# CHAPTER 1. FILING RETURNS

## 1. FILING VS. NONFILING

- § 1:1 Timing
- § 1:2 Partial payments
- § 1:3 Small dollar payment plans
- § 1:4 Potential criminal penalties
- § 1:5 IRS preparation of returns
- § 1:6 IRS preparation of 1040s by computer

## 2. NONFILER PROGRAM

§ 1:7 In general

# 3. COMPUTER PROGRAM FOR NONFILER DISCOVERY

- § 1:8 In general
- § 1:9 Time of delinquency checks
- § 1:10 Information resources

# 4. DELINQUENCY CHECK PROGRAMS

- § 1:11 Compliance initiative projects (CIP)
- § 1:12 Other sources
- § 1:13 Midwest automated compliance system—MACS
- § 1:14 FedState initiative procedures
- § 1:15 Matcher program

# 5. INVESTIGATION OF NONFILERS

- § 1:16 In general
- § 1:17 IRS computer notices
- § 1:18 Substitute for returns
- § 1:19 IRC § 6020(b)
- § 1:20 Taxpayer delinquency investigation
- § 1:21 Taxpayer interview
- § 1:22 Nonfiler refunds of overpayments

## 6. CRIMINAL NONFILING

- § 1:23 In general
- § 1:24 Referral by collection division
- § 1:25 Targeted individuals
- § 1:26 Taxpayer interview
- § 1:27 Preparing referral
- APPENDIX 1A. Application for Reward for Original Information—Form 211
- APPENDIX 1B. Compliance Check Report
- APPENDIX 1C. Taxpayer Delinquency Investigations

- APPENDIX 1D. The Truth About Frivolous Tax Arguments
- APPENDIX 1E. Referral Report of Potential Criminal Fraud Cases—Form 2797
- APPENDIX 1F. Facts and Fiction of Frivolous Arguments—Nonfiler Enforcement
- APPENDIX 1G. Additional Steps Need to Be Completed to Ensure the Success of the Service-Wide Non-filer Strategy

# CHAPTER 2. IRS PROCESSING OF NOTICES OF DELINQUENT TAXES DUE

## 1. TAX COLLECTION

- § 2:1 In general
- § 2:2 Four-level system

## 2. SUBMISSION PROCESSING CENTERS

- § 2:3 Submission processing centers
- § 2:4 Divided campuses
- § 2:5 Start of collection action
- § 2:6 1040 notice procedure
- § 2:7 Business taxpayers
- § 2:8 Accelerated issuance
- § 2:9 Notice of levy

# 3. CORRESPONDENCE WITH SERVICE CAMPUS

- § 2:10 In general
- § 2:11 Small dollar payment plans

## 4. QUALITY OF SERVICE CAMPUSES

- § 2:12 In general
- § 2:13 Integrated data retrieval system
- § 2:14 Practitioner hotline

# 5. TELEPHONE COLLECTION EFFORTS

- § 2:15 In general
- § 2:16 Functions
- § 2:17 Team approach to ACS processing
- § 2:18 Queue
- § 2:19 Inventory management

## 6. CONTACT FUNCTION

- § 2:20 Telephone calls
- § 2:21 Interview script
- § 2:22 Employee work reviews

#### 7. INVESTIGATION FUNCTION

§ 2:23 In general

## 8. SYSTEMIC PRIORITY

§ 2:24 Time constraint

# 9. QUALITY OF PERSONNEL

- § 2:25 In general
- § 2:26 Power to harass

#### 10. RETURN CALLS

§ 2:27 In general

# 11. AVOIDING ACS

§ 2:28 In general

# 12. CUSTOMER SERVICE REPRESENTATIVES

§ 2:29 In general

## 13. AREA AND POST OF DUTY OFFICES

- § 2:30 In general
- § 2:31 Payment plans

# 14. FIELD GROUPS—REVENUE OFFICERS

- § 2:32 In general
- § 2:33 Elite collectors
- § 2:34 Assignment of cases
- § 2:35 Targeted inventory levels
- § 2:36 Power

## 15. INVESTIGATION PROCEDURE

- § 2:37 In general
- § 2:38 Effective initial contact

# 16. PRODUCTION PRESSURE

- § 2:39 In general
- § 2:40 Changed emphasis
- § 2:41 Taxpayer Bill of Rights
- § 2:42 Taxpayer Bill of Rights 3
- § 2:43 Increase in IRS collection actions

# 17. NEGOTIATIONS

- § 2:44 In general
- § 2:45 Unqualified revenue officers
- § 2:46 Appeal to superior

## 18. IRS ORGANIZATION

- § 2:47 IRS organization
- § 2:48 Agency-wide service organizations
- § 2:49 Wage and investment (W&I)
- § 2:50 Small business/self-employed
- § 2:51 Large business and international (LB&I)

- § 2:52 Large business and international division at-a-glance
- § 2:53 Tax exempt & government entities

# 19. COMPLIANCE POLICY/COMPLIANCE SERVICES

- § 2:54 In general
- § 2:55 Technical questions
- APPENDIX 2A. Internal Revenue Service Chart
- APPENDIX 2B. Timing of Balance Due Notices and TDA Cycles; Request for Tax Payment
- APPENDIX 2C. Notice 501: Reminder of Unpaid Tax
- APPENDIX 2D. Notice 503: IMPORTANT! Immediate action is required
- APPENDIX 2E. Notice 504: Urgent, We intend to levy on certain assets. Please respond NOW
- APPENDIX 2F. Notice 504B: Notice of Intent to Levy
- APPENDIX 2G. Exhibit of TDA (Taxpayer Delinquent Account)
- APPENDIX 2H. Notice of Intent to Levy
- APPENDIX 2I. Notice of Intent to Levy (Installment Agreement)
- APPENDIX 2J. Letter 1058: Final Notice of Intent To Levy
- APPENDIX 2K. Internal Revenue Service Practitioner Hotline Numbers
- APPENDIX 2L. Mission and Statement of Principles of the IRS
- APPENDIX 2M. Small Business/Self-Employed Division At-a-Glance
- APPENDIX 2N. Letter 3164-A: Third Party Contact
- APPENDIX 2O. LB&I Organizational Chart

# CHAPTER 3. IRS COLLECTION PROCEDURES

# 1. POWER OF IRS TO COLLECT TAXES

- § 3:1 In general
- § 3:2 Lien rights

## 2. CREATION OF LIEN

- § 3:3 In general
- § 3:4 Meeting statutory requirements
- § 3:5 Lien on all taxpayer property

#### 3. EXTENT AND DURATION OF LIEN

- § 3:6 In general
- § 3:7 Satisfaction of lien

## 4. STATUTE OF LIMITATIONS

- § 3:8 In general
- § 3:9 Extension of statute of limitations
- § 3:10 Extensions of statute of limitations by agreement
- § 3:11 Changes in the 2000 and 2002 Acts
- § 3:12 Expiration of statute

