

## Index

### **ABANDONMENT OF PROPERTY**

Evidence in Tax Court, **8:47.05**

### **ABATEMENT**

Assessments, **2:04 to 2:06, 2:19**

Interest, **6:25.50, 13:15**

### **ACCOUNTANTS**

Privileged and confidential information, **8:59**

### **ACCOUNTING METHODS**

Generally, **3:27.80 to 3:27.95.60**

Accrual accounting, **3:27.82**

Bad debt, **3:27.83**

Cash accounting, **3:27.90**

Change of accounting method and correction of mathematical errors  
distinguished, **3:27.80**

Completed contract method, **3:27.83.50**

Mark-to-market accounting, **3:27.92**

Normalization method, public utilities, **3:27.95.60**

Resellers, **3:27.95.50**

Service providers, **3:27.84**

Service recipients, **3:27.85**

Statute of limitations, **5:72**

Tax year, **3:27.95**

Year-end bonuses, **3:27.86**

### **ACCOUNTS RECEIVABLE**

Audits, capital gain vs. ordinary income, **3:07.55**

### **ACCOUNT STATED**

Suit upon, **11:18**

### **ACCRUAL ACCOUNTING METHOD**

Generally, **3:27.82**

### **ACCUMULATED EARNINGS TAX**

Petitions in Tax Court, **7:20**

### **ACTIONS ON DECISIONS (AOD)**

Generally, **1:36**

## FEDERAL TAX PRACTICE

### **ADMINISTRATIVE COSTS**

Petitions in Tax Court, **7:206**

### **ADMINISTRATIVE REVIEW**

See index heading **APPEALS DIVISION**

### **ADMISSIBILITY OF EVIDENCE**

Generally, **8:14**

### **ADMISSION REQUESTS IN TAX COURT**

Generally, **7:144 to 7:152**

Alternative positions, maintaining, **7:147**

Certifying request, **7:148**

Effect of admissions, **7:150**

Forms, **7:216**

Motion to determine sufficiency, **7:149**

Objection, **7:146**

Protective orders, **7:152**

Response, **7:145**

Sanctions, **7:151**

### **ADMISSIONS**

Generally, **8:30, 8:41 to 8:47**

Adoption or acquiescence, **8:44**

Civil fraud proceedings, **15:22, 15:31**

Constitutional rights, **8:42**

Offers in compromise, **8:43**

Revenue agents' reports, **8:46**

Statements of intent, **8:47**

Tax returns, **8:45**

Undenied allegations of answer, **12:80**

### **ADVANCED TECHNOLOGIES**

Business credits, **3:27.98**

### **ADVANCE PRICING AGREEMENTS (APAS)**

Generally, **1:38**

### **ADVANCES**

Gross income, audit and settlement procedure, **3:07.10.50**

### **ADVICE OF COUNSEL**

Statute of limitations defense, **5:13**

### **AFFILIATED CORPORATIONS**

Jurisdiction, **6:60, 6:60.50**

Refunds and credits, **10:47**

## INDEX

### **AFFIRMATIVE DEFENSES**

Statute of limitations, **5:05**  
Tax Court, **6:65.10, 7:59**

### **AFFORDABLE CARE ACT (ACA)**

Generally, **3:23.71.02, 3:50.90**

### **AFTER-ACQUIRED PROPERTY**

Levy and seizure, **13C:17**  
Liens and priorities, **14:30**

### **AGENTS**

Criminal prosecution, **13B:10**  
Refunds and credits, **10:41**

### **AGREEMENTS**

Appeals Division. See index heading **APPEALS DIVISION**  
Compromise and closing agreements  
    generally, **3:65 to 3:68**  
    for detailed treatment, see index heading **COMPROMISE AND SETTLEMENT**  
Evidence in tax court, extension of contract not a sale, **8:47.56.50**  
Plea agreements, **13B:16.50**

### **AIDING AND ABETTING**

Understatement of tax liability, **13A:38**

### **ALIENS**

Deportation, **13B:22**  
Electronic filing, **3:17**  
Partnerships, small partnership election, nonresident alien partner, **16:20**

### **ALIMONY**

Evidence in Tax Court, **8:47.10, 8:47.12**  
Gross income, audit and settlement procedure, **3:07.11**

### **ALTER EGO LIENS**

Generally, **14:32.50**

### **ALTERNATIVE ELECTRICAL GENERATION**

Credits against regular tax business credits, **3:07.75**

### **ALTERNATIVE MINIMUM TAX**

Generally, **3:07.75**  
Stock options, **3:07.43.10**

### **AMBIGUITIES**

Statute of limitations extension, **5:57**

### **AMENDED RETURNS**

Audit and settlement procedure, **3:17.50**

## FEDERAL TAX PRACTICE

### **AMENDED RETURNS—Cont'd**

Statute of limitations, **5:26, 5:71**

Tax shelters, **3:42.60**

### **AMENDMENT**

Answer in Tax Court, **7:63 to 7:65, 7:212, 7:213**

Petitions in Tax Court

generally, **7:35 to 7:40**

for detailed treatment, see index heading PETITIONS IN TAX COURT

Returns. See index heading AMENDED RETURNS

### **ANNOUNCEMENTS**

Internal Revenue Service, **1:43**

### **ANNUITIES**

Gross income, taxable exchanges, **3:07.17**

Transferee liability, annuity contract beneficiaries, **12:48**

### **ANSWER IN TAX COURT**

Generally, **7:51 to 7:67**

Affirmative defenses, **7:59**

Amendment, **7:63 to 7:65, 7:212, 7:213**

Content of, **7:54**

Contrary to published guidance, **7:56.50**

Exceptions to limitations period, **7:66, 7:67**

Extension of time, **7:52**

Forms, **7:54, 7:210, 7:211**

Foundation manager cases, **7:61**

Fraud, **7:60**

Illegal payments, **7:57**

Improper accumulation issues, **7:56**

Increased deficiency claims, **7:64, 7:65**

Mitigation of limitation period, **7:67**

Motion to extend time to answer, **7:209**

New matters, **7:58**

Raising issues, **7:55 to 7:62**

Sanctions for failing to answer, **7:53**

Time for, **7:51**

Transferee liability, **7:62**

### **APPEALS**

Administrative appeals

generally, **1:16 to 1:18**

for detailed treatment, see index heading APPEALS DIVISION

Courts, appeals to

generally, **9:01 to 9:53**

## INDEX

### **APPEALS—Cont'd**

- Courts, appeals to—Cont'd
  - for detailed treatment, see index heading JUDICIAL REVIEW
- Frivolous appeals, **11:71**
- Standard of review, **11:71**

### **APPEALS DIVISION**

- Generally, **1:16 to 1:18**
- Advantages of protest, **4:02**
- Agreements. Settlements, below
- Arbitration, **4:11.60**
- Compromise and settlements. Settlement, below
- Conditions to exercise of jurisdiction, **4:08**
- Conference procedure, **4:10**
- Cost recovery, administrative
  - generally, **4:17 to 4:24**
  - appeal to, **4:21**
  - exhaustion of remedies, **4:19**
  - prevailing party, **4:20**
  - protracted proceedings, **4:24**
  - regulations, **4:22**
  - settlement offers, **4:23**
  - substantially justified position, **4:18**
- Disadvantage of protest, **4:03**
- Early referral request, **4:11.50**
- Exhaustion of remedies, **4:19**
- Finality of settlements, **4:15**
- Forum choice, **4:04, 4:05**
- Independence of appeals office, **4:05.50**
- Jeopardy assessments, **2:30, 2:31**
- Jurisdiction, **4:06 to 4:08**
- Levy and seizure, **13C:12.50**
- Location of hearing, **4:09.50**
- Mediation procedure, **4:11**
- Poststatutory notice cases, **4:16**
- Prevailing party, **4:20**
- Protracted proceedings, **4:24**
- Regional Director of Appeals, **1:17, 1:18**
- Regulations, **4:22**
- Requirements for protest, **4:09**
- Settlements
  - generally, **4:12 to 4:15**
  - finality, **4:15**
  - litigation compared, **4:01 to 4:05.50**

## FEDERAL TAX PRACTICE

### **APPEALS DIVISION—Cont'd**

- Settlements—Cont'd
  - offers, **4:23**
  - policies, **4:13**
- Submission of settlement offer, **4:12**
- Substantially justified position, **4:18**
- Tax Court, appeal to, **4:21**
- Territorial limits upon jurisdiction, **4:07**

### **APPRAISERS**

- Privileged and confidential information, **8:60**

### **ARBITRATION**

- Generally, **4:11.60**
- Motions, **7:98.50**

### **ARMED FORCES**

- Death benefits, **3:07.45**

### **ARTISTIC WORKS**

- Audits, **3:07.57**
- Value or valuation, **8:91.22**

### **ASSESSMENT**

- Abatement of assessments, **2:04 to 2:06, 2:19**
- Administrative review of jeopardy assessments, **2:31**
- Appeals of jeopardy assessments, **2:30 to 2:33**
- Bankruptcy and receivership, **2:23, 2:24**
- Bond or security to stay collection of jeopardy assessments, **2:20**
- Constitutional issues
  - generally, **2:01.10 to 2:01.90**
  - collection procedures, **2:01.70**
  - direct tax, **2:01.40**
  - discriminatory treatment, **2:01.42**
  - due process, **2:01.45**
  - equal protection, **2:01.47**
  - exports and imports, **2:01.90**
  - freedom of speech, **2:01.80**
  - judicial compensation, **2:01.60**
  - religious freedom, **2:01.50**
  - retroactivity, **2:01.20**
  - unlawful taking, **2:01.30**
- Criminal restitution recoveries, **2:03.60**
- Declaratory judgments, **2:47, 2:48**
- Deficiency assessments. See index heading **DEFICIENCY ASSESSMENTS**
- Deficiency procedures, restrictions on, **2:07 to 2:09**

## INDEX

### ASSESSMENT—Cont'd

- Direct tax, **2:01.40**
- Discriminatory treatment, **2:01.42**
- Due process, **2:01.45**
- Equal protection, **2:01.47**
- Erroneous advice, abatement of penalty or addition to tax due to, **2:06**
- Erroneous assessments, reinstatement of, **2:06.50**
- Erroneous refunds, **2:03**
- Exceptions to restrictions upon deficiency assessments, **2:09**
- Exports and imports, **2:01.90**
- Freedom of speech, **2:01.80**
- Injunctions
  - generally, **2:34 to 2:49**
  - for detailed treatment, see index heading INJUNCTIONS
- Interest, **13:11**
- Interest due to IRS errors or delays, **2:05**
- Jeopardy assessments
  - generally, **2:12 to 2:22**
  - abatement, **2:19**
  - administrative review, **2:31**
  - after deficiency notice, **2:17**
  - appeals division, **2:30, 2:31**
  - before deficiency notice, **2:15**
  - bond or security to stay collection, **2:20**
  - collection on bond after decision, **2:22**
  - conditions justifying, **2:13**
  - judicial review, **2:32, 6:52, 6:81 to 6:83**
  - levies, review of jeopardy, **2:33**
  - “other” taxes assessments, **2:14**
  - refund of excess assessment, **2:22.50**
  - review of, **2:30 to 2:33**
  - stay of sale of seized property, **2:21**
  - successive assessments, **2:18**
  - Tax Court jurisdiction, **6:52, 6:81 to 6:83**
  - transferees, commissioner’s discretion not reviewable, **12:75**
  - untimely notice, **2:16**
- Judicial compensation, **2:01.60**
- Judicial review of jeopardy assessments, **2:32, 6:52, 6:81 to 6:83**
- Levies, review of jeopardy, **2:33**
- Liens and priorities, **14:26**
- Limitations. See index heading LIMITATIONS UPON ASSESSMENT AND COLLECTION
- Necessity of assessment, generally, **2:01 to 2:09**
- Overassessment, **2:33.50**
- Penalty assessments, **2:03.50**

## FEDERAL TAX PRACTICE

### **ASSESSMENT—Cont'd**

- Presumption regarding correctness, **11:24, 11:42**
- Process, **2:02, 2:03**
- Refund of excess assessment, **2:22.50**
- Reinstatement of erroneous assessments, **2:06.50**
- Religious freedom, **2:01.50**
- Rescission of deficiency, **2:07.60**
- Restitution recoveries, **2:03.60**
- Retroactivity, **2:01.20**
- Review of jeopardy assessment, **2:30 to 2:33**
- Statute of limitations
  - generally, **5:01 to 5:74**
  - for detailed treatment, see index heading STATUTE OF LIMITATIONS
- Stay of assessment and collection, **9:15**
- Stay of sale of seized property, **2:21**
- Successive assessments, **2:18**
- Summary assessment
  - generally, **2:10 to 2:11.50**
  - abatement of, **2:11**
  - bankruptcy proceedings, **13D:04**
  - departing aliens, **2:28**
  - jeopardy assessments distinguished, **2:27**
  - mathematical errors, **2:10**
  - notice of deficiency, taxable year, **2:26**
  - security for payment, **2:29**
  - taxpayer identification numbers, **2:11.50**
  - termination assessment, **2:25 to 2:29**
- Taking of property, **2:01.30**
- TEFRA, **16:07**
- Time of notice, **2:16**
- Violation of restrictions, effect of, **2:08**

### **ASSIGNMENTS**

- Liens and priorities, **14:08**
- Refunds and credits, **10:48**

### **ASSISTANT COMMISSIONER (TAXPAYER SERVICES)**

- Generally, **1:09**

### **ATTACHMENT LIENS**

- Priorities, **14:41**

### **ATTORNEYS**

- Attorney-client privilege. Privileged communications, below
- Client identity, **3:23**
- Criminal defense representation, **13B:12.50**



## INDEX

### ATTORNEYS—Cont'd

- Disciplinary actions, **6:09.50**
- Exempt bond opinions, **1:45.70**
- Fees. See index heading ATTORNEYS' FEES
- Internal Revenue Service practice
  - generally, **1:45 to 1:45.60, 6:07 to 6:09, 6:09.50**
  - for detailed treatment, see index heading PRACTICE BEFORE IRS
- Misconduct, **6:09.50, 11:36**
- Privileged communications
  - generally, **8:55 to 8:57**
  - client identity, **3:46.50**
  - uncertain tax positions, disclosure of, **3:42.90**
  - work product, **11:62**
- Standards of practice
  - generally, **1:45.50**
  - Circular 230, **1:45.50**
  - exempt bond opinions, **1:45.70**
  - tax shelters, **1:45.60**
- Tax shelters, **1:45.60**
- Work product, **8:58, 11:62**

### ATTORNEYS' FEES

- Information reporting, **3:23.50**
- Liens, **14:53**
- Recoveries, **3:27.60**
- Whistleblower awards, withholding reduction for, **13C:05.70**

### AUDITS

- Acceptance by Commissioner, **3:61**
- Accounting methods
  - generally, **3:27.80 to 3:27.95.60**
  - for detailed treatment, see index heading ACCOUNTING METHODS
- Accounts receivable, **3:07.55**
- Accrual accounting, **3:27.82**
- Affordable Care Act, **3:23.71.02, 3:50.90**
- Agreement forms, **3:58 to 3:60**
- Agricultural subsidies, **3:07.19**
- Alien students, **3:30.60**
- Alimony, **3:07.11**
- Alternative minimum tax, **3:07.75**
- Amended returns, **3:17.50**
- Annual cost of living (COLA) inflation adjustments, **3:07.96**
- Artistic works, **3:07.57**
- Attorneys' fees, **3:27.60**
- Bad credit, **3:07.89**

## FEDERAL TAX PRACTICE

### AUDITS—Cont'd

- Bad debt, **3:27.83**
- Bargain sale, employer's property, **3:07.17.50**
- "Base erosion and anti-abuse," **3:07.77**
- Business credits, **3:27.98**
- Business expense deductions
  - generally, **3:07.80 to 3:07.101**
  - for detailed treatment, see index heading BUSINESS EXPENSE DEDUCTIONS
- Cancellation of debt (COD) income, **3:07.12, 3:07.15, 3:07.25**
- Capital gain vs ordinary income, **3:07.50 to 3:07.70.50**
- "Carried interests," **3:07.70.50**
- Cash accounting, **3:27.90**
- Certified professional employer organizations (CPEOs), **3:50.82**
- Charitable donations, **3:07.72**
- Churches, **3:40.50**
- Closed case, **3:68.50**
- Closing agreements
  - generally, **3:65 to 3:68**
  - for detailed treatment, see index heading COMPROMISE AND SETTLEMENT
- Coal miner's health care benefits, **3:50.92**
- College and university examination guidelines, **3:41**
- Commercial fishing, **3:27.12.60**
- Completed contract method of accounting, **3:27.83.50**
- Compliance assurance process, **3:48.50**
- Contingency fees, **3:27.65**
- Cooperative distributions, **3:30.67**
- Cooperatives, **3:26.55**
- Coordinated examination program, **3:48**
- Corporations, **3:26.60**
- Cost of living, annual cost of living inflation adjustments, **3:07.96**
- Credits against tax, **3:27.96**
- Criminal prosecution, referral for, **13B:06**
- Department stores, **3:41.60**
- Development rights, **3:07.62**
- Disagreement at district director's level, **3:70**
- Disclosure of return information, **3:32 to 3:34**
- Disclosures to avoid prosecution, **3:35.50**
- Disputed ownership funds, **3:27.40**
- Disregarded entities, **3:27.12**
- Electronic filing
  - generally, **3:15 to 3:17.15**
  - for detailed treatment, see index heading ELECTRONIC FILING
- Employee termination payments, **3:07.60**

## INDEX

### AUDITS—Cont'd

- Employer's property
  - bargain sale, **3:07.17.50**
  - use by workers, **3:07.18**
- Employment taxes, **3:27.68, 3:50.80, 3:50.85**
- Enjoining tax shelters, **3:64.50**
- Escrow accounts, **3:27.30**
- Estates, **3:26.75**
- Exclusion from income
  - IRA rebates, **3:07.49.50**
  - work done overseas, **3:07.49**
- Exclusions from income, **3:07.45 to 3:07.48**
- Exempt organizations
  - generally, **3:27 to 3:27.08**
  - for detailed treatment, see index heading EXEMPT ORGANIZATIONS
- Expediting audit, **3:37**
- Extension of limitations period, **3:54**
- Farmers, **3:27.12.50, 3:41.40**
- Farming, **3:07.19**
- Field audits, **3:44, 3:45**
- Filing of returns
  - generally, **3:08 to 3:17.30**
  - for detailed treatment, see index heading FILING OF RETURNS
- Financial status audits, **3:42**
- Fishing, commercial fishing, **3:27.12.60**
- Foreign Accounts Tax Compliance Act (FATCA), **3:30.55**
- Foreign baseball players, **3:30.65**
- Foreign-earned income, **3:23.71.02.60**
- Foreign entities, **3:27.11**
- Form 870 agreement, **3:59**
- Global International Low-Taxed Income (GILTI), **3:23.71.02.50**
- Grocery stores, **3:41.60**
- Gross income
  - generally, **3:07.10 to 3:07.44.10**
  - for detailed treatment, see index heading GROSS INCOME
- Hybrid entities, **3:27.12.70**
- Inflation, annual cost of living inflation adjustments, **3:07.96**
- Informal conference, **3:57**
- Informants, **3:36.60**
- Information reporting
  - generally, **3:22 to 3:26.40**
  - for detailed treatment, see index heading INFORMATION REPORTING
- Initial processing of income tax returns, **3:31**

## FEDERAL TAX PRACTICE

### AUDITS—Cont'd

- Innocent spouse rule
  - generally, **3:21 to 3:21.85**
  - for detailed treatment, see index heading INNOCENT SPOUSE
- Insurance, health insurance, **3:07.74, 3:23.71.02, 3:50.90**
- Interest free adjustments, **3:30.70**
- Interviews of taxpayers, **3:39**
- Introduction, **3:01**
- Joint returns by husband and wife
  - generally, **3:19 to 3:21.90**
  - for detailed treatment, see index heading JOINT RETURNS BY HUSBAND AND WIFE
- Limited issue focused examination (life) program, **3:43.50**
- Lottery winnings, **3:07.25, 3:07.70**
- Malpractice suits, **3:06**
- Mandatory health insurance, **3:23.71.02, 3:50.90**
- Market segment specialization program, **3:49**
- Mark-to-market accounting, **3:27.92**
- Medicare tax, **3:23.71.02, 3:50.90**
- Native Americans/indians, **3:08.55**
- Negotiations with examiner, **3:51, 3:52**
- Net investment income tax, **3:50.95**
- Nonprofits excess executive compensation, **3:27.02.30**
- Normalization method accounting, public utilities, **3:27.95.60**
- Notices, **3:64**
- Office audit, **3:38**
- Offshore credit card accounts, **3:36.50**
- Options, **3:07.33, 3:30.69**
- Partial agreements, **3:52**
- Partnerships, **3:27.10, 16:01**
- “Passthrough businesses,” deduction for, **3:07.96.80**
- Payment of tax
  - generally, **3:28 to 3:30.80**
  - for detailed treatment, see index heading PAYMENT OF TAX
- Pension plan examination guidelines, **3:40**
- Personal deductions, generally, **3:07.71 et seq.**
- Postaudit review, **3:69**
- Prefiling agreements, **3:64.40**
- Preliminary report of examiner, **3:56**
- Public disclosure of return information, **3:34**
- Public service officers/PSOs, **3:07.48**
- Public utilities, normalization method accounting, **3:27.95.60**
- Qualifications for practice
  - generally, **3:02 to 3:07**

## INDEX

### AUDITS—Cont'd

- Qualifications for practice—Cont'd
  - for detailed treatment, see index heading PRACTICE BEFORE IRS
- Recordkeeping rules, **3:26.50**
- Recoveries
  - attorneys' fees, **3:27.60**
  - contingency fees, **3:27.65**
  - employment taxes, **3:27.68**
  - taxability of awards and settlements, **3:27.50**
  - withholding requirements, **3:27.70**
- Repatriation of Foreign-earned income, **3:23.71.02.60**
- Research tax credit denied, **3:07.91.80**
- Restaurant examinations, **3:41.50**
- Retail shops, **3:41.60**
- Retirement plan limitations, **3:07.40.05**
- Sale of lottery winnings, **3:07.70**
- S corporations, **3:26.65**
- Selection of returns for examination, **3:36, 3:36.50, 3:36.60**
- Self-created property, **3:07.57**
- Settlement funds, generally, **3:27.20**
- Standard deduction, **3:07.71**
- State and local tax incentives, **3:07.96.70**
- Substitute return by service, **3:18**
- Summons to produce records, **3:53, 3:53.50, 3:53.60**
- Taxability of awards and settlements, **3:27.50**
- Tax free exchange (§ 1031) funds, **3:27.35**
- Tax incentives, state and local, **3:07.96.70**
- Taxpayer compliance (TCMP) audits, **3:43**
- Taxpayer identification number (TIN), **3:30.85**
- Tax shelters, **3:27.25, 3:27.27, 3:42.50 et seq.**
- Tax year, **3:27.95**
- Technical advice to examiner, **3:55**
- Third party summons, **3:46, 3:46.50, 3:46.60, 3:47, 3:47.50**
- 30-day letter, **3:63**
- Tip income, **3:45**
- Trusts, **3:27.15**
- Uncertain tax positions, disclosure of, **3:42.90**
- United States real property (FIRPTA) sales, **3:30.80**
- Withholding requirements
  - generally, **3:27.70, 3:30.50 to 3:30.80**
  - for detailed treatment, see index heading WITHHOLDING OF TAXES
- Worker classification, **3:50 to 3:50.60**

