

The Oracles of the Faithful

Judges of United States Tax Court, the Rich or Examiners



4.10.7.2.9.8 (01-01-2006)

Importance of Court Decisions

1. Decisions made at various levels of the court system are considered to be interpretations of tax laws and may be used by either examiners or taxpayers to support a position.
2. Certain court cases lend more weight to a position than others. A case decided by the U.S. Supreme Court becomes the law of the land and takes precedence over decisions of lower courts. The Internal Revenue Service must follow Supreme Court decisions. **For examiners, Supreme Court decisions have the same weight as the Code.**
3. Decisions made by lower courts, such as Tax Court, District Courts, or Claims Court, **are binding on the Service only for the particular taxpayer and the years litigated.** Adverse decisions of lower courts do not require the Service to alter its position for other taxpayers. (Emphasis added)

U.S. Code › Title 28 › Part VI › Chapter 176 › Subchapter A › § 3002

28 U.S.C. § 3002: Definitions

As used in this chapter: (2) "Court" means any court created by the Congress of the United States, **excluding the United States Tax Court.**



Tax Forms and Publications Oracle Program Tracking System

Privacy Impact Assessment (PIA) – Tax Forms and Publications Oracle Program Tracking System (TFPOPTS)

TFPOPTS System Overview

The Tax Forms and Publications Oracle Program Tracking System (TFPOPTS) is the management information system used by Tax Forms and Publications (TFP) to track and manage functional program areas. Functions of the Oracle database application include managing the production of tax products, tracking legislation that affects tax products, computing taxpayer burden as required under the Paperwork Reduction Act, processing and logging submissions to the Office of Management and Budget, processing customer correspondence, and managing organizational and personnel data.

System of Records Number(s)

IRS 00.001 Stakeholder Relationship & Correspondence
IRS 36.003 General Personnel and Payroll Records
IRS 38.001 General Training Records
IRS 34.037 IRS Audit Trail and Security Records System

Data in the System

1. Describe the information (data elements and fields) available in the system in the following categories:

- A. Taxpayer
- B. Employee
- C. Audit Trail Information (including employee log-in info)
- D. Other (Describe)

A. Containing correspondence regarding improvements to tax products – taxpayer emails or letter, Congressional letters, IRS employee suggestions, and TFP replies.

B. Contains division employee information including assigned function, home, social security number and emergency information, appraisal ratings, training, database permissions, and position information. Data sources include Forms SF 182 (Request, Authorization, Agreement and Certification of Training), TD. F 73-50 (Employee Locator Card), 6850 (Bargaining Unit/ NBU Performance Appraisal and Recognition) and 12450 (Management Performance Agreement).

C. Contains audit fields that track changes to sensitive database records and tracks system log-in information.

D. N/A

2. Describe/identify which data elements are obtained from files, databases, individuals, or any other sources.

- A. IRS
- B. Taxpayer
- C. Employee
- D. Other Federal Agencies (List agency)
- E. State and Local Agencies (List agency)
- F. Other third party sources (Describe)

A. None

B. Correspondence information from the public including name, address, email address, and phone number. No tax data is accepted or stored but rather referred to Customer Service.

C. All employee personal information is obtained from the employee. The manager or appropriate branch management assistant enters training and appraisal information.

D. N/A

E. N/A

F. N/A

3. Is each data item required for the business purpose of the system? Explain.

Yes. Public comments are necessary for the improvement of the tax products, to simplify areas of difficulty or misunderstanding and to improve overall taxpayer compliance.

Employee data is necessary to provide a structure for controlling work, reporting progress, and responding to AWSS requests for records on training and appraisals. Incorporation of the latter data replaces individual manager spreadsheets or files.

4. How will each data item be verified for accuracy, timeliness, and completeness?

Taxpayer correspondence is monitored to ensure timely responses. Employee records are verified by the employee and by his or her manager.

5. Is there another source for the data? Explain how that source is or is not used.

The Executive Correspondence Management System (ECMS) is not available below the division level, thus necessitating a secondary level of records and control for correspondence.

Agency-wide applications for managing employee personal data, training, and appraisals are not yet available. The management of this data through TFPOPTS promotes reporting compliance and efficiency.

6. Generally, how will data be retrieved by the user?

Taxpayer correspondence records (which only contain name, address, and issue) are generally available to TFP employees for research and to respond to similar issues, allowing a standardized and more rapid response. Employee data is only available to the subject employee and his or her management chain of command, the division personnel analyst, and the IRS database administrator (as a backup).