## 5. NOTICE OF LIEN

•	- 1 -	71102 01 2221
§ 3:	13	In general
§ 3:	14	Notice five days after filing
§ 3:	15	Requirements of notice
§ 3:	16	Prior rights to appeal
§ 3:	17	Right to collection due process hearing
§ 3:	18	Impartial hearing
§ 3:	19	Matters considered at collection due process hearing
§ 3:	20	IRS CDP procedures
§ 3:	21	Liability challenges
§ 3:	22	Judicial review of collection due process hearing
§ 3:	23	Equivalent hearing and timeliness of equivalent hearing requests
§ 3:	24	Delays in collection
§ 3:	25	Suspension of collection in statute limitations
§ 3:	26	Jurisdiction retained by appeals
§ 3:	27	Place of filing
§ 3:	28	Seizure without notice of lien
§ 3:	29	Avoidance of priority
§ 3:	30	Extent of lien

# 6. SUPER PRIORITIES

§ 3:31 Civil action for release of erroneous liens

§ 3:32	In general
§ 3:33	Securities
§ 3:34	Motor vehicles
§ 3:35	Personal property purchased at retail
§ 3:36	Personal property purchased in casual sale
§ 3:37	Personal property subject to possessory lien
§ 3:38	Real property tax and special assessment liens
§ 3:39	Local law
§ 3:40	Residential property subject to mechanic's lien for certain repairs and improvements
§ 3:41	Attorney's liens
§ 3:42	Certain insurance contracts
§ 3:43	Deposit secured loans
§ 3:44	Purchase money security interests

# 7. PRIORITY OF CERTAIN OTHER INTERESTS

3:45	In general
$\S 3:46$	Local law
$\S 3:47$	Insurance proceeds
§ 3:48	Priority of certain other interests

# 8. 45-DAY PERIOD FOR MAKING DISBURSEMENTS

§ 3:49	In general
§ 3:50	Assets subject to 45-day rule
$\S 3:51$	Avoiding lien
$\S 3:52$	Terms of collateral agreemen
§ 3:53	Extension of statutory period

## 9. PRIORITY OF INTEREST AND EXPENSES

§ 3:54 In general

## 10. OTHER LIEN PRIORITIES

- § 3:55 In general
- § 3:56 Competing priorities
- § 3:57 Section 6324—Special estate tax lien
- § 3:58 More extensive than federal tax lien
- § 3:59 Shifting lien
- § 3:60 Discharge of lien
- § 3:61 Special discharge of shifting lien
- § 3:62 Foreclosure of estate tax lien
- § 3:63 Broad liability
- § 3:64 Personal liability
- § 3:65 Special lien for estate tax

## 11. LIEN FILING DETERMINATION

§ 3:66 In general

## 12. NONFILING OF LIEN

- § 3:67 In general
- § 3:68 Larger liabilities
- § 3:69 Reasons for nonfiling

# 13. REFILING OF NOTICE OF LIEN

§ 3:70 In general

## 14. RELEASE OF LIEN

- § 3:71 In general
- § 3:72 Notice of failure to release lien
- § 3:73 Avoiding litigation
- § 3:74 Erroneously filed liens
- § 3:75 Inadvertent lien filings
- § 3:76 TBR2 changes and release procedures

## 15. DISCHARGE OF LIEN

- § 3:77 In general
- § 3:78 No equity
- § 3:79 Discharge of portion of taxpayer property
- § 3:80 Foreclosures
- § 3:81 Escrow of sale proceeds
- § 3:82 Applying for discharge
- § 3:83 Appraisals
- § 3:84 Suit for discharge

# 16. SUBORDINATION OF LIEN

§ 3:85 In general

§ 3:86 Application for certificate of subordination

## 17. SUBROGATION

§ 3:87 In general

#### 18. NONATTACHMENT OF LIEN

- § 3:88 In general
- § 3:89 Application for certificate of nonattachment

## 19. SPOUSAL RIGHTS

- § 3:90 In general
- § 3:91 Divorce
- § 3:92 Seizure of partial interests
- § 3:93 Judicial discretion
- § 3:94 Disclosure of collection activities
- § 3:95 Relief for innocent spouses
- § 3:96 Innocent spouse
- § 3:97 Knowledge
- § 3:98 Election to allocate
- § 3:99 Divorced, separated or living apart
- § 3:100 Time deadline
- § 3:101 Equitable relief
- § 3:102 Eligibility to be considered for equitable relief
- § 3:103 Circumstances under which equitable relief will ordinarily be granted
- § 3:104 Tax Court gets authority to review equitable innocent spouse relief
- § 3:105 Factors for determining whether to grant equitable relief

## 20. TENANCY BY ENTIRETY

- § 3:106 In general
- § 3:107 Tenancy by the entirety does not protect property from an IRS tax lien
- § 3:108 Exempt status under state law does not bind the federal collector
- § 3:109 Transfer to spouse

#### 21. SEIZURE OF ASSETS

- § 3:110 In general
- § 3:111 Approval process for liens, levies, and seizures
- § 3:112 Prior law
- § 3:113 Automated collection
- § 3:114 Taking assets
- § 3:115 Residential seizure
- § 3:116 Business assets

## 22. TYPES OF NOTICE OF LEVY

§ 3:117 In general

## 23. LEVY APPEAL RIGHTS

- § 3:118 In general
- § 3:119 Notice requirements

§ 3:120	Post notice hearing
§ 3:121	Jeopardy levies, state tax refund levies, and required notices
§ 3:122	Approval prior to jeopardy assessment
§ 3:123	Prior rights
§ 3:124	Right to collection due process hearing
§ 3:125	
§ 3:126	Matters considered at collection due process hearings
§ 3:127	Collection appeal rights
§ 3:128	Consideration of collection alternatives
§ 3:129	Return of rejection
§ 3:130	Doubt as to liability Offer in Compromise
§ 3:131	Reconsideration of a previously rejected Offer in Compromise during the CDP hearing
§ 3:132	
§ 3:133	
§ 3:134	· · ·
§ 3:135	Taxpayer must raise issues at administrative hearing
§ 3:136	Receipt of a statutory notice of deficiency
§ 3:137	Presumptions of official regularity and delivery
§ 3:138	Rebuttal of presumptions
§ 3:139	Frivolous challenges to liability
§ 3:140	Other opportunity to dispute liability
§ 3:141	11
§ 3:142	30-day letter in deficiency case
§ 3:143	Other preassessment letters
§ 3:144	e e e e e e e e e e e e e e e e e e e
§ 3:145	
§ 3:146	
§ 3:147	· · · · · · · · · · · · · · · · · · ·
§ 3:148	
§ 3:149	•
§ 3:150	<b>.</b>
§ 3:151	
§ 3:152	<b>1</b>
§ 3:153	6330(c)(2)(B)
§ 3:154	The balancing analysis of section 6330(c)(3)(C)
§ 3:155	
§ 3:156	Consideration of precluded issues by appeals
§ 3:157	Determination by appeals
§ 3:158	Judicial review of collection due process hearing
§ 3:159	Equivalent hearings
§ 3:160	Delays in collection
§ 3:161	Suspension of collection statute of limitations
<b>24.</b> I	NOTICE OF LEVY FORM 668-A

§ 3:162	In general
§ 3:163	Accounts receivable
§ 3:164	Benefit income
§ 3:165	Levy on lump sum of IRA or pension plan
§ 3:166	Waiver of early withdrawal tax