## FEDERAL TAX PRACTICE

### **AUTHENTICATION**

Evidence in Tax Court, **8:18**

### **AUTHORS**

Information reporting, **3:23.73**

### **AUTOMOBILES**

Motor Vehicles, this index

### **BAD CHECKS**

Penalties, **13A:14**

### **BAD CREDIT**

Audit and settlement procedure, **3:07.89**

### **BAD DEBTS**

Accounting methods, **3:27.83**

Audit and settlement procedure, **3:27.83**

Evidence in Tax Court, **8:47.13**

Refunds and credits, **10:25**

### **BANK DEPOSITS**

Levy and seizure, **13C:18**

### **BANKRUPTCY**

Generally, **13D:01 to 13D:33**

Administration expenses, **14:23**

Assessment procedures, **2:23, 2:24**

Avoidance of unfilled federal tax liens, **14:19**

Child tax credit, **13D:01**

Compromise and settlement, **13E:05**

Contempt proceedings, **13D:07**

Coordination of court procedures, **13D:02**

Credits, **13D:01, 13D:31**

Directing tax payments, **13D:12**

Discharge

generally, **13D:22 to 13D:27**

evade or defeat taxes, **13D:25**

fraud or evasion of tax, **13D:24**

non-individual debtors, **13D:26**

return filing requirement, **13D:23**

violation of, **13D:27**

Employment taxes, **13D:20**

Evasion of taxes, **13D:24, 13D:25**

Filing of claims, **13D:16**

Fraud or evasion of tax, **13D:24**

Fraudulent transfers, **13D:17**

## INDEX

### **BANKRUPTCY—Cont'd**

Innocent spouse relief, **3:21.50, 3:21.80**

Interest, **13D:14, 13D:30**

Judicial review, **9:03**

Jurisdiction

bankruptcy court. Jurisdiction of bankruptcy court, below

Tax Court, **6:37, 6:77 to 6:79**

Jurisdiction of bankruptcy court

generally, **13D:06 to 13D:15**

contempt proceedings, **13D:07**

directing tax payments, **13D:12**

interest, **13D:14**

partnerships, **13D:15**

public policy exception, **13D:09**

reconsideration, **13D:11**

refunds, **13D:13**

reinstatement of stay, **13D:08**

tax liability determination, **13D:10**

Levy and seizure of estate assets, **13C:19**

Liens and priorities

generally, **13D:32, 14:17 to 14:23**

act of bankruptcy defined, **14:09**

administration expenses, **14:23**

avoidance of unfilled federal tax liens, **14:19**

Bankruptcy Act priorities, **14:10**

possession requirements, **14:22**

secured creditors, **14:20**

statutory provisions, **14:17**

subordination of tax liens, **14:21**

tax priorities, **14:18**

Net operating losses, **13D:18**

Partnerships, **13D:15, 16:04.50**

Penalty collection, **13D:29, 13D:29.50**

Pending proceedings, **13D:29.50**

Possession requirements, **14:22**

Preferential transfers, **13D:17**

Proof of claims, **13D:19, 13D:20**

Public policy exception, **13D:09**

Reconsideration, **13D:11**

Refunds, **10:40, 13D:13, 13D:31**

Reinstatement of stay, **13D:08**

Residence sales exclusion, **13D:21**

Retirement accounts, **13D:33**

Return filing requirement, **13D:23**

## FEDERAL TAX PRACTICE

### **BANKRUPTCY—Cont'd**

- Secured creditors, **14:20**
- Set off, **13D:28**
- Statute of limitations on assessments, **5:46**
- Statutory provisions, **14:17**
- Stay of proceedings by Tax Court, **6:78**
- Subordination of tax liens, **14:21**
- Summary assessment, **13D:04**
- Suspension of limitations period, **6:79, 13D:05**
- Tax liability determination, **13D:03, 13D:10**
- Tax priorities, **14:18**
- Violation of discharge, **13D:27**

### **BANKS AND FINANCIAL INSTITUTIONS**

- Collection procedures, **13C:25**
- Information reporting, foreign bank accounts and financial accounts, **3:23.71.03**
- Interest paid to nonresidents, **3:23.55**
- Levy and seizure, **13C:18**
- Subpoenas, **7:170**

### **BARGAIN SALE**

- Employer's property, **3:07.17.50**

### **BEST EVIDENCE RULE**

- Generally, **8:15 to 8:18**

### **BOARD OF TAX APPEALS**

- Generally, **6:01**

### **BONDS**

- Exempt bond opinions, attorney practice, **1:45.70**
- Jeopardy assessment collection, **2:20**
- Judicial review, **9:38, 9:39**
- Statute of limitations, effect on, **5:80**
- Stay of assessment and collection, **9:15**

### **BONUSES**

- Accounting methods, year-end bonuses, **3:27.86**

### **BOOKS**

- Evidence in Tax Court, **8:34**

### **BRIBES OR KICKBACKS**

- Statute of limitations, **5:30**

### **BRIEFS**

- Generally, **8:117 to 8:121**
- Brandeis briefs, **8:124**



## INDEX

### **BRIEFS—Cont'd**

- Contents, **8:120**
- Failure to submit, **8:121**
- Form, **8:120**
- Joint motion for setting of simultaneous brief dates, **8:164**
- Motion to extend time for filing, **8:119**
- Notice of intent not to file reply, **8:167**
- Service, **8:118**
- Substitute pages of petitioner's briefs, motion to, **8:166**
- Time to file briefs, joint motion to extend, **8:165**

### **BROKERS**

- Information reporting, **3:23.57**

### **BURDEN OF PROOF**

- See index heading PRESUMPTIONS AND BURDEN OF PROOF

### **BUSINESS CREDITS**

- Audit and settlement procedure, **3:27.98**

### **BUSINESS EXPENSE DEDUCTIONS**

- Generally, **3:07.80 to 3:07.101, 3:07.80 to 3:07.102**
- Bad credit, **3:07.89**
- Capital vs ordinary, **3:07.86**
- Charitable contributions of inventory, **3:07.89.50**
- Child care providers, **3:07.90**
- Community renewal and enterprise zones, **3:07.90.50**
- Contested liabilities, **3:07.91**
- Cost sharing arrangements, **3:07.81**
- Deferred payments to service providers, **3:07.82**
- Dividends, **3:23.68**
- Exempt entity leases, **3:23.94.50**
- Exempt organizations, **3:23.71**
- Exploration expenses, **3:07.91.10**
- Fines and penalties, **3:07.91.20**
- Forbearance payments, **3:07.91.30**
- Gifts from foreigners, **3:26.10**
- Home office expense deduction, **3:07.91.40**
- Illegal activities, **3:07.91.50**
- Insurance premiums, **3:07.91.70**
- Interest payments, **3:07.92**
- IRA regarding prevailing wage and apprenticeship requirements, **3:07.102**
- Lease strips, **3:07.94**
- Losses, **3:07.95**
- Management fees, **3:07.95.50**
- Mines and minerals, exploration expenses, **3:07.91.10**

## FEDERAL TAX PRACTICE

### **BUSINESS EXPENSE DEDUCTIONS—Cont'd**

- “Other expense” (Schedule C, line 27), **3:07.96.50**
- Passive loss rules, **3:07.88**
- Personal credits, **3:27.97**
- Reallocating income and expense, **3:07.84**
- Rewards and prizes, **3:07.40**
- SILOs, **3:23.94.50**
- Social clubs, **3:07.41**
- Social security benefits, **3:07.42**
- Supplies, **3:07.101**
- Third person’s expenses, **3:07.83**
- Travel and entertainment, **3:07.97**
- Wages and compensation, **3:07.98**
- Warranty obligations, **3:07.99**
- Worthlessness (intangibles), **3:07.100**

### **BUSINESS RECORDS**

- Evidence in Tax Court, **8:31**

### **CANCELLATION OF DEBT**

- Evidence in Tax Court, **8:47.50**
- Income, **3:07.12, 3:07.15**
- Information reporting, **3:23.60, 3:23.65**
- Presumptions and burden of proof, **8:08**

### **CAPACITY**

- Parties in Tax Court, **7:82**

### **CAPITAL EXPENSES**

- Business expense deductions, **3:07.86**

### **CAPITAL GAINS**

- Ordinary income distinguished, **3:07.50 to 3:07.70.50**

### **CAPITALIZED INCOME**

- Valuation evidence, **8:91.30**

### **CAPITAL TRANSACTIONS**

- Evidence in Tax Court, **8:47.55**

### **CASH ACCOUNTING METHODS**

- Generally, **3:27.90**

### **CASUALTY LOSSES**

- Business expense deductions, **3:07.95**

### **CERTIFICATE**

- Judicial review, **9:46**

## INDEX

### **CERTIFIED PROFESSIONAL EMPLOYER ORGANIZATIONS (CPEOs)**

Audits, **3:50.82**

### **CERTIORARI**

Generally, **9:28 to 9:33**

For detailed treatment, see index heading JUDICIAL REVIEW

### **CHARITABLE CONTRIBUTIONS**

Audit and settlement procedure, **3:07.72**

Business expense deductions, **3:07.89.50**

Evidence in tax court, **8:47.55.50**

Gross income, tax effects resulting from charitable assistance, **3:07.13**

Information reporting, **3:23.66**

Valuation evidence, **8:91.40**

### **CHIEF COUNSEL**

See index heading OFFICE OF CHIEF COUNSEL

### **CHILD CARE PROVIDERS**

Business expense deductions, **3:07.90**

### **CHILD TAX CREDIT**

Bankruptcy, **13D:01**

### **CHURCHES**

Audits, investigation of church's tax liabilities, **3:40.50**

### **CIRCULAR 230**

Partnerships, TEFRA proceedings, **16:23, 16:24**

Practice before IRS, **3:04**

Standards of practice, **1:45.50**

### **CIVIL FRAUD PROCEEDINGS**

Generally, **15:01 to 15:45**

Administrative procedures, generally, **15:01 to 15:12**

Admissions, **15:22, 15:31**

Burden of proof, **15:13, 15:15**

Criminal investigation division, **15:02, 15:03**

Forms, **15:34 to 15:45**

Grand jury materials, **15:32, 15:33**

Joint investigation, **15:04, 15:12**

More definite statement, motion, **15:17**

Overstated deductions, **15:41, 15:42**

Pleadings in tax court, generally, **15:14 et seq.**

Proof in tax court, generally, **15:13 et seq.**

Settlement restrictions, **15:11**

Statute of limitations, **15:37 to 15:39, 15:45**

## FEDERAL TAX PRACTICE

### **CIVIL FRAUD PROCEEDINGS—Cont'd**

- Stipulation of facts, **15:20**
- Tax Court cases, generally, **15:13 to 15:33**
- Unreported income, **15:23 to 15:29, 15:42**

### **CLAIMS AGAINST ESTATE**

- Valuation evidence, **8:91.50**

### **CLASSIFICATION OF BUSINESS ENTITIES**

- Generally, **3:27.10**
- Disregarded entities, **3:27.12**
- Foreign entities, **3:27.11**
- Partnerships, **3:27.13**

### **CLERICS**

- Privilege, **8:63**

### **CLIENT IDENTITY**

- Privilege, **3:46.50**

### **CLOSELY HELD COMPANIES**

- Valuation evidence, **8:91**

### **CLOSING AGREEMENTS**

- Generally, **3:65 to 3:68, 13E:14 to 13E:18**
- For detailed treatment, see index heading **COMPROMISE AND SETTLEMENT**

### **COAL GASIFICATION**

- Business credits, **3:27.98**

### **COAL MINERS**

- Health care benefits, **3:50.92**

### **COLLATERAL ESTOPPEL**

- Generally, **11:26**
- Innocent spouse relief, **6:87.50**

### **COLLECTION DUE PROCESS HEARINGS**

- Generally, **6:25.52, 6:73.50, 13C:11**

### **COLLECTION PROCEDURES**

- Generally, **13C:01 to 13C:58**
- Appeal, Tax Court review, **13C:12.60**
- Appointment of receiver, **13C:43**
- Attorneys' fees, withholding reduction for, **13C:05.70**
- Bond, effect of giving, **5:80**
- Collection due process hearings, **6:25.52, 6:73.50, 13C:11**
- Constitutional issues, **2:01.70**
- Contesting collection, **13C:08**
- Court proceedings, effect of, **5:79**

## INDEX

### **COLLECTION PROCEDURES—Cont'd**

- Discharge of liens held by United States, **13C:58**
- Election to delay for-profit determination/section 183(e), **5:77.50**
- Electronic tax deposits, **13C:09**
- Erroneous refund, **13C:50**
- Estate tax, **13C:49**
- Extension of statute of limitations, **5:77, 5:77.50**
- Foreign taxes, **13C:02.60**
- Form 5213, election to delay for-profit determination/section 183(e), **5:77.50**
- Injunctive relief, **13C:52**
- Interpleader, **13C:54**
- Intervention, **13C:44**
- Interviews, **13C:04**
- Joint bank accounts, **13C:25**
- Jointly held property, **13C:24**
- Judgment, reducing tax assessment to, **13C:42**
- Levy and seizure
  - generally, **13C:10 to 13C:40.50**
  - for detailed treatment, see index heading **LEVY AND SEIZURE**
- Life insurance equities, **13C:20**
- Limitations. See index heading **LIMITATIONS UPON ASSESSMENT AND COLLECTION**
- Limited liability corporations (LLCs), **13C:25.70**
- Mitigation, **5:77.60**
- Natural disasters, **5:81**
- Notice and demand required, **13C:06, 13C:07**
- Other actions, **13C:51**
- Partnership property, **13C:26**
- Personal property, **13C:23**
- Private collection agencies, **13C:02**
- Real property, **13C:21**
- Receivables, **13C:23**
- Reporting third party contacts, **13C:07.50**
- Retirement accounts, **13C:27.50**
- Revocable trust interests, **13C:28**
- Rewards, **13C:05**
- Safe deposit box, opening, **13C:45**
- Salaries and wages, **13C:22**
- Search warrants, **13C:46**
- Social security benefits, **13C:26.50**
- Spendthrift trusts, **13C:27**
- Statute of limitations
  - generally, **5:75 to 5:81**
  - bond, effect of giving, **5:80**

## FEDERAL TAX PRACTICE

### **COLLECTION PROCEDURES—Cont'd**

#### Statute of limitations—Cont'd

- court proceedings, effect of, **5:79**
- election to delay for-profit determination/section 183(e), **5:77.50**
- extension of, **5:77, 5:77.50**
- mitigation, **5:77.60**
- natural disasters, **5:81**
- statutory provisions, **5:76**
- suspension of collection period, **5:78**

#### Stay of assessment and collection, **9:15**

#### Suits for collection

- generally, **13C:41 to 13C:51**
- appointment of receiver, **13C:43**
- erroneous refund, **13C:50**
- estate tax, **13C:49**
- intervention, **13C:44**
- judgment, reducing tax assessment to, **13C:42**
- lien enforcement, **13C:48**
- other actions, **13C:51**
- safe deposit box, opening, **13C:45**
- search warrants, **13C:46**
- third party property holders, **13C:47**

#### Superior lien, action to foreclose, **13C:55 to 13C:57**

#### Suspension, **5:78, 8:47.79.50**

#### Tax Court review, **13C:12.60**

#### Third party remedies

- generally, **13C:52 to 13C:58**
- for detailed treatment, see index heading **THIRD PARTIES**

#### Warrant for distraint under prior law, **13C:03**

#### Whistleblower awards, **13C:05.50, 13C:05.60, 13C:05.70**

### **COLLEGES AND UNIVERSITIES**

#### Examination guidelines, **3:41**

### **COLLUSION**

#### Reopening cases, **3:68.50**

### **COMMERCIAL FISHING**

#### Audits, **3:27.12.60**

### **COMMISSIONER OF INTERNAL REVENUE SERVICE**

#### Generally, **1:08.50**

#### Acceptance of settlement procedure, **3:61**

#### Jurisdiction, **6:24, 6:75**

## INDEX

### COMMUNITY PROPERTY

- Innocent spouse relief, **3:21.50**
- Joint returns by husband and wife, **3:20.60, 3:21.90**
- Levy and seizure, **13C:25.50**
- Offsetting separate liability of one spouse, **3:20.60**

### COMMUNITY RENEWAL

- Business expense deductions, **3:07.90.50**

### COMPENSATION

- Wages and Compensation, this index

### COMPROMISE AND SETTLEMENT

- Generally, **13E:01 to 13E:19**
- Administrative appeals. See index heading APPEALS DIVISION
- Admissions, **8:43**
- Agreements
  - generally, **7:203**
  - closing agreements. Closing agreements, below
- Appeals division
  - generally, **4:12 to 4:15**
  - for detailed treatment, see index heading APPEALS DIVISION
- Audits. See index heading AUDITS
- Authority of Regional Director of Appeals, **1:18**
- Bankruptcy proceedings, **13E:05**
- Binding effect of acceptance, **13E:11**
- Chief counsel review, **13E:10**
- Civil fraud proceedings, settlement restrictions, **15:11**
- Closing agreements
  - generally, **3:65 to 3:68, 13E:14 to 13E:18**
  - advantages, **13E:16**
  - conclusive effect, **13E:17, 13E:18**
  - deficiency assessments, **2:09**
  - extension agreements, effect on, **3:67**
  - innocent spouse, **13E:18**
  - interest assessment, **3:66**
  - jurisdiction, **13E:14, 13E:15**
  - offer in compromise, **3:65.50**
  - partnerships, **13E:15**
  - physician recruitment, **3:68**
  - preclusive effect, **6:85.50**
  - procedure, **13E:14, 13E:15**
  - Tax Court cases, **7:190**
- Conditions to offer, **13E:03**
- Cost recovery, **13E:09**

## FEDERAL TAX PRACTICE

### **COMPROMISE AND SETTLEMENT—Cont'd**

Costs of actions. See index heading **COSTS OF ACTIONS**

Criminal cases, **13E:03.50**

Equitable considerations, **13E:04**

Evidence in Tax Court, **8:47.79**

Exempt bond issuers, **13E:19**

Funds, settlement funds, **3:27.20**

Innocent spouse, **13E:18**

Judicial review of stipulations, **9:34**

Jurisdiction, **13E:02, 13E:14, 13E:15**

Levy and seizure, **13C:32.50**

Litigated cases, **13E:13**

Living expense allowance, **13E:07**

Partnerships, **7:191, 13E:15**

Penalties, **13E:12**

Piggyback agreements, **16:03**

Procedure, **13E:02**

Receipt of income, **3:07.35**

Rejection, **13E:08**

Reopening Tax Court cases, **7:187, 7:189**

Stay of collection, **13E:06**

Stipulations in Tax Court cases, **7:188**

Suit for refund, **11:56**

Suits for refund, settlement of, **11:91**

Taxability of settlements, **3:27.50**

Tax Court cases

generally, **7:186 to 7:191**

closing agreements, **7:190**

partnerships, **7:191**

reopening, **7:187, 7:189**

stipulations, **7:188**

Tax shelters, **3:06, 3:27.25, 3:27.27, 3:42.70**

User fees, **13E:13.50**

Valuation cases, **8:93**

Worker classification, **3:50.70**

### **CONCEALMENT**

Reopening cases, **3:68.50**

### **CONFERENCE**

Discovery memoranda, **7:116**

### **CONFIDENTIAL MATTERS**

See index heading **PRIVILEGED AND CONFIDENTIAL INFORMATION**



## INDEX

### **CONFLICTS OF INTEREST**

Standards of practice, **1:45.50**

### **CONGRESSIONAL OVERSIGHT**

Generally, **1:47**

Refunds and credits, **10:63**

### **CONSERVATION EASEMENTS**

Personal deductions, **3:07.73**

### **CONSOLIDATION**

Motions, **7:108**

### **CONSPIRACY TO IMPEDE IRS**

Criminal prosecution, **13B:03**

### **CONSTITUTIONAL ISSUES**

Admissions, **8:42**

Assessment procedures

generally, **2:01.10 to 2:01.90**

for detailed treatment, see index heading **ASSESSMENT**

### **CONSTRUCTION RESERVE FUNDS**

Statute of limitations, **5:33**

### **CONTEMPT**

Bankruptcy proceedings, **13D:07**

Tax court powers, **6:09**

### **CONTINGENCY FEES**

Audit and settlement procedure, **3:27.65**

### **CONTINUANCE**

Motions, **7:106, 7:230, 7:231**

### **COOPERATIVES**

Audits and settlement procedure, **3:26.55**

### **COORDINATED EXAMINATION PROGRAM**

Generally, **3:48**

### **COPIES AND DUPLICATES**

Evidence in Tax Court, **8:16, 8:20, 8:39**

Official forms, **3:14**

### **CORPORATIONS**

Affiliated corporations. See index heading **AFFILIATED CORPORATIONS**

Audit and settlement procedure, **3:26.60, 3:26.65**

Compliance program, **6:55.60**

Dissolved corporations. See index heading **DISSOLVED CORPORATIONS**

## FEDERAL TAX PRACTICE

### **CORPORATIONS—Cont'd**

- Inversions, information reporting, **3:23.67**
- Jurisdiction, **6:55.50 to 6:60.50**
- Limited liability corporations (LLCs), **13C:25.70**
- Parties in Tax Court, **7:81**
- Privileged communications, **8:56**
- S corporations, **1:34.50**
- Statute of limitations extensions, **5:64 to 5:66**
- Successor corporations. See index heading **SUCCESSOR CORPORATIONS**

### **COST OF LIVING**

- Audit and settlement procedure, annual cost of living inflation adjustments, **3:07.96**

### **COST SHARING ARRANGEMENTS**

- Business expense deductions, **3:07.81**

### **COSTS OF ACTIONS**

- Generally, **8:142 to 8:150**
- Administrative cost recovery
  - generally, **4:17 to 4:24**
  - for detailed treatment, see index heading **APPEALS DIVISION**
- Amount of fees allowed, **8:144**
- Applying for, **8:150**
- Compromise and settlement. Settlement, below
- Concession by IRS, **8:146**
- Exhausting administrative remedies, **8:143**
- Judicial review, **9:25**
- Net worth limits, **8:148**
- Qualified offer rule, settlement exception, **8:147.50**
- Settlement
  - generally, **8:147, 13E:09**
  - Claims Court, **11:84**
  - qualified offer rule, **8:147.50**
  - refund suits, **11:68**
- Subpoenas, **7:167**
- Substantially justified position, **8:145**
- Unreasonably protracted proceedings, **8:149**

### **CREDIT CARDS**

- Audit and settlement procedure, offshore credit card accounts, **3:36.50**
- Information reporting, **3:23.67.05**

### **CREDIT COUNSELING AGENCIES**

- Exempt status, **3:27.02**

## INDEX

### CREDITS

See index heading REFUNDS AND CREDITS

### CRIMINAL PROCEEDINGS

Generally, **13B:01 to 13B:22**  
Agent's violation of IRS procedures, **13B:10**  
Assessment procedures, criminal restitution recoveries, **2:03.60**  
Compromise and settlement, **13E:03.50**  
Conspiracy to impede IRS, **13B:03**  
Deduction of costs, **13B:17**  
Deduction of illegal payments, **13B:18**  
Deportation, **13B:22**  
Double jeopardy, **13B:13**  
Downward departure from sentencing guidelines, **13B:21**  
Enhancements to sentence, **13B:20**  
Entrapment, **13B:15**  
Evasion of tax, **13B:04**  
Failing to collect and pay over taxes, **13B:01**  
False or fraudulent returns, **13B:04.50**  
Frivolous returns, **3:08.57**  
Identity theft, **13B:04.60**  
Illegal searches and seizures, **13B:12**  
Improperly obtained information, **13B:11**  
Indictment, **13B:09.50**  
Interfering with tax administration, **13B:05**  
Interrogation, **13B:09.70**  
Materiality, **13B:07**  
Obstructing tax collection, **13B:02**  
Parallel or related civil proceedings, **13B:08, 13B:09**  
Plea agreements, **13B:16.50**  
Production of taxpayer records, **13B:14.50**  
Referral from civil audit, **13B:06**  
Representation inadequate, **13B:12.50**  
Required records doctrine, **13B:14.50**  
Self-incrimination privilege, **8:76, 13B:14**  
Sentencing, **13B:19 to 13B:21**  
Venue, **13B:09.60**  
Voluntary disclosure, **13B:16**