7. Is the data retrievable by a personal identifier such as name, SSN, or other unique identifier?

The data is retrievable only by name. While we assign a unique identifier to an employee, it is only used in the database to maintain uniqueness of records in the case of similar names or employees changing their surnames due to marriage. The SSN is not a searchable field.

Access to the Data

8. Who will have access to the data in the system (Users, Managers, System Administrators, Developers, Others)?

All division employees and certain non-division employees have access to view the correspondence records. The employee can view his or her own data. His or her immediate supervisor can view the data for section employees. The branch chief can view the data for the branch and the branch management assistant (a non-bargaining unit employee) can change this information. The director, the division personnel analyst, and the IRS database administrator (all non-bargaining unit employees) can create new personnel records and modify as needed.

9. How is access to the data by a user determined and by whom?

Access rules are determined by the IRS database administrator under the guidance of the branch chiefs and the division director.

10. Do other IRS systems provide, receive, or share data in the system? If YES, list the system(s) and describe which data is shared. If NO, continue to Question 12.

Only statistical records relating to correspondence are shared outside the division. For employee records, data is aggregated for W&I-provided reports as required regarding appraisals and training. The record information does not leave the division.

11. Have the IRS systems described in Item 10 received an approved Security Certification and Privacy Impact Assessment?

No, we are working on this currently.

12. Will other agencies provide, receive, or share data in any form with this system? No.

Administrative Controls of Data

13. What are the procedures for eliminating the data at the end of the retention period?

Sensitive data on employees will be purged as they leave the IRS. Otherwise, records will be appropriately archived when no longer useful. Data is eliminated via IRM 1.15.3 – Disposal of Records.

14. Will this system use technology in a new way? If "YES" describe. If "NO" go to Question 15. No.

15. Will this system be used to identify or locate individuals or groups? If so, describe the business purpose for this capability.

No. The system is used to identify work and its progress and information pertaining to normal IRS management duties (general employee information, appraisal status, and training).

16. Will this system provide the capability to monitor individuals or groups? If yes, describe the business purpose for this capability and the controls established to prevent unauthorized monitoring. No.

17. Can use of the system allow IRS to treat taxpayers, employees, or others, differently? Explain.

No. Correspondence is collected only to improve tax products for all taxpayers. The system is a tool for the management of customer feedback. The employee records are strictly to facilitate normal management roles and duties.

18. Does the system ensure "due process" by allowing affected parties to respond to any negative determination, prior to final action?

Employees have the right to review and request correction of their own records through their manager or branch management assistant.

19. If the system is web-based, does it use persistent cookies or other tracking devices to identify web visitors?

Not applicable. The system is currently not web-based.

Page Last Reviewed or Updated: 10-Dec-2015

<https://www.irs.gov/uac/tax-forms-and-publications-oracle-program-tracking-system>



Part 4. Examining Process

Chapter 10. Examination of Returns

Section 7. Issue Resolution

4.10.7 Issue Resolution

- 4.10.7.1 [Overview](#)
- 4.10.7.2 [Researching Tax Law](#)

4.10.7.1 (01-01-2006)

Overview

1. Examiners are responsible for determining the correct tax liability as prescribed by the Internal Revenue Code. It is imperative that examiners can identify the applicable law, correctly interpret its meaning in light of congressional intent, and, in a fair and impartial manner, correctly apply the law based on the facts and circumstances of the case.
2. This section addresses five areas:
 - A. Researching tax law, IRM 4.10.7.2,
 - B. Evaluating evidence, IRM 4.10.7.3,
 - C. Arriving at conclusions, IRM 4.10.7.4,
 - D. Proposing adjustments to taxpayers and/or representatives, IRM 4.10.7.5,
 - E. Shift in Burden of Proof, IRM 4.10.7.6.

4.10.7.2 (01-01-2006)

Researching Tax Law

1. Conclusions reached by examiners must reflect correct application of the law, regulations, court cases, revenue rulings, etc. Examiners must correctly determine the meaning of statutory provisions and not adopt strained interpretations.
2. The Federal tax system is constantly changing. Examiners must keep well informed of the ever-growing body of tax authorities and advances in the management and storage of information.
3. Income tax law is too complex for examiners to immediately perceive its ramifications and provisions in all examinations. In the words of Supreme Court Justice Jackson, "No other branch of the law touches human activities at so many points. It can never be made simple."
4. This section focuses on researching Federal tax law, evaluating the significance of various authorities, and supporting conclusions reached with appropriate citations. The profiles of various tax authorities in this chapter are intended to help examiners become familiar with the most common, but by no means all, sources or available research techniques.