- § 3:167 Levy on IRAs and 401K plans § 3:168 Cash loan value of insurance
- § 3:169 Social security benefits

# 25. NOTICE OF LEVY ON BANK ACCOUNTS

§ 3:170 In general

#### 26. LEVY ON WAGES

- § 3:171 In general
- § 3:172 Child support payments
- § 3:173 Take home pay
- § 3:174 Firing employee
- § 3:175 Levy of independent contractor

# 27. RELEASE OF LEVY ON WAGES

- § 3:176 In general
- § 3:177 Requesting release
- § 3:178 Criteria for release
- § 3:179 Release of levy when amount is uncollectible
- § 3:180 Currently not collectible
- § 3:181 Criteria for release of levy

# 28. RELEASE OF NOTICE OF LEVY

- § 3:182 In general
- § 3:183 Requesting conference
- § 3:184 Taxpayer assistance order

## 29. PRACTICAL CONSIDERATIONS RE: NOTICES OF LEVY

- § 3:185 In general
- § 3:186 Negotiating tactics
- § 3:187 Erroneous levy

# 30. JOINT BANK ACCOUNTS

§ 3:188 In general

# 31. FAILURE TO HONOR LEVY

- § 3:189 In general
- § 3:190 Final demand

# 32. SEIZURE AND SALE

- § 3:191 In general
- § 3:192 Approval

#### 33. SCOPE OF SEIZURE AUTHORITY

- § 3:193 In general
- § 3:194 Service of seizure documents
- § 3:195 Exempt property

§ 3:196	Residential seizure
§ 3:197	Residences
§ 3:198	Judicial approval for principal residence seizures
§ 3:199	Denial of judicial approval
§ 3:200	Tangible business assets
§ 3:201	Individual business property
§ 3:202	Rights in context with IRC § 6330

# 34. PRIVATE AREAS AND WRITS OF ENTRY

§ 3:203	In general
§ 3:204	Consent or court order
§ 3:205	Public vs. private areas
§ 3:206	Creating private areas
§ 3:207	Expansive view of public area

# 35. SECURING WRIT OF ENTRY

§ 3:208	In general
\$ 3:209	Time to secure writs

# **36. NO EQUITY SEIZURES**

§ 3:210 In general

# 37. INVENTORY OF SEIZED PROPERTY

§ 3:211 In general

# 38. SERVICE'S OBLIGATION TO SAFEGUARD SEIZED PROPERTY

§ 3:212 In general

# 39. HINDERING SEIZURE

§ 3:213 In general § 3:214 Threats and forcible rescue § 3:215 Prohibited seizures

## 40. SEIZURE OF RESIDENCES

§ 3:216 In general § 3:217 Service of notice

# 41. SEIZURE OF TRADE OR BUSINESS

§ 3:218 In general § 3:219 Taxpayer assistance order

## 42. MINIMUM BID PRICE

§ 3:220	In general
§ 3:221	Arbitrary determination of value
§ 3:222	Establishment of the minimum bid
§ 3:223	Contesting under-valuation
§ 3:224	Minimum bid rules

## 43. SALE ADVERTISING PROCEDURE

- § 3:225 In general
- § 3:226 Holding period prior to sale
- § 3:227 Description of property

## 44. RELEASE OF SEIZED PROPERTY

- § 3:228 In general
- § 3:229 Return of seized property
- § 3:230 Post-seizure negotiation

## 45. SALE OF SEIZED ASSETS

- § 3:231 In general
- § 3:232 Defects in seizure process
- § 3:233 Condition of title and of property
- § 3:234 Notice of encumbrances
- § 3:235 Sale process
- § 3:236 Failure to reach minimum bid
- § 3:237 Certificate of sale
- § 3:238 Redemption of property
- § 3:239 Friendly bidder
- § 3:240 Purchase by spouse
- § 3:241 Purchase by corporate shareholders
- § 3:242 Uniform asset disposal mechanism
- § 3:243 Revised sale methods

## 46. REDEMPTION OF PROPERTY

- § 3:244 In general
- § 3:245 Land trusts
- § 3:246 Seized property sale report

## 47. RECORD OF SALE

- § 3:247 In general
- § 3:248 Accounting of sales of seized property
- § 3:249 Prior records

## 48. NEGOTIATION TACTICS

- § 3:250 In general
- § 3:251 Post-seizure payment plans
- § 3:252 Payment of minimum bid price
- § 3:253 Strict compliance
- § 3:254 Public pressure
- § 3:255 Taxpayer assistance order
- § 3:256 Collection appeals
- § 3:257 Offer in Compromise
- § 3:258 Bankruptcy option

## 49. SUMMONS

§ 3:259 In general

## § 3:260 Service

§ 3:267

# 50. SUMMONSES ON TAXPAYER (FIRST-PARTY SUMMONSES)

§ 3:261 In general
§ 3:262 Service
§ 3:263 Summons by mail
§ 3:264 District counsel procedure
§ 3:265 One last chance to avoid enforcement
§ 3:266 Compliance with summons

## 51. THIRD-PARTY SUMMONSES

§ 3:268 In general
§ 3:269 Motion to quash third-party summonses
§ 3:270 Notification of third party
§ 3:271 No notice to taxpayer
§ 3:272 Reviewing summons
§ 3:273 Notice of IRS contact of third parties
§ 3:274 Enhanced privacy rights

Seizure on summons appearance date

52. REIMBURSEMENT OF EXPENSES

§ 3:275 In general

# 53. DEFENSES TO SUMMONS

§ 3:276 In general

# 54. PRACTICE POINTERS

§ 3:277 Defenses	to summons
APPENDIX 3A.	Tax Collection Waiver—Form 900
APPENDIX 3B.	Notice of Federal Tax Lien—Form 668(Y)(c)
APPENDIX 3C.	Special Situations
APPENDIX 3D.	Protection for Certain Commercial Transactions Financing Agreements, etc.
APPENDIX 3E.	Notice of Federal Tax Lien Under Internal Revenue Laws—Form $668(Y)(c)$
APPENDIX 3F.	Certificate of Release of Federal Tax Lien—Form 668(Z)
APPENDIX 3G.	Certificate of Discharge of Property from Federal Tax Lien—Pub 783
APPENDIX 3H.	Certificate of Subordination of Federal Tax Lien—Pub 784
APPENDIX 3I.	Certificate of Nonattachment of Federal Tax Lien—Pub 1024
APPENDIX 3J.	Notice of Levy—Form 668-A(c)
APPENDIX 3K.	Notice of Levy on Wages, Salary, and Other Income—Form $668\text{-W}(c)(DO)$
APPENDIX 3L.	Table for Figuring Amounts Exempt—Pub 1494
APPENDIX 3M.	Levy—Form 668-B
APPENDIX 3N.	Final Demand for Payment—Form 668-C

