

MAY 30 2000

CC:EL:CT-105779-00
BCTownsend

MEMORANDUM FOR DIRECTOR, NATIONAL OPERATIONS DIVISION
(CRIMINAL INVESTIGATION)

FROM: Barry J. Finkelstein
Assistant Chief Counsel (Criminal Tax)

SUBJECT: Advice on Third Party Contacts

This responds to your request for a legal opinion addressing Criminal Investigation's (CI) responsibility for providing notification to taxpayers as a result of third party contacts made during Questionable Refund Program (QRP) investigations. Because the Office of the Assistant Chief Counsel (General Litigation) (GL) has primary responsibility over the third party notice provision under 26 U.S.C. § 7602(c) and has drafted a proposed regulation on that provision [REDACTED]

[REDACTED] we forwarded your request to GL for substantive response. By memorandum dated May 22, 2000 (copy attached), GL responded to our request, concluding third party contacts made during QRP investigations are not subject to the third party notice requirement under section 7603(c). In other words, QRP investigations are included within the statutory exception for pending criminal investigations. Based on our review of GL's memorandum, we agree with the analysis and conclusions stated therein.

If you have any questions or comments, please feel free to contact Brian Townsend on 622-4470.

Attachment