

Dealing with the IRS Agent From Hell

Eric L. Green, Esq.



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Eric Green, Esq.

- ▶ Managing partner in Green & Sklarz LLC, a boutique tax firm with offices in Connecticut and New York.
- ▶ Focus is civil and criminal taxpayer representation before the Department of Justice Tax Division, Internal Revenue Service and state Departments of Revenue Services.
- ▶ Eric is a contributing columnist for Bloomberg Tax and has served as a columnist for CCH's Journal of Practice & Procedure.
- ▶ Attorney Green is the past Chair of the Executive Committee of the Connecticut Bar Association's Tax Section.
- ▶ Eric is a Fellow of the American College of Tax Counsel ("ACTC").

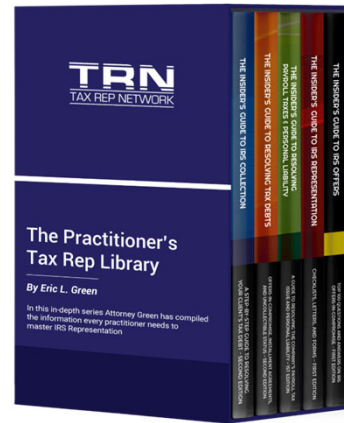


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Eric Green, Esq.

- Eric is the host of the weekly Tax Rep Network Podcast
- Eric is the founder of Tax Rep Network, an online community designed to help tax professionals build their IRS Representation Practice
- He is the author of the Accountant's Guides in IRS Representation
- Partnered with UConn and creator of the IRS Representation Certificate Program
- Creator of the Tax Rep App



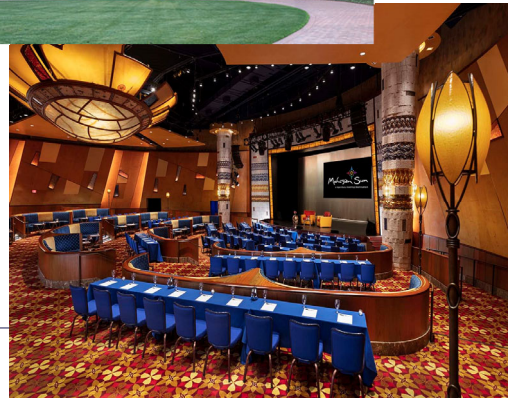
CPE

- ▶ 8 Polls, please do at least 6 for full-credit
- ▶ We will email you a link to claim your certificate tonight or tomorrow
- ▶ EAs – put your PTIN in when you claim your certificate



10th Annual NE IRS Rep Conference

- ▶ Back at Mohegan Sun
- ▶ 11/30/23 (QU) and 12/1/23 (Mohegan)
- ▶ Free for Members
- ▶ <https://irsrepconference.com>

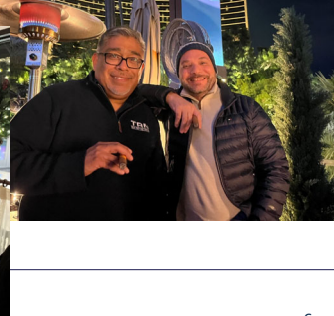
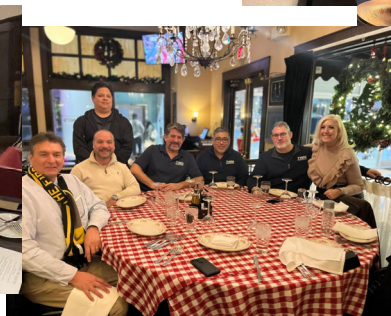


TRN
TAX REP NETWORK

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Vegas was a great time...



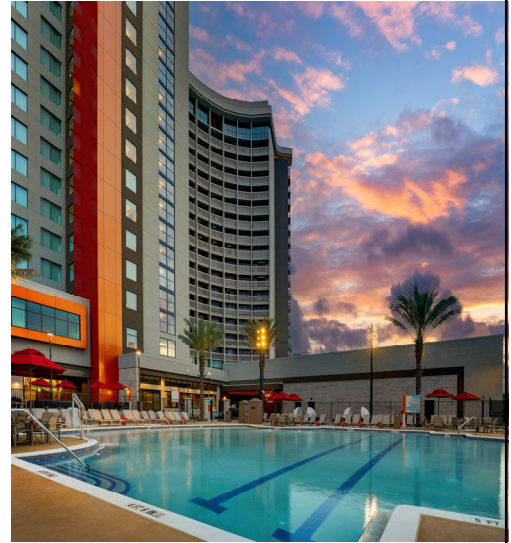
TAX REP NETWORK

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Orlando will be even better!!!!