APPENDIX 30.	Notice of Seizure—Form 2433
APPENDIX 3P.	Property Exempt from Levy—IRC § 6334
APPENDIX 3Q.	Consent to Enter Private Premises—500-2-15
APPENDIX 3R.	Letter to Form 4585 (with Seizure and Sale Worksheet)
APPENDIX 3S.	Minimum Bid Worksheet—Form 4585
APPENDIX 3T.	Notice of Public Auction Sale—Form 2434
APPENDIX 3U.	Notice of Sealed Bid Sale—Form 2434-A
APPENDIX 3V.	Release of Levy—Form 668–D
APPENDIX 3W.	Notice of Encumbrances Against or Interests in Property Offered for Sale—Form 2434-B
APPENDIX 3X.	Certificate of Sale of Seized Property—Form 2435
APPENDIX 3Y.	Seized Property Sale Report—Form 2436
APPENDIX 3Z.	District Director's Deed
APPENDIX 3AA.	Summons—Form 2039
APPENDIX 3BB.	Application for Taxpayer Assistance Order—Form 911
APPENDIX 3CC.	Claim for Reimbursement of Bank Charges Due to Erroneous Service Levy—Form 8546
APPENDIX 3DD.	Letter 3172: Notice of Federal Tax Lien Filing and Your Right to a Hearing Under IRC $\S$ 6320
APPENDIX 3EE.	Request for a Collection Due Process Hearing—Form 12153
APPENDIX 3FF.	Collection Appeal Rights—Pub 1660
APPENDIX 3GG.	Collection Due Process Hearing
APPENDIX 3HH.	Innocent Spouse Relief—Publication 971
APPENDIX 3II.	Collection Appeal Request—Form 9423
APPENDIX 3JJ.	Deposit Requirements for Employment Taxes—Notice 931

# **CHAPTER 4. NEGOTIATION TACTICS**

# 1. SECURING YOUR FEE

- § 4:1 In general
- § 4:2 Establishing retainer

# 2. POWER OF ATTORNEY

§ 4:3 In general

# 3. NEGOTIATING ATTITUDE

- § 4:4 In general
- § 4:5 Prolonging negotiations
- § 4:6 Appeal procedure
- § 4:7 Appeals to management
- § 4:8 Fast track mediation
- § 4:9 Taxpayer may choose fast track or normal appeals process
- § 4:10 Specially trained mediator conducts mediation
- § 4:11 Additional information available
- § 4:12 Collection due process appeals

- § 4:13 Impartial hearing
- § 4:14 Levy appeal rights
- § 4:15 Notice of intent to levy
- § 4:16 Post notice hearing
- § 4:17 Exceptions
- § 4:18 Prior rights
- § 4:19 Amount of liability
- § 4:20 Judicial review of liens and levies
- § 4:21 Suspension of collection in statute limitations

## 4. PAYMENT AGREEMENTS

- § 4:22 In general
- § 4:23 Guaranteed availability of installment agreements
- § 4:24 Streamlined installment agreements
- § 4:25 Online payment agreements
- § 4:26 In-business trust fund express installment agreements
- § 4:27 Pay within 60 or 120 day agreement
- § 4:28 Modifications of installment agreements
- § 4:29 Collection information statements

## 5. COLLECTION INFORMATION STATEMENTS

- § 4:30 In general
- § 4:31 Dangers of submitting CIS

#### 6. FORM 433-A

- § 4:32 In general
- § 4:33 Amount of payments
- § 4:34 Documentation

### 7. FORM 433-F

§ 4:35 In general

## 8. FORM 433-B

- § 4:36 In general
- § 4:37 Substantial net worth
- § 4:38 Cash flow statement

# 9. CRITERIA FOR GRANTING INSTALLMENT AGREEMENT

- § 4:39 In general
- § 4:40 Completion of page 6 of CIS
- § 4:41 Pending, approved and rejected installment agreement proposals on IDRS
- § 4:42 Allowable expenses
- § 4:43 Allowable expense overview
- § 4:44 Other expenses
- § 4:45 Expenses which will not require substantiation
- § 4:46 Disposable income
- § 4:47 Housing and utilities
- § 4:48 Transportation

- § 4:49 Necessary expenses: Other
  § 4:50 Necessary expenses: Other unsecured debts
  § 4:51 Necessary for production of income
- § 4:52 Excessive necessary and conditional expenses incurred after assessment of tax liability
- § 4:53 Application of standards
- § 4:54 Harsh results of IRS policies

## 10. NEGOTIATION TACTICS

- § 4:55 Thorough preparation
- § 4:56 Compliance with agreement
- § 4:57 Statute extensions
- § 4:58 User fee
- § 4:59 Managerial approval
- § 4:60 Independent review
- § 4:61 Independence
- § 4:62 Determination
- § 4:63 Collection appeals program
- § 4:64 Levy restrictions and installment agreements

## 11. SHORT-TERM EXTENSIONS

§ 4:65 In general

## 12. VARIATIONS ON INSTALLMENT AGREEMENTS

- § 4:66 In general
- § 4:67 Withholding by employer
- § 4:68 Bargaining tactics
- § 4:69 Direct debit installment agreements
- § 4:70 Installment agreements on specific balance due accounts
- § 4:71 Partial payment installment agreements
- § 4:72 Waiver procedures for Partial Payment Installment Agreements

# 13. BUSINESS TAXPAYERS

- § 4:73 Express installment agreements
- § 4:74 Installment agreements
- § 4:75 Positive cash flow
- § 4:76 Cash projection
- § 4:77 Criteria for in-business trust fund installment agreements
- § 4:78 Repeater cases
- § 4:79 Application of payments to trust fund portion

## 14. TAXPAYER RIGHTS

- § 4:80 Taxpayer bill of rights
- § 4:81 Notification of rights
- § 4:82 Publications
- § 4:83 Right to representation
- § 4:84 Right to record interviews
- § 4:85 Reason for termination of installment agreements without notice to taxpayers

- § 4:86 Reasons for proposing termination (defaulting) installment agreements
- § 4:87 Taxpayer assistance orders
- § 4:88 Release of liens
- § 4:89 Suit for failure to release liens
- § 4:90 Suit for violation of law
- § 4:91 Application of certain fair debt collection practices
- § 4:92 Expanded exemptions from seizure

#### 15. TAXPAYER PAYMENTS

- § 4:93 In general
- § 4:94 Designation of tax deposits

## 16. PRIVACY ACT

- § 4:95 In general
- § 4:96 Unauthorized disclosure
- § 4:97 Notice of IRS contact of third parties
- § 4:98 Providing taxpayers with third party contact list

## 17. MATH ERROR NOTICES

§ 4:99 In general

# 18. MODIFICATION AND TERMINATION OF PAYMENT AGREEMENTS

- § 4:100 In general
- § 4:101 Taxpayer assistance order

#### 19. TAXPAYER ASSISTANCE ORDERS

- § 4:102 In general
- § 4:103 Taxpayer assistance orders
- § 4:104 Nonexclusive
- § 4:105 Extension of statute of limitations