4.10.7.2.1 (01-01-2006)

Internal Revenue Code

1. The Internal Revenue Code of 1986 is the primary source of Federal tax law. It imposes income, estate, gift, employment, miscellaneous excise taxes, and provisions controlling the administration of Federal taxation. The Code is found at Title 26 of the United States Code (U.S.C.). The United States Code consists of fifty titles.
2. For ease of use, the Code is divided into different units: subtitles, chapters, subchapters, parts, and sections. Listed below are the Code sections which fall within the eleven subtitles of the current Code.

Figure 4.10.7-1

<u>Subtitle</u>	<u>Contents</u>	<u>Code Sections</u>
A	Income Taxes	1–1563
B	Estate and Gift Taxes	2001–2704
C	Employment Taxes	3101–3510
D	Miscellaneous Excise Taxes	4001–5000
E	Alcohol, Tobacco, and Certain Other Excise Taxes	5001–5891
F	Procedure and Administration	6001–7874
G	The Joint Committee on Taxation	8001–8023
H	Financing of Presidential Election Campaigns	9001–9042
I	Trust Fund Code	9501–9602
J	Coal Industry Health Benefits	9701–9722
K	Group Health Plan Portability, Access, and Renewability Requirements	9801–9833

3. Sections are usually arranged in numerical order. This sometimes leads to the need to show a Code section number followed by a capital letter not in parentheses. An example is Code §280A. This designation is used because subsequent legislation created additional Code sections in Part IX, requiring the addition of new Code sections after section 280. Since section 281 already existed, new sections were added by creating sections 280A, 280B, 280C, etc.

4.10.7.2.1.1 (01-01-2006)

Authority of the Internal Revenue Code

1. The courts give great importance to the literal language of the Internal Revenue Code, but not every tax controversy can be resolved by the language in the Code. In cases where the literal language of the Code is ambiguous, the courts will consider the history of a particular code section, including committee reports and other legislative history, Treasury regulations and other IRS published guidance interpreting the code section, and the relationship of the particular code section to other code sections.

4.10.7.2.1.2 (01-01-2006)

Citing the Internal Revenue Code

1. It is often necessary to cite Internal Revenue Code sections in reports and to taxpayers in support of a position on an issue. For convenience, the Internal Revenue Code is abbreviated IRC and the symbols § or §§ are often used in place of section and sections respectively.
2. When making reference to a Code section, usually no reference is made to the title, subtitle, chapter, subchapter, or part. Code sections are divided into subsections, paragraphs, subparagraphs, and clauses. For example, IRC §170(b)(1)(A)(i) is subdivided as follows:

- A. IRC §170 - Code section, Arabic numbers;
- B. Subsection (b) - lower case letter in parentheses;
- C. Paragraph (1) - Arabic number in parentheses;
- D. Subparagraph (A) - capital letter in parentheses; and
- E. Clause (i) - lower case Roman numerals in parentheses.

4.10.7.2.1.3 (01-01-2006)

Prior Tax Law

1. The Code is continually changing. It is important that examiners determine the law applicable to the year under examination. To do so, determine whether the applicable law has been modified, and if so, the date on which the changes became effective. Many publishers provide this information in small print immediately following the current Code section.

4.10.7.2.2 (01-01-2006)

Committee Reports

1. Federal income tax legislation originates in the House of Representatives. Hearings are held by the House Ways and Means Committee. When a bill is introduced in the House, a Committee Report is published which often states the reason the bill is being proposed. This reasoning establishes the legislative intent behind the finalized law.
2. After the bill clears the House, it is considered by the Senate. The Senate Finance Committee holds hearings and prepares a report explaining any changes made to the House bill. A Conference Committee later resolves any differences between the House and Senate versions of the bill and issues its own report.
3. When the bill passes both the House and Senate, it is sent to the President to be signed. Once signed, the bill becomes law and a new or amended section of the Code is enacted. Committee Reports are useful tools in determining Congressional intent behind certain tax laws and helping examiners apply the law properly.

4.10.7.2.2.1 (01-01-2006)

Publication of Committee Reports

1. Committee Reports are published in full in the Congressional Record and in part in the Internal Revenue Bulletin and Cumulative Bulletin. Selected reports are found in many commercial tax services.

