



WHISTLEBLOWER OFFICE

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

June 15, 2018

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MEMORANDUM FOR WHISTLEBLOWER OFFICE EMPLOYEES

FROM: Lee D. Martin *Lee D. Martin*
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SUBJECT: Collected Proceeds

This memorandum issues guidance on collected proceeds until IRM 25.2.2 is revised. Please ensure that this information is distributed to all affected employees within your organization. The following guidance supersedes IG WO-25-0518-0001 issued May 8, 2018.

Purpose: Update guidance based on changes to the term “proceeds” by the Bipartisan Budget Act of 2018 (BBA 2018).

Background: BBA 2018 amended IRC section 7623 by adding a new subsection (c): Proceeds. — For purposes of this section, the term ‘proceeds’ includes — (1) Penalties, interest, additions to tax, and additional amounts provided under the internal revenue laws, and (2) Any proceeds arising from laws for which the Internal Revenue Service is authorized to administer, enforce, or investigate, including — (A) Criminal fines and civil forfeitures, and (B) Violations of reporting requirements.

Procedural Change: When reviewing a Form 11369 or making an award determination analyst must look over the Form 211 for allegations that may result in non-title 26 proceeds (e.g. FBAR or Criminal Activity).

If the claim is surveyed then no additional non-title 26 proceeds review is needed. If the claim is not a survey then review the Form 211 for potential non-title 26 issues and/or proceeds.

If there is a potential for non-title 26 proceeds related to FBAR then contact the FBAR Penalty Coordinator to find out if there is a record of FBAR proceeds. Document the results in e-Trak.

If there is a potential for non-title 26 proceeds related to Criminal Activity then review the Special Agent’s Report and Judgement Documents (like the Judgement and Commitment (J&C)) for any non-title 26 proceeds. Document the results in e-Trak.

If there is a potential for other non-Title 26 proceeds then contact the Strategic Planning and Program Administration (SPPA) Policy Analyst to identify the appropriate point of contact for monitoring/verifying proceeds.

Effect on Other Documents: This guidance will be incorporated into the above IRM sections within two years of the date of this memorandum.

Contact: Whistleblower Office employees should follow existing procedures to elevate questions through their management chain.

Cc: www.irs.gov