## 20. CURRENTLY NOT COLLECTIBLE ACCOUNTS

- § 4:106 In general
- § 4:107 Release of levy when amount is uncollectible

## 21. BASIS FOR REPORTING ACCOUNTS UNCOLLECTIBLE

- § 4:108 In general
- § 4:109 Hardship
- § 4:110 Undue hardship

# 22. INABILITY TO LOCATE OR CONTACT

§ 4:111 In general

#### 23. BANKRUPTCY

§ 4:112 In general

## 24. DECEDENT ESTATES

§ 4:113 In general

## 25. TOLERANCE

§ 4:114 In general

## 26. UNABLE TO PAY GUIDELINES

§ 4:115 Allowable expenses

## 27. EMPLOYMENT TAXES

§ 4:116 In general

## 28. HARDSHIP CODES

§ 4:117 In general

# 29. MANDATORY FOLLOW-UP

§ 4:118 In general

## 30. POST "UNCOLLECTIBLE" ACTIONS BY SERVICE

§ 4:119 In general

# 31. EFFECT OF PLACING AN ACCOUNT IN CURRENTLY NOT COLLECTIBLE STATUS

- § 4:120 In general
- § 4:121 Annual notice of delinquent tax

### 32. COLLATERAL AGREEMENTS

§ 4:122 In general

# 33. QUALIFICATIONS FOR COLLATERAL AGREEMENTS

- § 4:123 Types of acceptable securities
- § 4:124 Avoiding federal tax liens
- § 4:125 Securing payment agreement

# 34. PRACTICAL CONSIDERATIONS

§ 4:126 In general

## 35. COLLECTION-RELATED PENALTIES

- § 4:127 In general
- § 4:128 Fraudulent failure to file
- § 4:129 Failure to pay penalty
- § 4:130 Mitigation of penalty for individual's failure to pay during period of installment agreement
- § 4:131 Substitute for returns
- § 4:132 Failure to deposit penalty
- § 4:133 Abatement of penalty for failure to make deposits
- § 4:134 Dishonored remittance penalty
- § 4:135 Interest on large corporate tax obligations
- § 4:136 Abatement of interest

§ 4:137 Procedural requirements for imposition of penalties and additions to tax

#### 36. ABATEMENT OF PENALTIES—GENERALLY

§ 4:138 In general

#### 37. REASONABLE CAUSE

- § 4:139 In general
- § 4:140 Service criteria
- § 4:141 IRS consideration of reasonable cause
- § 4:142 Substantiation of reasonable cause grounds
- § 4:143 Substantiation
- § 4:144 Delay by post office
- § 4:145 Partnerships and reasonable cause
- § 4:146 Other grounds for abatement
- § 4:147 Prior compliance
- § 4:148 Cascading penalties

### 38. PROCEDURE FOR PENALTY APPEALS

- § 4:149 In general
- § 4:150 Thirty-day appeal period
- § 4:151 Subsequent rights
- § 4:152 Appeal prior to payment

## 39. AUDIT RECONSIDERATION

- § 4:153 In general
- § 4:154 Requirements
- § 4:155 Examination division criteria
- § 4:156 Documentation
- § 4:157 Inappropriate requests

## 40. TAXPAYER ADVOCATE

- § 4:158 In general
- § 4:159 Criteria for assistance
- § 4:160 Requesting assistance

## 41. TAXPAYER ADVOCATE ACTIONS

- § 4:161 In general
- § 4:162 Resolution of problems

## 42. TAXPAYER ASSISTANCE ORDERS—PROCEDURE

- § 4:163 In general
- § 4:164 Taxpayer Advocate
- § 4:165 Procedure for requesting TAO
- § 4:166 Significant hardship
- § 4:167 Client advocacy
- § 4:168 Statute of limitations
- § 4:169 Consideration of request for TAO

## 43. FTD ALERTS

8	4:170	In	general
- 8	T. 1 / U	111	Echiciai

§ 4:171 Delinquent payers

## 44. MONTHLY FILING

8	4:172	In	general

APPENDIX 4A.	Retainer Agreement
ALLENDIA 4A.	netamer Agreement

APPENDIX 4B.	Letter Concerning	Representation	Before the	Collection	Division
	CIDO	-			

of IRS

APPENDIX 4C.	Power of Attorney	and Declaration	of Representative-	–Form
	0040			

2848

# APPENDIX 4D. Collection Information Statement for Businesses—Form 433-B

APPENDIX 4E. Collection Information Statement for Individuals—Form 433-A

APPENDIX 4F. Memorandum on Streamlined Installment Agreements

APPENDIX 4G. Collection Information Statement for Wage Earners and Self-

Employed Individuals—Form 433-A (OIC)

APPENDIX 4G1. Collection Information Statement for Businesses—Form 433-B

(OIC)

APPENDIX 4H. Collection Information Statement—Form 433-F

APPENDIX 4I. Installment Agreement—Form 433-D

APPENDIX 4J. Payroll Deduction Agreement—Form 2159

APPENDIX 4K. Report of Currently Not Collectible Taxes—Form 53

APPENDIX 4L. Notice of Levy on Wages, Salary, and Other Income

APPENDIX 4M. Collateral Agreement

APPENDIX 4N. Application for Taxpayer Assistance Order Data

APPENDIX 4O. Installment Agreement Request—Form 9465

APPENDIX 4P. Allowable Expenses

APPENDIX 4Q. Letter 3164: IRS Notice of Third Party Contacts

APPENDIX 4R. Annual Reminder of Overdue Taxes

# CHAPTER 5. TRUST FUND RECOVERY PENALTY

# 1. INTRODUCTION

- § 5:1 In general
- § 5:2 Trust fund
- § 5:3 Special rules for disregarded entities

# 2. REQUIREMENTS FOR LIABILITY

- § 5:4 In general
- § 5:5 Assessment against several persons

## 3. RESPONSIBILITY AND WILLFULNESS

§ 5:6 In general

#### § 5:7 No need to be persons other than corporate officers

#### 4. RESPONSIBILITY

- § 5:8 In general
- § 5:9 Ultimate control
- § 5:10 Person's authority
- § 5:11 Responsibility supposed by corporate office
- § 5:12 Check signing
- § 5:13 Multiple responsible persons
- § 5:14 Federal right of contribution
- § 5:15 Liability of accountants and attorneys
- § 5:16 Corporate officers avoiding liability
- § 5:17 Corporate presidents
- § 5:18 Tougher test in some circuits
- § 5:19 Other courts
- § 5:20 Creditors
- § 5:21 Voluntary board members
- § 5:22 Disclosure of collection efforts

# 5. IRS INVESTIGATION OF RESPONSIBILITY

- § 5:23 In general
- § 5:24 Check signing authority
- § 5:25 Corporate office
- § 5:26 Signatures on tax returns
- § 5:27 Outward indicators of responsibility
- § 5:28 Shotgun approach

## 6. WILLFULNESS

- § 5:29 In general
- § 5:30 Liability requiring personal fault
- § 5:31 Personal fault
- § 5:32 Reckless disregard of known risks
- § 5:33 Lack of knowledge
- § 5:34 Subsequent knowledge
- § 5:35 Liabilities caused by embezzlement
- § 5:36 Negligence vs. recklessness
- § 5:37 Reasonable cause
- § 5:38 Reasonable cause exception
- § 5:39 Illness
- § 5:40 Lack of funds
- § 5:41 Belief that trust fund taxes fully paid
- § 5:42 Public information requirements

# 7. IRS INVESTIGATION OF WILLFULNESS

- § 5:43 In general
- § 5:44 Preparation of return
- § 5:45 Signature on payment plan
- § 5:46 Responsibility proving willfulness