### CROSS-APPEALS

Judicial review, **9:12**

### CROSS-EXAMINATION

Witnesses, **8:98**

## FEDERAL TAX PRACTICE

### CUMULATIVE BULLETIN (CB)

Generally, **1:43.50**

### DAMAGES

Suits for refund, damage claims in lieu of, **11:35**

Tax court, authority to award damages, **6:75.50**

### DEATH BENEFITS

Levy and seizure, **13C:19.50**

### DEATH OF PARTIES

Jurisdiction, **6:51, 6:55**

Refunds and credits, **10:45**

Third-party summons, deceased taxpayers, **3:46.60**

### DECLARATORY JUDGMENTS

Generally, **2:47**

Exceptions, **2:48**

Exempt organizations, **6:62**

Gift valuation, **6:63.60**

Governmental obligations, status of, **6:63**

Retirement plans, **6:61**

Special trial judges, **8:128**

Tax Court

generally, **6:61 to 6:64**

for detailed treatment, see index heading TAX COURT

Worker classification challenges, **6:63.50**

### DEDUCTIONS

Audit and settlement procedure, generally, **3:07.71 et seq.**

Bribes or kickbacks, **5:30**

Business expense deductions

generally, **3:07.80 to 3:07.101, 3:07.80 to 3:07.102**

for detailed treatment, see index heading BUSINESS EXPENSE DEDUCTIONS

Compensation paid, **3:07.98**

Contested liabilities, **3:07.91**

Costs of criminal proceedings, **13B:17**

Deferred payments, service providers, **3:07.82**

Deficiency dividend deductions, **5:47**

Foreign derived intangible income (FDII), **3:23.71.30**

Golden parachutes, **3:07.98**

Interest, **13:07**

IRA regarding prevailing wage and apprenticeship requirements, **3:07.102**

Lease strips, **3:07.94**

Life insurance, credits for unused deductions, **10:81**

Matching income with related deductions, **8:26**

## INDEX

### **DEDUCTIONS—Cont'd**

- “Passthrough businesses,” deduction for, **3:07.96.80**
- Personal/nonbusiness, generally, **3:07.71 et seq.**
- Substantiating in Tax Court, **7:29**
- Theft loss deduction, **8:10**
- Travel expenses, **3:07.97**
- Wages paid, **3:07.98**

### **DEEDS**

- Levy and seizure, **13C:40**

### **DEFERRED COMPENSATION**

- Gross income, audit and settlement procedure, **3:07.14**
- Information reporting, **3:23.67.10**

### **DEFERRED GAIN TRANSACTIONS**

- Cancellation of debt income, **3:07.15**

### **DEFERRED PAYMENTS**

- Business expense deductions, **3:07.82**

### **DEFICIENCY ASSESSMENTS**

- Answer in Tax Court, **7:64, 7:65**
- Credit against, **10:22**
- Defectively addressed notice, **6:32**
- Further deficiency notices barred, **6:33, 6:34**
- Grand jury materials, improper use of, **6:27**
- Jurisdiction of Tax Court
  - generally, **6:13 to 6:34**
  - for detailed treatment, see index heading **TAX COURT**
- Last known address, not directed to, **6:31**
- Misdirected notice, **6:29 to 6:32**
- Notice
  - generally, **6:26 to 6:34**
  - contents of, **6:28**
  - defectively addressed notice, **6:32**
  - evidence in Tax Court, **8:47.78**
  - further deficiency notices barred, **6:33, 6:34**
  - grand jury materials, improper use of, **6:27**
  - last known address, not directed to, **6:31**
  - misdirected notice, **6:29 to 6:32**
  - payment after deficiency notice and before petition, **6:18**
  - petitions in Tax Court, **7:16, 7:21 to 7:29**
  - rescission of, **6:34**
  - voluntary payment before deficiency notice, **6:16, 6:17**
  - waiver and assessment, **6:15 to 6:18**

## FEDERAL TAX PRACTICE

### **DEFICIENCY ASSESSMENTS—Cont'd**

- Payment after deficiency notice and before petition, **6:18**
- Penalties, **13A:02**
- Restrictions on, **2:07 to 2:09**
- Statute of limitations
  - generally, **5:01 to 5:74**
  - for detailed treatment, see index heading **STATUTE OF LIMITATIONS**
- Voluntary payment before deficiency notice, **6:16, 6:17**
- Waiver and assessment, **6:15 to 6:18**

### **DEFICIENCY DIVIDEND DEDUCTIONS**

- Statute of limitations, **5:47**

### **DEPARTMENT STORES**

- Audits, **3:41.60**

### **DEPENDENCY EXEMPTION**

- Evidence in Tax Court, **8:47.57**

### **DEPORTATION**

- Criminal proceedings, **13B:22**

### **DEPOSITIONS IN TAX COURT**

- Generally, **7:137 to 7:143**
- After trial, taking deposition, **7:184**
- Consent of parties, **7:138**
- Enforcement action, **7:182**
- Expert witnesses, **7:143**
- Foreign depositions, **7:179**
- Nonparty witness, **7:139**
- Pending cases, **7:174**
- Perpetuation of evidence
  - generally, **7:141, 7:173 to 7:185**
  - after trial, taking deposition, **7:184**
  - enforcement action, **7:182**
  - foreign depositions, **7:179**
  - pending cases, **7:174**
  - petitions in Tax Court, **7:49**
  - protective order, **7:181**
  - return of deposition, **7:176**
  - sanctions, **7:182**
  - supplementing answers, **7:180**
  - taking deposition, **7:175, 7:183, 7:184**
  - use of deposition, **7:177**
  - videotape depositions, **7:178**
  - written questions, **7:185**

## INDEX

### **DEPOSITIONS IN TAX COURT—Cont'd**

- Protective order, **7:181**
- Return of deposition, **7:176**
- Sanctions, **7:182**
- Supplementing answers, **7:180**
- Taking deposition, **7:175, 7:183, 7:184**
- Use of deposition, **7:177**
- Videotape depositions, **7:178**
- Without consent of parties, **7:142**
- Written questions, **7:140, 7:185**

### **DEPOSITS**

- Electronic filing, **3:15.50**
- Overpayment distinguished, **10:73**
- Payment of tax compared, **3:28.50**
- Penalties, **13A:11 to 13A:13**

### **DEPRECIATION BASIS**

- Evidence in tax court, **8:47.58**

### **DEVELOPMENT RIGHTS**

- Audits, **3:07.62**

### **DIRECT TAX**

- Constitutional issues, **2:01.40**

### **DISASTER RELIEF**

- Filing of returns, **3:11.50**

### **DISBURSEMENT AGREEMENTS**

- Liens and priorities, **14:59, 14:60**

### **DISCHARGE**

- Bankruptcy proceedings
  - generally, **13D:22 to 13D:27**
  - for detailed treatment, see index heading **BANKRUPTCY PROCEEDINGS**
- Liens and priorities
  - generally, **14:73 to 14:84**
  - for detailed treatment, see index heading **LIENS AND PRIORITIES**

### **DISCIPLINARY ACTIONS**

- Tax Court practice, **6:09.50**

### **DISCLAIMERS**

- Liens and priorities, **14:31**

### **DISCLOSURE OF INFORMATION**

- Avoidance of prosecution, **3:35.50**
- Exempt organizations, **3:27.01**

## FEDERAL TAX PRACTICE

### DISCLOSURE OF INFORMATION—Cont'd

Jurisdiction, **6:66**

Privileged and confidential information. See index heading PRIVILEGED AND  
CONFIDENTIAL INFORMATION

Return information, **3:32 to 3:34**

Uncertain tax positions, disclosure of, **3:42.90**

### DISCOVERY

Generally, **7:109 to 7:143, 11:48**

Admission requests

generally, **7:144 to 7:152**

for detailed treatment, see index heading ADMISSION REQUESTS IN TAX COURT

Conference memoranda, **7:116**

Depositions

generally, **7:137 to 7:143**

for detailed treatment, see index heading DEPOSITIONS IN TAX COURT

Enforcement actions, generally, **7:123**

Examination by transferees, **7:136**

Executive privilege, **7:112**

FOIA requests, IRS documents, **1:33.50**

Interrogatories

generally, **7:124 to 7:128**

for detailed treatment, see index heading INTERROGATORIES IN TAX COURT

Opposition to motion to compel, **7:224, 7:225**

Party's statements, **7:118**

Private rulings, **7:117**

Production of documents and things

generally, **7:129 to 7:135**

for detailed treatment, see index heading PRODUCTION OF DOCUMENTS AND  
THINGS

Protective orders, generally, **7:122**

Responses, **7:120, 7:121**

Revenue agent's report, **7:115**

Sanctions, **1:45.50, 7:123**

Scope, **7:110**

Signatures, **7:119**

Special agent's report, **7:114**

Supplementation of responses, **7:121, 7:130**

Technical advice, **7:117**

Third-party identity, **7:112.50**

Third-party statements, **7:113**

Work product, **7:111**

### DISCRIMINATION

Assessment procedures, **2:01.42**



## INDEX

### **DISMISSAL MOTIONS**

- Jurisdiction, lack of, **7:90, 7:217 to 7:219**
- Lack of prosecution, **7:91 to 7:94**
- Prosecution, lack of, **7:91 to 7:94**

### **DISPUTED OWNERSHIP FUNDS**

- Audits, **3:27.40**

### **DISREGARDED ENTITIES**

- Classification of business entities, **3:27.12**

### **DISSOLVED CORPORATIONS**

- Jurisdiction, **6:56, 6:57**
- Statute of limitations, **5:65**

### **DISTRIBUTORSHIPS**

- Capital gains vs. ordinary income, distributorship cancellation

### **DISTRICT COUNSEL ADVICE**

- Generally, **1:35.70**

### **DISTRICT COUNSEL CONFERENCE**

- Civil fraud proceedings, **15:06**

### **DISTRICT COURTS**

- Appeals, **11:71**
- Costs, litigation, **11:68**
- Counterclaims, **11:66**
- Evidence, **11:60**
- Findings, **11:67**
- Freedom of Information Act, **11:54**
- Judgments, **11:70**
- Motions, **11:61**
- Objections, **11:61**
- Pretrial conference, **11:55**
- Privileged communications, **11:62**
- Procedures, trial, **11:63**
- Settlement, **11:56**
- Trial procedures, **11:63**
- Trials, **11:60**

### **DISTRICT DIRECTORS**

- Internal Revenue Service organization, **1:15**

### **DIVIDENDS**

- Business expense deductions, **3:23.68**
- Evidence in Tax Court, **8:47.56**
- Reporting rules, **3:23.57, 3:23.68**

## FEDERAL TAX PRACTICE

### **DIVIDENDS—Cont'd**

Statute of limitations, **5:29**

### **DIVORCE**

Alimony. See index heading **ALIMONY**

Joint returns by husband and wife, **3:20, 3:20.50**

### **DOCUMENTARY EVIDENCE**

Generally, **8:15 to 8:18**

### **DOMESTIC PARTNERS**

Tax filing rights, **3:21.80**

### **DOUBLE JEOPARDY**

Generally, **13B:13**

Penalties, **13A:45**

### **DUALITY CHARTERED ENTITIES**

Classification of business entities, **3:27.11**

### **DUAL CITIZENSHIP**

Audit and settlement procedures, **3:27.09**

### **DUE PROCESS**

Assessment procedures, **2:01.45**

Prisoners, IRS review of refunds, **11:04**

### **DURESS**

Statute of limitations extensions, **5:53**

### **EARNED INCOME CREDIT**

Generally, **10:34.50**

### **EDUCATIONAL LOANS**

Information reporting, **3:23.70**

### **ELECTIVE USE**

Mark-to-market accounting, **3:27.92**

### **ELECTRONIC DEPOSITS**

Collection procedures, **13C:09**

Penalties, **13A:13**

### **ELECTRONIC FILING**

Generally, **3:15 to 3:17.15**

Deposits, **3:15.50**

Large employers, **3:23.70.50**

Large partnerships, **3:17.10**

Nonresident aliens, **3:17**

Particular returns, **3:17.11**

Privacy issues, **3:17.17**

## INDEX

### **ELECTRONIC FILING—Cont'd**

- Signatures, **3:17.15**
- Telephone filing, **3:16**
- Trial in tax court, **8:01.50**

### **EMPLOYEES**

- Benefit plan terminations, **10:30, 10:31**
- Classification, **3:50 to 3:50.70**
- Evaluations of IRS employees, **1:06.70**
- Property of employer—use by workers, **3:07.18**
- Termination payments, **3:07.60**

### **EMPLOYEE STOCK OPTION PLANS**

- Audit and settlement procedures, ESOPs holding S corporation stock, **3:26.70**

### **EMPLOYMENT TAXES**

- Generally, **3:27.68, 3:50.80, 3:50.85**
- Bankruptcy proceedings, **13D:20**

### **ENEMY ALIENS**

- Statute of limitations, **5:49**

### **ENFORCEMENT OF LIENS**

- Generally, **14:73 to 14:84**
- For detailed treatment, see index heading **LIENS AND PRIORITIES**

### **ENTERPRISE ZONES**

- Business expense deductions, **3:07.90.50**

### **ENTRAPMENT**

- Criminal prosecution, **13B:15**

### **ENTRY OF JUDGMENT**

- Judicial review, **9:24**

### **EQUAL PROTECTION**

- Assessment procedures, **2:01.47**

### **EQUITABLE RECOUPMENT**

- Generally, **11:25**
- Interest, **13:16**

### **EQUITABLE RELIEF**

- Compromise and settlement, **13E:04**
- Innocent spouse rule, **3:21.70**
- Jurisdiction, **6:25.55**
- Refunds and credits, **10:32**

## FEDERAL TAX PRACTICE

### **EQUITABLE TOLLING**

Statute of limitations, **5:49.50**

### **ERRORS AND MISTAKES**

Advice, abatement of penalty or addition to tax due to erroneous, **2:06**

Assessments. See index heading **ASSESSMENTS**

Change of accounting method and correction of mathematical errors distinguished, **3:27.80**

Definition of mathematical error, **8:26.50**

Erroneous advice from Federal Regulators, **13A:43**

Refunds, **2:03, 10:08, 13:14, 13C:50**

Reopening cases, **3:68.50**

### **ESCROW ACCOUNTS**

Audit and settlement procedure, **3:27.30**

### **ESTATE TAXES**

Audit and settlement procedure, **3:26.75**

Collection procedures, **13C:49**

Deferred payment of estate taxes, **14:70**

Divestiture of lien for third parties, **14:69**

Installment payment, **3:28**

Liens and priorities

generally, **14:67 to 14:71**

deferred payment of estate taxes, **14:70**

divestiture of lien for third parties, **14:69**

property subject to lien, **14:68**

special use valuation, **14:71**

statutory provisions, **14:67**

Mitigation of time limitations on claims, **10:20**

Property subject to lien, **14:68**

Refunds and credits, **10:18.60, 10:36**

Special use valuation, **14:71**

Statute of limitations, **5:03, 5:37**

Statutory provisions, **14:67**

### **ESTIMATED TAXES**

Penalties, **13A:09, 13A:10**

Refunds and credits, **10:23**

### **ESTOPPEL**

Assessments, reinstatement of erroneous assessments, **2:06.50**

Collateral estoppel, **11:26**

Judicial, **11:27**

Petitions in Tax Court, **7:17**

## INDEX

### **EVASION OF TAXES**

- Bankruptcy proceedings, **13D:24, 13D:25**
- Criminal prosecution, **13B:04**
- Leadership role in offense, **13B:20**

### **EVIDENCE IN TAX COURT**

- Generally, **8:05 to 8:106**
- Abandonment of property, **8:47.05**
- Absence of record, **8:38**
- Abuse of discretion, **8:47.06**
- Admissibility, generally, **8:14**
- Admissions, **8:30, 12:80**
- Advances as loans, **8:47.07**
- Alimony, **8:47.10, 8:47.12**
- Authentication, **8:18**
- Bad debt, **8:47.13**
- Best evidence rule, **8:15 to 8:18**
- Books, **8:34**
- Burden of persuasion, **8:12**
- Burden of proof
  - generally, **8:07 to 8:10.60**
  - for detailed treatment, see index heading PRESUMPTIONS AND BURDEN OF PROOF
- Business purpose, **8:47.15**
- Business records, **8:31**
- Cancellation of debt income, **8:47.50**
- Capital transactions, **8:47.55**
- Charitable donations, **8:47.55.50**
- Collection procedures, **13C:12.60**
- Commercial publications, **8:33**
- Consent from lack of objection, **8:101**
- Constructive dividends, **8:47.56**
- Copies, **8:20**
- Copies of public records, **8:39**
- Copying exhibit, motion to withdraw exhibit for, **8:163**
- Declaratory judgment actions, **8:106**
- Dependency exemption, **8:47.57**
- Depreciation basis, **8:47.58**
- Documentary evidence, **8:15 to 8:18**
- Duplicates, **8:16**
- Evaluative reports and investigations, **8:37**
- Exceptions to evidentiary rulings, **8:103**
- Extension of contract not a sale, **8:47.56.50**
- Foreign tax credit, **8:47.60**

## FEDERAL TAX PRACTICE

### EVIDENCE IN TAX COURT—Cont'd

- Former testimony, **8:48**
- Gifts, **8:47.63**
- Imputed interest, **8:47.65**
- Insurance loss reserves, **8:47.66**
- Intent, **8:47.68**
- Judicial notice, **8:49 to 8:53**
- Knowledge, **8:47.76**
- Loans, **8:47.77**
- Notice of deficiency, **8:47.78**
- Objections, **8:100**
- Offer of proof, **8:102**
- Oral testimony, **8:17**
- Parol evidence rule
  - generally, **8:21 to 8:25**
  - for detailed treatment, see index heading PAROL EVIDENCE RULE
- Pension plans, **8:47.82**
- Plain error, **8:104**
- Presumptions and burden of proof
  - generally, **8:07 to 8:10.60**
  - for detailed treatment, see index heading PRESUMPTIONS AND BURDEN OF PROOF
- Prior testimony, **8:29**
- Privileged and confidential information
  - generally, **8:54 to 8:76**
  - for detailed treatment, see index heading PRIVILEGED AND CONFIDENTIAL INFORMATION
- Public records and reports, **8:35**
- Record of proceedings, **8:105**
- Relevance, **8:06**
- Rules, **8:06**
- Rulings, **8:99**
- Secondary evidence, **8:19, 8:20**
- Service's publications, **8:26**
- Settlement allocations, **8:47.79**
- Statutes, **8:06**
- Statutory construction, **8:26.50**
- Summaries, **8:32**
- Taxpayer's performance, **8:27**
- Tax returns, **8:36**
- Transcripts, **8:32**
- Transfer of property, **8:47.84**
- Travel expense substantiation, **8:47.80**
- Uncontradicted evidence rule, **8:13**

## INDEX

### **EVIDENCE IN TAX COURT—Cont'd**

Unreasonable compensation, **8:47.90**

Valuation

generally, **8:88 to 8:93**

for detailed treatment, see index heading **VALUE OR VALUATION**

Variable prepaid forward contracts (VPFCs), **8:47.56.50**

### **EXAMINATION**

Partnerships, **16:01**

Statute of limitations, **5:40.50**

### **EXAMINATION OF WITNESSES**

Generally, **8:95 to 8:98**

### **EXCESS PROFITS TAX**

Jurisdiction, **6:89 to 6:93**

### **EXCISE TAXES**

Refunds and credits, **10:59**

### **EXCLUSIONS FROM INCOME**

Audit and settlement procedure, **3:07.45 to 3:07.48**

### **EXECUTIVE COMPENSATION**

Audits, nonprofits excess executive compensation, **3:27.02.30**

### **EXECUTIVE PRIVILEGE**

Generally, **8:66**

Discovery practice in Tax Court, **7:112**

### **EXECUTORS**

Discharge application, **5:19**

### **EXEMPLARY DAMAGES**

Tax court, authority to award damages, **6:75.50**

### **EXEMPT BOND OPINIONS**

Attorney practice, **1:45.70**

### **EXEMPT ENTITY LEASES**

Business expense deductions, **3:23.94.50**

### **EXEMPT MUNICIPAL BOND INTEREST**

Information reporting, interest paid, **3:23.71.05**

### **EXEMPT ORGANIZATIONS**

Generally, **3:27 to 3:27.08**

Auditing church records, **3:40.50**

Business expense deductions, **3:23.71**

Disclosure rules, **3:27.01**

Filing requirements, **3:27**

## FEDERAL TAX PRACTICE

### **EXEMPT ORGANIZATIONS—Cont'd**

- Intermediate sanctions, **3:27.03**
- Jurisdiction, **6:62**
- Private foundations, **3:27.08**
- Reinstatement, **3:27.02.10, 3:27.02.20**
- Religious interference, **3:27.04**
- Shelter participation, **3:27.05**
- Small organizations, **3:27.02.10**
- Status, **3:27.02, 3:27.02.10, 3:27.02.20**
- Unrelated business income, **3:27.06**

### **EXEMPT PROPERTY**

- State laws, ineffectiveness of exemption under, **12:35**

### **EXHAUSTION OF REMEDIES**

- Appeals Division, **4:19**
- Petitions in Tax Court, **7:48**

### **EXPATRIATES**

- Audit and settlement procedures, **3:27.09**

### **EXPECTED NONCOLLECTABLES**

- Accounting methods-service providers, **3:27.84**

### **EXPEDITING AUDIT**

- Audit and settlement procedure, **3:37**

### **EXPERT WITNESSES**

- Generally, **8:82 to 8:87**
- Appointment and examination, **8:83**
- Charitable contributions, **8:87**
- Depositions in Tax Court, **7:143**
- Effect of testimony, **8:85**
- Illustrative cases, **8:86**
- Interrogatories in Tax Court, **7:125**
- Qualifications, **8:84**

### **EXPLORATION EXPENSES**

- Business expense deductions, **3:07.91.10**

### **EXPORTS AND IMPORTS**

- Assessment procedures, **2:01.90**

### **EXTENSIONS**

- Agreements, **10:21, 10:58**
- Evidence in tax court, extension of contract not a sale, **8:47.56.50**
- Filing of returns, **3:11 to 3:12**
- Refund, extensions of period for suing for, **11:10, 11:87**



## INDEX

### **EXTENSIONS—Cont'd**

- Statute of limitations
  - generally, **5:50 to 5:66**
  - for detailed treatment, see index heading **STATUTE OF LIMITATIONS**
- Suits for refund, extensions of period for, **11:10, 11:87**
- Transferee bound by taxpayer's extension
  - generally, **12:27**
  - collection period extensions, **12:33**
- Transferee liability, extension of, **12:28**

### **FALSE OR FRAUDULENT RETURNS**

- Criminal prosecution, **13B:04.50**
- Statute of limitations, **5:08**

### **FAMILY PARTNERSHIPS**

- Valuation evidence, **8:91.60**

### **FARMERS**

- Agricultural subsidies, **3:07.19**
- Classification of business entities, **3:27.12.50, 3:41.40**

### **FEDERAL REGULATORS**

- Erroneous advice, **13A:43**

### **FIDUCIARIES**

- Affected, **12:66**
- Assessment, limitation periods, **12:68**
- Debts, payment of
  - generally, **12:62**
  - notice, **12:65**
- Defined, **12:66**
- Discharge, effect of, **12:67**
- Filing of returns, duty to file, **3:08.53**
- Historical background, **12:57**
- Injunctive relief, **12:70**
- Jurisdiction, **6:54**
- Liability, generally, **12:56 to 12:68**
- Petitioners in tax court, **6:53 to 6:55**
- Statute of limitations, **5:48, 5:63, 12:68**
- Statutory notice, **12:74**
- Statutory provisions, **12:58**
- Suit against fiduciary permitted, **12:69**
- Tax Court, jurisdiction of, **12:72**
- Taxpayer, determination of merits in deficiency proceeding, **12:71**
- Transferee liability distinguished, **12:61**
- Venue, suits against fiduciary, **12:69**

