

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

Aug. 25, 2020



The IRS has issued a [memorandum](#) that provides interim guidance to the agency's compliance staff on requests to designate issues for litigation.

Designation of issues for litigation, a decision that is made with the Office of Chief Counsel, limits a taxpayer's opportunity to administratively resolve their case with the IRS Independent Office of Appeals. Disputes between the IRS and taxpayers over designated issues must be resolved through litigation. The IRS took this step to

update and clarify its designation procedures as part of its implementation of the

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

litigants.

The process of designating an issue is exhaustive. It involves several written notices and opportunities for the taxpayer to avoid designation and is subject to the highest level of oversight within the IRS and Chief Counsel. It also includes the opportunity to personally meet with the Chief Counsel to make a case against designation. The TFA codifies this framework and high level of oversight. It also sets forth the specific elements for the written notice required to be provided to the taxpayer and grants taxpayers the right to administratively appeal designation determinations.

The designation procedures set out in the memorandum will be incorporated into the Internal Revenue Manual, and corresponding changes will be made to the Chief Counsel Directive Manual. This ensures that IRS and Chief Counsel employees adhere to the designation procedures and comply with the TFA provisions.

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved