 9423 within two days
- Prepared to “state your case”





# Role Play Scenario 2 - CDP

- Installment agreement defaults, new liabilities arise
- CDP Notices Issued: L1058 – proposed levy & L3172 filed tax lien
- F12153 Prepared to appeal both CDP notices
- Appeal assigned to a Settlement Officer
- Conference takes place





# Role Play Scenario 3 - CDP Offer In Compromise

- Two offers submitted, one business, one personal
- Compliance accepts one offer, recommends rejection of the other
- Appeals reviews rejection recommendation
- Taxpayer given opportunity to refute Compliance's computations
- Follow-up conference held
- Appeals renders decision





# Best Practices- How You Can Help Your Client

- Know which type of collection appeal is appropriate and follow the instructions for proper submission
- Ensure that the protest explains reasons for disagreement - be specific and detailed
- Provide relevant documents to support your positions and calculations
- Raise a new issue or provide new information to Compliance - don't wait until the case is in Appeals to provide information for the first time
- Be prepared to propose a specific collection alternative or negotiate a settlement when appropriate

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# Getting to Resolution Sooner

- Alternative Dispute Resolution (ADR) Options
  - Fast Track Mediation
  - Post Appeals Mediation





# ADR Benefits

- Speed
- Cost
- Flexibility
- Control
- Reduced Risk
- Full appeal rights retained if no agreement reached in a Fast Track Mediation





# Appeals... Resolving Tax Disputes



Employees

Self-Employed

International Taxpayers

Military

Parents

Seniors & Retirees

Students

## Appeals



[Español](#)

### Helpful Tools

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

### 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](http://www.irs.gov/appeals)

### Programs & Services

- › Domestic and International Programs
- › Art Appraisal Services



### Taxpayer Bill of Rights

What You Should Know >



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