## FEDERAL TAX PRACTICE

### FIELD AUDITS

Generally, **3:44, 3:45**

### FIELD SERVICE ADVICE

Internal Revenue Service organization, **1:35 to 1:35.70**

### FILING OF RETURNS

Generally, **3:08 to 3:17.30**

Addresses, **1:06.55**

Adequacy of return, **3:08.50**

Bankruptcy proceedings, **13D:23**

Consistency, **3:08.52**

Disaster relief, **3:11.50**

Due dates, **3:09**

Duplicates of official forms, **3:14**

Duty to file (fiduciaries), **3:08.53**

Electronic filing

generally, **3:15 to 3:17.15**

for detailed treatment, see index heading ELECTRONIC FILING

Exempt organizations, **3:27**

Extension of due date, **3:11 to 3:12**

Fiduciaries, duty to file, **3:08.53**

Foreign taxpayers, **3:11.60**

Frivolous return positions, **3:08.55 to 3:08.57**

Gift tax returns, **3:17.30**

Low income housing credit, **3:17.12**

Passport applications, **3:08.58**

Penalties for failure to file

generally, **13A:03 to 13A:07**

for detailed treatment, see index heading PENALTIES

Place for filing, **3:13**

Preparer filed returns, **3:17.20**

Scams, **3:08.56**

Signature of taxpayer, **3:08.70**

Taxpayer identification (TINS), **3:08.60**

Timely filing, **3:10, 8:26.50**

### FINALITY

Settlements, **4:15**

### FINANCIAL INSTITUTIONS

See index heading BANKS AND FINANCIAL INSTITUTIONS

### FINANCIALLY DISABLED TAXPAYERS

Refunds and credits, **10:12**

## INDEX

### **FINANCIAL STATUS AUDITS**

Generally, **3:42**

### **FINANCING AGREEMENTS**

Liens and priorities, **14:56 to 14:69**

### **FINDINGS OF FACT**

Judicial review, **9:07**

### **FISHING**

Audits, commercial fishing, **3:27.12.60**

### **FORBEARANCE PAYMENTS**

Business expense deductions, **3:07.91.30**

### **FORECLOSURE**

Fraudulent transfers, equitable adjustments, **12:33.50**

Liens and priorities, **14:32**

### **FOREIGN ACCOUNTS TAX COMPLIANCE ACT (FATCA)**

Audit and settlement procedure, **3:30.55**

### **FOREIGN BANK ACCOUNTS AND FINANCIAL ACCOUNTS**

Information reporting, **3:23.71.03**

### **FOREIGN-CONTROLLED COMPANIES**

Information reporting, **3:26.05**

### **FOREIGN CORPORATIONS**

Audit and settlement procedures, **3:26.72**

### **FOREIGN COUNTRIES**

Depositions in Tax Court, **7:179**

### **FOREIGN DERIVED INTANGIBLE INCOME (FDII)**

Deduction, **3:23.71.30**

### **FOREIGN EARNED INCOME**

Audits, **3:23.71.02.60**

Exclusions from tax, **3:07.45**

### **FOREIGN ENTITIES**

Reporting transfers to, **3:26**

### **FOREIGN LAW**

Judicial notice, **8:51**

### **FOREIGN PERSONS**

Baseball players, **3:30.65**

Filing of returns, **3:11.60**

Production of documents and things, **7:135**

## FEDERAL TAX PRACTICE

### FOREIGN TAX CREDITS

Generally, **10:35**  
Evidence in Tax Court, **8:47.60**  
Statute of limitations, **5:36**

### FOREIGN TAXES

Collection and enforcement of, **13C:02.60**

### FOREIGN TRUSTS

Information reporting, **3:26.15**

### FORMER TESTIMONY

Evidence in Tax Court, **8:48**

### FORUM

Appeals Division, **4:04, 4:05**

### FOUNDATION MANAGER CASES

Answer in Tax Court, **7:61**

### FRAUD

Answer in Tax Court, **7:60**  
Bankruptcy proceedings, **13D:17, 13D:24**  
Civil fraud proceedings. See index heading CIVIL FRAUD PROCEEDINGS  
Penalties, **13A:07, 13A:25**  
Presumptions and burden of proof, **8:08.50**  
Reopening cases, **3:68.50**

### FRAUDULENT TRANSFERS

Equitable adjustments, transferee liability, **12:33.50**

### FREEDOM OF INFORMATION ACT (FOIA) REQUESTS

Internal revenue service, **1:33.50, 1:33.55, 1:33.57, 1:33.60**

### FREEDOM OF SPEECH

Assessment procedures, **2:01.80**

### FREQUENT FLYER MILES

Gross income, **3:07.20**

### FRIVOLOUS POSITIONS

Penalties and sanctions, **3:08.55, 3:08.57, 13A:35.50, 13A:40**  
Returns, generally, **3:08.55, 3:08.56**  
Scams, **3:08.56**  
Standards of practice, **1:45.50**

### FUEL EXCISE TAX CREDITS

Generally, **10:34**

## INDEX

### FUGITIVES

Dismissal motion for lack of prosecution, **7:92**

### GAMBLING

Gross income, **3:07.25**

Information reporting, **3:23.71.04**

Lottery winnings. See index heading **LOTTERY WINNINGS**

### GIFTS

Business expense deductions, **3:26.10**

Declaratory judgments, gift valuation, **6:63.60**

Evidence in Tax Court, **8:47.63**

Gross income, gift cards, **3:07.27**

Statute of limitations, **5:04**

### GIFT TAXATION

Filing of returns, **3:17.30**

Liens and priorities, **14:72**

### GLOBAL INTERNATIONAL LOW-TAXED INCOME (GILTI)

Audits, **3:23.71.02.50, 3:23.71.03.50**

Information reporting, **3:23.71.03.50**

### GOLDEN PARACHUTES

Change of control, **8:47.64**

Deductibility, **3:07.98**

### GOVERNING LAW

Fraudulent transfers, equitable adjustments, **12:33.50**

### GOVERNMENT WORKERS

Frivolous return positions, **3:08.55**

### GROCERY STORES

Department stores, **3:41.60**

### GROSS INCOME

Generally, **3:07.10 to 3:07.44.10**

Advances, **3:07.10.50**

Alimony, **3:07.11**

Cancellation of debt, **3:07.12, 3:07.15**

Charitable assistance, **3:07.13**

Deferred compensation, **3:07.14**

Frequent flyer miles, **3:07.20**

Gambling winnings, **3:07.25**

Gift cards, **3:07.27**

Human trafficking, victim's recovery from, **3:07.28**

Illegal income, **3:07.30**

## FEDERAL TAX PRACTICE

### **GROSS INCOME—Cont'd**

- Infrastructure act, lead pipes, **3:07.31.60**
- Interest charged or imputed, **3:07.31**
- Kiddie tax, **3:07.31.50**
- Lottery payments, **3:07.25**
- Motor vehicles, **3:07.32**
- Nontaxable transfers, **3:07.15**
- Options, **3:07.33**
- Pastoral accounts, **3:07.36**
- Prisoners, **3:07.37**
- Private equity firms, **3:07.33.50**
- Prizes, **3:07.40**
- Public welfare exception, **3:07.34**
- Receipt of income, **3:07.35, 3:07.37**
- Restoration of prior receipts, **3:07.39**
- Rewards, **3:07.40**
- Roth IRAs, **3:07.40.10**
- Section 2045, small business stock sales, **3:07.40.50**
- Short sales of stock, **3:07.44**
- Small business stock sales, **3:07.40.50**
- Social clubs, **3:07.41**
- Social security benefits, **3:07.42**
- Stock options, **3:07.43, 3:07.43.10**
- Taxable exchanges, **3:07.17**
- Tax-free transactions, **3:07.15**
- Telecommunications universal service fees, **3:07.44.10**
- Victim's recovery from human trafficking, **3:07.28**

### **HEALTH CARE**

- Coal miner's benefits, **3:50.92**
- Insurance, **3:07.74, 3:23.71.02, 3:50.90**

### **HEARINGS**

- Appeals Division
  - generally, **1:16 to 1:18**
  - for detailed treatment, see index heading **APPEALS DIVISION**
- Collection due process hearings, **6:25.52, 6:73.50, 13C:11**
- Motions, **7:89**
- Rehearing by court, **9:26, 9:52**
- Tax Court, **6:12**

### **HEARSAY EVIDENCE**

- Generally, **8:28 to 8:47**
- Absence of record, **8:38**
- Admission by party opponent, **8:30**

## INDEX

### **HEARSAY EVIDENCE—Cont'd**

#### Admissions

generally, **8:41 to 8:47**

for detailed treatment, see index heading **ADMISSIONS**

#### Books, **8:34**

#### Business records, **8:31**

#### Commercial publications, **8:33**

#### Copies of public records, **8:39**

#### Evaluative reports and investigations, **8:37**

#### Prior testimony, **8:29**

#### Public records and reports, **8:35**

#### Summaries, **8:32**

#### Tax returns, **8:36**

#### Transcripts, **8:32**

### **HOME BUSINESSES**

Frivolous return positions, **3:08.55**

### **HOME OFFICE**

Business expense deductions, **3:07.91.40**

### **HOMESTEAD EXEMPTIONS**

Transferee liability, liability at law, **12:06.50**

### **HOSTILE WITNESSES**

Tax Court, **8:96**

### **HUMAN TRAFFICKING**

Gross income, victim's recovery from human trafficking, **3:07.28**

### **HURRICANES**

Business expense deductions, **3:07.95**

### **HUSBAND AND WIFE**

See index heading **SPOUSES**

### **HYBRID ENTITIES**

Audits, **3:27.12.70**

### **IDENTITY THEFT**

Criminal proceedings, **13B:04.60**

### **ILLEGAL ACTIVITIES**

Business expense deductions, **3:07.91.50**

### **ILLEGAL INCOME**

Gross income, **3:07.30**

### **ILLEGAL PAYMENTS**

Answer in Tax Court, **7:57**

## FEDERAL TAX PRACTICE

### **INCHOATE LIENS**

Priorities, **14:13**

### **INDEPENDENT CONTRACTORS**

Classification, **3:50 to 3:50.60**

### **INDICTMENT**

Criminal prosecution, **13B:09.50**

### **INDIVIDUAL RETIREMENT ACCOUNTS**

Roth IRAs, **3:07.40.10**

Value or valuation, **8:91.65**

### **INDIVIDUAL WAGE AND INVESTMENT INCOME DIVISION**

Internal Revenue Service organization, **1:12.60**

### **INFLATION**

Audit and settlement procedure, annual cost of living inflation adjustments,  
**3:07.96**

### **INFLATION REDUCTION ACT**

Refunds and credits

credit transfer, **10:34.60**

### **INFORMANTS**

Audits, selection of returns for examination, **3:36.60**

Privileged and confidential information, identity of informer, **8:62**

### **INFORMATION REPORTING**

Generally, **3:22 to 3:26.40**

Attorneys, payments to, **3:23.50**

Attorneys' client identity, **3:23**

Bank interest paid to nonresidents, **3:23.55**

Brokers, **3:23.57**

Burden of proof and presumptions, unreported income, **8:10.70**

Business trusts, **3:25.70**

Cancellation of debt, **3:23.60, 3:23.65**

Charitable gifts, **3:23.66**

Corporate activity affecting stock basis, **3:23.67.03**

Corporate inversions, **3:23.67**

Credit card payments, **3:23.67.05**

Deferred compensation, **3:23.67.10**

Digital assets, **3:23.67.50**

Dividends, **3:23.57, 3:23.68**

Educational loans and student status, **3:23.70**

Electronic filing by large employers, **3:23.70.50**

Exempt organizations, **3:23.71**

Foreign bank accounts and financial accounts, **3:23.71.03**



## INDEX

### **INFORMATION REPORTING—Cont'd**

- Foreign-controlled companies, **3:26.05**
- Foreign derived intangible income (FDII), **3:23.71.30**
- Foreign entities, transfers to, **3:26**
- Foreign trusts, **3:26.15**
- Gambling casinos, **3:23.71.04**
- Gifts from foreigners, **3:26.10**
- Global International Low-Taxed Income (GILTI), **3:23.71.03.50**
- Interest paid, **3:23.71.05**
- Interest received, **3:23.71.07**
- Mergers and acquisitions, **3:23.71.10**
- Passive foreign investment companies (PFICs), **3:23.71.20**
- Penalties for failure to file, **13A:15**
- Pension distributions, **3:23.72**
- Personal service corporations, **3:26.73**
- Possessions residency, **3:23.72.10**
- Real property sales, **3:23.72.20**
- Rental activities, **3:23.72.30**
- Royalties, **3:23.73**
- Section 527 political organizations, **3:23.75**
- Stock basis, corporate activity affecting, **3:23.67.03**
- Stock options, **3:26.40**
- Substituted debt, **3:23.65**
- Taxpayer rights, **3:24**
- Tax shelters, **3:23.80**
- TIN matching, **3:25**
- Tip income, **3:25.50**
- Trusts, **3:25.70, 3:26.15**
- U.S. connection of payee, obligation to determine, **3:23.67.07**
- Wages, **3:26.30, 3:26.40**

### **INJUNCTIONS**

- Generally, **2:34 to 2:49**
- Appeal of injunction denial, **2:49**
- Applications of rule, **2:36**
- Code provisions, **2:35**
- Collection of penalties, **2:45**
- Exceptional circumstances, **2:39 to 2:41**
- Exceptions, **2:37 to 2:45**
- Government as petitioner, **2:45.50**
- Mandamus, **2:38.50**
- Procedure, **2:46**
- Standing to sue, **2:41**
- Statutory exceptions, **2:38**

## FEDERAL TAX PRACTICE

### **INJUNCTIONS—Cont'd**

- Stockholders' suits, **2:44**
- Superior liens, protection of, **2:43**
- Tax shelters, **3:64.50**
- Third-party collections, **2:42, 2:43, 13C:52**
- Transferees may not enjoin assessment or collection, **12:70**

### **INNOCENT SPOUSE**

- Generally, **3:21 to 3:21.85**
- Collateral estoppel, **6:87.50**
- Compromise and settlement, **13E:18**
- Equitable relief, **3:21.70**
- Informal claims, **10:52**
- Partially paid tax liability, **3:21.85**
- Petitions in Tax Court, **7:201**
- Procedural rules, **3:21.80**
- Res judicata, **6:87.50**
- Section 6015(b) relief, **3:21.50**
- Separate liability election, **3:21.60**

### **INSPECTOR GENERAL**

- Internal Revenue Service, **1:18.60**

### **INSTALLMENT AGREEMENTS**

- Jurisdiction, **6:66.50**
- Levy and seizure, **13C:32**
- Payment of tax, **3:28, 3:30**

### **INSTALLMENTS**

- Estate taxes, **6:66.50**
- Refunds and credits, **10:16**

### **INSTRUCTIONS TO JURY**

- Evasion of tax, **13B:04, 13B:04.50**

### **INSURANCE**

- Business expense deductions, insurance premiums, **3:07.91.70**
- Health insurance, **3:07.74, 3:23.71.02, 3:50.90**
- Liens and priorities, **14:54**
- Life insurance. See index heading **LIFE INSURANCE**
- Loss reserves, **8:47.66**

### **INTELLIGENCE DIVISION**

- Judgments, recovery of interest upon, **11:86**

### **INTENT**

- Evidence in Tax Court, **8:47.68**

## INDEX

### INTEREST

- Generally, **13:01 to 13:16**
- Abatement of interest, **13:15**
- Accounting methods-service recipients, **3:27.85**
- Accrual of, **13:06 to 13:08**
- Additions to tax, **13:08**
- Adjustments, **3:30.70**
- Applicable federal rates (AFRs), **1:44.50**
- Assessment of, **13:11**
- Bankruptcy proceedings, **13D:14, 13D:30**
- Business expense deductions, **3:07.92**
- Calculation of rates, **1:44.50**
- Compromise and closing agreements, **3:66**
- Credit carrybacks, **13:10**
- Deductibility of interest, **13:07**
- Delay by IRS, **2:05**
- Equitable recoupment, **13:16**
- Erroneous refunds, **13:14**
- Errors by IRS, **2:05**
- Gross income, **3:07.31**
- Historical background, **13:01**
- Information reporting
  - interest paid, **3:23.71.05**
  - interest received, **3:23.71.07**
- Interest free period, **13:03**
- Jurisdiction, **6:25, 6:73**
- Liens and priorities, **14:61**
- Loss carrybacks, **13:09**
- Netting interest, **13:05**
- Notice to taxpayer, **13:04**
- Overpayments
  - generally, **10:74 to 10:78**
  - for detailed treatment, see index heading REFUNDS AND CREDITS
- Penalties, **13:08**
- Rates, **13:02**
- Set-off, **13:16**
- Suspension of accrual of, **13:12**
- Termination of interest liability, **13:13**

### INTERFERING WITH TAX ADMINISTRATION

- Criminal prosecution, **13B:05**

### INTERLOCUTORY ORDERS

- Judicial review, **9:10**

## FEDERAL TAX PRACTICE

### **INTERNAL REVENUE BULLETIN (IRB)**

Generally, **1:43.50**

### **INTERNAL REVENUE MANUAL**

Generally, **1:44**

### **INTERNAL REVENUE SERVICE**

Generally, **1:01 to 1:47**

Actions on decisions (AOD), **1:36**

Addresses, **1:06.55**

Advance Pricing Agreements (APAs), **1:38**

Announcements, **1:43**

Appeals Division

generally, **1:16 to 1:18**

for detailed treatment, see index heading **APPEALS DIVISION**

Regional Director of Appeals, **1:17, 1:18**

settlement authority of Regional Director of Appeals, **1:18**

Applicable federal rates (AFRs), **1:44.50**

Assistant Commissioner (Taxpayer Services), **1:09**

Attorneys

standards of practice, **1:45.50**

tax shelters, **1:45.60**

Chief Counsel advice

Associate Chief Counsel, legal processing, **1:25.10**

District Counsel advice, **1:35.50**

reallocating income and expense, **3:07.84**

Circular 230 standards of practice for attorneys, **1:45.50**

Classification of business entities, **1:34, 1:35**

Commissioner. See index heading **COMMISSIONER OF INTERNAL REVENUE SERVICE**

Compilations of data, FOIA requests for IRS documents, **1:33.55**

Congressional oversight by Joint Committee on Taxation, **1:47**

Cumulative Bulletin (CB), **1:43.50**

District Counsel Advice, **1:35.70**

District Directors, **1:15**

Employee evaluations, **1:06.70**

Employee testimony, **1:33.60**

Field service advice, **1:35 to 1:35.70**

FOIA requests, **1:33.50, 1:33.55, 1:33.57, 1:33.60**

Individual Wage and Investment Income Division, **1:12.60**

Inspector General, **1:18.60**

Interest rate calculations, **1:44.50**

Internal Revenue Bulletin (IRB), **1:43.50**

Internal Revenue Manual, **1:44**

Investigation Functions, **1:18.50**

## INDEX

### **INTERNAL REVENUE SERVICE—Cont'd**

- Large and Midsize Business (LMSB) Division
  - generally, **1:12**
  - for detailed treatment, see index heading **LARGE AND MIDSIZE BUSINESS (LMSB) DIVISION**
  - Industry Issue Resolution Program, **1:12.20**
  - Office of Tax Shelter Analysis, **1:12.10**
  - rules of engagement, **1:12.30**
- Letter rulings, **1:35.60**
- Life expectancy tables, **1:43.75**
- Market Segment Understanding Program, **1:37**
- Missing persons, FOIA, **1:33.57**
- National office, **1:08 to 1:10**
- Notices, **1:43**
- Office of Chief Counsel
  - generally, **1:19 to 1:31**
  - for detailed treatment, see index heading **OFFICE OF CHIEF COUNSEL**
- Ombudsman, **1:10**
- Outline of operations, **1:07**
- Oversight Board, **1:06.60**
- Practice before, **1:45 to 1:45.60**
- Qualifications for practice before
  - generally, **3:02 to 3:07**
  - for detailed treatment, see index heading **PRACTICE BEFORE IRS**
- Regional Commissioners, **1:13 to 1:15**
- Regional Counsel, **1:32**
- Regulations, **1:40**
- Reorganizations
  - 1950 and 1952, **1:02**
  - 1978, **1:03**
  - 1982, **1:04**
  - 1983-1991, **1:05**
  - 1995 Field Office Reorganization, **1:06**
  - 1998 Reorganization Act, **1:06.50**
- Requests for guidance from Internal Revenue Service, **1:33**
- Revenue Procedures, **1:41**
- Revenue Rulings, **1:42**
- S corporations, **1:34.50**
- Service Centers, **1:14**
- Small Business and self-employed Division, **1:12.50**
- Statistical studies, FOIA requests for IRS documents, **1:33.55**
- Tax Exempt and Government Entities Division (TE/GE), **1:11**
- Tax Forms and Publication Coordinator, **1:19**
- Taxpayer Advocate, **1:10**

## FEDERAL TAX PRACTICE

### **INTERNAL REVENUE SERVICE—Cont'd**

Tax shelters, **1:45.60, 3:42.55**

Technical Advice, **1:39**

Tip income, **1:46**

“Two-hour rule,” break point between informal advice and formal advice,  
**1:35**

Where to file, **1:06.55**

### **INTERPLEADER**

Third party remedies for collection, **13C:54**

### **INTERROGATORIES IN TAX COURT**

Generally, **7:124 to 7:128**

Enforcement action, **7:128**

Experts, **7:125**

Protective orders, **7:127**

Sanctions, **7:128**

Supplementation of answers, **7:126**

### **INTERVENTION**

Generally, **7:82.50**

Collection suits, **13C:44**

Motions in Tax Court, **7:50**

Refund suits, **11:21.50**

### **INTERVIEWS**

Collection procedures, **13C:04**

Taxpayers, **3:39**

### **INVENTORY**

Alter ego liens, **14:32.50**

Charitable contributions, **3:07.89.50**

### **INVESTIGATIONS**

Churches, investigation of church's tax liabilities, **3:40.50**

Internal Revenue Service organization, **1:18.50**

### **INVOLUNTARY CONVERSIONS**

Statute of limitations, **5:32 to 5:34**

### **IRAs**

Value or valuation, **8:91.65**

### **IRS RULINGS AND ADVICE**

Statute of limitations, **5:14**

### **JEOPARDY ASSESSMENTS**

Generally, **2:12 to 2:22**

For detailed treatment, see index heading **ASSESSMENT**

## INDEX

### **JOINT BANK ACCOUNTS**

Collection procedures, **13C:25**

### **JOINTLY HELD PROPERTY**

Collection procedures, **13C:24**

### **JOINT RETURNS**

Generally, **3:19 to 3:21.90**

Community income relief, **3:20.60, 3:21.90**

Innocent spouse rule. See index heading **INNOCENT SPOUSE**

Jurisdiction, **6:48**

Marital property, **3:20.50**

Overpayments, offsetting separate liability of one spouse, **3:20.60**

Parties in Tax Court, **7:79**

Partnership, married couples with joint interest in partnership, **16:04.50**

Refunds and credits, **10:43**

Self-employment taxes, **3:19.50**

Separation and divorce, **3:20, 3:20.50**

Statute of limitations extension, **5:61**

### **JUDGMENT LIENORS**

Priorities, **14:40, 14:41**

### **JUDGMENT ON PLEADINGS**

Motions, **7:98**

### **JUDGMENTS**

District court, **11:70**

### **JUDICIAL NOTICE**

Tax Court, **8:49 to 8:53**

### **JUDICIAL REVIEW**

Generally, **9:01 to 9:53**

Appendix to briefs, **9:20**

Bankruptcy proceedings, **9:03**

Bond, **9:38, 9:39**

Briefs

generally, **9:20 to 9:22**

certiorari, **9:31**

motion to extend time to file, **9:48**

order extending time to file, **9:49**

Certificate, **9:46**

Certiorari

generally, **9:28 to 9:33**

briefs, **9:31**

orders, **9:33**

## FEDERAL TAX PRACTICE

### JUDICIAL REVIEW—Cont'd

#### Certiorari—Cont'd

petition contents and form, **9:30**

record, **9:32**

time limitations, **9:29**

Clerk's record transmittal letter, **9:45**

Code provisions, **9:16 to 9:27**

Collection procedures, Tax Court review, **13C:12.60**

Correction in record, joint motion for, **9:47**

Costs, **9:25**

Court, **9:04**

Cross-appeals, **9:12**

Entry of judgment, **9:24**

Extension of time to file brief, **9:48, 9:49**

Findings of fact, **9:07**

Injunction denial, **2:49**

Interlocutory orders, **9:10**

Jeopardy assessments, **2:30, 2:32, 6:52, 6:81 to 6:83**

Judgment order, **9:51**

#### Jurisdiction

generally, **9:05 to 9:13**

code provisions, **9:06**

cross-appeals, **9:12**

findings of fact, **9:07**

interlocutory orders, **9:10**

jeopardy assessments, **6:52, 6:81 to 6:83**

newly raised issues and theories, **9:11, 9:12**

remand power, **9:13**

reversal justifications, **9:08**

#### Tax Court

generally, **6:13 to 6:93**

for detailed treatment, see index heading TAX COURT

ultimate findings, **9:09**

Levy and seizure, **13C:40.50**

Mandate, **9:27, 9:53**

Motion to extend time to file, **9:48**

Newly raised issues and theories, **9:11, 9:12**

#### Notice of appeal

form, **9:35, 9:36**

formal requirements, **9:17**

notice of filing, **9:37**

time for, **9:02, 9:03**

Notice of oral argument, **9:50**

Oral argument, **9:23**



## INDEX

### **JUDICIAL REVIEW—Cont'd**

- Order extending time to file, **9:49**
- Parties, **9:15**
- Penalties, **13A:30, 13A:41**
- Power of attorney, **9:40, 9:41**
- Record
  - generally, **9:18**
  - certiorari, **9:32**
  - notice of assembling and transmission of, **9:44, 9:45**
- Rehearing petition, **9:26, 9:52**
- Remand power, **9:13**
- Reversal justifications, **9:08**
- Reversal's effect on tax, **9:15.50**
- Service of brief, **9:22**
- Settlement stipulations, **9:34**
- Summary judgment, **9:13.50**
- Time
  - briefs, generally, **9:22**
  - certiorari, **9:29**
  - extension of time to file brief, **9:48, 9:49**
- Transcript designations, **9:43**
- Transmission and docketing of record, **9:19**
- Ultimate findings, **9:09**
- Venue, **9:14, 9:42**
- Withholding tax penalties, **13A:30**