- ▶ 12/13/23 – 12/15/23
- ▶ Drury Plaza Hotel – Disney Springs
- ▶ Members pay cost
- ▶ Includes breakfast, cocktail reception and wifi
- ▶ <https://taxrepllc.com/2023-summit>



Ethical Obligations

- ▶ We are all tax practitioners – government and private
- ▶ Familiar with Circular 230?
- ▶ Circular 230's Five Subparts and Table of Contents

Ethical Obligations

▶ Common Goal

- The voluntarily compliant, self-assessing taxpayer's obligation is **mandatory** – See IRC Section 6011(a)
- ▶ Studies show that when taxpayers believe that the IRS is not held to a standard of conduct but is there only to collect a tax that voluntary compliance falls off
- ▶ Voluntary compliance costs 50 cents for every \$100 tax collected
- ▶ Return on enforcement is not even close

Ethics



- ▶ How we are supposed to approach problems?
- ▶ The standard we will be held to in handling our professional responsibilities
- ▶ “We” meaning both sides, all practitioners
- ▶ Competently, Diligently and Reputably

The IRS Mission

▶ Dual aims

- ❑ Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities, and
- ❑ Enforce the law with integrity and fairness to all
- ❑ [IRM 10.5.1.1 (09-24-2020)]

The IRS Mission

▶ This makes sense in the context of our voluntary compliance system

- ❑ In the United States, Congress passes tax laws and taxpayers are required to comply with those laws
- ❑ The taxpayer's role is to understand and meet his or her tax obligations
- ❑ The IRS' role is to help the large majority of compliant taxpayers with the tax law, while ensuring that the minority who are unwilling to comply pay their fair share are held accountable and face potential civil and/or criminal tax enforcement

For Instance ...



- ▶ What is the purpose of an audit?
- ▶ It is NOT to punish taxpayers for making a mistake.
- ▶ It IS to help taxpayers comply with the law and to determine a taxpayer's correct tax liability.

The Ethics Rules

- ▶ Internal Revenue Code
- ▶ Tax Court Rules of Practice & Procedure
- ▶ ABA Model Rules – Lawyers
- ▶ Circular 230 – Applies to Attorneys, CPAs and Enrolled Agents
 - Treasury Regulations to Interpret Practice Before the IRS (31 U.S.C. 330)
- ▶ NAEA Code of Ethics & Rules of Professional Conduct
- ▶ AICPA Statements on Standards for Tax Services (“SSTS”)

Office of Professional Responsibility (“OPR”)

- ▶ Handles complaints against private tax practitioners
- ▶ Distinct Conflict of Interest: IRS is who we face off against and is also the same body that can decide to punish us
- ▶ Turning you into its police force
 - ❑ EITC and S Corps cases

Benefits of New Government Funding

US IRS answered 2.4 million more taxpayer calls due to new funding

Reuters



Downside...New Agents

IRS Training Center




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TAX REP NETWORK

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The Normal Process: Exam

- ▶ Opening Letter
- ▶ Announces the Exam
- ▶ Often lists the initial items requested

 Department of the Treasury
Internal Revenue Service
Small Business and Self-Employed
Street Address
Group-XXXX
City, State Zip

Taxpayer Name
Street Address
City, State Zip

Date: April 5, 20__
Taxpayer Identification Number: xx-xxxxxxx
Form: 1120
Tax period(s): December 31, 20__
Response date: April 15, 20__
Person to contact: Auditor Names
Contact hours: 8:00am to 2:30pm
Contact telephone number: xxx-xxx-xxxx
Contact fax number: (877) xxx-xxxx
Employee Identification number: 0xxxxxx

Dear Taxpayer Name:

Your federal return for the period(s) shown above was selected for examination.

What you need to do

Please call me on or before the response date listed at the top of this letter. You may contact me at the telephone number and times provided above.

What we will discuss

During our telephone conversation, we will discuss:

- Items on your return that I will be examining.
- Types of documents I will ask you to provide.
- The examination process.
- Any concerns or questions you may have.
- The date, time and agenda for our first meeting.

The issues listed below are the preliminary items identified for examination. During the course of the examination, it may be necessary to add or reduce the list of items. If this should occur, I will advise you of the change.