4.10.7.2.2.2 (01-01-2006)

Citing Committee Reports

1. Committee Reports are identified by a number representing the session of Congress and a sequence number. For example, the Tax Reform Act of 1986 was enacted by Public Law 99-514. House, Senate, and Conference reports accompanying that legislation are cited as follows:
 - A. House Report 99-426, 1986-3 C.B. Vol. 2;
 - B. Senate Report 99-313, 1986-3 C.B. Vol. 3; and
 - C. Conference Report 99-841, 1986-3 C.B. Vol. 4.
2. The reports are published in the Cumulative Bulletin (IRM 4.10.7.2.4). In each citation, "99" refers to the 99th Congress. Some publishers refer to the reports collectively as "Committee Reports, P.L. 99-514."

4.10.7.2.3 (01-01-2006)

Code of Federal Regulations

1. The Code of Federal Regulations (CFR) is a codification of the general and permanent rules published in the Federal Register (F.R.) by the Executive departments and agencies of the Federal Government. It is divided into fifty titles which represent broad areas subject to Federal regulation. Each title is divided into chapters usually bearing the name

of the issuing agency. Each chapter is subdivided into parts covering specific regulatory areas. Title 26 comprises the Internal Revenue Regulations and is cited 26 CFR.

4.10.7.2.3.1 (01-01-2006)

Income Tax Regulations

1. The Federal Income Tax Regulations (Regs.) are the official Treasury Department interpretation of the Internal Revenue Code and follow the numbering sequence of Internal Revenue Code sections.

4.10.7.2.3.2 (01-01-2006)

Types of Regulations

1. Legislative and interpretative regulations are issued by the Secretary of the Treasury. If the code states "The Secretary shall provide such regulations . . .", then the regulations issued are legislative. Interpretative regulations are issued under the general authority of IRC section 7805(a), which allows regulations to be written when the Secretary determines they are needed to clarify a Code section.
2. The courts consider the merit of both interpretative and legislative regulations. However, more weight is given to legislative regulations than to interpretative regulations.

4.10.7.2.3.3 (01-01-2006)

Classes of Regulations

1. Regulations are written by the Office of Chief Counsel, Internal Revenue Service, and are approved by the Department of the Treasury. There are three classes of regulations: proposed, temporary, and final.
 - A. Proposed Regulations — Proposed regulations provide guidance concerning Treasury's interpretation of a Code section. The public is given an opportunity to comment on a proposed regulation and a public hearing may be held if a sufficient number of requests to speak at a hearing are received. Taxpayers may rely on a proposed regulation, although they are not required to do so. Examiners, however, should follow proposed regulations, unless the proposed regulation is in conflict with an existing final or temporary regulation.
 - B. Temporary Regulations — Temporary regulations are often issued soon after a major change in the law to provide guidance for the public and Internal Revenue Service employees with respect to procedural and computational matters. Temporary regulations are authoritative and have the same weight as final regulations.
 - C. Final Regulations — Final regulations supersede both temporary and proposed regulations. A final regulation is effective, unless stated otherwise, the day that it is published as a Treasury Decision in the Federal Register.

4.10.7.2.3.4 (01-01-2006)

Authority of the Regulations

1. The Service is bound by the regulations. The courts are not.
2. If both temporary and proposed regulations have been issued on the same Code section and the text of both are similar, examiners' positions should be based on the temporary regulations because it can be cited as an authority for proposing an adjustment.
3. When no temporary or final regulations have been issued, examiners may use a proposed regulation to support a position. Indicate that the proposed regulation is the best interpretation of the Code section available.

4.10.7.2.3.5 (01-01-2006)

Publication of the Regulations

1. Regulations are printed in the following publications:
 - A. Federal Register,
 - B. Code of Federal Regulations (CFR),

- C. Under the heading "Treasury Decisions " (T.D.) in the Internal Revenue Bulletins (I.R.B.),
- D. Under the heading Treasury Decisions (TD) in the Cumulative Bulletin (C.B.), and
- E. Tax services of commercial publishers.

