

OPR Committed to Due Process, Director Says by Matthew Dalton

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The IRS Office of Professional Responsibility closed the bulk of its 2011 cases using relatively mild sanctions and will continue to focus on due process, OPR Director Karen Hawkins said January 24.

OPR took in 726 new cases in 2011, closed 245 cases without sanction, and closed 260 cases with a reprimand, Hawkins said. A reprimand is a private notice to the practitioner that is issued when a violation appears to be an aberration.

Those numbers demonstrate OPR's emphasis on due process and soft touches in its work, Hawkins said. OPR suspended 161 practitioners, of whom 116 were attorneys. Most of those attorneys were previously disciplined by their state bar association; lawyers and accountants are subject to an expedited suspension process by OPR if they are disciplined by their state licensing agency. Hawkins said state bar associations are far more ambitious and aggressive in going after lawyers than state boards of accountancy are in disciplining CPAs. Hawkins spoke at the 2012 Tax Institute in Los Angeles sponsored by the University of Southern California Gould School of Law.

OPR has also been working to implement what Hawkins called "minimal due process concepts" in the administration of the IRS's electronic filing system. Practitioners have been complaining that the IRS has revoked e-file identification numbers when conducting criminal investigations, which can prevent practitioners from working during the filing season if they must file returns electronically. Hawkins thought the practice in some cases could lead to accusations of abuse of discretion by the IRS.

Hawkins reiterated her intention to have OPR generate its own inventory of cases based on additional authority provided by Circular 230. She said OPR will take a close look at tax debt resolution firms. (For prior coverage, see Doc 2011-19653 or 2011 TNT 181-4 2011 TNT 181-4: News Stories.)

OPR will also be monitoring practitioners who have secured a preparer tax identification number but do not have to take certification exams or continuing education classes because they are supervised by an attorney, CPA, or other specified practitioner under Notice 2011-6. Supervisors of those practitioners will be held accountable for those working under them, Hawkins said. (For Notice 2011-6, 2011-3 IRB 315, see Doc 2010-27616 or 2011 TNT 1-22 2011 TNT 1-22: Internal Revenue Bulletin.)

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