- Other deductions (not listed)
- Returns & allowances
- Gross receipts or sales

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TAX REP NETWORK

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Proposed Adjustments

- ▶ Proposed Adjustments
- ▶ 30-Day Letter



Form 4549 (January 2019)				Department of the Treasury-Internal Revenue Service		
Report of Income Tax Examination Changes						
Name and address of taxpayer Taxpayer		Taxpayer identification number XXXX-XX-XXXX	Return form number 1040			
STREET ADDRESS CITY CT ZIP CODE		Person with whom examination changes were discussed	Name and title Taxpayer Name			
1. Adjustments to income		Period Ended 12/31/2013	Period Ended 12/31/2014	Period Ended 12/31/2015		
a.	Taxable Interest	481.00	1,360.00			
b.	Sch. E-Inc/Loss-Partnership/S Corps-Passive/Non-Passive	22,272.00	17,811.00	(1,136.00)		
c.	Pensions and Annuities	22,410.00	13,290.00			
d.	Sch. C1 - Gross Receipts or Sales	116,392.00	81,251.00	79,863.00		
e.	RR AGI Adjustment	(8,223.00)	(5,740.00)	(5,572.00)		
f.	Standard Deduction	(6,100.00)	(6,200.00)	(6,300.00)		
g.						
h.						
i.						
j.						
k.						
l.						
m.						
n.						
o.						
p.						
2. Total adjustments		137,232.00	101,772.00	65,855.00		
3. Taxable income per return or as previously adjusted		0.00	0.00	0.00		
4. Corrected taxable income		137,232.00	101,772.00	65,855.00		
Tax method		TAX RATE	TAX RATE	TAX TABLE		
Filing status		Married Separate	Married Separate	Married Separate		
5. Tax		33,443.00	22,129.00	12,263.00		
6. Additional taxes/Alternative minimum tax						
7. Corrected tax liability		33,443.00	22,129.00	12,263.00		
8. Less						
a. credits						
b.						
c.						
d.						
9. Balance (line 7 less lines 8a through 8d)		33,443.00	22,129.00	12,263.00		
10. Plus						
a. Self-Employment Tax		16,446.00	11,480.00	11,143.00		
b. Net Investment Income Tax		18.00				
c. taxes						
d.						
11. Total corrected tax liability (line 9 plus lines 10a through 10d)		49,907.00	33,609.00	23,406.00		
12. Total tax shown on return or as previously adjusted		0.00	0.00	0.00		
13. Adjustments to:						
a.						
b.						
c.						
14. Deficiency-increase in tax or (overassessment-decrease in tax) (line 11 less line 12 adjusted by lines 13a through 13c)		49,907.00	33,609.00	23,406.00		
15. Adjustments to prepayment credits - increase (decrease) See Attached		2,181.00	555.00			
16. Balance due on (overpayment) - (line 14 adjusted by line 15) (including interest and penalties)		47,726.00	33,054.00	23,406.00		

Notice of Deficiency

- ▶ Less than 1 year on Statute
- ▶ Refuse to sign 872
- ▶ Triggers 90 days to File in Tax Court



Department of the Treasury
Internal Revenue Service
Small Business and Self-Employed
955 S. SPRINGFIELD AVENUE
SPRINGFIELD NJ 07081-3636

Date: 3/1/2019
Taxpayer ID number: [REDACTED]
Form: 1040
Person to contact: EXAM MANAGER
Contact telephone number: 203-XXX-XXXX
Contact fax number: 855-XXX-XXXX
Employee ID number: 10002XXXX
Last day to file the petition with US tax co: May 29, 2019

CERTIFIED MAIL
Anthony & Marie Antonetti
1 Elm Street
New Haven, CT 06511

Tax Year Ended:	December 31, 2010	December 31, 2011	December 31, 2012
Deficiency:			
Increase in tax	\$60,845.00	\$60,845.00	\$60,845.00
Penalties or Additions to Tax			
IRC 6663	45,634.00	45,634.00	45,634.00

Dear ANTHONY & MARIE ANTONETTI:

Why we are sending you this letter
We determined that you owe additional tax or other amounts, or both, for the tax year or years identified above. This letter is your Notice Of Deficiency, as required by law. The enclosed Form 4549-A, *Income Tax Discrepancy Adjustments* or Form 5278, *Statement - Income Tax Changes*, shows how we figured the deficiency.

If you wish to challenge this determination
If you want to challenge this determination in court before making any payment, you have 90 days from the date of this letter (150 days if this letter is addressed to you outside of the United States) to file a petition with the United States Tax Court to reconsider the deficiency.

Information you will need
If you have recently sought bankruptcy relief by filing a petition in bankruptcy court, see enclosed Notice 1421, *How Bankruptcy Affects Your Right to File a Petition in Tax Court in Response to a Notice of Deficiency*.

NOD...Now What?

