

**Office of Chief Counsel  
Internal Revenue Service**

**memorandum**

CC:EL:D:Br4:DFish

date: December 13, 1996

to: Director, 6103/Privacy Operations CP:EX:GLD:O

from: [Acting] Chief, Branch 4 (Disclosure Litigation) CC:EL:D

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subject: Abusive Trust Teleconferences

Recently, one of our attorneys participated in teleconferences sponsored by the Examination function regarding abusive trusts. Participants in the conferences generally included revenue agents in the field and counsel attorneys. Presentations were made by various national office and field components. In addition, participants included, and presentations were made by, state tax officials, Department of Justice attorneys, and personnel from other agencies.

Inevitably, presentations and discussions tend to concentrate on agents' casework. A number of presenters talked about specific examinations or investigations, merely deleting names. As you are aware, the Supreme Court has held that information retains its character as return information protected by section 6103 even if identifying information is deleted. Church of Scientology v. IRS, 484 U.S. 9 (1987). Discussions by IRS employees about particular cases in a training environment would not necessarily present a problem if the audience was wholly IRS employees. I.R.C. § 6103(h)(1); IRM 1272 (22)42. However, that is not the case with respect to the trust teleconferences. Attendance by state tax officials, as well as officials from other Federal agencies, requires that discussions be predicated on classes of cases and generic fact patterns, not particular cases.

We believe this is a simple misunderstanding that can be cleared up with guidance from your office. If you have any questions, please contact David Fish, the attorney assigned to this matter, at 622-4570.

/s/ Lynnette Platt

for JOSEPH J. URBAN

Attachment

cc: Director  
Fiduciary and Special Projects

PMTA : 00337