4.10.7.2.3.6 (01-01-2006)

Citing the Regulations

1. The citation for a regulation contains three basic organizational units:
 - A. The part number,
 - B. The Code section number, and
 - C. The regulation section number.
2. Treasury Regulation § 1.61–9(c) is illustrated below:

Figure 4.10.7-2

This image is too large to be displayed in the current screen. [Please click the link to view the image.](#)

- A. The first division is the CFR part number and indicates the subject of the regulation. The part number appears before the decimal point in a citation. In the citation Treas. Reg. § 1.61–9(c), the number 1 refers to Part 1 of the CFR, which is income tax. If the regulation were on employment taxes, the number 31 would precede the decimal point. Frequently used part numbers are as follows:
 - (1) Part 1 - Income Tax
 - (2) Part 20 - Estate Tax
 - (3) Part 25 - Gift Tax
 - (4) Part 31 - Employment Tax
 - (5) Part 301 - Administrative and Procedural
 - (6) Part 601 - Statement of Procedural Rules
 - B. The numbers immediately after the decimal point refer to the Code section to which the regulations apply. In the citation Treas. Reg. § 1.61–9(c), the number 61 refers to IRC § 61. The regulations are sequenced by Code section numbers. For example, Treas. Reg. § 31.6051 comes before § 31.6052 but after § 301.6047.
 - C. The section number of the regulation is separated from the Code section by a hyphen. Again, using the citation Treas. Reg. § 1.61–9(c), the number 9 is the regulation section number and (c) is the subsection.
3. Generally, there is no direct correlation between the sequence designation of the Internal Revenue Code and the organization of a Treasury Regulation. IRC section 1245(c) discusses "Adjustment to Basis," while the interpretive discussion of the same topic is found in Treas. Reg. section 1.1245-5.

4.10.7.2.3.7 (01-01-2006)

Outdated Regulations

1. Regulations may only apply to a particular time period. This fact is sometimes reflected by the publisher in the paragraph heading or symbols when accessed via electronic tax law research. Look for disclaimers and cautions regarding time frames.
2. Regulations do not always reflect recent changes in the law and may not be applicable to years following a change in the law. An example would be when IRC 179 changed from additional first year depreciation to section 179 expensing. Occasionally, when a major change of a particular code section has been enacted and the Commissioner issues new regulations, two sets of regulations will appear covering the same code section. Generally the new regulation is distinguished from the old regulation by adding a letter after the code section part of the citation. For instance 1.170A-1.

4.10.7.2.3.8 (01-01-2006)

Financial Record-Keeping Regulations

1. Financial Recordkeeping Regulations are issued by the Treasury Department under authority of the Federal Deposit Insurance Act, 12 U.S.C. 1829b, §§ 1951–1959, and the Currency and Foreign Transactions Reporting Act, 31 U.S.C. §§ 103.11–103.53. The regulations specify the financial reports and records to be kept and/or filed by those engaged in domestic and foreign currency transactions.

4.10.7.2.4 (01-01-2006)

Internal Revenue Bulletin

1. The Internal Revenue Bulletin (I.R.B.) is the authoritative instrument of the Commissioner of Internal Revenue for announcing official IRS rulings and procedures and for publishing Treasury Decisions, Executive Orders, Tax Conventions, legislation, court decisions, and other items of general interest. It is published on a weekly basis by the Government Printing Office.
2. It is the policy of the Service to publish in the Bulletin all substantive rulings necessary to promote a uniform application of the tax laws, including rulings that supersede, revoke, modify, or amend any of those previously published in the Bulletin. All published rulings apply retroactively unless otherwise indicated.

4.10.7.2.4.1 (01-01-2006)

Miscellaneous Documents

1. In addition to Revenue Rulings and Revenue Procedures, a number of miscellaneous documents having application to tax law interpretation and Documents administration are published in the Bulletin.
 - A. Announcements — Announcements are public pronouncements on matters of general interest, such as effective dates of temporary regulations, clarification of rulings and form instructions. They are issued when guidance of a substantive or procedural nature is needed quickly. Announcements can be relied on to the same extent as revenue rulings and revenue procedures. Announcements are identified by a two digit number representing the year and a sequence number.

Example:

Announcement 96-124, 1996-49 I.R.B. 22. This announcement is found in Internal Revenue Bulletin No. 1996-49, issued December 2, 1996, at page 22.

- B. Notices — Notices are public announcements issued by the Internal Revenue Service. Notices appear in the Internal Revenue Bulletin and are included in the bound Cumulative Bulletin. Notices are identified by a two digit number representing the year and a sequence number.

Example:

Notice 95-67 is cited as Notice 95-67, 1995-2 C.B. 343.

