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There are new policies and procedures for IRS Office of Appeals coming this year. The Appeals office is an independent organization within the IRS with the mission of assisting taxpayers settle tax disagreements. It is always best to resolve issues at lower levels than the Appeals office. Recently though using Appeals is becoming more frequent method of settling issues with the service. Partly, it is due to the IRS budget issues, employee cutbacks, or turnover. The update on changes to Appeals include:

New resolutions available at Appeals

This change is both good and bad for taxpayers. The IRS issued a new policy that covers procedures that address “split-issue” and “specific dollar” settlements, Policy Statement 8-48. This statement addresses issues for a percentage or a stipulated amount of the tax in controversy. The policy changes their approach and their views of controversies. For example controversies, if litigated, could result in a decision completely in favor of the government or in favor of the taxpayer. The new policy is to offer a specific dollar settlement to resolve cases for a percentage or stipulated amount of tax in dispute that approximates the amount that would have been reached by computing the tax. Depending on the fact and circumstances this may be a favorable new policy for taxpayers.

Videoconferencing will increase

An unfavorable trend that the Appeals is using is videoconferencing. The IRS manual section 8.6.1.4.5 describes use of virtual service delivery of virtual face-to-face meetings in lieu of personal meetings. Practitioners should expect the IRS to use more virtual meetings – a time and money savings change for the service. With small cases, there is a high likelihood of virtual meetings, especially in smaller cities.

Case transfer and conference procedures

The IRS has clarified rules for conference policies and case transfer rules. In earlier Appeals requests, some taxpayers had the understanding that the taxpayer required in-person conferences in which telephone or virtual conference options would have been more efficient in resolving their issues. Expect the case transfer rules to change with virtual conferencing as a more common IRS requirement for Appeals cases.



Consider using Appeals when your case is in the “gray” area of your situation. Appeals officers work to negotiate and reach compromises in many situations. With proper preparation, our tax clients have benefited clients with our professional assistance using this important IRS office to resolve client tax issues.

Regular Piece

How To Make The Most Of Your Newsletter

Be sure to read the article with the mindset ‘How could this apply to our business.’ Thinking of it that way will guarantee that you get value. Better yet, take notes as you read and commit to having the ideas implemented by the time the next edition arrives. Also, make copies for each team member. To really make sure something positive happens, work with your business development specialist to talk your team through the ideas and how to set a schedule for getting them implemented. We’re here to help you get started.

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RS Wait
*Certified Public Accountants &
Management Consultants*

RS Wait
6566 S. McCarran Blvd.
Suite A
Reno, NV 89509

T (775) 825-7337
F (775) 825-7745
E scott@rswait.com
E rich@rswait.com