### **JURISDICTION**

- Appeals Division, **4:06 to 4:08**
- Bankruptcy Court
  - generally, **13D:06 to 13D:15**
  - for detailed treatment, see index heading **BANKRUPTCY PROCEEDINGS**
- Compromise and settlement, **13E:02, 13E:14, 13E:15**
- Judicial review
  - generally, **9:05 to 9:13**
  - for detailed treatment, see index heading **JUDICIAL REVIEW**
- Lien enforcement, **14:82**
- Limitation periods, **5:48, 5:63, 12:68**
- Notice, **12:65**
- Tax Court
  - generally, **6:13 to 6:93**
  - for detailed treatment, see index heading **TAX COURT**

### **JURY INSTRUCTIONS**

- Evasion of tax, **13B:04, 13B:04.50**

## FEDERAL TAX PRACTICE

### **KIDDIE TAX**

Gross income, **3:07.31.50**

### **KNOWLEDGE**

Evidence in Tax Court, **8:47.76**

Innocent spouse rule

generally, **3:21 to 3:21.85**

for detailed treatment, see index heading INNOCENT SPOUSE

### **KNOW YOUR CUSTOMER RULES**

Withholding requirements, **3:30.50**

### **LARGE AND MIDSIZE BUSINESS (LMSB) DIVISION**

Generally, **1:12**

Industry Issue Resolution Program, **1:12.20**

Office of Tax Shelter Analysis, **1:12.10**

Rules of engagement, **1:12.30**

### **LEADING QUESTIONS**

Hostile witnesses, **8:96**

### **LEASED CARS**

Gross income, **3:07.32**

### **LEASE STRIPS**

Business expense deductions, **3:07.94**

### **LEAVE PAY**

Personal deductions, **3:07.73**

### **LETTER RULINGS**

Generally, **1:35.60**

### **LEVY AND SEIZURE**

Generally, **13C:10 to 13C:40.50**

Administrative review, **13C:12.50**

After-acquired property, **13C:17**

Bank deposits, **13C:18**

Bankruptcy estate assets, **13C:19**

Collection due process hearing, **13C:11**

Community property, **13C:25.50**

Compromise offers, **13C:32.50**

Contesting levy, **13C:30, 13C:31**

Criminal prosecution, **13B:12**

Death benefits, **13C:19.50**

Deeds and certificates of sale, **13C:40**

Exemptions from levy, **13C:29**

Federal contractor payments, **13C:19.60**

## INDEX

### **LEVY AND SEIZURE—Cont'd**

- Foreign collections, **13C:02.50**
- Honoring levy, effect, **13C:14**
- Installment agreements for paying tax, **13C:32**
- Judicial review, **13C:40.50**
- Jurisdiction, **6:24.50, 6:87**
- Limitations period, **13C:34**
- Manner and conditions of sale, **13C:37**
- Notice
  - sale, **13C:36**
  - tax lien, **13C:12**
- Payment of tax, seized funds, **3:29.60**
- Property subject to levy, **13C:16 to 13C:29**
- Redemption of property, **13C:39**
- Release of levy, **13C:33**
- Return of property, **13C:33.50**
- Review of jeopardy assessments, **2:33**
- Sales of seized property, **6:87**
- Searches, **13C:34.50**
- Seizure of property, generally, **13C:35**
- Stay of sale, **13C:38**
- Third party possession of taxpayer's property, **13C:13**
- Third party property in taxpayer's possession, **13C:15**
- Third persons property, **13C:31**
- Transferred property, **13C:28.50**

### **LIENS AND PRIORITIES**

- Generally, **14:01 to 14:84**
- Adjustment of circular priorities, **14:65, 14:66**
- After-acquired property, **14:30**
- Alter ego liens, **14:32.50**
- Antecedent liens, **14:12**
- Assessment and demand, **14:26**
- Attachment liens, **14:41**
- Attorneys' liens, **14:53**
- Bankruptcy Act
  - generally, **14:17 to 14:23**
  - for detailed treatment, see index heading **BANKRUPTCY PROCEEDINGS**
- Casual sale purchases, **14:49**
- Charges preferred over federal claims, **14:16**
- Commercial transaction financing agreements, **14:56 to 14:69**
- Competing liens, **14:33, 14:34**
- Conditions establishing priority, **14:05**
- Disbursement agreement, **14:59, 14:60**

## FEDERAL TAX PRACTICE

### **LIENS AND PRIORITIES—Cont'd**

- Discharge. Enforcement and discharge, below
- Disclaimers, **14:31**
- Duration of, **14:27**
- Effective date of priority, **14:06 to 14:09**
- Effect of actual notice, **14:44**
- Enforcement and discharge
  - generally, **14:73 to 14:84**
  - administrative appeal of liens, **14:76**
  - collection actions unauthorized, **14:77**
  - discharge of property, **14:78**
  - failure to release lien, **14:75**
  - judicial remedies, **14:81, 14:82**
  - levy and seizure
    - generally, **13C:10 to 13C:40.50**
    - for detailed treatment, see index heading **LEVY AND SEIZURE**
  - nonattachment of lien, **14:80**
  - notice to taxpayers, **14:83**
  - receiver's appointment, **14:84**
  - release of lien, **14:74**
  - subordination of lien, **14:79**
  - suits for collection. See index heading **COLLECTION PROCEDURES**
  - United States, liens held by, **13C:58**
- Entireties property, **14:29**
- Expenses, **14:61**
- Federal taxes under revised statutes, **14:01 to 14:16**
- Filed tax lien, **14:57**
- Foreclosure sales, **14:32**
- General federal tax lien, **14:24 to 14:66**
- General liens, **14:13**
- Gift taxation, **14:72**
- Historical development, **14:03, 14:24**
- Inchoate liens, **14:13, 14:34**
- Injunction to protect superior, **2:43**
- Insolvency defined, **14:07**
- Insurance contracts, **14:54**
- Interest, **14:61**
- Interrelation of priority and lien rights, **14:02**
- Judgment lien creditors, **14:40, 14:41**
- Jurisdiction, **6:24.50**
- Levy and seizure
  - generally, **13C:10 to 13C:40.50**
  - for detailed treatment, see index heading **LEVY AND SEIZURE**
- Mechanic's liens, **14:42, 14:52**

## INDEX

### **LIENS AND PRIORITIES—Cont'd**

- Mortgagees, **14:37**
- Motor vehicle purchasers, **14:47**
- Other adverse claimants, **14:62**
- Passbook loans, **14:55**
- Perfected liens, generally, **14:14, 14:34**
- Personal property subject to possessory lien
  - generally, **14:50 to 14:55**
  - attorneys' liens, **14:53**
  - insurance contracts, **14:54**
  - mechanic's lien exemption, **14:52**
  - passbook loans, **14:55**
  - real property tax and special assessment liens, **14:51**
- Pledgees, **14:38**
- Property reached, **14:28 to 14:32**
- Purchasers, **14:39, 14:47 to 14:49**
- Real property construction or financing agreement, **14:58**
- Real property tax and special assessment liens, **14:51**
- Requirements for recording, **14:43**
- Retail purchases of personal property, **14:48**
- Section 3466, **14:11**
- Security interest, **14:36 to 14:38, 14:46**
- Spendthrift trust provisions, **14:28**
- Statutory provisions, **14:04, 14:25**
- Superpriorities
  - generally, **14:45 to 14:49**
  - casual sale purchases, **14:49**
  - motor vehicle purchasers, **14:47**
  - retail purchases of personal property, **14:48**
  - security holders, **14:46**
- Sureties, **14:15, 14:63, 14:64**
- Third parties, secured, **14:68**
- Unrecorded tax liens, priorities over, **14:35 to 14:42**
- Voluntary assignment defined, **14:08**
- Withdrawal of lien, **14:66**

### **LIFE EXPENCTANCY TABLES**

- Internal Revenue Service, **1:43.75**

### **LIFE INSURANCE**

- Collection procedures, **13C:20**
- Transferee liability of beneficiary, **12:47**
- Unused deductions, credits for, **10:81**

## FEDERAL TAX PRACTICE

### **LIMITATIONS PERIOD**

See index heading STATUTE OF LIMITATIONS

### **LIMITATIONS UPON ASSESSMENT AND COLLECTION**

Assessment period: general rule

transferees

generally, **12:20**

fraud of transferor, or failure to file return, **12:23**

request of transferor for prompt assessment, **12:24**

transferee's extension agreement, **12:28**

transferor's extension agreement, **12:27**

Collection period, transferee liability, **12:20, 12:33**

Prompt assessment, **12:26**

Special or extended assessment periods, extension agreement by transferee, period for claiming refund, **12:28**

Suspension of assessment period

offer in compromise as affecting transferee, **12:30**

transferee liability, limitation periods respecting, **12:20, 12:33**

Transfer liability

failure to file, **12:25**

fraud, **12:25**

### **LIMITED LIABILITY CORPORATIONS (LLCS)**

Collection procedures, **13C:25.70**

### **LIVING EXPENSE ALLOWANCE**

Compromise and settlement, **13E:07**

### **LOANS**

Evidence in Tax Court, **8:47.77**

Passbook loans, priorities of, **14:55**

### **LOST OR STOLEN REFUND CHECKS**

Generally, **10:08.50**

### **LOTTERY WINNINGS**

Capital gain vs. ordinary income, **3:07.70**

Gross income, **3:07.25**

Valuation evidence, **8:91.70**

### **LOW INCOME HOUSING CREDIT**

Generally, **3:07.12**

### **MAILING DATE**

Deficiency notice, **6:35**

### **MALPRACTICE SUITS**

Audit and settlement procedure, **3:06**

## INDEX

### MANAGEMENT FEES

Business expense deductions, **3:07.95.50**

### MANDAMUS

Abolition of writ, under Rules of Civil Procedure, **11:87**

Injunctions, **2:38.50**

### MANDATE

Judicial review, **9:27, 9:53**

### MARITAL PROPERTY

Community property. See index heading **COMMUNITY PROPERTY**

Joint returns by husband and wife, **3:20.50**

Valuation evidence, **8:91.80**

### MARKET SEGMENT UNDERSTANDING PROGRAM

Internal Revenue Service, **1:37**

### MARK-TO-MARKET ACCOUNTING

Generally, **3:27.92**

### MARRIED COUPLES

See index heading **SPOUSES**

### MECHANIC'S LIENS

Priorities, **14:42, 14:52**

### MEDIATION PROCEDURE

Appeals Division, **4:11**

### MEDICARE CONTRIBUTION TAX

Net investment income tax, **3:50.95**

### MEDICARE TAX

Audit and settlement procedure, **3:23.71.02, 3:50.90**

### MERGERS AND CONSOLIDATIONS

Information reporting, **3:23.71.10**

Jurisdiction, **6:59**

### MILITARY

Death benefits, **3:07.45**

### MINES AND MINERALS

Audit and settlement procedure, **3:07.14**

Business expense deductions, exploration expenses, **3:07.91.10**

Valuation evidence, **8:92**

### MINORS

Refunds and credits, **10:44**

## FEDERAL TAX PRACTICE

### **MISJOINDER OF PARTIES**

Tax Court, **7:84**

### **MISSING PERSONS**

FOIA, internal revenue service letter-forwarding program, **1:33.57**

### **MISTAKES**

See index heading **ERRORS AND MISTAKES**

### **MORTGAGES**

Interest statement, information reporting, **3:23.71.07**

Priorities, **14:37**

### **MOTIONS**

Generally, **7:87 to 7:108**

Admission request sufficiency, **7:149**

Arbitration, **7:98.50**

Change place of trial, **7:104**

Compelling production of documents and things, **7:222, 7:223**

Consolidation, **7:108**

Continuance, **7:106, 7:230, 7:231**

Dismissal. See index heading **DISMISSAL MOTIONS**

Disposition of motion, **7:88**

Failure to state claim, **7:97**

Hearings, **7:89**

Judgment on pleadings, **7:98**

More definite statement, **7:95**

Motion practice, **7:87**

Partial summary judgment, **7:101**

Place of trial, **7:103, 7:104, 7:208**

Set case for trial, **7:105**

Severance of issues, **7:107**

Strike pleadings, **7:96**

Summary judgment, **7:99 to 7:102**

Vacate reply, **7:75**

### **MOTOR VEHICLES**

Charitable gifts, **3:23.66**

Gross income, luxury car limit, **3:07.32**

Liens and priorities, **14:47**

### **NAME**

Parties in Tax Court, **7:86**

### **NATIONAL OFFICE**

Internal Revenue Service organization, **1:08 to 1:10**



## INDEX

### **NATIVE AMERICANS/INDIANS**

Audit and settlement procedure, **3:07.47, 3:08.55**

### **NATURAL DISASTERS**

Statute of limitations, **5:45.50, 5:81**

### **NEGLIGENCE**

Penalties, **13A:18**

### **NET INVESTMENT INCOME TAX**

Audit and settlement procedure, **3:50.95**

### **NET OPERATING LOSSES**

Bankruptcy proceedings, **13D:18**

Refunds and credits, **10:26, 10:79, 10:80**

Statute of limitations, **5:21**

### **NET WORTH METHOD**

Civil fraud proceedings, proof of unreported income, **15:27 to 15:29, 15:36 to 15:38**

Presumptions and burden of proof, **8:09**

### **NONACCRUAL-EXPERIENCE ACCOUNTING METHOD**

Generally, **3:27.84**

### **NONRESIDENT ALIENS**

Electronic filing, **3:17**

Partnerships, small partnership election, nonresident alien partner, **16:20**

### **NOTICE**

Audit and settlement procedure, **3:64**

Collection due process hearing, **13C:11**

Collection procedures, **13C:06, 13C:07**

Interest, **13:04**

Internal Revenue Service organization, **1:43**

Judicial review. See index heading JUDICIAL REVIEW

Levy and seizure. See index heading LEVY AND SEIZURE

Payment of debts

generally, **12:62**

notice, **12:65**

Production of documents and things, **7:172**

Sale of seized property, **13C:36**

Tax lien, **13C:12**

Withholding tax penalties, **13A:29**

### **NUNC PRO TUNC**

Frivolous return positions, **3:08.55**

## FEDERAL TAX PRACTICE

### **OBJECTIONS**

Admission requests in Tax Court, **7:146**  
Motions to compel discovery, **7:225**  
t, **7:224**

### **OBSTRUCTING TAX COLLECTION**

Criminal prosecution, **13B:02**

### **OFFICE AUDIT**

Generally, **3:38**

### **OFFICE OF CHIEF COUNSEL**

Generally, **1:19 to 1:31**  
Associate Chief Counsel (Litigation)  
generally, **1:21**  
Criminal Tax Division, **1:24**  
Disclosure Litigation Division, **1:25**  
General Litigation Division, **1:23**  
Tax Litigation Division, **1:22**  
Associate Chief Counsel (Procedure and Administration), **1:25.10**  
Associate Chief Counsel (Technical)  
generally, **1:26**  
Corporate Tax Division, **1:27**  
Employee Plans and Exempt Organizations Division, **1:31**  
Individual Tax Division, **1:28**  
Interpretative Division, **1:29**  
Legislation and Regulations Division, **1:30**  
Compromises, review of, **13E:10**  
Deputy Chief Counsel, **1:20**  
District Counsel advice, **1:35.50**  
Field service advice, **1:35.50**  
Reallocating income and expense, **3:07.84**

### **OFFSETS**

Joint returns, offsetting separate liability of one spouse, **3:20.60**  
Jurisdiction, **6:73.20**  
Refunds and credits, **10:67**

### **OFFSHORE CREDIT CARD ACCOUNTS**

Audit and settlement procedure, **3:36.50**

### **OFFSHORE TRUSTS**

Audit and settlement procedure, **3:07.14**

### **OMBUDSMAN**

Internal Revenue Service, **1:10**

## INDEX

### **OPINION TESTIMONY**

Expert witnesses. See index heading EXPERT WITNESSES  
Lay witnesses, **8:81**

### **ORAL ARGUMENT**

Judicial review, **9:23**

### **OVERASSESSMENTS**

Generally, **2:33.50**  
Jurisdiction, **6:71**

### **OVERPAYMENTS**

Joint returns, offsetting separate liability of one spouse, **3:20.60**  
Jurisdiction, **6:67 to 6:70**  
Refunds and credits. See index heading REFUNDS AND CREDITS  
Transferee liability, overpayment by transferor, **12:85**

### **OVERSIGHT BOARD**

Internal Revenue Service organization, **1:06.60**

### **PAPERWORK REDUCTION ACT**

Frivolous return positions, **3:08.55**

### **PAROL EVIDENCE RULE**

Generally, **8:21 to 8:25**  
Danielson rule, **8:24**  
State law rule, **8:23**  
Tax Court's current approach, **8:25**  
Third-party rule, **8:22**

### **PARSONAGE EXPENSES**

Petitions in Tax Court, **7:204**

### **PARTIAL AGREEMENTS**

Audit and settlement procedure, **3:52**

### **PARTIES**

Generally, **6:47 to 6:60.50, 7:77 to 7:86**  
Affiliated corporations and consolidated returns, **6:60, 6:60.50**  
Capacity, **7:82**  
Corporations, **6:55.50 to 6:60.50, 7:81**  
Death of petitioner, **6:55**  
Deceased taxpayers, **6:51**  
Discharged fiduciaries, **6:54**  
Dissolved corporations, **6:56, 6:57**  
Fiduciaries, **6:53 to 6:55**  
Injunctions, **2:41**  
Intervention, **7:82.50, 11:21.50**

## FEDERAL TAX PRACTICE

### **PARTIES—Cont'd**

- Jeopardy assessment on cash holder, **6:52**
- Joint returns, **7:79**
- Judicial review, **9:15**
- Jurisdictional requirements, **7:80**
- Mergers and consolidations, **6:59**
- Misjoinder, **7:84**
- Name change or correction, **7:86**
- Partnerships, **6:50**
- Permissive joinder, **7:83**
- Proper parties, **7:77**
- Ratification of improper petition, **7:78**
- Refunds and credits, **10:39 to 10:42**
- Spouse of taxpayer joint returns, **6:48**
- Substitution, **7:85**
- Successor corporations, **6:58**
- Survivor of joint tenancy, **6:49**

### **PARTNERSHIPS**

- Audit and settlement procedure, **3:07.70.50, 3:27.10**
- Bankruptcy proceedings, **13D:15**
- Classification for tax purposes, check the box regs, **3:27.13**
- Collection procedures, **13C:26**
- Compromise and settlement, **13E:15**
- Electronic filing, **3:17.10**
- Jurisdiction, **6:50, 6:88**
- Married couples with joint interest in partnership, **16:04.50**
- REMICs, **16:22.50**
- Small partnership election, nonresident alien partner, **16:20**
- Statute of limitations extension, **5:62**
- Straddle positions in foreign currencies, tax shelters, **16:20**
- Tax exempt use property, **3:23.94.50**
- TEFRA proceedings
  - generally, **16:01**
  - administrative adjustment request
    - generally, **16:13**
    - judicial review, **16:14**
  - assessment of tax, **16:07**
  - bankruptcy, **16:15**
  - circular 230, **16:23, 16:24**
  - computational adjustments, **16:10**
  - cost recovery, **16:31**
  - credits and refunds, **16:18**
  - electing large partnerships, **16:25 to 16:30**

## INDEX

### **PARTNERSHIPS—Cont'd**

#### TEFRA proceedings—Cont'd

final partnership administrative adjustment, **16:05**

FPAA, **16:05**

limitations period, **16:09, 16:30**

non-partnership items, **16:19**

notice requirements, **16:02, 16:28**

partnership items, **16:19**

penalties, **16:12**

prompt assessment, **16:08**

S corporations, **16:21, 16:22**

settlements, **16:03**

small partnerships, **16:20**

tax matters partner, **16:04**

### **PASSBOOK LOANS**

Liens and priorities, **14:55**

### **PASSIVE FOREIGN INVESTMENT COMPANIES (PFICs)**

Information reporting, **3:23.71.20**

### **PASSIVE LOSS RULES**

Business expense deductions, **3:07.88**

### **PASSPORT APPLICATIONS**

Filing of returns, **3:08.58**

### **PASTORAL ACCOUNTS**

Gross income, **3:07.36**

### **PAYMENT OF TAX**

Generally, **3:28 to 3:30.90**

Allocation of, **3:29**

Deposits. See index heading **DEPOSITS**

Government payors, **3:30.90**

Installments, **3:28, 3:30**

Restoration of income, **3:29.50**

Seized funds, **3:29.60**

Transferee's payment before notice, effect of, **12:73**

Transferor's payment, as discharging transferee's liability, **12:16**

Withholding rules. See index heading **WITHHOLDING OF TAXES**

Without waiver, **3:62**

### **PENALTIES**

Generally, **13A:01 to 13A:47**

Accuracy-related penalty

generally, **13A:16 to 13A:19**

## FEDERAL TAX PRACTICE

### **PENALTIES—Cont'd**

- Accuracy-related penalty—Cont'd
  - negligence or disregard of rules and regulations, **13A:18**
  - reasonable cause and good faith excuse, **13A:16**
  - reliance on professional advice, **13A:17.50**
  - understatement of tax, **13A:19**
- Additions to tax generally, **13A:01**
- Aiding and abetting understatement of tax liability, **13A:38**
- Assessments, **2:03.50**
- Bad checks, **13A:14**
- Bankruptcy proceedings, **13D:29, 13D:29.50**
- Burden of proof, **13A:01.50**
- Business expense deductions, **3:07.91.20**
- Compromise and settlement, **13E:12**
- Contesting penalties, **13A:44 to 13A:47**
- Deficiency assessment procedures, **13A:02**
- Deposit failures, **13A:11 to 13A:13**
- Double jeopardy rules, **13A:45**
- Electronic deposit, **13A:13**
- Erroneous advice from Federal Regulators, **13A:43**
- Estimated taxes, **13A:09, 13A:10**
- Failure to file return
  - generally, **13A:03 to 13A:07**
  - fraudulent failure to file, **13A:07**
  - information returns, **13A:15**
  - reasonable cause excuse, **13A:04**
  - reliance on professional advice, **13A:05**
  - reliance on voided automatic extension, **13A:06**
- Fraud penalty, **13A:25**
- Fraudulent failure to file, **13A:07**
- Frivolous returns, **3:08.55, 3:08.57, 13A:35.50, 13A:40**
- Information returns, failure to file, **13A:15**
- Injunctions, **2:45**
- Interest, **13:08**
- Judicial review, **13A:30, 13A:41**
- Jurisdiction, **6:25**
- Limitations period on penalties for withholding taxes, **13A:33**
- Negligence or disregard of rules and regulations, **13A:18**
- Other assessable penalties, **13A:42**
- Payment failure, **13A:08, 13A:08.50**
- Pension liabilities overstated, **13A:24**
- Presumptions and burden of proof, **8:10.55**
- Reasonable cause defense, generally, **13A:47**
- Reliance on professional advice, **13A:05, 13A:17.50, 13A:46**