- ▶ Cannot ask for rescinding
- ▶ Cannot ignore it
- ▶ File in the United States Tax Court
- ▶ If you file in United States Tax Court, and the case has not already been to Appeals it will be sent there. IRM 8.4.1.4, Revenue Procedure 2016-22



File in Tax Court

UNITED STATES TAX COURT
www.usttcourt.gov

(FIRST) (MIDDLE) (LAST)
Anthony Antonelli & Marie Antonelli
(PLEASE TYPE OR PRINT) Petitioner(s)

vs.
COMMISSIONER OF INTERNAL REVENUE,
Respondent

Docket No. _____

PETITION

1. Please check the appropriate box(es) to show which IRS ACTION(S) you dispute:

<input checked="" type="checkbox"/> Notice of Deficiency	<input type="checkbox"/> Notice of Determination Concerning Refund From Joint and Several Liability Under Section 6013 (or Failure of IRS to Make Determination Within 6 Months After "Notice or Request for Refund")
<input type="checkbox"/> Notice of Determination Concerning Collection Action	<input type="checkbox"/> Notice of Certification of Your Seriously Delinquent Federal Tax Debt to the Department of State
<input type="checkbox"/> Notice of Final Determination for [Partial] Discharge of Former Abatement Claim or Failure of IRS to Make Final Determination Within 180 Days After Claim for Abatement*	<input type="checkbox"/> Notice of Determination Under Section 7623 Concerning Whistleblower Action*
<input type="checkbox"/> Notice of Determination of Worker Classification*	

*For additional information, please see "Taxpayer Information: Starting a Case" at www.usttcourt.gov (accessible by hyperlink from notices above, or in the Court's information booklet).

2. If applicable, provide the date(s) the IRS issued the NOTICE(S) checked above and the city and State of the IRS office(s) issuing the NOTICE(S) March 1, 2019, Springfield, New Jersey

3. Provide the year(s) or period(s) for which the NOTICE(S) was/were issued: 2010, 2011, 2012

4. SELECT ONE OF THE FOLLOWING (unless your case is a whistleblower or a certification action):
If you want your case conducted under small tax case procedures, check here: CHECK
If you want your case conducted under regular tax case procedures, check here: ONE-BIND

NOTE: A decision in a "small tax case" cannot be appealed to a Court of Appeals by the taxpayer or the IRS. If you do not check either box, the Court will file your case as a regular tax case.

5. Explain why you disagree with the IRS determination in this case (please list each point separately):
The IRS assigned income to me that belonged to the bookkeeper, who embezzled the funds.

UNITED STATES TAX COURT
www.usttcourt.gov

Anthony Antonelli & Marie Antonelli
(PLEASE TYPE OR PRINT) Petitioner(s)

vs.
COMMISSIONER OF INTERNAL REVENUE,
Respondent

Docket No. _____

STATEMENT OF TAXPAYER IDENTIFICATION NUMBER
(E.g., Social Security number(s), employer identification number(s))

Name of Petitioner Anthony Antonelli

Petitioner's Taxpayer Identification Number XXXX-XX-XXXX

Name of Additional Petitioner Marie Antonelli

Additional Petitioner's Taxpayer Identification Number XXXX-XX-XXXX

If either petitioner is seeking relief from joint and several liability on a joint return pursuant to Section 6015, I.R.C., 1986, and Rules 320 through 325, name of the other individual with whom petitioner filed a joint return:

Taxpayer Identification Number of the other individual, if available:

SIGNATURE OF PETITIONER OR COUNSEL _____ DATE _____

SIGNATURE OF ADDITIONAL PETITIONER _____ DATE _____

UNITED STATES TAX COURT
www.usttcourt.gov

Anthony Antonelli & Marie Antonelli
(PLEASE TYPE OR PRINT) Petitioner(s)

vs.
COMMISSIONER OF INTERNAL REVENUE,
Respondent

Docket No. _____

REQUEST FOR PLACE OF TRIAL

PLACE AN "X" IN ONLY ONE BOX TO REQUEST THE PLACE OF TRIAL. IF PETITIONERS ELECTED TO HAVE THE CASE CONDUCTED AS A SMALL TAX CASE, REQUEST ANY CITY LISTED BELOW; OTHERWISE, REQUEST ANY CITY NOT LISTED HERE (IF APPLICABLE).

