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From: [REDACTED]

Sent: Friday, May 25, 2018 9:27:51 AM

To: [REDACTED]

Cc:

Bcc:

Subject: RE: combat zone, § 7508 and interest

Hello

We suggest that IRS Appeals to enter into a Closing Agreement with the taxpayer regarding the interest issue.

In Tax Court cases settled by Appeals, there is normally no agreement entered into regarding interest due on a deficiency, because the Tax Court does not have jurisdiction over interest. However, the standard Decision document in CCDM Exhibit 35.11.1-125 contains “below the line” stipulations that suggest interest is due and that it may be immediately assessed. Therefore, a Closing Agreement regarding interest as part of the settlement of the deficiencies looks like a good way to resolve the issue now.

These are the relevant below the line stipulations in an ordinary Tax Court Decision document:

It is stipulated that the Court may enter the foregoing decision.

It is further stipulated that interest will be assessed as provided by law on the deficiencies and additions to tax due from petitioner.

It is further stipulated that, effective upon the entry of the decision by the Court, petitioner

waives the restriction contained in I.R.C. § 6213(a) prohibiting assessment and collection of the

deficiencies and additions to tax (plus statutory interest) until the decision of the Tax Court has become final.

We don't see a need to use the email process. That's good for identifying affected taxpayers, but seems to serve no purpose when we already have open communication with the representative.

Hope that helps.