- C. Delegation Orders — Commissioner Delegation Orders formally delegate authority to perform certain tasks or make certain decisions to specified Service employees. Delegation orders are identified by a number and are located in IRM 1.2.2. through IRM 1.2.53. Any delegation order approved between IRM updates can be found on the Office of Servicewide Policy, Directives and Electronic Research (SPDER) web site under Internal Management Documents – Unpublished Delegation Orders. Some delegation orders are selected for publication and appear in the Internal Revenue Bulletin and are included in the Cumulative Bulletin. Instructions for preparing, clearing and issuing delegation orders can be found in IRM 1.11.4, Delegation Orders.

4.10.7.2.4.2 (01-01-2006)

Citing the Internal Revenue Bulletin

1. Items appearing in the Internal Revenue Bulletin that have not appeared in the Cumulative Bulletin should be cited to the weekly Bulletin as follows, Rev. Rul. 96–55, 1996–49 I.R.B. 4. Internal Revenue Bulletin No. 1996–49 was issued December 2, 1996. Revenue Ruling 96–55 is found at page 4.

4.10.7.2.5 (01-01-2006)

Cumulative Bulletin

1. The Cumulative Bulletin is a consolidation of items published in the weekly Internal Revenue Bulletin. The Cumulative Bulletin is issued on a semiannual basis. The Cumulative Bulletin is number 1 to 5, inclusive (April 1919 to December 31, 1921); and I-1 and I-2 to XV-1 and XV-2, inclusive (January 1, 1922, to December 31, 1936). Each Cumulative Bulletin number thereafter bears the particular year covered, for example, 1963-1 (January 1 to June 30, 1963).
2. The Cumulative Bulletin is divided into four parts:
 - A. Part I, 1986 Code: This part is divided into two subparts based on provisions of the Internal Revenue Code of 1986. Arrangement is sequential according to Code and regulations sections. The Code section is shown at the top of each page.
 - B. Part II, Treaties and Tax Legislation: This part is divided into two subparts as follows: (1) Subpart A, Tax Conventions, and (2) Subpart B, Legislation and Related Committee Reports.
 - C. Part III, Administrative, Procedural, and Miscellaneous: To the extent practical, pertinent cross references to these subjects are contained in the other parts and subparts.
 - D. Part IV, Notice of Proposed Rule Making: The preambles and text of Proposed Regulations that were published in the Federal Register during this six month period are printed in this section. Included in this section is a list of persons disbarred or suspended from practice before the Internal Revenue Service.

4.10.7.2.5.1 (01-01-2006)

Citing the Cumulative Bulletin

1. The title of Cumulative Bulletins issued before 1937 does not reflect the year of issuance. A citation to the Bulletin must include the year in parentheses at the end of the citation, as follows: S.S.T. 31, XV-2 C.B. 400 (1936).
2. After 1936, a citation to the Bulletin is as follows: Rev. Proc. 71-4, 1971-1 C.B. 662. Revenue Procedure 71-4 is found at page 662, volume one of the 1971 Cumulative Bulletins (January – June, 1971).
3. To call attention to a certain page of a document, such as the Bulletin, show first the page on which the document begins followed by the page to which attention is directed. Thus, the citation Rev. Rul. 63-107, 1963-1 C.B. 71, 74, directs the reader's attention to page 74 of Rev. Rul. 63-107 found in volume 63-1 of the Cumulative Bulletin, starting on page 71.

4.10.7.2.6 (01-01-2006)

Revenue Rulings and Procedures

1. Revenue Rulings (Rev. Rul.) represent the conclusions of the Service on the application of the law to specific facts stated in the ruling. In rulings based on positions taken in private letter rulings to taxpayers or technical advice to Service field offices, identifying details and information of a confidential nature are deleted to prevent unwarranted invasions of privacy and to comply with statutory requirements.
2. A revenue procedure (Rev. Proc.) is issued to assist taxpayers in complying with procedural issues that deal with tax return preparation and compliance.
3. The purpose of revenue rulings and revenue procedures is to promote uniform application of the tax laws. Internal Revenue Service employees must follow revenue rulings and revenue procedures. Taxpayers may rely on them or appeal their position to the Tax Court or other Federal court.
4. Revenue Rulings and Revenue Procedures that have an effect on previous rulings use the following defined terms to describe the effect:
 - A. Amplified describes a situation where no change is being made in a prior published position, but the prior position is being extended to apply to a variation of the original fact situation.
 - B. Clarified is used in those instances where the language in a prior ruling is being made clear because the language has caused, or may cause, confusion. It is not used where a position in a prior ruling is being changed.