ALABAMA	KANSAS	OHIO
Arkansas	Kentucky	Oklahoma
California	Louisiana	Oregon
Colorado	Maine	Pennsylvania
Connecticut	Massachusetts	Rhode Island
Delaware	Michigan	South Carolina
District of Columbia	Minnesota	South Dakota
Florida	Mississippi	Tennessee
Georgia	Montana	Texas
Hawaii	Nebraska	Vermont
Illinois	Nevada	Virginia
Indiana	New Hampshire	Washington
Iowa	New Jersey	Washington, D.C.
Kentucky	New Mexico	West Virginia
Louisiana	New York	Wisconsin
Maine	North Carolina	Wyoming
Maryland	North Dakota	
Massachusetts	Ohio	
Michigan	Oklahoma	
Minnesota	Oregon	
Mississippi	Pennsylvania	
Missouri	Rhode Island	
Montana	South Carolina	
Nebraska	South Dakota	
Nevada	Tennessee	
New Hampshire	Texas	
New Jersey	Vermont	
New Mexico	Virginia	
New York	Washington	
North Carolina	Washington, D.C.	
North Dakota	West Virginia	
Ohio	Wisconsin	
Oklahoma	Wyoming	
Oregon		

Signature of Petitioner(s) or Counsel _____ Date _____



Government Responds

- ▶ Receipt from Tax Court
- ▶ Instructions for how Taxpayer can access their case electronically
- ▶ Then Answer from IRS

UNITED STATES TAX COURT
400 SECOND STREET, N.W.
WASHINGTON, D.C. 20217

June 25, 2019

NOTIFICATION OF RECEIPT OF PETITION

Docket No.: 12XXX-19
Name of Case: Anthony Antonetti & Marie Antonetti
v. COMMISSIONER OF INTERNAL REVENUE

The Court received and filed your petition on June 20, 2018 and served it on respondent on June 25, 2019.
(X) Filing Fee Paid.
(X) Request for Place of Trial at Hartford, CT.

Your Docket Number: Include the docket number given above for your case on all papers and correspondence that you send to the Tax Court. Do not include your Social Security or Taxpayer Identification numbers on any documents you file with the Court, except on Form 4.

Internet Access: If you have Internet access, you may obtain information on the Tax Court's Web site at www.usitaxcourt.gov by selecting "Taxpayer Information".

eAccess and eFiling: Information about how to register for eAccess is attached.

Change of Address: You must notify the Clerk of the Court if you change your address. See Tax Court Form 10, Notice of Change of Address, under "Forms" on the Tax Court's Web site at www.usitaxcourt.gov. Failure to notify the Clerk of the Court of a change of your address can mean you do not receive notices and documents essential to your case and can lead to dismissal of your case.

Stephanie A. Servoss
Clerk of the Court

Government's Answer

- Admit or Deny
- Do not have the administrative file yet
- Case will then go over to Appeals

ORIGINAL

UNITED STATES TAX COURT

ANTHONY ANTONETTI &)	
MARIE ANTONETTI,)	
)	
Petitioners,)	
)	
v.)	Docket No. 12XXX-19
)	Filed Electronically
COMMISSIONER OF INTERNAL REVENUE,)	
)	
Respondent.)	

ANSWER

RESPONDENT, in answer to the petition filed in the above-entitled case, admits, denies, and alleges as follows:

STATEMENT OF JURISDICTION

1. Admits.

PARTIES

2. Admits.
3. Admits.

GENERAL FACTS AND BACKGROUND

4. Admits.
5. Admits that respondent made a determination of unreported income but denies for lack of knowledge or sufficient information
6. Denies for lack of knowledge or sufficient information

WHEREAS

(1) That the relief sought in the petition be denied;

(2) That respondent's determination, as set forth in the notice of deficiency, be in all respects approved

Case is assigned to Appeals

Internal Revenue Service
Appeals Office
CT-RI Appeals Office
333 East River Dr., Suite 200
East Hartford, CT 06108

Date: July 1, 2019

ERIC L. GREEN
GREEN & SKLARZ, LLC
700 STATE STREET, SUITE 100
NEW HAVEN, CT 06511

Department of the Treasury

Person to Contact:
APPEALS OFFICER NAME
Employee ID Number: 100100xxx
Tel: 860-290-4xxx
Fax: 860-290-4xxx
Contact Hours: 8am to 4pm, EST

Refer Reply to:
AP-EX-CT-RI:XXX

In Re:
TAXPAYER NAMES
SSN/EIN Number:
XXX-XX-XXXX

Tax Periods Ended:
12/2010, 12/2011, 12/2012, 12/2013
12/2014 and 12/2015

Dear Mr. Green:

I am an Appeals Officer with the Internal Revenue Service and have been assigned responsibility for reviewing your above-referenced client's objections following an examination of their 2010, 2011, 2012, 2013, 2014 and 2015 F1040's. My role here is to provide you and your clients with an impartial and independent review of the matter.

