

ID: CCA_2022062219255850
UILC: 6103.08-01, 6103.08-00,
6103.02-00, 6103.01-00

Third Party Communication: None
Date of Communication: Not Applicable

Number: **202246009**
Release Date: 11/18/2022

From: [REDACTED]
Sent: Wednesday, June 22, 2022 7:25:58 PM
To: [REDACTED]
Cc: [REDACTED]
Bcc:
Subject: RE: Final Edited Version of the SCE Presentation Slides

[REDACTED]:

I reviewed the updated slides. They look better than the prior iteration, as you removed some extraneous taxpayer return information from the deck. However, the presentation still contains return information.

IRC 6103(a) generally prohibits the disclosure of returns and return information unless otherwise authorized by the Code. Counsel prefers that training be done using only hypothetical material and fictional scenarios; return information generally should not be used for training purposes. That said, sometimes the only reasonable way to teach the material is with return information. IRC 6103(h)(1) authorizes disclosure of return information to IRS employees "whose official duties require [such disclosure] for tax administration purposes." In this context, "require" is not a "cannot function without it" test; rather, it looks to whether the recipient employees will do their jobs better if they have access to the information. Thus, when the only reasonable way to teach a certain subject is by using return information, disclosure of that return information to the IRS employees who need it is authorized.

Return information is defined at IRC 6103(b)(2). It essentially includes everything the IRS obtains, receives, or generates in the course of determining someone's liability under title 26. The Supreme Court has held that separating the taxpayer's identity from return information does not change the character of that material as return information, and the confidentiality requirements of IRC 6103 continue to apply. Church of Scientology of California v. I.R.S., 484 U.S. 9, 11 (1987). The specific training slide deck at issue here contains significant material copied from various examinations -- photos, text copied from documents, taxpayer assertions, and similar. This is all return information.

While Counsel would support revising the slides to remove return information, that option was rejected on the call, because there are two other presentations at the same

training and postponing is not realistic. Moreover, as noted above, the subject matter and content of this training may not lend itself well to removing all return information, so postponing might not fully resolve the concerns.

In accordance with IRC 6103(h)(1) the presentation could be made to IRS/Counsel employees whose tax administration work requires such information. There are restrictions on the use of these slides, which we discussed during Friday's call:

- 1) The slides cannot be made available to any employee as a handout/shared file from the training session;
- 2) Employees must be advised that they are not permitted to copy the slides from their screens (no Snag-it/Snipping or similar tools);
- 3) Employees must be reminded that this material was taken from live case scenarios, is confidential, and must not be discussed with family, friends, or anyone else who is not an IRS/Counsel employee who also needs this information for their tax administration duties.

Please let me know if you have any further questions.

Thanks,

A large black rectangular redaction box covering the signature area. A white rectangular redaction box is positioned over the middle of the black box, obscuring the name of the sender.