## INDEX

### **PENALTIES—Cont'd**

- Reliance on voided automatic extension, **13A:06**
- Return preparers
  - generally, **13A:34 to 13A:37**
  - due diligence requirement, **13A:35**
  - electronic filing, **3:17.11**
  - frivolous position, **13A:35.50**
  - preparer's identification, **13A:36**
  - signature rules, **13A:37**
- Signature rules, **13A:37**
- Substantial understatement of tax, **13A:20, 13A:21**
- Tax shelters, **13A:39, 13A:39.50**
- TEFRA, **16:12**
- Understatement of tax, **13A:19**
- Valuation misstatement, **13A:22**
- Valuation understatement, **13A:23**
- Withholding taxes
  - generally, **13A:26 to 13A:33**
  - for detailed treatment, see index heading **WITHHOLDING TAXES**

### **PENSION AND RETIREMENT PLANS**

- Bankruptcy proceedings, **13D:33**
- Collection procedures, **13C:27.50**
- Evidence in Tax Court, **8:47.82**
- Examination guidelines, **3:40**
- Jurisdiction, **6:61**
- Penalties for overstated pension liabilities, **13A:24**
- Reporting distributions, **3:23.72**

### **PERMISSIVE JOINDER OF PARTIES**

- Tax Court, **7:83**

### **PERPETUATION OF EVIDENCE**

- Generally, **7:173 to 7:185**
- For detailed treatment, see index heading **DEPOSITIONS IN TAX COURT**

### **PERSONAL DEDUCTIONS**

- Audit and settlement procedure, generally, **3:07.71 et seq.**

### **PERSONAL HOLDING COMPANY DEFICIENCY DIVIDENDS**

- Refunds and credits, **10:33**

### **PERSONAL PROPERTY**

- Collection procedures, **13C:23**
- Possessory lien
  - generally, **14:50 to 14:55**
  - for detailed treatment, see index heading **LIENS AND PRIORITIES**

## FEDERAL TAX PRACTICE

### PERSONAL SERVICE CORPORATIONS

Information reporting, **3:26.73**

### PETITIONERS

Generally, **6:47 to 6:60.50**

For detailed treatment, see index heading **PARTIES**

### PETITIONS IN TAX COURT

Generally, **7:01, 7:06 to 7:50.50**

Accumulated earnings tax, **7:20**

Accuracy related penalty, **7:197 to 7:199**

Administrative costs, **7:206**

Allegations of fact, **7:43, 7:44**

Alternative assignments of error, **7:34**

Alternative claims by commissioner, **7:22**

Amendment

generally, **7:35 to 7:40**

conform to proof, **7:39**

forms, **7:207**

jurisdictional limitations, **7:36**

new issues, **7:37**

post-trial motion, **7:40**

remand, **7:42**

timeliness requirements, **7:38**

Arbitrary determinations, **7:27 to 7:29**

Assignments of error, **7:13**

Burden of proof, **7:18 to 7:20**

Concessions in, **7:26**

Consent to new issues, **7:31**

Consistency duty, **7:19**

Contents of, **7:11 to 7:16**

Date, **7:15**

Deficiency notice, effect of, **7:21 to 7:29**

Depositions to perpetuate testimony, **7:49**

Estoppel, **7:17**

Exhaustion of administrative remedies, **7:48**

Failure to file, **7:200**

Failure to plead, **7:32**

Forms, **7:08, 7:09, 7:196 to 7:207**

Income and basis items, **7:28**

Innocent spouse, **7:201**

Intervention motions, **7:50**

Issues outside pleadings, **7:25**

Issues raised by, **7:30 to 7:34**

Jurisdictional limitations, **7:36**



## INDEX

### **PETITIONS IN TAX COURT—Cont'd**

- Last known address, **7:202**
- New issues, **7:37**
- New matters, **7:23**
- Notice of deficiency as exhibit, **7:16**
- Parsonage expenses, **7:204**
- Post-trial motion, **7:40**
- Prayer for relief, **7:14**
- Prior settlement agreement, **7:203**
- Rules of pleading, **7:07**
- Sanctions for frivolous conduct, **7:47, 7:48**
- Signature, **7:06, 7:09, 7:15, 7:45 to 7:47**
- Small tax case, **7:205**
- Statements of facts, **7:14**
- Substantiating deductions, **7:29**
- Sufficiency of pleading, **7:33**
- Supplemental pleadings, **7:41**
- Surprise, **7:24**
- Taxes in controversy, **7:12**
- Timeliness of amendment, **7:38**
- Transferee liability, contents of petition, **12:77**
- Withdrawal of, **7:50.50**

### **PHYSICIANS**

- Closing agreements, **3:68**
- Privileged and confidential information, **8:63**

### **PLACE**

- Filing claim for refunds and credits, **10:61**
- Filing of returns, **3:13**
- Trial in Tax Court, **7:103, 7:104, 7:208**

### **PLEA AGREEMENTS**

- Criminal prosecution, **13B:16.50**

### **PLEADINGS IN TAX COURT**

- Answer
  - generally, **7:51 to 7:67**
  - for detailed treatment, see index heading ANSWER IN TAX COURT
- Civil fraud proceedings. See index heading CIVIL FRAUD PROCEEDINGS
- Electronic filing, **8:01.50**
- Petitions
  - generally, **7:06 to 7:50.50**
  - for detailed treatment, see index heading PETITIONS IN TAX COURT
- Reply
  - generally, **7:68 to 7:76**

## FEDERAL TAX PRACTICE

### **PLEADINGS IN TAX COURT—Cont'd**

Reply—Cont'd

for detailed treatment, see index heading **REPLY IN TAX COURT**

### **PLEDGEES**

Liens and priorities, **14:38**

### **POLYGRAPH TESTS**

Witnesses, **8:94**

### **POSSESSIONS OF UNITED STATES**

Information reporting, change in possessions residency, **3:23.72.10**

### **POSTAUDIT REVIEW**

Generally, **3:69**

### **POST-TRIAL PROCEDURES**

Generally, **8:134 to 8:138**

Bond to stay collection, **8:156**

Briefs

generally, **8:117 to 8:121**

for detailed treatment, see index heading **BRIEFS**

Collateral estoppel, **8:155**

Computations for entry of decision, **8:139 to 8:141, 8:174 to 8:179**

Correction of decision, motion for, **8:180**

Correction of transcript, **8:122, 8:123, 8:162**

Entry of decision, **8:151**

Finality of decision, **8:152**

Fraud on court, **8:136**

Litigation costs

generally, **8:142 to 8:150**

for detailed treatment, see index heading **COSTS OF ACTION**

Motion to vacate, **8:135**

New or further trial, **8:139**

Order denying reconsideration motion, **8:172**

Petitions in Tax Court, **7:40**

Publicity of proceedings, **8:160**

Reconsideration motions, **8:137, 8:168 to 8:173**

Remand, proceedings upon, **8:157 to 8:159**

Reports and decisions, **8:130, 8:131**

Retroactive effect of decision, **8:153**

Vacate, motion, **8:180**

Withdrawal of counsel, **8:161**

Withdrawal of exhibits on remand of case, joint motion for, **8:181**

### **POWERS OF ATTORNEY**

Judicial review, **9:40, 9:41**

## INDEX

### **POWERS OF ATTORNEY—Cont'd**

Practice before IRS, **3:07**

### **PRACTICE BEFORE IRS**

Generally, **3:02 to 3:07**

Circular 230, standards of practice, **1:45.50, 3:04**

Internal Revenue Service practice, **1:45 to 1:45.60**

Limited practice, **1:45.50**

Powers of attorney, **3:07**

Qualifications for, **3:02 to 3:07, 6:07 to 6:09, 6:09.50**

Renewal of enrollment, **1:45.50**

Requirements for enrollment, **3:03**

Sanctions, **1:45.50, 3:05**

Standards of practice, **1:45.50 to 1:45.70, 3:04**

### **PREFERENTIAL TRANSFERS**

Bankruptcy proceedings, **13D:17**

### **PREPARERS**

See index heading RETURN PREPARERS

### **PRESUMPTIONS AND BURDEN OF PROOF**

Generally, **8:07 to 8:10.60, 8:11**

Cancellation of debt, **8:08**

Fraud, **8:08.50**

Limitations period, **8:08.80**

Net worth method, **8:09**

New matters, **8:10.50**

Penalties, **8:10.55, 13A:01.50**

Refund suits, **11:42**

Remand, proceedings upon, **8:159**

Theft loss deduction, **8:10**

Transferee liability, **8:10.60**

Unreported income, **8:10.70**

### **PRETRIAL PRACTICE IN TAX COURT**

Conferences, **7:195**

Discovery

generally, **7:109 to 7:143**

for detailed treatment, see index heading DISCOVERY PRACTICE IN TAX COURT

Disqualification of counsel, **7:193**

Final status report, **7:192**

Memorandum to petitioners and counsel, court's, **7:194**

Motions

generally, **7:87 to 7:108**

for detailed treatment, see index heading MOTIONS

## FEDERAL TAX PRACTICE

### **PRETRIAL PRACTICE IN TAX COURT—Cont'd**

Subpoenas

generally, **7:163 to 7:171**

for detailed treatment, see index heading SUBPOENAS

### **PRIORITIES**

See index heading LIENS AND PRIORITIES

### **PRISONERS**

Gross income, **3:07.37**

Refunds, IRS review of, **11:04**

### **PRIVACY ISSUES**

Electronic filing, **3:17.17**

### **PRIVATE COLLECTION AGENCIES**

Collection procedures, **13C:02**

### **PRIVATE DELIVERY SERVICES**

Petition, **6:43**

### **PRIVATE RULINGS**

Discovery practice in Tax Court, **7:117**

### **PRIVILEGED AND CONFIDENTIAL INFORMATION**

Generally, **8:54 to 8:76**

Accountants and other tax professionals, **8:59**

Appraisers, **8:60**

Attorney-client privilege, **8:55 to 8:57**

Cleric privilege, **8:63**

Corporate communications, **8:56**

Executive privilege, **8:66**

Husband-wife privilege, **8:61**

Improperly obtained evidence, **8:67**

Informer's identity, **8:62**

Physician privilege, **8:63**

Self-incrimination

generally, **8:68 to 8:76**

for detailed treatment, see index heading SELF-INCRIMINATION PRIVILEGE

State secrets, **8:65**

Suit for refund, **11:62**

Third party communications, **8:57.50**

Trade secrets, **8:64**

Work product of counsel, **8:58**

### **PRIZES**

Business expense deductions, **3:07.40**

## INDEX

### **PRODUCTION OF DOCUMENTS AND THINGS**

- Generally, **7:129 to 7:135**
- Criminal procedures, required records doctrine, **13B:14.50**
- Electronic data, **7:134.50**
- Enforcement action, **7:132**
- Foreign holders, **7:135**
- Motion to compel, **7:222, 7:223**
- Notices to produce, **7:172**
- Protective orders, **7:131**
- Respondent's request for, **7:220**
- Response to request for, **7:221**
- Sanctions, **7:132**
- Summons, **3:53, 3:53.50, 3:53.60, 7:133**
- Supplementation of response, **7:130**
- Tax preparation software, **7:134**

### **PROTECTIVE ORDERS**

- Admission requests in Tax Court, **7:152**
- Depositions in Tax Court, **7:181**
- Discovery practice in Tax Court, generally, **7:122**
- Interrogatories in Tax Court, **7:127**
- Production of documents and things, **7:131**

### **PUBLIC RECORDS AND REPORTS**

- Evidence in Tax Court, **8:35**

### **PUBLIC SERVICE OFFICERS/PSOs**

- Audit and settlement procedure, **3:07.48**

### **PUBLIC UTILITIES**

- Normalization method accounting, audits, **3:27.95.60**

### **PUBLIC WELFARE EXCEPTION**

- Gross income, **3:07.34**

### **PUNITIVE DAMAGES**

- Tax court, authority to award damages, **6:75.50**

### **QUALIFIED OFFER RULE**

- Settlement exception, litigation costs, **8:147.50**

### **QUALIFIED SETTLEMENT FUNDS**

- Audit and settlement procedure, **3:27.30**

### **RATIFICATION**

- Petition in Tax Court, **7:78**

### **REAL ESTATE MORTGAGE INVESTMENT CONDUIT (REMIC)**

- Partnership items, tax treatment of, **16:22.50**

## FEDERAL TAX PRACTICE

### **REAL ESTATE VALUATION**

Comparable sales, **8:91.25**

### **REALLOCATIONS**

Income and expense, **3:07.84**

### **REAL PROPERTY**

Collection procedures, **13C:21**

Installment payment of estate tax, **3:28**

Liens and priorities, **14:51, 14:58**

### **RECEIVABLES**

Collection procedures, **13C:23**

### **RECEIVERS**

Collection procedures, **13C:43**

Tax Court, **6:80**

### **RECONSIDERATION**

Bankruptcy proceedings, **13D:11**

### **RECORD**

Judicial review. See index heading JUDICIAL REVIEW

### **RECORDKEEPING RULES**

Generally, **3:26.50**

### **RECOUPMENT**

Condition to allowance in suits for refund, **11:25**

Credits of barred deficiencies and overpayments banned, **11:25**

### **REDEMPTION**

Seized property, **13C:39**

### **REFORESTATION**

Business expense deductions, **3:07.86**

### **REFUNDS AND CREDITS**

Generally, **3:27.96, 10:01 to 10:82**

Administrative procedures, **10:62**

Affiliated corporations, **10:47**

Agents, **10:41**

Amount claimed, **11:30**

Amount of interest, **10:75**

Application of payments, **10:66**

Assignees, **10:48**

Audit and settlement procedure, **3:27.98**

Authority, **10:03**

Bad debts, **10:25**

## INDEX

### REFUNDS AND CREDITS—Cont'd

- Bankruptcy proceedings, **10:40, 13D:13, 13D:31**
- Business credits, **3:27.98**
- Business expense deductions, **3:27.97**
- Child tax credit, **13D:01**
- Credit carrybacks, **5:20, 10:27, 13:10**
- Crediting of overpayments, generally, **10:68, 10:69**
- Daily compounding of interest, **10:05**
- Deceased taxpayers, **10:45**
- Deficiency, credit against, **10:22**
- Deposits distinguished from overpayment, **10:73**
- Earned income credit, **10:34.50**
- Employee benefit plan terminations, **10:30, 10:31**
- Equitable recoupment, **10:32**
- Equitable tolling of time limitations on claims, **10:10**
- Erroneous refunds, **10:08**
- Estate taxes, **10:36**
- Estimated taxes, **10:18, 10:23, 10:77**
- Evasion of tax, claiming false credits, **13B:04**
- Excess assessment, **2:22.50**
- Excise taxes, **10:59**
- Extension agreements, **10:21, 10:58**
- Finality of credit allowances, **10:69**
- Financially disabled taxpayers, **10:12**
- Foreign tax credits, **10:35**
- Form and contents of claim, **10:50, 10:51**
- Fuel excise tax credits, **10:34**
- Inflation reduction act
  - credit transfer, **10:34.60**
- Informal claims, **10:52**
- Innocent spouse rule, **3:21.80**
- Installment payments, **10:16**
- Interest on overpayments
  - generally, **10:74 to 10:78**
  - amount of interest, **10:75**
  - crediting overpayments, **10:76**
  - estimated taxes, **10:77**
  - limitations on recovery of, **10:78**
  - rate of, **10:04, 10:05**
- Joint returns, **10:43**
- Jurisdiction, **6:22, 10:28**
- Life insurance companies' unused deductions, **10:81**
- Limitation on amount of, **10:24**
- Lost or stolen refund checks, **10:08.50**

## FEDERAL TAX PRACTICE

### REFUNDS AND CREDITS—Cont'd

- Minors, **10:44**
- Mitigation of time limitations on claims, **10:20**
- Net operating loss or capital loss carrybacks, **10:26, 10:79, 10:80**
- Offsets and adverse considerations, **10:67**
- Overpayment defined, **10:72, 10:73**
- Parties, **10:39 to 10:42**
- Payment defined, **10:15**
- Personal credits, **3:27.97**
- Personal holding company deficiency dividends, **10:33**
- Place of filing claim, **10:61**
- Protective claims, time limitations, **10:18.55, 10:18.60**
- Rate of interest on overpayments, **10:04, 10:05**
- Rejection of claim, **10:10.50, 10:64, 10:65**
- Reopening of rejected claims, **10:65**
- Return defined, **10:14**
- Return preparers, **10:41, 10:49**
- Review by joint congressional committee, **10:63**
- Self-employment tax, **10:29**
- Setoff against barred deficiencies, **10:70, 10:71**
- Statement of grounds for refund
  - generally, **10:54 to 10:60**
  - amendments after limitations period, **10:60**
  - excise taxes, **10:59**
  - extension agreements, **10:58**
  - statement of facts, **10:56**
  - variance between claim and suit, **10:55**
  - waiver of defects, **10:57**
- Statement of overpayment, **10:53**
- Statute of limitations. Time limitations on claims, below
- Statutes applicable, **10:02**
- Substituting joint return for separate returns, **10:37**
- Successor corporations, **10:46**
- Suits for refund. See index heading SUITS FOR REFUND
- Tentative carryback and refund adjustments, **10:06**
- Tentative refund of tax under claim of right adjustment, **10:07**
- Time limitations on claims
  - generally, **10:09 to 10:19**
  - amended claim vs. new claim, **10:09.50**
  - dates of filing return and payment of tax, **10:13 to 10:18, 10:18.50**
  - equitable tolling, **10:10**
  - estate tax deductions, protective claims regarding, **10:18.60**
  - estimated taxes, **10:18**
  - financially disabled taxpayers, **10:12**



## INDEX

### **REFUNDS AND CREDITS—Cont'd**

#### Time limitations on claims—Cont'd

- installment payments, **10:16**
- miscellaneous limitation periods, **10:19**
- mitigation of, **10:20**
- new claim vs. amended claim, **10:09.50**
- payment defined, **10:15**
- protective claims, **10:18.55, 10:18.60**
- rejection of refund claim, **10:10.50**
- return defined, **10:14**
- statutory exceptions, **10:11, 10:12**
- time payment made, **10:17**
- withheld taxes, **10:18.50**

#### Time of filing claim, **10:61**

#### Treaty provisions, **10:38**

#### Variance between claim and suit, **10:55**

#### Waiver of defects, **10:57**

#### Windfall profit tax, **10:82**

#### Withheld taxes, **10:18.50**

#### Withholding agents, **10:42**

#### Worthless securities, **10:25**

### **REGIONAL COMMISSIONERS**

#### Internal Revenue Service, **1:13 to 1:15**

### **REGIONAL COUNSEL**

#### Internal Revenue Service, **1:32**

### **REGULATIONS**

#### Appeals Division, **4:22**

#### Internal Revenue Service, **1:40**

#### Penalties for negligence or disregard of, **13A:18**

### **REHEARING**

#### Judicial review, **9:26, 9:52**

### **RELEASE**

#### Levy, **13C:33**

### **RELIGIOUS FREEDOM**

#### Assessment procedures, **2:01.50**

#### Exempt organizations, **3:27.04**

### **REOPENING CASES**

#### Generally, **3:68.50**

## FEDERAL TAX PRACTICE

### REORGANIZATIONS

Internal Revenue Service organization  
generally, **1:03 to 1:06.50**  
for detailed treatment, see index heading INTERNAL REVENUE SERVICE

### REPATRIATION OF FOREIGN-EARNED INCOME

Audits, **3:23.71.02.60**

### REPLY IN TAX COURT

Generally, **7:68 to 7:76**  
Content of, **7:69**  
Declaratory judgment actions, **7:71**  
Disclosure actions, **7:72**  
Effect of, **7:73**  
Examples, **7:214, 7:215**  
Failure to reply, **7:74**  
Form of, **7:69**  
Joinder of issue, **7:76**  
Motions to vacate, **7:75**  
New material, **7:70**  
Time, **7:68**

### REPORTING INCOME

See index heading INFORMATION REPORTING

### REQUESTS FOR ADMISSION

Generally, **7:144 to 7:152**  
For detailed treatment, see index heading ADMISSION REQUESTS IN TAX COURT

### REQUIRED RECORDS DOCTRINE

Criminal proceedings, **13B:14.50**

### RESCISSION

Deficiency assessment, **2:07.60**

### RES JUDICATA

Collection officer, effect of judgment against, **11:28**  
Estate tax cases, application of principle, **11:28**  
Estoppel by judgment distinguished, **11:28**  
Income tax cases, conditions for application in, **11:28**  
Innocent spouse relief, **6:87.50**  
Innocent spouse rule, **3:21.80**  
Restrictions upon doctrine in tax cases, generally, **11:28**  
Transferee liability, extensions of assessment period for lack of return,  
**12:23**

### RESTAURANTS

Audits, restaurant examinations, **3:41.50**

## INDEX

### RESTITUTION

Assessment procedures, criminal restitution recoveries, **2:03.60**

### RESTORATION OF INCOME

Payment of tax, **3:29.50**

Prior receipts of gross income, **3:07.39**

### RETAIL SHOPS

Audits, **3:41.60**

### RETIREMENT PLANS

See index heading PENSION AND RETIREMENT PLANS

### RETURN OF SEIZED PROPERTY

Generally, **13C:33.50**

### RETURN PREPARERS

Filing of returns, **3:17.20**

Penalties

generally, **13A:34 to 13A:37**

for detailed treatment, see index heading PENALTIES

Refunds and credits, **10:41, 10:49**

### REVENUE AGENTS' REPORTS

Admissions, **8:46**

Discovery practice in Tax Court, **7:115**

### REVENUE PROCEDURES

Generally, **1:41**

### REVENUE RULINGS

Generally, **1:42**

### REVOCABLE TRUST INTERESTS

Collection procedures, **13C:28**

### REWARDS

Business expense deductions, **3:07.40**

Collection procedures, **13C:05**

### ROTH IRAs

Generally, **3:07.40.10**

### ROYALTIES

Information reporting, **3:23.73**

### RULES

Large and Midsize Business (LMSB) Division, rules of engagement,  
**1:12.30**

Tax Court, **6:10, 6:65, 6:65.10**

## FEDERAL TAX PRACTICE

### **SAFE DEPOSIT BOXES**

Collection procedures, **13C:45**

### **SALARIES**

See index heading **WAGES AND COMPENSATION**

### **SALES**

Bargain sale, employer's property, **3:07.17.50**  
Information reporting, real property sales, **3:23.72.20**  
Lottery winnings, **3:07.70**  
Real estate valuation, comparable sales, **8:91.25**  
Resellers, accounting methods, **3:27.95.50**  
Residence, **5:34, 13D:21**  
Seized property, **6:87**  
Short sales of stock, **3:07.44**  
Small business stock sales, **3:07.40.50**

### **SANCTIONS**

Admission requests in Tax Court, **7:151**  
Answer in Tax Court, **7:53**  
Depositions in Tax Court, **7:182**  
Discovery practice in Tax Court, generally, **7:123**  
Exempt organizations, **3:27.03**  
Frivolous petitions in Tax Court, **7:47, 7:48**  
Interrogatories in Tax Court, **7:128**  
Practice before IRS, **3:05**  
Production of documents and things, **7:132**

### **SCHOOL ADMINISTRATORS**

Employment taxes, **3:50.80**

### **S CORPORATIONS**

Audit and settlement procedure, **3:26.65**  
Internal Revenue Service organization, **1:34.50**