I am writing you today to advise that I received your fax dated July 1, 2019. I contacted your office and we are now scheduled to have a conference on this matter via phone on Tuesday, August 13, 2019 at 2pm. Please contact me at that time and I, in turn, will have endeavored to have left my line free to receive your call. If you would like to meet with me here at our offices in East Hartford, please contact me by phone so I may reserve a conference room for us to use.

I received your F2848's on this matter and have forwarded them to our processing department.

Your letter indicates the Petition has been placed on the trial docket. Please note that I checked the Tax Court web page and did not see any appearance date assigned.

If you have any questions, please call me at the above phone number. Thank you for your cooperation with this matter.

Sincerely,

Appeals Officer

- ▶ Appeals Officer gets the case
- ▶ Send the letter
- ▶ Do not even have the administrative file or the Petition yet



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Stipulated Decision

- ▶ Resolve it with Appeals
- ▶ Stipulated decision



Department of the Treasury
Internal Revenue Service
Appeals Office
200 West Adams Street
Suite 600
Chicago, IL 60606

ANTHONY & MARIE ANTONETTI
1 ELM STREET
NEW HAVEN CT 06511

Date:

Person to contact:
Name: Appeals Officer's Name
Employee ID Number: 100024XXX
Phone: 312-XXX-XXXX
Fax: 855-296-XXXX
Hours: M-F 8:30 A.M. - 5 P.M.

Re:

Income

Tax periods ended:
12/2010, 12/2011, 12/2012, 12/2013 12/2014 12/2015

Docket number:
12XXX-19

Petitioner:

Anthony & Marie Antonetti

Dear Mr. and Mrs. Antonetti:

I prepared a proposed decision document based on our tentative agreement to settle your Tax Court case for the tax periods shown above. Enclosed are an original and two copies of the proposed decision document. If you agree that the proposed decision document reflects our tentative agreement to settle your case, **please sign and date the original and one copy of the document and return both to Area Counsel in the enclosed envelope as soon as possible.** If this letter is addressed to more than one person, each of you should sign and date the document exactly as his or her name appears on the signature lines. Please sign the documents using blue, not black ink. Using blue ink will help the Tax Court confirm that the decision document is an original and not a copy. If the court clerk rejects the decision document, it will delay closing your case and you may need to appear at the Tax Court Trial Calendar Session. The third copy of the decision document and the Form 5278, Statement - Income Tax Changes, (if enclosed) are for your records.

The proposed decision document is subject to review, signature, and filing with the Tax Court by the Area Counsel. You should not consider your case settled until the Area Counsel attorney assigned to your case countersigns the decision document and forwards it to the Tax Court for entry. The Tax Court will send you a copy of the decision once a judge signs it and enters it with the court.

The decision document doesn't include interest. By law, interest on the liability runs from the date the tax return is due to the date the IRS receives your remittance paying the entire liability which includes tax, penalties, and interest. **If you want to stop or reduce interest on part or all of the taxes, you can submit an advance payment, payable to the United States Treasury, along with a copy of your decision document, to the address listed above.**



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Stipulated Decision

UNITED STATES TAX COURT

Anthony Antonetti &)	
Marie Antonetti,)	
)	
Petitioners,)	Docket No. 12XXX-19
v.)	
)	
COMMISSIONER OF INTERNAL REVENUE,)	
)	
Respondent.)	
)	

DECISION

Pursuant to the agreement of the parties in this case, it is

ORDERED and DECIDED: That there are deficiencies in income tax due from the petitioners for the taxable years 2010, 2011, 2012, 2013, 2014, and 2015 in the amounts of \$30,400 for each of the six years; and

That there are penalties due from the petitioners for the taxable years of \$22,800 for each of the six years respectively.

Judge.

Entered:

Docket No. 12xxx-19 - 2 -

It is hereby stipulated that the Court may enter the foregoing decision in this case.

It is further stipulated that interest will be assessed as provided by law on the deficiencies and penalties due from petitioners.

It is further stipulated that, effective upon the entry of this decision by the Court, petitioners waive the restrictions contained in I.R.C. §6213(a) prohibiting assessment and collection of the deficiencies and penalties (plus statutory interest) until the decision of the Tax Court becomes final.

MICHAEL J. DESMOND
Chief Counsel
Internal Revenue Service

By:

ERIC L. GREEN Counsel for Petitioners Tax Court Bar No. GE0314 GREEN AND SKLARZ, LLC 700 State Street, Suite 100 New Haven, CT 06511 Telephone: 203-285-8545 Date: _____	JOHN R. MIKALCHUS Senior Counsel (Small Business/Self-Employed) Tax Court Bar No. MJ2020 333 E. River Drive Ste. 200 E. Hartford, CT 06108 Telephone: 860-290-4049 Date: _____
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IRS Collection

- ▶ Taxpayer needs to be in compliance
- ▶ Submit a financial statement
- ▶ Arrange a collection alternative
 - a. IA
 - b. CNC
 - c. OIC



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Where does IRS Collection Go Awry?