# 8. STATUTE OF LIMITATIONS

§ 5:47 In general

TABLE O	F CONTENTS
§ 5:48 § 5:49	Extension during appeal Suspension during summons disputes
9. A	PPLICATION OF PAYMENTS
§ 5:50 § 5:51	In general Amount of penalty
10. I	DIRECTION OF PAYMENTS
\$ 5:52 \$ 5:53 \$ 5:54 \$ 5:55 \$ 5:56 \$ 5:57 \$ 5:58 \$ 5:59 \$ 5:60	In general Designated payments Contemporaneous direction Designation of tax deposits Voluntary vs. involuntary Payments during bankruptcy Prebankruptcy payments of trust fund taxes Assertion of trust fund recovery penalty Trust fund recovery interest during bankruptcy
11. (	COMPUTATION OF TRUST FUND RECOVERY PENALTY
§ 5:61 § 5:62 § 5:63 § 5:64	
12. I	RS INVESTIGATION TECHNIQUES
§ 5:65 § 5:66 § 5:67 § 5:68	In general Interviews with potentially responsible persons Participation in meetings Supplement IRS form
13. I	NFORMATION GATHERING
§ 5:69 § 5:70	In general Oral presentations
14. I	RECOMMENDING ASSERTION OF PENALTY
§ 5:71 § 5:72 § 5:73 § 5:74	In general Notice to taxpayer Statutory duty to give notice Reconsideration after notice

# 15. DEFENSE TACTICS

- § 5:76 In general
  § 5:77 "He did it" defense
  § 5:78 Protest
  § 5:79 Mail protest by certified mail
- $\S~5{:}80$  Securing IRS file

Estoppel

 $\S 5:75$ 

§ 5:81 Failure to protest

§ 5:82 Deduction of payments on trust fund recovery penalty

## 16. APPEALS PROCEDURE

- § 5:83 In general
- § 5:84 Appeals conference
- § 5:85 Hazards of litigation
- § 5:86 Economic considerations

# 17. OTHER TYPES OF THIRD-PARTY LIABILITY

§ 5:87 In general

# 18. LENDER LIABILITY

§ 5:88 In general

# 19. IRC § 3505

- § 5:89 In general
- § 5:90 Loan of net payroll

## 20. FRAUDULENT CONVEYANCES

§ 5:91 In general

# 21. STATUTORY TRANSFEREE LIABILITY

- § 5:92 In general
- § 5:93 Proposal of liability
- § 5:94 Issue of state law

## 22. JUDICIAL TRANSFEREE LIABILITY

- § 5:95 In general
- § 5:96 Basis of suit
- § 5:97 Types of fraud

# 23. FRAUD IN LAW OR IN EQUITY

- § 5:98 In general
- § 5:99 Evil motive

## 24. FRAUD IN FACT

- § 5:100 In general
- § 5:101 Badges of fraud
- § 5:102 Other factors

#### 25. TIME OF CONVEYANCE

§ 5:103 In general

#### 26. NOMINEES

- § 5:104 In general
- § 5:105 Process for filing nominee liens

§ 5:106 Alter ego

#### 27. FIDUCIARY LIABILITY

- § 5:107 In general
- § 5:108 Liability distinct from transferee liability
- § 5:109 Knowledge of tax liability
- § 5:110 Amount of liability

## 28. LIABILITY OF SURETIES

§ 5:111 In general

### 29. CRIMINAL ENFORCEMENT

§ 5:112	In genera	1
3 0.112	III genera	.1

- § 5:113 Employment tax evasion schemes
- § 5:114 Pyramiding
- § 5:115 Employee leasing
- § 5:116 Paying employees in cash
- § 5:117 Filing false payroll tax returns or failing to file payroll tax returns
- § 5:118 South Jersey man sentenced for hiring illegal immigrants, failing to collect payroll taxes
- § 5:119 Pennsylvania businessman sentenced for tax fraud
- § 5:120 Tennessee business owner sentenced for failing to pay more than \$8 million in employment taxes
- § 5:121 Former daycare owner sentenced for failing to pay \$891,000 in taxes
- § 5:122 Construction business owner sentenced for employment tax fraud
- $\S 5:123$  Maryland business owner sentenced for failing to pay over \$1.4 million in taxes
- § 5:124 Mississippi man sentenced for failure to pay over employment taxes
- § 5:125 Former North Dakota business owner sentenced for failure to pay employment taxes
- § 5:126 Colorado man sentenced for failure to pay millions in employment taxes
- § 5:127 Former business owner sentenced for criminal employment tax violations
- § 5:128 Pizzeria owner sentenced for failing to pay employment taxes
- $\S~5:129$  Roofing contractor sentenced for pocketing employee payroll tax withholdings
- § 5:130 Virginia business owner sentenced on tax charges
- § 5:131 New Hampshire Drywaller jailed for Under-The-Table payroll scheme
- § 5:132 Missouri business owner sentenced for employment tax scheme
- § 5:133 Ohio business owner sentenced for failing to pay employment taxes
- § 5:134 Rhode Island businessman sentenced for unapproved cancer remedies and tax evasion
- § 5:135 President of Mexican Market sentenced for employment tax fraud
- § 5:136 Operator of third party payroll company sentenced for embezzling from client companies
- § 5:137 Former CEO sentenced for failure to pay over employment taxes
- § 5:138 Business owner sentenced for failing to pay more than \$860,000 in withheld federal payroll taxes
- § 5:139 Second former Arrow Trucking executive sentenced in multi-million dollar fraud scheme
- § 5:140 Former Arrow Trucking executive sentenced in multi-million dollar fraud scheme

APPENDIX 5A.	IRS Payroll Computer Report
APPENDIX 5B.	Questions and Answers Regarding Application of Payments
APPENDIX 5C.	Trust Fund Recovery Penalty Using New Calculation
APPENDIX 5D.	Report of Interview with Individual Relative to Trust Fund Recovery Penalty or Personal Liability for Excise Tax—Form 4180
APPENDIX 5E.	Recommendation re: Trust Fund Recovery Penalty Assessment- Form 4183
APPENDIX 5F.	Penalty Assessment Letter—Letter 1153(DO)
APPENDIX 5G.	Proposed Assessment of Trust Fund Recovery Penalty—Form 2751
APPENDIX 5H.	Affidavits
APPENDIX 5I.	Written Protest to Proposed Trust Fund Recovery Penalty (Protest to Responsibility and Willfulness)
APPENDIX 5J.	Written Protest to Proposed Trust Fund Recovery Penalty (Computational Errors)

# CHAPTER 6. OFFERS IN COMPROMISE

# 1. SETTLING TAX LIABILITIES FOR LESS THAN THE BALANCE OWED

§ 6:2	Offer environment
§ 6:3	Statutory mandate
§ 6:4	2006 statutory revisions
§ 6:5	Payment with offers
§ 6:6	Failure to make a deposit
§ 6:7	Not refundable
§ 6:8	Specify payments
§ 6:9	Failure to make installment payment
§ 6:10	Low-income taxpayers
§ 6:11	Deemed accepted
§ 6:12	Standards
§ 6:13	Form 656
§ 6:14	More supporting documents
§ 6:15	Addresses
§ 6:16	Return of an offer
§ 6:17	Determining processability
§ 6:18	OIC challenges
§ 6:19	Compliance centers hinder substantive consideration of offers
§ 6:20	Amount of offer
§ 6:21	Minimum offer standards

# 2. PROCESSING OF OFFER

§ 6:22 In general

# 3. ADEQUACY OF OFFER

§ 6:23 Computation of offer amount

§ 6:1

In general

§ 6:24	Full pay processing
§ 6:25	Cash offer
§ 6:26	Components of collectibility
§ 6:27	Short-term deferred payment offer
§ 6:28	Summary of payment terms
§ 6:29	Amount of offer
§ 6:30	Quick sale value of assets as basis of considering offer
§ 6:31	Forced sale value vs. fair market value
§ 6:32	Dissipation of assets
§ 6:33	Determining machinery and equipment values
§ 6:34	Other considerations
§ 6:35	Cash
§ 6:36	Closely held companies
§ 6:37	Securities, closely held stock, and business interest

## 4. RETIREMENT PLANS

Digital Assets

§ 6:39 In general

§ 6:38

# 5. FURNITURE, FIXTURES AND PERSONAL EFFECTS

§ 6:40 In general

## 6. BUSINESS ASSETS

- § 6:41 In general
- § 6:42 Trucks, automobiles and delivery equipment
- § 6:43 Receivables

# 7. JOINT OWNERSHIP

- § 6:44 In general
- § 6:45 Greater flexibility
- § 6:46 Joint liability

# 8. DETERMINATION OF INCOME

- § 6:47 In general
- § 6:48 Future income
- § 6:49 Negotiations regarding available income
- § 6:50 Aggregation of income with quick sale value
- § 6:51 Aggressive negotiations
- § 6:52 Other expenses
- § 6:53 OIC before bankruptcy

# 9. EMPLOYMENT AND COLLECTED EXCISE TAX LIABILITIES

- § 6:54 In general
- § 6:55 General guidelines
- § 6:56 Withholding and employment taxes
- § 6:57 Offers from operating businesses (including trust fund liabilities)
- § 6:58 Corporate trust fund liabilities

# 10. APPROVAL PROCESS

§ 6:59 In general

- § 6:60 Delegation Order Number 5-1
- § 6:61 Request for amendment

# 11. APPEALS

- § 6:62 In general
- § 6:63 Appeal rights
- § 6:64 Judicial review

# 12. PUBLIC POLICY

§ 6:65 Public policy rejection

# 13. COLLATERAL AGREEMENTS

- § 6:66 In general
- § 6:67 Other collateral agreements
- § 6:68 Guidelines for collateral agreements

## 14. DOUBT AS TO LIABILITY

- § 6:69 In general
- § 6:70 Statutory rights

## 15. FINANCIAL AND HEALTH PROBLEMS

§ 6:71 In general

# 16. ACCEPTANCE

- § 6:72 In general
- § 6:73 Public record

# 17. FUTURE COMPLIANCE

- § 6:74 In general
- § 6:75 Joint offer—Default by one spouse

## 18. CHANGES IN OFFER CLIMATE

§ 6:76 In general

# 19. PROMOTING EFFECTIVE TAX ADMINISTRATION

- § 6:77 Effective tax administration
- § 6:78 In general
- § 6:79 Special rules for evaluating offers to promote effective tax administration
- § 6:80 Economic hardship
- § 6:81 Undermining compliance
- § 6:82 Exceptional circumstances
- § 6:83 Basis for effective tax administration offer
- § 6:84 Determining an acceptable offer amount
- APPENDIX 6A. Offer in Compromise—Form 656
- APPENDIX 6B. Collection Information Statement for Individuals—Form 433-A
- APPENDIX 6C. Collection Information Statement for Businesses—Form 433-B

APPENDIX 6D.	Letter Accepting Offer in Compromise
APPENDIX 6E.	New Policy on Offers in Compromise
APPENDIX 6F.	Offer Acceptance Report—Form 7249
APPENDIX 6G.	Income/Expense and Asset/Equity Tables
APPENDIX 6H.	Request for Appeal of Offer in Compromise
APPENDIX 6I.	IRS Outlines Additional Steps to Assist Unemployed Taxpayers and Others

# CHAPTER 7. JUDICIAL RELIEF FROM COLLECTION ACTION

# 1. TAXPAYER BILL OF RIGHTS

- § 7:1 In general
- § 7:2 Taxpayer Bill of Rights 2
- § 7:3 New taxpayer protection
- § 7:4 1998 Act

# 2. CIVIL DAMAGES FOR UNAUTHORIZED COLLECTION ACTIONS

- § 7:5 In general
- § 7:6 Negligence

## 3. DAMAGES

- § 7:7 In general
- § 7:8 Exclusive remedy

# 4. LIMITATIONS

- § 7:9 In general
- § 7:10 Two years to sue

## 5. FRIVOLOUS LITIGATION

§ 7:11 In general

## 6. FAILURE TO RELEASE LIEN

- § 7:12 In general
- § 7:13 Appeals procedure
- § 7:14 Situations appropriate for appeals
- § 7:15 Judicially identified situation
- § 7:16 Nominee liens

## 7. CIVIL ACTION FOR FAILURE TO RELEASE LIEN

§ 7:17 In general

# 8. EXHAUSTION OF REMEDIES

- § 7:18 In general
- § 7:19 Administrative procedures

## 9. ACCOUNTING AND ATTORNEY FEES

- § 7:20 In general
- § 7:21 Substantially justified
- § 7:22 Earlier award of fees
- § 7:23 Exhaustion of remedies

# 10. LIMITATIONS

§ 7:24 In general

## 11. ANTI-INJUNCTION STATUTE

- § 7:25 In general
- § 7:26 Prompt collection of revenue

# 12. STATUTORY EXCEPTIONS TO ANTI-INJUNCTION PROVISIONS

- § 7:27 Judicial review of liens and levies
- § 7:28 Premature collection action

## 13. TRUST FUND RECOVERY PENALTY

- § 7:29 In general
- § 7:30 Levy during pendency of refund proceedings

## 14. PREPARER PENALTIES

§ 7:31 In general

## 15. WRONGFUL LEVY

§ 7:32 In general

# 16. JUDICIAL EXCEPTIONS TO ANTI-INJUNCTION PROVISIONS

- § 7:33 In general
- § 7:34 Enjoining rescission of payment plan

## 17. REFUND SUITS

- § 7:35 In general
- § 7:36 Forum and jurisdiction
- § 7:37 Payment of tax liability
- § 7:38 Limitation periods
- § 7:39 Settlement criteria
- § 7:40 Form of offer
- § 7:41 Reduction of tax liability

## 18. WRONGFUL LEVY

- § 7:42 In general
- § 7:43 Time to file
- § 7:44 Erroneous seizure
- § 7:45 Third-party recovery for wrongful seizures

## 19. SUITS REGARDING TITLE TO PROPERTY

- § 7:46 In general
- § 7:47 Validity of director's deed
- § 7:48 Practitioner's review of documents
- § 7:49 Courts voiding IRS sales
- § 7:50 Personal service of notice
- § 7:51 Setting aside IRS sale
- § 7:52 Sale of attorney's home
- § 7:53 Inequitable conveyance
- § 7:54 Civil action for release of erroneous lien