### **SEARCHES**

Collection procedures, **13C:46**  
Levy and seizure, **13C:34.50**

### **SECONDARY EVIDENCE**

Generally, **8:19, 8:20**

### **SECTION 367 TRANSFERS**

Jurisdiction, **6:64**

### **SECTION 527 POLITICAL ORGANIZATIONS**

Information reporting, **3:23.75**

## INDEX

### **SECURITY INTERESTS**

Liens and priorities, **14:36 to 14:38, 14:46**

### **SEIZURE**

See index heading **LEVY AND SEIZURE**

### **SELF-CREATED PROPERTY**

Audits, **3:07.57**

### **SELF-EMPLOYMENT TAXES**

Joint returns by husband and wife, **3:19.50**

Refunds and credits, **10:29**

### **SELF-INCRIMINATION PRIVILEGE**

Generally, **8:68 to 8:76**

Blanket privilege, **8:74**

Criminal cases, **8:76, 13B:14**

Interrogation statements, **8:70**

Negative inference from claiming privilege, **8:72**

Related evidence, **8:71**

Tax returns, **8:73**

Third-party document holders, **8:69**

Waiver, **8:75**

### **SENTENCING**

Criminal prosecution, **13B:19 to 13B:21**

### **SEPARATION AND DIVORCE**

Joint returns by husband and wife, **3:20, 3:20.50**

### **SERVICE CENTERS**

Internal Revenue Service organization, **1:14**

### **SERVICE OF PROCESS**

Appeal brief, **9:22**

Subpoenas, **7:165**

### **SETOFFS**

Bankruptcy proceedings, **13D:28**

Interest, **13:16**

Refunds and credits, **10:70, 10:71**

### **SETTLEMENT**

See index heading **COMPROMISE AND SETTLEMENT**

### **SEVERANCE OF ISSUES**

Motions, **7:107**

### **SEX CHANGE OPERATIONS**

Personal deductions, **3:07.74**

## FEDERAL TAX PRACTICE

### **SIGNATURES**

- Discovery practice in Tax Court, **7:119**
- Electronic filing, **3:17.15**
- Filing of returns, **3:08.70**
- Penalties, **13A:37**
- Petitions in Tax Court, **7:06, 7:09, 7:15, 7:45 to 7:47**

### **SIMULTANEOUS DEATH LIFE ESTATES**

- Valuation evidence, **8:92.50**

### **SLAVERY REPARATIONS**

- Frivolous return positions, **3:08.55**

### **SMALL BUSINESS AND SELF-EMPLOYED DIVISION**

- Generally, **1:12.50**

### **SMALL BUSINESS STOCK SALES**

- Gross income, **3:07.40.50**

### **SMALL ORGANIZATIONS**

- Exempt organizations, **3:27.02.10**

### **SMALL TAX CASES**

- Generally, **8:107 to 8:116**
- Decisions, **8:114**
- Defined, **8:108**
- Discontinuance of proceedings, **8:110**
- Election of small tax case procedure, **8:109**
- Jurisdiction, **6:11**
- Number of copies of papers, **8:116**
- Petitions in Tax Court, **7:205**
- Pleadings, **8:111**
- Preliminary hearings, **8:112**
- Representation, **8:116**
- Special trial judges, **8:115, 8:127**
- Transcripts of proceedings, **8:116**
- Trials, **8:113 to 8:116**

### **SOCIAL CLUBS**

- Business expense deductions, **3:07.41**
- Member income, **13C:26.50**

### **SOCIAL SECURITY BENEFITS**

- Business expense deductions, **3:07.42**
- Collection procedures, **13C:26.50**
- Inclusion in income, **3:07.42**

## INDEX

### **SPECIAL AGENT'S REPORT**

Discovery practice in Tax Court, **7:114**

### **SPECIAL TRIAL JUDGES**

Generally, **8:125 to 8:129**

Background, **8:125**

Cases applicable, **8:126**

Declaratory judgments, **8:128**

More than \$50,000, cases involving, **8:129**

Small tax cases, **8:127**

### **SPENDTHRIFT TRUSTS**

Collection procedures, **13C:27**

Liens and priorities, **14:28**

### **SPOUSES**

Community property. See index heading **COMMUNITY PROPERTY**

Husband-wife privilege, **8:61**

Improperly obtained evidence, **8:67**

Joint returns

generally, **3:19 to 3:21.90**

for detailed treatment, see index heading **JOINT RETURNS**

Marital property. See index heading **MARITAL PROPERTY**

Partnership, married couples with joint interest in partnership, **16:04.50**

Self-incrimination

generally, **8:68 to 8:76**

for detailed treatment, see index heading **SELF-INCRIMINATION PRIVILEGE**

### **STATE AND LOCAL TAX INCENTIVES**

Audits, **3:07.96.70**

### **STATE SECRETS**

Privileged and confidential information, **8:65**

### **STATUTE OF LIMITATIONS**

Generally, **5:01 to 5:74**

Accounting period wrong, **5:72**

Advice of counsel defense, **5:13**

Affirmative pleading of, **5:05**

Ambiguities as extending, **5:57**

Amended returns, **5:26, 5:71**

Assessments, reinstatement of erroneous assessments, **2:06.50**

Background, **5:01**

Bankruptcy proceedings, **5:46, 13D:05**

Bond, effect of giving, **5:80**

Bribes or kickbacks, disallowed deduction of, **5:30**

Burden of proof, **5:06, 5:07, 5:23**

## FEDERAL TAX PRACTICE

### STATUTE OF LIMITATIONS—Cont'd

- Civil fraud proceedings, **15:37 to 15:39, 15:45**
- Collections
  - generally, **5:75 to 5:80**
  - for detailed treatment, see index heading **COLLECTIONS**
- Commencement of limitations period
  - generally, **5:67 to 5:74**
  - accounting period or basis wrong, **5:72**
  - amended returns, **5:71**
  - defectively executed returns, **5:73**
  - mitigation, **5:74**
  - passthrough entities, **5:69**
  - tentative returns, **5:70**
  - terminating extension agreement, **5:67**
- Construction reserve funds, **5:33**
- Constructive dividends, **5:29**
- Corporations, extending limitations period for, **5:64 to 5:66**
- Court proceedings, effect of, **5:79**
- Credit carrybacks, **5:20**
- Defects as extending limitations period, **5:57**
- Deficiency dividend deductions, **5:47**
- Dissolved corporations, **5:65**
- Duress as extending limitations period, **5:53**
- Election to delay for-profit determination/section 183(e), **5:77.50**
- Enemy alien interests, **5:49**
- Equitable tolling of limitations period, **5:49.50**
- Estate tax credits adjustment, **5:37**
- Estate taxes, **5:03**
- Examinations, **5:40.50**
- Exceptions to, **5:07**
- Executor's discharge application, **5:19**
- Extension agreement, **5:67**
- Extension for audit and settlement procedure, **3:54**
- Extension of limitations period
  - generally, **5:50 to 5:66**
  - ambiguities, **5:57**
  - collections, **5:77, 5:77.50**
  - conditions, **5:52**
  - corporations, **5:64 to 5:66**
  - defects, **5:57**
  - dissolved corporations, **5:65**
  - duress, **5:53**
  - execution of, **5:60 to 5:66**
  - fiduciaries, **5:63**



## INDEX

### STATUTE OF LIMITATIONS—Cont'd

#### Extension of limitations period—Cont'd

- form of waiver, **5:54**
- joint returns, **5:61**
- partnership returns, **5:62**
- statutory provisions, **5:50**
- successive waivers, **5:58**
- successor corporations, **5:66**
- timeliness of execution, **5:55**
- timely joinder by Commissioner, **5:56**
- unlimited waiver, **5:59**
- waiver, generally, **5:51**

#### Failure to file return, **5:11 to 5:14**

#### False or fraudulent returns, **5:08**

#### Fiduciaries, **5:48, 5:63**

#### Foreign tax credits adjustments, **5:36**

#### General rule, **5:02, 5:03**

#### Gifts made in prior years, valuation of, **5:04**

#### Inconsistent positions under section 1311 of the code, **5:38**

#### Involuntary conversions, **5:32 to 5:34**

#### IRS rulings and advice, reliance on, **5:14**

#### Joint returns, extending limitations period, **5:61**

#### Levy and seizure, **13C:34**

#### Mitigation, **5:77.60**

#### Natural disasters, **5:45.50, 5:81**

#### Net operating loss or capital loss carrybacks, **5:21**

#### Omissions in excess of 25 percent

- generally, **5:22 to 5:28**
- adequate disclosure, **5:25**
- amended return, **5:26**
- burden of proof, **5:23**
- gross income, **5:24, 5:27, 5:28**

#### Partnership returns, extending limitations period, **5:62**

#### Passthrough entities, assessment of, **5:69**

#### Penalties as to withholding taxes, **13A:33**

#### Presumptions and burden of proof, **8:08.80**

#### Reasonable cause defense, **5:12, 5:13**

#### Recaptured estate tax under special use election, **5:03**

#### Refunds and credits

- generally, **10:09 to 10:19**

for detailed treatment, see index heading **REFUNDS AND CREDITS**

#### Request for prompt assessment, **5:15 to 5:18**

#### Sale of residence, **5:34**

#### Substitution of joint return, **5:31**

## FEDERAL TAX PRACTICE

### STATUTE OF LIMITATIONS—Cont'd

Suspension of limitations period  
generally, **5:40 to 5:49.50**  
after mailing of the deficiency notice, **5:40**  
bankruptcy and receivership, **5:46**  
bribes or kickbacks, disallowed deduction of, **5:30**  
collections, **5:78**  
conditions for, **5:41**  
deficiency dividend deductions, **5:47**  
enemy alien interests, **5:49**  
equitable tolling, **5:49.50**  
examinations, **5:40.50**  
natural disasters, **5:45.50**  
period of, **5:42**  
transferees and fiduciaries, **5:48**  
waiver of restrictions by taxpayer, **5:43, 5:44**  
war, **5:45**  
Termination of private foundation status, **5:09, 5:10**  
Transferee liability, **5:39**  
War as suspending limitations period, **5:45**

### STAY

Collection, **13E:06**  
Sale of seized property, **2:21, 13C:38**

### STIPULATIONS

Trial in Tax Court  
generally, **7:153 to 7:160**  
for detailed treatment, see index heading TRIAL IN TAX COURT

### STOCK AND STOCKHOLDERS

Affiliated corporations and consolidated returns, **6:60.50**  
Brokers, information reporting, **3:23.57**  
Information reporting, corporate activity affecting stock basis, **3:23.67.03**  
Injunctions in stockholders' suits, **2:44**  
Options  
gross income, **3:07.43, 3:07.43.10**  
reporting, **3:26.40**  
Redemption distributions, statute of limitations, **5:35**  
Short sales of stock, **3:07.44**  
Small business stock sales, **3:07.40.50**  
Valuation evidence, **8:89 to 8:92**

### STRIKING PLEADINGS

Motions, **7:96**

## INDEX

### SUBPOENAS

- Generally, **7:163 to 7:171**
- Attendance fees for witnesses, **7:166**
- Costs for compliance, **7:167**
- Enforcement, **7:171**
- Financial institutions, **7:170**
- Motion to quash subpoena duces tecum, **7:226, 7:227**
- Particular items, **7:164**
- Release of return information, **7:169**
- Return information, **7:168, 7:169**
- Service, **7:165**

### SUBSIDIES

- Farming, agricultural subsidies, **3:07.19**

### SUBSTITUTED DEBT

- Information reporting, **3:23.65**

### SUBSTITUTE RETURN

- By IRS, **3:18**
- Refunds and credits, **10:37**
- Statute of limitations, **5:31**

### SUBSTITUTION OF PARTIES

- Tax Court, **7:85**

### SUCCESSOR CORPORATIONS

- Extending limitations period, **5:66**
- Jurisdiction, **6:58**
- Refunds and credits, **10:46**

### SUITS FOR REFUND

- Generally, **11:01 to 11:91**
- Abolition of suits against district director, **11:33**
- Account stated, conditions precedent for suit upon, **11:18**
- Agreement suspending period for suit, **11:10**
- Amount claimed, **11:30**
- Appeals, **11:71**
- Attorney's fee, recoverable, **11:68, 11:84**
- Bankruptcy court, lack of, jurisdiction, **11:02**
- Barred by filing of Tax Court petition, **11:29**
- Burden of proof
  - generally, **11:42**
  - government
    - generally, **11:45**
    - pleading of defenses, as affecting, **11:43, 11:45**
- Child support, **11:23**

## FEDERAL TAX PRACTICE

### **SUITS FOR REFUND—Cont'd**

Choice of forum for suit, **11:01**

Claim for refund

generally, **11:03**

filing of, as condition to right to bring suit, **11:02, 11:04**

payment of tax, **11:06**

restriction of action to grounds stated in claim, **11:30**

six months' waiting period after filing claim, **11:05**

variance, what constitutes ground not presented in claim, **11:30**

Collateral estoppel, **11:26**

Complaint

amendments liberally allowed, **11:39**

court of claims, **11:75**

essential allegations of, in suit for refund, **11:38**

filing of, as institution of suit, **11:10, 11:16**

form of, generally, **11:88**

form of, in district court suit, **11:38**

Rules of Civil Procedure, application of, **11:37, 11:41**

verification of, **11:38**

Conditions for maintenance of suit, **11:02, 11:03**

Costs

generally, **11:68**

litigation, **11:68**

recovery of, **11:68**

Counterclaims

generally, **11:66**

pleading requirements for, **11:45**

Court of Claims

generally, **11:01, 11:73**

attorney's fee, **11:84**

briefs, filing period and required contents, **11:81**

certiorari to review judgments of, **11:82**

complaint, **11:75**

counterclaims, pleading of, **11:76**

findings and judgments, **11:82**

jurisdiction

generally, **11:74**

lack of jurisdiction may be raised at any stage of proceedings, **11:76**

Tax Court petition filed, effect upon, **11:29**

motions, **11:79**

petition, filing of, as commencement of suit, essential allegations of,  
**11:75**

pleading of defenses, **11:76**

## INDEX

### SUITS FOR REFUND—Cont'd

#### Court of Claims—Cont'd

rehearings; amendments of judgments; new trials; relief from judgment, **11:83**

requests for findings of fact, where required, **11:82**  
trials, **11:80**

Damage claims, **11:35**

#### Defenses

amendment of, **11:76**

counterclaims, time limitations upon, pleading of, **11:43, 11:45, 11:76**

estoppel, instances where allowable as defense

generally, **11:26**

plead and prove as affirmative defense, **11:18**

pleaded as affirmative defense, **11:18**

fraudulent claim, **11:32**

jurisdictional objections always timely, **11:02, 11:46**

motions, **11:76, 11:77**

no overpayment of tax, **11:24**

pleading of defenses, **11:43, 11:45**

recoupment, conditions for allowance, **11:25**

relation-back of amendments, **11:43**

res judicata, **11:28**

setoff, **11:31**

Tax Court petition filed, **11:29**

time limitations upon new defense, subject to discretion of court, factors considered, **11:46**

variance from claim, **11:30**

waiver of limitations not permitted, **11:02**

Discovery, **11:48**

#### District Courts

aliens, suits for refund by, **11:35**

claim for refund, requirement for filing is jurisdictional, **11:35**

complaint

generally, **11:38**

amendments, **11:39**

defenses, pleading of, under Rules of Civil Procedure, **11:43, 11:45**

discovery of Government's evidence, when permitted, **11:48**

historical developments, **11:34**

jurisdictional limitations, **11:35**

jury demand, **11:40**

jury trial allowable under 1954 amendment, **11:34**

monetary limitations upon, removed in 1954, **11:34**

Rules of Civil Procedure, application in, **11:37, 11:41**

service of process, **11:41**

## FEDERAL TAX PRACTICE

### **SUITS FOR REFUND—Cont'd**

#### District Courts—Cont'd

venue, suit against United States, **11:36**

District director, suit against, **11:33**

“Divisible taxes” defined, regarding payment of tax, **11:06**

Duress, effect of payment under, **11:08**

Equitable recoupment, **11:25**

Estoppel, **11:26**

Evidence, **11:60**

Excise taxes, **11:09**

Findings, **11:67**

Fraudulent claim, **11:32**

Freedom of Information Act, **11:54**

“Full payment rule,” **11:06**

Intervention, **11:21.50**

#### Judgment

generally, **11:70**

Court of Claims, entry by, **11:82**

enforcement of, **11:85**

General Accounting Office, control over payment of, **11:85**

interest upon, computation, **11:86**

Judicial estoppel, **11:27**

Jury demand, district court, **11:40**

#### Jury trials

factors involved in decision to request, **11:40**

requirement of proper and timely demand, **11:40**

Mandamus, **11:87**

Motions, **11:61**

Objections, **11:61**

Overpayment, defense to, **11:24**

#### Parties

generally, **11:20**

third, **11:21**

Payment of tax in full not a condition precedent to suit, **11:06**

Pretrial conference, **11:55**

Pre-trial procedures, stipulation of facts, **11:47**

Privileged communications, **11:62**

Protest, payment under, not required, **11:08**

Reduction, child support, **11:23**

Refund, tender of after suit commenced, **11:22**

Res judicata, **11:28**

Service of process, requirements under Rules of Civil Procedure, **11:41**

Setoff, **11:31**

Settlement, **11:56**

## INDEX

### **SUITS FOR REFUND—Cont'd**

- Stipulations, **11:47**
- Successive claims, as extending period for suit, **11:14**
- Summary judgment, when permissible, **11:46**
- Third parties, **11:21**
- Time limitations
  - account stated, suit upon, **11:18**
  - computation of period, **11:10**
  - jurisdiction, time limitation is restriction upon, **11:10**
  - notice of disallowance, as beginning limitation period
    - what constitutes, **11:10**
  - persons other than taxpayers, **11:12**
  - reconsideration of claim, effect of, **11:14**
  - six-months waiting period, **11:05**
  - waiver of defense, **11:10**
- Transferee, by, **12:86**
- Trials, **11:60, 11:63**

### **SUMMARIES**

- Evidence in Tax Court, **8:32**

### **SUMMARY ASSESSMENT**

- Generally, **2:10 to 2:11.50**
- For detailed treatment, see index heading **ASSESSMENT**

### **SUMMARY JUDGMENT**

- Judicial review, **9:13.50**
- Motions, **7:99 to 7:102**
- Suits for refund, **11:46**

### **SUMMONS**

- Coordinated examination program, **5:40.50**
- Production of documents, **3:53, 3:53.50, 3:53.60, 7:133**
- Third persons, **3:46, 3:46.50, 3:46.60, 3:47, 3:47.50**

### **SUPERPRIORITIES**

- Generally, **14:45 to 14:49**
- For detailed treatment, see index heading **LIENS AND PRIORITIES**

### **SUPPLEMENTAL PLEADINGS**

- Interrogatories in Tax Court, **7:126**
- Petitions in Tax Court, **7:41**

### **SUPPLIES**

- Business expense deductions, **3:07.101**

### **SURETIES**

- Liens and priorities, **14:15, 14:63, 14:64**

## FEDERAL TAX PRACTICE

### **SURPRISE**

Petitions in Tax Court, **7:24**

### **SUSPENSION**

Limitations period

generally, **5:40 to 5:49.50**

for detailed treatment, see index heading **STATUTE OF LIMITATIONS**

### **TAKING OF PROPERTY**

Assessment procedures, **2:01.30**

### **TAX COURT**

Generally, **6:01 to 6:93**

Abatement of interest, **6:25.50**

Administrative policies and procedures, **6:23, 6:75**

Affiliated corporations and consolidated returns, **6:60, 6:60.50**

Affirmative defenses, **6:65.10, 7:59**

Answer

generally, **7:51 to 7:67**

for detailed treatment, see index heading **ANSWER IN TAX COURT**

Appeal to, **4:21**

Appearance, **7:04**

Arbitration, motion for, **7:98.50**

Bankruptcy, **6:37, 6:77 to 6:79**

Board of Tax Appeals, **6:01**

Burden of proof

generally, **12:79**

civil fraud, **15:13, 15:15**

Commissioner's burden, discussion of, **12:79**

reply, effect of failure to, **12:80**

transferee liability

generally, **12:83**

Commissioner's burden

generally, **12:81**

shifting of burden to petitioner, **12:82**

Certiorari, **9:31**

Civil fraud proceedings. See index heading **CIVIL FRAUD PROCEEDINGS**

Closing agreements, **6:85.50**

Collateral estoppel, **6:87.50**

Collection due process hearings, **6:25.52, 6:73.50**

Collection procedures, Tax Court review, **13C:12.60**

Commissioner's discretion, **6:24, 6:75**

Compliance program, large corporate, **6:55.60**

Concession by parties, **6:85**

Contempt powers, **6:09**



## INDEX

### **TAX COURT—Cont'd**

- Corporations, **6:55.50 to 6:60.50**
- Credits and refunds, **6:72**
- Criminal proceedings, **6:25.80**
- Damages, **6:75.50**
- Death of petitioner, **6:55**
- Deceased taxpayers, **6:51**
- Declaratory judgments
  - generally, **6:61 to 6:66.50**
  - exempt organizations, **6:62**
  - gift valuation, **6:63.60**
  - governmental obligations, status of, **6:63**
  - retirement plans, **6:61**
  - worker classification challenges, **6:63.50**
- Deficiency jurisdiction
  - generally, **6:13 to 6:34**
  - abatement of interest, **6:25.50**
  - administrative policies and procedures, **6:23, 6:75**
  - collection due process hearings, **6:25.52**
  - criminal proceedings, **6:25.80**
  - elements of statutory deficiency, **6:20**
  - equitable recoupment, **6:25.55**
  - grand jury materials, improper use of, **6:27**
  - increases in deficiency, **6:76**
  - innocent spouse status, **6:25.57, 6:25.59, 6:66.40**
  - interest, **6:25, 6:25.50**
  - liens and levy, **6:24.50**
  - misdirected notice, **6:29 to 6:32**
  - notice of deficiency, **6:26 to 6:34**
  - payment after petition, **6:19**
  - penalties, **6:25**
  - refund claims, **6:22**
  - refund suit, deficiency notice during, **6:84**
  - statutory deficiencies, determinations not involving, **6:24.10**
  - statutory provisions, **6:14**
  - waiver and assessment, effect of, **6:15 to 6:18**
  - whistleblower awards, **6:22.50**
  - worker classification, **6:25.60, 6:25.70**
- Discharged fiduciaries, **6:54**
- Disciplinary actions, **6:09.50**
- Disclosure of information by IRS, **6:66**
- Disclosure of letter rulings, **6:24.10**
- Dissolved corporations, **6:56, 6:57**
- Equitable recoupment, **6:25.55**

## FEDERAL TAX PRACTICE

### TAX COURT—Cont'd

#### Evidence

generally, **8:05 to 8:106**

for detailed treatment, see index heading EVIDENCE IN TAX COURT

Excess profits tax abnormalities, **6:89 to 6:93**

Exempt organizations, **6:62**

Fees, **6:08, 6:46**

Fiduciaries, **6:53 to 6:55**

Form and style of papers, **7:03**

Governmental obligations, status of, **6:63**

Hearings, **6:12, 7:89**

Independent agency, **6:03**

Innocent spouse status, **6:25.57, 6:25.59, 6:66.40**

Installment payment of estate tax, **6:66.50**

Interest, **6:25, 6:73**

Jeopardy assessments, **6:52, 6:81 to 6:83**

Joint returns, **6:48**

#### Jurisdiction

generally, **6:13 to 6:93, 12:72**

administrative policies and procedures, **6:23, 6:75**

bankruptcy, **6:77 to 6:79**

closing agreements, **6:85.50**

collateral estoppel, **6:87.50**

collection due process hearing, **6:73.50**

Commissioner's discretion, **6:24, 6:75**

concession by parties, **6:85**

credits and refunds, **6:72**

criminal proceedings, **6:25.80**

damages, **6:75.50**

deficiency jurisdiction. Deficiency jurisdiction, above

disclosure of information by IRS, **6:66**

excess profits tax abnormalities, **6:89 to 6:93**

innocent spouse status, **6:25.57, 6:25.59, 6:66.40**

installment payments of estate tax, **6:66.50**

interest, **6:25, 6:73**

interest liabilities, no jurisdiction of, exception in transferee cases, **12:72**

jeopardy assessments, **6:52, 6:81 to 6:83**

liens and levy, **6:24.50**

offsets, **6:73.20**

other taxable years, **6:70**

overassessment in related taxes, **6:71**

overpayments, **6:67 to 6:69**

partnerships, **6:88**

penalties, **6:25**

## INDEX

### **TAX COURT—Cont'd**

#### Jurisdiction—Cont'd

- petitioners, **6:47 to 6:60.50, 7:80**
- petitions, **7:36**
- prerequisites for existence of, **12:72**
- receivership proceedings, **6:80**
- refund claims, **6:22, 10:28**
- res judicata, **6:87.50**
- rules of Tax Court, **6:65, 6:65.10**
- sales of seized property, **6:87**
- tax motivated transactions, **6:74**
- taxpayer bill of rights, **6:86**
- timely filing of petition. Timely filing of petition, below
- underpayment, substantial, **6:74**
- whistleblower awards, **6:22.50**

