



Appeals

Roadmap to Resolution Examination Issues

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Appeals Mission

To resolve tax controversies, without litigation, on a basis which is fair and impartial to both the Government and the taxpayer in a manner that will enhance voluntary compliance and public confidence in the integrity and efficiency of the Service.

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Examination Cases

- Nondocketed
 - 30 Day Letters,
 - Innocent Spouse Relief
 - Claims & Audit Reconsiderations
 - Penalty Appeals & Interest Abatements

Examination Cases

- Docketed
 - Regular
 - S Docketed

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When to Appeal

- Law is unclear
- Facts are not well established
- Differing opinions or interpretations of law and/or facts
- Conflicting Court decisions (Golsen Rule)

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Hearing Your Case

- Campus or Field Appeals Office
- Correspondence
- Telephone
- Face-to-face conference

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Case Study I

- Docketed case
- Value of donated property (land)
- Taxpayer's valuation prepared by well-known expert
- Government's valuation based on comparable sales prepared by Compliance

Getting to Resolution

- Appeals analysis
 - Approach & methodology of appraisals
 - Available expert testimony
 - Applicable court decisions
- Analysis tends to show taxpayer has stronger case

Case Study II

- Horse racing – business or hobby?
- Facts
 - Excellent records, time devoted to activity, & appreciation of assets
 - No profit last five years

Getting to Resolution

- Appeals analysis
 - Nine factors (Treas. Reg. 1.183-2(b))
 - Determine met or not met
 - Assign weight to factors
 - Evaluate applicable court decisions
- Analysis tends to show government has stronger case



Getting to Resolution Sooner

- Alternative Dispute Resolution Options
 - Pre-filing Agreements
 - Early Referral, Delegation Order 4-24 & 4-25
 - Fast Track Mediation & Fast Track Settlement
 - Post Appeals Mediation

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For more information...

Visit Appeals at www.irs.gov/appeals

View an informative video stream entitled, “Appeals—Today and Tomorrow”



Careers in Appeals



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