- ▶ Taxpayer does not owe the money
- ▶ Taxpayer should not be responsible
- ▶ Taxpayer cannot pay



Enforcement is now automated so it carries on...

- ▶ Notice of Federal Tax Lien
- ▶ Notice of Levy
- ▶ Uncaring IRS Revenue Officers



Challenging Collection Action

- ▶ Innocent Spouse Filing (not responsible, Form 8857)
- ▶ Audit Reconsideration (disagree with an SFR or audit, Pub 3598)
- ▶ Doubt-as-to-Liability (Don't owe this or not responsible (TFRP), Form 656-L)
- ▶ Collection Due Process (Want a collection alternative, Form 12153)
- ▶ CAP Appeals (Something's Wrong, Form 9423)


Audit Reconsideration

- ▶ Inform the IRS in writing the changes you want considered
- ▶ Include documentation
- ▶ A copy of the IRS exam report, if applicable
- ▶ Call Collections to get a hold placed!
- ▶ Publication 3598
- ▶ Form 12661, Disputed Issue Verification

Form 12661 (October 2015)	Department of the Treasury - Internal Revenue Service	
Disputed Issue Verification		
Taxpayer name _____		
Tax period _____	Social Security Number _____	
Instructions for completing disputed issues		
Please complete a separate block for each issue or adjustment with which you disagree.		
Attach photocopies of supporting information for each issue or adjustment marked. Number the supporting information with the same number as its disputed issue. If you need additional blocks, photocopy additional sheets and number accordingly.		
1. Disputed issue or adjustment		
Reason why you disagree with the audit results		
Amount claimed on original return	Amounts allowed on Audit report	

Doubt-as-to-Liability Offer

- Offer based on the fact the Taxpayer does not owe the money
- Its an Offer, so collection stops
- Must Offer something

	
Form 656-L	
Offer in Compromise	
(Doubt as to Liability)	
CONTENTS	
■ What you need to know	2
■ Important information	3
■ Form 656-L	5
IRS contact information	
If you have questions regarding qualifications for an offer in compromise, please call our toll-free number at 1-800-829-1040. You can get forms and publications by calling 1-800-TAX-FORM (1-800-829-3676), by visiting your local IRS office, or at www.irs.gov .	
Taxpayer resources	
The Taxpayer Advocate Service (TAS) is an independent organization within the Internal Revenue Service that helps taxpayers and protects taxpayer rights. TAS helps taxpayers whose problems with the IRS are causing financial difficulties, whose IRS has not been able to resolve their problems with the IRS, or believe an IRS system or procedure isn't working as it should. And the service is free. Your local advocate's number is in your local directory and at www.irs.gov/advocate . You can also call TAS at 1-877-777-4778. For more information about TAS and your rights under the Taxpayer Bill of Rights, go to www.irs.gov/advocate .	
Low Income Taxpayer Clinics (LITCs) are independent from the IRS. LITCs serve individuals whose income is below a certain level and who need to resolve a tax problem with the IRS. LITCs provide professional representation before the IRS or in court on audits, appeals, tax collection disputes, and other issues for free or for a small fee. For more information and to find an LTC near you, see the LTC page at www.irs.gov/advocate or IRS Publication 4135, Low Income Taxpayer Clinic List. This Publication is also available online at www.irs.gov or by calling the IRS toll-free at 1-800-829-3676.	
Catalog Number 475161	Form 656-L , (Rev. 1-2016)

Collection Due Process

- ▶ Stops collection activity
- ▶ Gets the case to a Settlement Officer
- ▶ Protects the taxpayer's right to tax court
- ▶ To challenge the underlying liability such argument must be raised at the first opportunity (lien or levy) – Westcott v. Commissioner

Form 12153

Form 12153 (July 2022)	Department of the Treasury - Internal Revenue Service Request for a Collection Due Process or Equivalent Hearing	IRS Use Only
<p>Use this form to request a Collection Due Process (CDP) or Equivalent Hearing (EH) with the IRS Independent Office of Appeals (Appeals) if you have received a letter offering an appeal under IRC 6320/6330 (CDP notice).</p> <p>Complete this form and send it to the address for requesting a hearing (not the payment address) shown on your CDP notice. Include a copy of your CDP notice to ensure proper handling of your request. For further information on these hearings, please see the instructions for this form.</p> <p>Call the phone number on the CDP notice or 1-800-829-1040 if you are not sure about the correct address or if you want to fax your hearing request.</p> <p>Si desea ver el formulario y las instrucciones en español, visite http://www.irs.gov/pub/irs-pdf/f12153sp.pdf.</p>		
1. Basis for hearing request (both boxes can be checked if you have received lien and levy notices) <input type="checkbox"/> Filed Notice of Federal Tax Lien <input type="checkbox"/> Notice of Proposed or Actual Levy		
2. Equivalent Hearing (see the instructions for more information on Equivalent Hearings) <input type="checkbox"/> If my request does not meet the requirements for a timely CDP hearing, I would like a hearing that is equivalent to a CDP hearing		
3. Taxpayer name (Taxpayer 1) _____ Taxpayer Identification Number _____ Current address _____ City _____ State _____ ZIP code _____		
4. Best telephone number and time to call during normal business hours _____		

Treasury Inspector General for Tax Administration (TIGTA)

- ▶ Handles complaints against IRS Employees (government practitioners)
- ▶ TIGTA's audits, investigations, and inspections and evaluations protect and promote the fair administration of the Federal tax system and work to ensure that the Internal Revenue Service (IRS) is accountable for the trillions of dollars in tax revenue it collects each year

Treasury Inspector General for Tax Administration (TIGTA)

- ▶ Call toll free – 1-800-366-4484
- ▶ Online: <https://www.tigta.gov/reportcrime-misconduct>
- ▶ By Fax – (202) 927-7018
- ▶ By Mail –
 - Treasury Inspector General for Tax Administration Hotline
P.O. Box 589
Ben Franklin Station
Washington, DC 20044-0589

Taxpayer Bill of Rights

- ▶ Omnibus Taxpayer Bill of Rights (Original “Publication 1” – 1988)
- ▶ Taxpayer Bill of Rights 2 (1996)
- ▶ Taxpayer Bill of Rights 3 (1998)
- ▶ Taxpayer Bill of Rights 4 (2014)

2014 Taxpayer Bill of Rights

Right to be informed

Right to finality

Right to quality service

Right to privacy

Right to pay no more than
the correct amount of tax

Right to confidentiality

Right to challenge the IRS'
position and be heard

Right to representation

Right to appeal IRS decision
in an independent forum

Right to a fair and just tax
system

The “Ten Deadly Sins” ~ RRA 98 §1203

Falsification of documents

Infringement of constitutional rights

Assault/Battery

Harassment/Retaliation

Misuse of IRC §6103 (disclosure)

Discrimination

Threat of audit

Failure to file

Seizure violations

Understatement of tax liability

Elements of IRS Misconduct

- ▶ Inappropriate taxpayer treatment in the course of official business – Elements of IRS Misconduct [IRM 13.1.15.2 – 08/08/2016] Taxpayer Advocate Service
- ▶ Examples
 - ❑ Rudeness
 - ❑ Over-zealousness
 - ❑ Excessive Aggressiveness
 - ❑ Discriminatory treatment
 - ❑ Intimidation

Complaining ...

- ▶ I do not like to complain ... however
- ▶ I would talk to the person I am dealing with first
- ▶ If that fails to get a change, I would talk to the group manager – let them clean up their own house (believer in win/win)
- ▶ If its going to be win/lose, my clients don't pay me to lose!

Going Nuclear

- ▶ I would file compliant with:
 - ❑ Taxpayer Advocate Service
 - ❑ TIGTA
 - ❑ Senate Finance Committee
 - Mere fact of observation changes behavior
 - ❑ Congressional Constituent Services

10th Annual NE IRS Rep Conference

- ▶ Back at Mohegan Sun
- ▶ 11/30/23 (QU) and 12/1/23 (Mohegan)
- ▶ Free for Members
- ▶ <https://irsrepconference.com>



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3rd Annual Tax Rep Summit

- ▶ 12/13/23 – 12/15/23
- ▶ Drury Plaza Hotel – Disney Springs
- ▶ Members pay cost
- ▶ Includes breakfast, cocktail reception and wifi
- ▶ <https://taxrepllc.com/2023-summit>



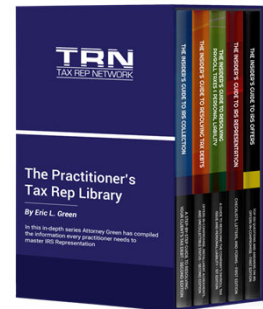
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Get Certified: <https://taxreplc.com/ctrc/>

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Questions



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