Large corporate compliance program, **6:55.60**

Mailing date of deficiency notice, **6:35**

Membership, **6:04**

Mergers and consolidations, **6:59**

Notice of deficiency, **6:26 to 6:34**

Offsets, **6:73.20**

Organization, **6:01 to 6:12**

Other taxable years, **6:70**

Overassessment in related taxes, **6:71**

Overpayments, **6:67 to 6:70**

Partnerships, **6:50, 6:88**

Penalties, **6:25**

#### Petitions

generally, **7:06 to 7:50.50, 7:18 to 7:20**

for detailed treatment, see index heading PETITIONS IN TAX COURT

#### Pleadings

generally, **7:06 to 7:76**

for detailed treatment, see index heading PLEADINGS IN TAX COURT

Postmark date, **6:39**

Precedential problems, **6:06**

Pretrial practice. See index heading PRETRIAL PRACTICE IN TAX COURT

Private delivery services, **6:43**

Privately metered mail, **6:40**

Qualifications for practice, **6:07 to 6:09, 6:09.50**

Receivership proceedings, **6:80**

Refund claims, **6:22**

#### Reply

generally, **7:68 to 7:76**

for detailed treatment, see index heading REPLY IN TAX COURT

## FEDERAL TAX PRACTICE

### **TAX COURT—Cont'd**

#### Reply—Cont'd

transferee cases, importance of, **12:80**

Representation, **7:04**

Rescission of deficiency notice, **6:34**

Res judicata, **6:87.50**

Retirement plans, **6:61**

Review of Appeals Division opinions, **8:132, 8:133**

Review of decision of

generally, **9:20 to 9:22**

for detailed treatment, see index heading JUDICIAL REVIEW

Rules of practice, **6:10, 6:65, 6:65.10**

Section 367 transfers, **6:64**

Service and filing of papers, **7:02**

Small tax cases, **6:11**

Statute of limitations, **5:06, 5:07, 5:23, 5:79**

Statutory deficiencies, determinations not involving, **6:24.10**

Successor corporations, **6:58**

Survivor of joint tenancy, **6:49**

Tax motivated transactions, **6:74**

Taxpayer bill of rights, **6:86**

Timely filing of petition

150-day filing period, **6:36**

generally, **6:38 to 6:45**

address proper, **6:41**

delivery, **6:42**

each deficiency, filing required for, **6:45**

fees, **6:46**

mailing date of deficiency notice, **6:35**

postmark date, **6:39**

prior law, **6:44**

private delivery services, **6:43**

privately metered mail, **6:40**

requirements, **6:46**

suspension in bankruptcy cases, **6:37**

Trial. See index heading TRIAL IN TAX COURT

Underlying tax liability, proof, **8:47.86**

Underpayment, substantial, **6:74**

Unlimited waiver, **5:59**

Vacating decision, **8:154**

Wages, proof, **8:47.95**

Worker classification, **6:25.60, 6:25.70, 6:63.50**

## INDEX

### **TAX EXEMPT AND GOVERNMENT ENTITIES DIVISION (TE/GE)**

Generally, **1:11**

### **TAX MATTERS PARTNER**

TEFRA, **16:04**

### **TAXPAYER ADVOCATE**

Generally, **1:10**

### **TAXPAYER COMPLIANCE (TCMP) AUDITS**

Generally, **3:43**

### **TAXPAYER IDENTIFICATION (TIN)**

Audit and settlement procedure, **3:30.85**

Filing of returns, **3:08.60**

Information reporting, **3:25**

### **TAXPAYER RIGHTS**

Generally, **6:86**

Information reporting, **3:24**

### **TAX PREPARATION SOFTWARE**

Production of documents and things, **7:134**

### **TAX RETURNS**

Amended returns. See index heading **AMENDED RETURNS**

Evidence in Tax Court, **8:36, 8:45**

False or fraudulent returns. See index heading **FALSE OR FRAUDULENT RETURNS**

Filing of

generally, **3:08 to 3:17.30**

for detailed treatment, see index heading **FILING OF RETURNS**

Frivolous returns. See index heading **FRIVOLOUS POSITIONS**

Joint returns. See index heading **JOINT RETURNS**

Preparers. See index heading **RETURN PREPARERS**

### **TAX SHELTERS**

Amended returns, **3:42.60**

Attorney practice standards, **1:45.60**

Audit and settlement procedure, **3:06, 3:27.25, 3:27.27, 3:42.50 et seq.**

Exempt organizations, **3:27.05**

Information reporting, **3:23.80**

Internal Revenue Service organization, **1:45.60**

Internal Revenue Service procedures, **3:42.55**

Penalties, **13A:39, 13A:39.50**

Settlements, **3:06, 3:27.25, 3:27.27, 3:42.50**

Tax accrual workpapers, **3:42.80**

Tolling of limitations period, **5:49.50**

## FEDERAL TAX PRACTICE

### TAX YEAR ACCOUNTING METHODS

Generally, **3:27.95**

### TEACHERS

Employment taxes, **3:50.80**

### TECHNICAL ADVICE FROM IRS

Generally, **1:39**

Discovery practice in Tax Court, **7:117**

Examiner, **3:55**

### TELEPHONE COMPANIES

Gross income, telecommunications universal service fees, **3:07.44.10**

### TELEPHONE FILING

Generally, **3:16**

### TENANTS BY ENTIRETIES

Liens and priorities, **14:29**

### THEFT

Deductions, theft loss deduction, **8:10**

Identity theft, **13B:04.60**

### THIRD PERSONS

Business expense deductions, **3:07.83**

Civil actions by, **13C:53**

Collection remedies

generally, **13C:52 to 13C:58**

civil actions by, **13C:53**

contesting levy, **13C:31**

discharge of liens held by United States, **13C:58**

injunctive relief, **13C:52**

interpleader, **13C:54**

property holders, **13C:47**

reporting contacts, **13C:07.50**

superior lien, action to foreclose, **13C:55 to 13C:57**

Contesting levy, **13C:31**

Discharge of liens held by United States, **13C:58**

Discovery practice in Tax Court, **7:112.50, 7:113**

Injunctive relief, **2:42, 2:43, 13C:52**

Interpleader, **13C:54**

Levy and seizure of property, **13C:13, 13C:15**

Liens and priorities, **14:68**

Privileged and confidential information, **8:57.50**

Property holders, **13C:47**

Reporting contacts, **13C:07.50**

## INDEX

### **THIRD PERSONS—Cont'd**

- Self-incrimination privilege, **8:69**
- Summons, **3:46, 3:46.50, 3:46.60, 3:47, 3:47.50**
- Superior lien, action to foreclose, **13C:55 to 13C:57**
- Withholding tax penalties, **13A:31**

### **TIME**

- Amendment of petition in Tax Court, **7:38**
- Answer in Tax Court, **7:51**
- Filing of returns, **3:09, 3:10**
- Judicial review. See index heading JUDICIAL REVIEW
- Notice of assessment, **2:16**
- Petition
  - for detailed treatment, see index heading TAX COURT
- Petition in Tax Court
  - generally, **6:38 to 6:45**
- Reply in Tax Court, **7:68**

### **TIN**

- See index heading TAXPAYER IDENTIFICATION (TIN)

### **TIP INCOME**

- Audit and settlement procedure, **3:45**
- Information reporting, **3:25.50**
- IRS
  - special enforcement programs, **1:46**

### **TRADE SECRETS**

- Privileged and confidential information, **8:64**

### **TRANSCRIPTS**

- Evidence in Tax Court, **8:32**
- Judicial review, **9:43**

### **TRANSFeree LIABILITY**

- Generally, **12:01 to 12:55**
- Affiliated corporations, several liability of, **12:40**
- Annuity contract beneficiaries, **12:48**
- Answer in Tax Court, **7:62**
- Assessment, prompt, **12:26**
- Assessment, statutory provision for, **12:03, 12:04**
- Bankruptcy or receivership of transferee, immediate assessment of liability, **12:76**
- Burden of proof
  - generally, **12:83**
  - Commissioner's burden is statutory, **12:79**

## FEDERAL TAX PRACTICE

### **TRANSFeree LIABILITY—Cont'd**

#### Burden of proof—Cont'd

- insolvency of transferor, degree of proof required
  - generally, **12:79, 12:82**
  - date of insolvency, proof of, **12:81**
- prima facie showing by Commissioner shifts burden to petitioner, **12:82**
- rebuttal evidence, must be clear, precise and credible, **12:82**
- reply, **12:80**
- statute of limitations, elements transferee must show to make out prima facie case of expiration, **12:82**

#### Code provisions, **12:03**

#### Collection of assessed liability, **12:33, 12:69**

#### Commissioner's burden of proof, insolvency of transferor, difficulty in proving, **12:81**

#### Community property, survivor of community not transferee, **12:53**

#### Consideration, **12:15**

#### Consolidation of deficiency and transferee proceedings, **12:83**

#### Constitutionality of transferee assessment procedure, **12:08**

#### Creditors, not transferees, **12:51**

#### Date of transfer, **12:13**

#### Deficiency, correctly determined, **12:18**

#### Distributees

- insolvency of estate as creating liability, **12:44**
- liability for estate tax where estate is solvent and undistributed, **12:44**

#### Donees

- gift tax, personal liability for, **12:45**
- income tax, statutory definition of transferee as including donees, **12:03, 12:45**
- transfers between spouses, subject to special scrutiny, **12:46**

#### Employees, liability upon receipt of unreasonable compensation, **12:42**

#### Equitable adjustments, **12:33.50**

#### Equity

- conditions for establishment of liability, **12:07, 12:11**
- necessity of transfer of property, **12:12**

#### Estate tax, provisions for personal liability

- estates and trusts, **12:43**
- life insurance beneficiaries, **12:47**
- personal liability of executor, and as transferee, one deficiency notice, **12:43**
- procedure in the case of transferred assets, method of collection, **12:43**

#### Exemptions under state laws, effect

- generally, **12:04, 12:35**
- life insurance beneficiaries, **12:47**



## INDEX

### TRANSFeree LIABILITY—Cont'd

- Extension agreements
  - by taxpayer, as extending period for assessment of transferee, **12:27**
  - by transferee, **12:28**
- Failure to file, **12:25**
- Fiduciaries, **12:58**
- Fiduciary liability
  - generally, **12:57, 12:61**
  - notice of fiduciary relationship under code section 6903, effect of, **12:32**
- Fraud, **12:25**
- Gift tax, personal liability of donee, **12:06, 12:43, 12:45**
- Historical development, **12:02**
- Homestead exemptions, **12:06.50**
- Injunctions
  - right of person charged to establish payment of consideration, **12:70**
  - statutory prohibition against, for determining transferee status of donee or distributee, **12:70**
- Insolvency of transferor
  - generally, **12:16**
  - degree of proof required, **12:81**
  - liability at law, need not be proved, **12:81**
  - partial distributions disregarded unless pursuant to plan of liquidation, **12:81**
  - stockholder-distributees, **12:36**
- Insurers
  - exemption from estate tax liability, **12:55**
  - no liability, general rule, **12:55**
- Interest
  - liability extends to include deficiency interest, **12:04**
  - transfer to avoid taxes, **12:04**
- Jeopardy assessments against transferees, **12:75**
- Joint tenancy survivors
  - liability for income tax of deceased tenant, status of, **12:52**
  - statutory liability for estate tax, **12:52**
- Liability, time of transfer, **12:17**
- Liability at law
  - assumption agreements, terms construed, **12:06**
  - contractual nature of liability, **12:06**
  - homestead exemptions, **12:06.50**
  - limitation period not subject to “armed forces in designated areas” exception, **12:20**
  - state statutes as defining
    - generally, **12:06**
    - limitation period, if greater, **12:20**

## FEDERAL TAX PRACTICE

### **TRANSFeree LIABILITY—Cont'd**

- Life insurance beneficiaries
  - increment in policy over cash value, question as to transfer, **12:47**
  - lien, creation of, as affecting, **12:47**
  - state exemption laws not determinative of liability, **12:35**
  - taxpayer's retention of right to change beneficiaries, effect of, **12:47**
- Limitations, exhaustion of remedies, **12:22**
- Limitations period, **12:25**
- Mergers and consolidations, **12:39**
- Nature of liability
  - generally, **12:04, 12:34**
  - creditor status, claim of recipient for, **12:51**
- Offer in compromise, **12:30**
- Overpayment by transferor, **12:85**
- Partnership distributions, **12:41**
- Payment of liability before statutory notice, effect of, **12:73**
- Payment of tax, **12:19**
- Pleading, requirements and allegations of Tax Court petition, concessions, effect of, upon Commissioner's burden of proof, **12:77**
- Prompt assessment, **12:26**
- Purchasers of assets
  - no liability if consideration is adequate, **12:49**
  - payment made directly to third parties as constructive fraud upon creditors, **12:49**
  - substance over form doctrine, **12:49**
- Records, examination of, **12:78**
- Reorganized and successor corporations
  - liability at law, **12:38, 12:39**
  - liability in equity, **12:38**
- Reply, **12:80**
- Retransfer of assets does not eliminate accrued liability, **12:45**
- Right to contribution, **12:09**
- Several liability, not joint, **12:08**
- Spouses, transfers between subject to special scrutiny, **12:46**
- State statutes, as defining transferee liability at law
  - generally, **12:35**
  - applicable state law, where transfer occurred, **12:06**
  - homestead exemptions, **12:06.50**
  - transferee liability in equity, not controlled by, **12:04**
- Statutes, **12:03**
- Stock, sale of, as creating liability, **12:54**
- Stockholders
  - direct payments to, **12:37**
  - liability where proceeds are received by, from third parties, **12:54**

## INDEX

### TRANSFeree LIABILITY—Cont'd

#### Stockholders—Cont'd

necessity of transfer of property, **12:36**

Successive transferees, **12:10**

Suit for refund, **12:86**

#### Suits against transferee

generally, **12:33**

alternative to direct assessment, **12:69**

venue, **12:69**

#### Tax Court

advance payment by transferee as affecting jurisdiction, **12:73**

bankruptcy or receivership of transferee, **12:76**

deficiency and liability notice requirements, **12:74**

jurisdiction of

generally, **12:04**

extends to determination of liability for interest and penalties respecting deficiency, **12:72**

#### Taxpayer

determination of merits in deficiency proceeding, **12:71**

right of transferee to examination of records, **12:78**

stipulated settlement by transferor, effect of, **12:71**

#### Time limitations

generally, **12:22**

additional year for assessment runs from end of limitation period

respecting taxpayer

generally, **12:24**

assessment period unaffected by death or termination of existence of transferor, **12:20**

statutory provisions, **12:20**

collection of assessed liability, **12:33**

extension of limitation period

agreements by taxpayer, effect of, **12:27**

agreements by transferee, provision for, **12:28**

estoppel to prevent repudiation of agreement, **12:27**

suspension of limitation period

docketing of Tax Court petition creates, **12:29, 12:32**

jeopardy assessment of transferor, **12:31**

notice of fiduciary relationship under code section 6903, effect on, **12:32**

transferee of transferee

generally, **12:10**

separate entities must be respected for time limitation purposes, **12:29**

unlimited period for transferor's assessment, **12:23**

Time of transfer, **12:17**

## FEDERAL TAX PRACTICE

### TRANSFeree LIABILITY—Cont'd

Transferee of transferee

generally, **12:10**

successive transferees are all chargeable, subject to time limitations,

**12:20, 12:29**

time limitation upon assessment, **12:20**

Transferees

generally, **12:34**

who is not, **12:50**

Transfer of property

generally, **12:13**

beneficial, not legal title, must pass, **12:12**

cancellation of indebtedness as constituting, **12:12**

joint tenancy termination, **12:12**

necessity for, to establish liability in equity, **12:06, 12:12**

Venue for review of liability, **12:84**

### TRANSFereES

Liability. See index heading TRANSFeree LIABILITY

Statute of limitations, **5:39**

Suspension of limitations period, **5:48**

### TRAVEL AND ENTERTAINMENT EXPENSES

Business expense deductions, **3:07.97**

Evidence in Tax Court, **8:47.80**

### TRIAL IN TAX COURT

Briefs

generally, **8:117 to 8:121**

for detailed treatment, see index heading BRIEFS

Calendar call, **8:01, 8:02**

Continuance motions, **7:230, 7:231**

Costs of action

generally, **8:142 to 8:150**

for detailed treatment, see index heading COSTS OF ACTION

Electronic filing, **8:01.50**

Evidence

generally, **8:05 to 8:106**

for detailed treatment, see index heading EVIDENCE

Examinations during litigation, additional, **7:161**

Golden parachutes, **8:47.64**

Joint motion to continue trial, **7:231**

Jury, **8:04.50**

Notice setting case for trial, **7:228**

Opening statement, **8:03**

## INDEX

### **TRIAL IN TAX COURT—Cont'd**

- Order of proof, **8:04**
- Post-trial procedure
  - generally, **8:134 to 8:138**
  - for detailed treatment, see index heading POST-TRIAL PROCEDURE
- Pretrial order, **7:229**
- Security for court, **8:01**
- Show cause motions, **7:233**
- Stipulations for
  - generally, **7:153 to 7:160**
  - conclusions of law, **7:155**
  - contents, **7:154**
  - decision in related case, **7:156**
  - effect of, **7:160**
  - facts, **7:232**
  - filing executed stipulations, **7:157**
  - formal requirements, **7:154**
  - motion for deemed admission, **7:159**
  - noncompliance, **7:158, 7:159**
  - relief from stipulation, **7:160.50**
- Submission without trial, **7:162**

### **TRUSTS**

- Audit and settlement procedure, **3:25.70, 3:27.15**
- Collection procedures, revocable trust interests, **13C:28**
- Information reporting, **3:25.70, 3:26.15**
- Offshore trusts, audit and settlement procedure, **3:07.14**
- Penalties, failure to pay over trust fund taxes, **13A:08.50**
- Spendthrift. See index heading SPENDTHRIFT TRUSTS
- Unitrust income calculation, **3:27.15**

### **UNDERPAYMENTS**

- Equitable recoupment and setoff, underpayment interest, **13:16**
- Jurisdiction, **6:74, 16:06**

### **UNDERSTATEMENTS**

- Penalties, **13A:19**

### **UNITED STATES REAL PROPERTY (FIRPTA) SALES**

- Audit and settlement procedure, **3:30.80**

### **USER FEES**

- Compromise and settlement, **13E:13.50**

### **VACATING OR SETTING ASIDE**

- Post-trial procedures, **8:135, 8:138**
- Reply in tax court, motions to vacate, **7:75**

## FEDERAL TAX PRACTICE

### **VACATING OR SETTING ASIDE—Cont'd**

Tax court decision, **8:154**

### **VACATION PAY**

Personal deductions, **3:07.73**

### **VALUE OR VALUATION**

Generally, **8:88 to 8:93**

Art works, **8:91.22**

Capitalized income, **8:91.30**

Charitable contributions, **8:91.40**

Claims against estate, **8:91.50**

Closely held companies, **8:91**

Control block of stock, **8:90**

Estate taxes, **14:71**

Evidence

generally, **8:88 to 8:93**

capitalized income, **8:91.30**

charitable contributions, **8:91.40**

claims against estate, **8:91.50**

closely held companies, **8:91**

control block of stock, **8:90**

family partnerships, **8:91.60**

IRAs, **8:91.65**

lottery payments, **8:91.70**

marital joint property, **8:91.80**

minerals in place, **8:92**

portfolio discount, **8:91.20**

real property, **8:91.25**

rules of evidence, **8:91.55**

settlement of valuation cases, **8:93**

simultaneous death life estates, **8:92.50**

stock, **8:89 to 8:92**

Family partnerships, **8:91.60**

IRAs, **8:91.65**

Lottery payments, **8:91.70**

Marital joint property, **8:91.80**

Minerals in place, **8:92**

Penalties, **13A:22, 13A:23**

Portfolio discount, **8:91.20**

Real property, **8:91.25**

Settlement of valuation cases, **8:93**

Simultaneous death life estates, **8:92.50**

Stock, **8:89 to 8:92**

Transferee proceedings, proof in, **12:79, 12:81**

## INDEX

### **VALUE OR VALUATION—Cont'd**

Works of art, **8:91.22**

### **VARIABLE PREPAID FORWARD CONTRACTS (VPFCs)**

Evidence in tax court, **8:47.56.50**

### **VENUE**

Criminal prosecution, **13B:09.60**

Judicial review, **9:14, 9:42**

Motion for change, **7:104**

### **VICTIM'S COMPENSATION**

Gross income, victim's recovery from human trafficking, **3:07.28**

### **VIDEOTAPES**

Depositions in Tax Court, **7:178**

### **WAGES AND COMPENSATION**

Business expense deductions, **3:07.98**

Collection procedures, **13C:22**

Deferred compensation. See index heading **DEFERRED COMPENSATION**

Individual Wage and Investment Income Division, **1:12.60**

Information reporting, **3:26.30, 3:26.40**

Nonprofits excess executive compensation, **3:27.02.30**

Tax court, problems of proof, **8:47.95**

Transferee liability in respect of, **12:42**

### **WAIVER**

Payment of tax without, **3:62**

Self-incrimination privilege, **8:75**

Statute of limitations, **5:43, 5:44, 5:51**

### **WARRANT FOR DISTRRAINT**

Prior law, **13C:03**

### **WARRANTY OBLIGATIONS**

Business expense deductions, **3:07.99**

### **WHISTLEBLOWER AWARDS**

Collection procedures, **13C:05.50, 13C:05.60, 13C:05.70**

Deficiency jurisdiction, tax court, **6:22.50**

### **WILLFULNESS**

Withholding tax penalties, **13A:27**

### **WITHDRAWAL**

Liens, **14:66**

Petitions in Tax Court, **7:50.50**

## FEDERAL TAX PRACTICE

### WITHHOLDING OF TAXES

- Generally, **3:30.50 to 3:30.80**
- After-acquired funds, **13A:28**
- Alien students, **3:30.60**
- Cooperative distributions, **3:30.67**
- Foreign baseball players, **3:30.65**
- Interest free adjustments, **3:30.70**
- Judicial review, **13A:30**
- Limitations period, **13A:33**
- Notice to taxpayer, **13A:29**
- Options and purchase agreements, **3:30.69**
- Penalties
  - generally, **13A:26 to 13A:33**
  - after-acquired funds, **13A:28**
  - judicial review, **13A:30**
  - limitations period, **13A:33**
  - notice to taxpayer, **13A:29**
  - reasonable cause excuse, **13A:32**
  - third party payors, **13A:31**
  - willfulness, **13A:27**
- Reasonable cause excuse, **13A:32**
- Recoveries, **3:27.70**
- Taxpayer identification number (TIN), **3:30.85**
- Third party payors, **13A:31**
- United States real property (FIRPTA) sales, **3:30.80**
- Voluntary withholding agreements, **3:50.85**
- Willfulness, **13A:27**

### WITNESSES

- Generally, **8:77 to 8:87**
- Cross-examination, **8:98**
- Examining witnesses, **8:95 to 8:98**
- Exclusion of proposed witnesses, **8:78, 8:79**
- Expert witnesses
  - generally, **8:82 to 8:87**
  - for detailed treatment, see index heading **EXPERT WITNESSES**
- Failure to testify or produce evidence, **8:80**
- Hostile witnesses, **8:96**
- Leading questions, **8:96**
- Opinion testimony by lay witnesses, **8:81**
- Order of examination, **8:97**
- Polygraph tests, **8:94**

### WORK PRODUCT

- Discovery practice in Tax Court, **7:111**



INDEX

**WORK PRODUCT—Cont'd**

Privileged and confidential information, **8:58, 11:62**

**WRITTEN QUESTIONS**

Depositions in Tax Court, **7:140, 7:185**

**“ZERO” RETURNS**

Frivolous return positions, **3:08.55**