# 20. BANKRUPTCY PROCEEDINGS

- § 7:55 In general
- § 7:56 Automatic stay
- § 7:57 Types of bankruptcy

### 21. CHAPTER 11

- § 7:58 In general
- § 7:59 Presentation of plan
- § 7:60 Approval of plan
- § 7:61 Assertion of trust fund recovery penalty
- § 7:62 Payments during bankruptcy
- § 7:63 Prebankruptcy payments of trust fund taxes
- § 7:64 Improper postbankruptcy payments of trust fund taxes

#### 22. CHAPTER 13

- § 7:65 Administration of plan
- § 7:66 Debtors retaining assets
- § 7:67 Creditors voting
- § 7:68 Forced payment plan
- § 7:69 Partial payment of liabilities
- § 7:70 Conditions for Chapter 13 confirmations

## **23. CHAPTER 7**

- § 7:71 In general
- § 7:72 Priority taxes
- § 7:73 Dischargeable taxes
- § 7:74 Evaluating dischargeability
- § 7:75 Avoiding unreasonable revenue officers
- § 7:76 Dismissal of bankruptcy
- § 7:77 Adverse effects of bankruptcy
- § 7:78 Bankruptcy tax provisions of Bankruptcy Abuse Prevention and Consumer Protection Act of 2005

## 24. POST-BANKRUPTCY ACTIONS

- § 7:79 In general
- § 7:80 IRS Restructuring & Reform Act of 1998

## 25. LITIGATING TAX LIABILITIES

§ 7:81 In general

- § 7:82 Litigation remedy
- § 7:83 Advantages of litigating before bankruptcy court

## 26. SUMMARY

- § 7:84 In general
- § 7:85 Caveat

## 27. PROTECTION OF TAXPAYER PRIVACY

- § 7:86 In general
- § 7:87 Notice of taxpayer's unlawful inspection
- § 7:88 Notice of IRS contact of third parties
- § 7:89 Enhanced privacy rights

## 28. FRAUDULENT INFORMATION RETURN PENALTIES

- § 7:90 In general
- § 7:91 Reasonable and probative information

#### 29. COLLECTION DUE PROCESS ACTIONS

- § 7:92 In general
- § 7:93 Tax court rules
- § 7:94 Review standards
- § 7:95 Pleading format
- APPENDIX 7A. Complaint for Abatement of Assessment and for Refund of Amounts Paid
- APPENDIX 7B. Complaint for Wrongful Levy and Seizure of Property
- APPENDIX 7C. Cross-Complaint to Quiet Title of Property Sold by IRS Without Notice to Owner
- APPENDIX 7D. The Effect of Bankruptcy on Collection
- APPENDIX 7E. Request for Adjustment—Form 3870
- APPENDIX 7F. Petition for Levy Action Under Code Section 6330(d)

## CHAPTER 8. IRS RECORD SYSTEM

#### 1. SECURING DOCUMENTS

- § 8:1 In general
- § 8:2 Disclosure of trust fund recovery penalty information

## 2. IRS COMPUTER SYSTEM

§ 8:3 In general

# 3. AUTOMATIC DATA PROCESSING

§ 8:4 In general

### 4. MASTER FILES

§ 8:5 In general

# 5. SERVICE CENTERS

§ 8:6 In general

# 6. INTEGRATED DATA RETRIEVAL SYSTEM

- § 8:7 In general
- § 8:8 Availability at local offices
- § 8:9 IDRS notices

# 7. READING IDRS TXMOD TRANSCRIPTS

- § 8:10 In general
- § 8:11 MFTRA

## 8. SUMRY

§ 8:12 In general

# 9. LEVIES

§ 8:13 In general

# 10. IADIS

§ 8:14 In general

# 11. INTST

§ 8:15 In general

# 12. CAFR

§ 8:16 In general

# 13. DOCUMENT LOCATOR NUMBER

§ 8:17 In general

# 14. TRANSACTION CODES

§ 8:18 In general

# 15. TAX ACCOUNT CODES

§ 8:19 In general

## 16. STATUS CODES

§ 8:20 In general

# 17. ENTERPRISE COMPUTING CENTER TRANSCRIPTS

§ 8:21 In general

## 18. UNIT LEDGER CARDS

§ 8:22 In general

# 19. SECURING IDRS TRANSCRIPTS

§ 8:23 In general

# 20. AUTOMATED COLLECTION SYSTEM (ACS)

§ 8:24 In general

## 21. SECURING RETURNS

§ 8:25 In general

## 22. CASE FILES

§ 8:26 In general

§ 8:27 Request copies of file

## 23. PRIVACY ACT

- § 8:28 In general
- § 8:29 Addresses for making requests
- § 8:30 Appeal rights

## 24. SUMMARY OF ADP

§ 8:31 In general

## 25. ENDORSEMENT OF CHECKS

§ 8:32 In general

# 26. OPTICAL CHARACTER READER/REMITTANCE PROCESSING SYSTEM (OCR/RPS)

- § 8:33 In general
- § 8:34 Former OCR/RPS

# 27. MANUAL REMITTANCE PROCESSING

- § 8:35 Manual Remittance Processing System (RPS)
- § 8:36 Former manual RPS
- § 8:37 Residual remittance processing systems (RRPS)
- § 8:38 Trace ID Numbers

# 28. ENCODER NUMBER

§ 8:39 In general

# 29. IDRS SEQUENCE NUMBER

 $\S 8:40$  In general

# 30. PAYMENT TRACERS

§ 8:41 In general

# 31. ABATEMENTS

§ 8:42 In general

APPENDIX 8A. Specifics of TXMOD Command Code

APPENDIX 8B. Document Locator Number

APPENDIX 8C. ADP Transaction Codes

APPENDIX 8D. Master File and Non Master File 7

APPENDIX 8D. Master File and Non Master File Tax Account Codes

APPENDIX 8E. MF and IRDS Collection Status Codes

APPENDIX 8F. BMF ECC Transcript—Complete

APPENDIX 8G. Request for Copy or Transcript of Tax Form—Form 4506

APPENDIX 8H. Request for Documents under Freedom of Information Act

APPENDIX 8I. Payment Tracer Request—Form 4159

APPENDIX 8J. Request for Adjustment—Form 3870

APPENDIX 8K. Residual Remittance Processing

APPENDIX 8L. IMF SUMRY

APPENDIX 8M. Notices and Notice Codes

APPENDIX 8N. [Reserved]

APPENDIX 8O. Internal Revenue Service—Freedom of Information Act (FOIA)
Guidelines

# **GENERAL APPENDIXES**

APPENDIX 1. Your Rights as a Taxpayer

APPENDIX 2. The IRS Collection Process

APPENDIX 3. Deposit Requirements—Employment Taxes

APPENDIX 4. IRS Strategic Plan

APPENDIX 5. Policy Statements for Collecting Process Activities

APPENDIX 6. IRS Collection Activity

APPENDIX 7. Civil Penalties Assessed and Abated

APPENDIX 8. Criminal Investigation

APPENDIX 9. Glossary

APPENDIX 10. Statement of Robert E. McKenzie

**Table of Laws and Rules** 

Table of Cases

**Index to Text**