



COMMISSIONER
TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

July 7, 2020

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Affected IRM: 4.71.1.7.2, 4.75.10.7.3,
4.86.5.10.1.1, 4.81.5.11.2

MEMORANDUM FOR TAX EXEMPT AND GOVERNMENT ENTITIES
EXAMINATION EMPLOYEES

FROM: Tamera L. Ripperda /s/ *Tamera L. Ripperda*
Commissioner, Tax Exempt/Government Entities

SUBJECT: Extended Modification of IDR Enforcement Timelines due to
COVID-19 Considerations and Resumption of Exam Activity
Post July 15, 2020

This memorandum supersedes the previous memorandum issued on April 2, 2020 entitled, "IDR Enforcement Timelines due to COVID-19 Considerations". It extends the approval period to deviate from standard IDR enforcement timelines until further notice. It also provides guidance regarding resumption of TEGE exam activities post July 15, 2020 which will also be effective until further notice.

As background, on March 13, 2020, the President declared a national state of emergency due to the COVID-19 pandemic. On March 25, 2020, the IRS issued [News Release IR-2020-59](#), to unveil the new IRS People First Initiative and announced a series of steps to assist taxpayers. The initiative provides relief on a variety of issues, including the suspension of all in-person contacts and some compliance actions through July 15, 2020. Specifically, the People First Initiative provides:

During this period, the IRS will generally not start new field, office and correspondence examinations. We will continue to work refund claims where possible, without in-person contact. However, the IRS may start new examinations where deemed necessary to protect the government's interest in preserving the applicable statute of limitations.

As we move towards the sunset of the People First Initiative, I want to provide clarity on the approach we will take within TEGE after July 15th with respect to the activities.

I. IDR Enforcement Timelines Post July 15th

We are extending a temporary modification of existing IDR enforcement follow-up procedures as outlined within the following TEGE functional IRMs: EO/FSL- 4.75.10.7.3, ITG- 4.86.5.10.1.1, TEB- 4.81.5.11.2, and EP- 4.71.1.7.2.

This modification temporarily relaxes the more rigid timelines detailed within the above IRM sections that would otherwise result in enforcement actions due to untimely or incomplete IDR responses. We are issuing this modification to strict adherence of the timelines present within our IRMs in recognition of the difficulty taxpayers may face at this time due to the various challenges associated with COVID-19. The intent of this modification is to allow an increased reasonable application of business judgement by examination agents and managers in the exercise of duties related to IDR requests and follow-ups. These modified IDR procedures will be effective until further notice.

Exam personnel with IDRs issued and outstanding during this time should note the temporary modification of the IDR enforcement process within the Case Chronology Record (CCR). Please note, exam personnel can and should as appropriate continue issuing and receiving IDRs. This memorandum only applies to the IDR enforcement process for taxpayers who are unable, due to the COVID-19 pandemic, to respond timely or completely to an IDR. Notwithstanding this modification memorandum, managers retain the discretion to continue with the IDR enforcement process when in their judgement the interests of tax administration warrant. Examples here could include cases with short statutes, listed transactions, fraud development, or other situations as necessary including a subjectively reasonable passage of time factoring in unique taxpayer circumstances

II. Resumption of Exam Activity Post July 15th

All operations will resume under normal procedures except as detailed below.

- Appointment letters should not be issued prior to July 16, 2020.
- Appointments (whether in-person or virtual) should be scheduled for August 2020 or later, depending upon the facts and circumstances of the taxpayer.
- While in-person contact will be allowed when necessary, where possible, we should default to correspondence and/or virtual interactions out of respect and sensitivity to our employees and taxpayers who may have concerns with in-person contact. In general, face-to-face taxpayer interaction should be limited to only those instances where such interactions are needed and front-line managers have been engaged.
- For field and office examinations where it is determined that in-person interaction with a taxpayer/representative is necessary only to exchange books and records, employees can consider conducting the meeting in a Taxpayer Assistance Center (TAC) that is equipped with plexiglass barriers, if possible. When in-person interaction is necessary, appropriate precautions should be taken such as reasonable social distancing and wearing face coverings.
- Virtual appointments can be conducted by teleconference. WebEx will also be an option following appropriate guidelines and subject to system availability.

While we cannot anticipate and provide guidelines for every possible situation, it remains vitally important for all TEGE employees to exercise sound business judgement and be sensitive to

the health, safety, and concerns of themselves and taxpayers. We will continue to monitor and will provide additional guidance as necessary.

The direction provided within this memorandum is effective until further notice.

If you have questions or concerns, please contact your manager.

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