- C. Distinguished describes a situation where a ruling mentions a previously published ruling and points out an essential difference between them.
- D. Modified is used where the substance of a previously published position is being changed.
- E. Obsoleted describes a previously published ruling that is not considered determinative with respect to future transactions. The term is most commonly used in a ruling that lists previously published rulings that are obsoleted because of changes in law or regulations. A ruling may also be obsoleted because the substance has been included in regulations subsequently adopted.
- F. Revoked describes situations where the position in the previously published ruling is not correct and the correct position is being stated in a new ruling.
- G. Superseded describes a situation where the new ruling does nothing more than restate the substance and situation of a previously published ruling (or rulings) . Thus, the term is used to republish under the 1986 Code and regulations the same position published under the 1939 Code and regulations. The term is also used when it is desirable to republish in a single ruling a series of situations, names, etc., that were previously published over a period of time in separate rulings. If the new ruling does more than restate the substance of a prior ruling, a combination of terms is used. For example, modified and superseded describes a situation where the substance of previously published ruling is being changed in part and is continued without change in part and it is desired to restate the valid portion of the previously published ruling in a new ruling that is self contained. In this case the previously published ruling is first modified and then, as modified, is superseded.
- H. Supplemented is used in situations in which a list, such as a list of the name of countries, is published in a ruling and that list is expanded by adding further names in subsequent rulings. After the original ruling has been supplemented several times, a new ruling may be published that includes the list in the original ruling and the additions, and supersedes all prior rulings in the series.
- I. Suspended is used in rare situations to show that the previously published ruling will not be applied pending some future action such as the issuance of new or amended regulations, the outcome of cases in litigation, or the outcome of a Service study.

4.10.7.2.6.1 (01-01-2006)

Authority of Rulings and Procedures

1. Rulings do not have the force and effect of Treasury Department Regulations, but they may be used as precedents. In applying published rulings, the effects of subsequent legislation, regulations, court decisions, rulings, and procedures must be considered. Caution is urged against reaching the same conclusion in other cases, unless the facts and circumstances are substantially the same.

4.10.7.2.6.2 (01-01-2006)

Publication of Rulings and Procedures

1. Revenue Rulings and Procedures are published by the Internal Revenue Service in the Internal Revenue Bulletin.

4.10.7.2.6.3 (01-01-2006)

Citing Rulings and Procedures

1. Locating a ruling or procedure requires the following information from the citation:
 - A. The year the ruling or procedure was issued,
 - B. The ruling or procedure number,
 - C. The volume number of the I.R.B. or C.B.,
 - D. The page number of the Ruling or Procedure.
2. Rev. Rul. 76-12, 1976-2 C.B. 88, is illustrated below:

Figure 4.10.7-3

This image is too large to be displayed in the current screen. Please click the link to view the image.

4.10.7.2.7 (01-01-2006)

Bulletin Index-Digest System

1. The Bulletin Index-Digest System provides a way to quickly research Revenue Rulings, Revenue Procedures, Public Laws, Treasury Decisions, and other matters of a permanent nature published since 1952 in the Internal Revenue Bulletin or Cumulative Bulletin. The Index-Digest is published by the Government Printing Office. It is a comprehensive, up-to-date research tool and consists of four Services:
 - A. Service No. 1, Income tax (Publication 641);
 - B. Service No. 2, Estate and Gift Tax (Publication 642);
 - C. Service No. 3, Employment Tax (Publication 643);
 - D. Service No. 4, Excise Taxes (Publication 644);
2. Each Service consists of a basic volume and cumulative supplements that provide (1) finding lists of items published in the Bulletin, (2) digests of Revenue Rulings, Revenue Procedures, and other published items, and (3) indexes of Public Laws, Treasury Decisions, and Tax Conventions.

4.10.7.2.8 (01-01-2006)

IRS Publications

1. IRS Publications explain the law in plain language for taxpayers and their advisors. They typically highlight changes in the law, provide examples illustrating Service positions, and include worksheets. Publications are nonbinding on the Service and do not necessarily cover all positions for a given issue. While a good source of general information, publications should not be cited to sustain a position.

