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OPR SEEKING INFORMATION ABOUT PRACTITIONERS WITH OFFSHORE ACCOUNTS

By Jaime Arora

The IRS Office of Professional Responsibility is keen to receive information about practitioners who have entered the offshore voluntary disclosure program, OPR Director Karen Hawkins said January 24.

Hawkins told attendees of the Standards of Tax Practice session of the American Bar Association Section of Taxation meeting in Phoenix that OPR has yet to get any such referrals from the IRS Criminal Investigation division. However, her office has reminded groups within the agency, including the Large Business and International Division, that they are obligated to refer practitioners that they know have violated Circular 230, she said. Hawkins said that there is no question that a practitioner coming into the offshore voluntary disclosure program would have violated it. "The fact that CI gave you a pass did not mean that OPR will give you a pass," she added.

Also on OPR's radar are practitioners who have facilitated client concealment of offshore accounts, Hawkins said, adding, "I'd obviously love to know about that stuff."

Hawkins said it is challenging for OPR to get referrals from other agencies or other divisions within the IRS that are working the offshore cases. They have other priorities, she said. Hawkins also said that there are no incentives for anyone in the field at the IRS to send a case to OPR, even though it may be mandatory.

Providing an update on disbarments, Hawkins said that there were 11 during the 2013 calendar year compared with two in 2012, adding that she expects the upward trend to continue. Hawkins said that while there were three hearings in total for 2013, there are already two scheduled for this coming February. (Prior coverage (Doc 2013-24537).)

Hawkins said she does not know when the final Circular 230 regulations will be released, but Drita Tonuzi, IRS associate chief counsel (procedure and administration), said that she was optimistic they would be published by May. The proposed regs (REG-138367-06 (Doc 2012-19202)) were issued in September 2012.

Wait for Loving Decision

As the government waits for the appeals court to decide on *Loving v. IRS*, No. 1:12-cv-00385 (D.D.C. 2013) (Doc 2013-1410), agency leadership has begun to discuss proceeding with some of the six recommendations in the National Taxpayer Advocate's 2013 report to Congress (Doc 2014-518) for a Servicewide return preparer strategy, Hawkins said. She added that officials would like to implement as many as they can, as soon as possible.