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# What Happens in a Collection Appeals Hearing?



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# Our Mission Statement

“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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# Ex Parte Communications

- Section 1001(a) of the IRS Restructuring and Reform Act of 1998 (RRA '98) required that the Commissioner ensure an independent appeals function
- This includes the prohibition of ex parte communication between Appeals personnel and other IRS personnel to the extent that such communications appear to compromise the independence of the Appeals personnel



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# When to Appeal an IRS Decision?

- You received a letter from the Service explaining your rights to appeal an IRS decision
- You do not agree with the IRS decision
- You are not signing an agreement form for all the issues considered by Compliance



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# How Do Cases Come to Appeals?

- Automated Collection System
- Collection Field Function (Revenue Officers)



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# Our Commitment

- Explain your rights and the process
- Listen to your concerns
- Consider information you present
- Be courteous, professional, timely and responsive
- Be fair and impartial



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# Your Responsibilities

- List all issues with which you disagree and why, and explain how you understand the facts and the law.
- Provide any additional information or documentation within the timeframe specified.
- Recognize that new information not provided to Compliance may be sent to them for consideration.



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# Conference Options

- Telephone
- In-person
- Virtual
- Case Assistance



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# Which Collection workstream allows a taxpayer to go to Tax Court?

- Collection Appeals Program
- Offer In Compromise or
- Collection Due Process



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# Collection Appeals Program

- Review is for appropriateness of action, based on law, policy and procedure
- Appeals does not consider alternatives
- No opportunity for judicial review
- Form 9423



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# Offer in Compromise

- Request for appeal must be postmarked within 30 days of the date on the rejection letter
- Identify the specifics items with which you disagree – income, expenses, assets or equity
- Form 13711



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# Collection Due Process

- Request for appeal must be postmarked within 30 days of the date on the IRS notice
- Appeals will consider alternatives
- Opportunity for judicial review
- Form 12153

# Voluntary Mediation Programs

- Fast Track Mediation - Collection
- Post Appeals Mediation (Collection & Exam)



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# Scenario 1

- Timely submitted Collection Due Process Appeal
- Self-employed taxpayer
- Dispute in the value of comingled assets and net income
- Provided updated financial information to Appeals
- Taxpayer requested monthly installment agreement



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## Scenario 2

- Simultaneously files both a Collection Appeals Program and Collection Due Process request
- Wage-earners with rental property
- Automated under reporter assessment
- Additional information provided



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## Scenario 3

- Offer In Compromise has been rejected
- Self-employed wildlife photographer
- Several substitutes for returns assessed
- Notice of Federal Tax Lien filed
- Taxpayer would like to buy a 50% ownership interest in a business



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# Appeals... Resolving Tax Disputes

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

## Appeals

[Español](#)

**About the Office of Appeals**  
 Every year, the Office of Appeals helps more than 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?](#)
- [Requesting an Appeal](#)
- [What can you expect from Appeals?](#)
- [How Appeals is organized \(updated 10/2016\)](#)

**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

**Taxpayer Bill of Rights**  
 What You Should Know >

Visit us @ [irs.gov/Appeals](https://irs.gov/Appeals)



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Questions?