4.10.7.2.9 (01-01-2006)

Court Decisions and Case Law

1. This section focuses on the Federal courts (and their predecessors) that interpret Federal tax law, and the role of case law in tax research and decision making. This section includes the following:
 - 4.10.7.2.9.1 — U.S. Board of Tax Appeals
 - 4.10.7.2.9.2 — Tax Court of the United States
 - 4.10.7.2.9.3 — U.S. District Court and U.S. Court of Federal Claims
 - 4.10.7.2.9.4 — Courts of Appeals
 - 4.10.7.2.9.5 — U.S. Court of Appeals for the Federal Circuit
 - 4.10.7.2.9.6 — Supreme Court
 - 4.10.7.2.9.7 — Citators: Researching Case History
 - 4.10.7.2.9.8 — Importance of Court Decisions

4.10.7.2.9.1 (01-01-2006)

U.S. Board of Tax Appeals

1. The U.S. Board of Tax Appeals is the predecessor of the United States Tax Court. Prior to 1942, the Board of the Tax Appeals was the prepayment forum for taxpayers who wanted judicial review of the Internal Revenue Service's determination of deficiencies in income, excess profits, and estate and gift taxes.
2. Although these decisions are old, many retain precedential value because they address issues of continuing significance or state principles that are still valid. However, a B.T.A. decision may be based upon an authority that is obsolete and all references to the Code are to a pre-1954 Code. Therefore, caution must be exercised in citing B.T.A. decisions.
3. Board of Tax Appeals Decisions are cited as follows: Simons Brick Co. v. Commissioner is cited 14 B.T.A. 878 where "14" is the volume number, "B.T.A." is the publication title, and "878" is the page number. These decisions are available from commercial publishers.

4.10.7.2.9.2 (01-01-2006)

Tax Court of the United States

1. When taxpayers disagree with a determination and the case is not settled through the Appeals process, taxpayers may petition the United States Tax Court for a judicial determination of tax liability before paying the tax. Tax Court offers taxpayers a forum for disputing deficiencies asserted by the Service under income, estate and gift tax, and certain (not all) employment tax and excise tax provisions.

4.10.7.2.9.2.1 (01-01-2006)

Small Tax Case Procedures

1. Taxpayers can elect to have their Tax Court cases involving not more than \$50,000 for any one year be handled under the court's "small tax case procedures". These procedures are authorized to allow the court to handle cases involving small sums of money in a more expeditious and informal manner. The decision of the Tax Court in a case handled under the "small tax case procedures" is final and may not be appealed by either party. These decisions have no precedential value.

4.10.7.2.9.2.2 (01-01-2006)

Regular Opinions

1. Tax Court regular opinions are decisions of the Court that involve more than mere factual determinations or applications of well established legal principles. They generally involve new decisions on points of law that set precedents. Regular opinions are published in Reports of the United States Tax Court by the Government Printing Office. Commercial publishers also print these decisions.

4.10.7.2.9.2.3 (01-01-2006)

Memorandum Decisions

1. Memorandum decisions primarily involve factual determinations and the application of well-established legal rules. Memorandum decisions do not warrant publication in bound volumes in the opinion of the Court. They are published in pamphlets by the Government and in bound volumes by commercial publishers.

4.10.7.2.9.2.4 (01-01-2006)

Citing Tax Court Decisions

1. In citing a regular decision of the United States Tax Court, examiners should name the case, refer to the number of the volume in which it is published, and the page in the volume on which the ruling begins. For example: Richard A. Sutter, 21 T.C. 170.
2. Examiners should be careful not to cite a Tax Court case in which the decision was against the Government unless that decision has been acquiesced by the Commissioner (see IRM 4.10.7.2.9.8.1(4)). If the decision was against the Commissioner and acquiescence followed, the decision must be noted as "Acq.". A decision against the Government which has been nonacquiesced in should be noted as "Nonacq.".
3. Memorandum decisions are usually cited with reference to one or both of two commercial publications. For example: R.L. Taylor v. Commissioner may be cited as follows:
 - A. CCH, Incorporated: Taylor, R.L. 40 T.C.M. 1206 1980-376 Dec. 37,228(M)
 - B. Research Institute of America: Taylor, R.L. 1980 T.C. Memo 80376
4. Some of the information is the same in each citation, such as the case name and decision number (1980-376 and 80376, respectively). However, reference to where the decision is found is different and the CCH citation includes a CCH decision number, Dec. 37,228(M).
5. The term "v. Commissioner" is not used in citing United States Tax Court cases.

4.10.7.2.9.3 (01-01-2006)

U.S. District Court and U.S. Court of Federal Claims

1. Generally, the United States District Court and the United States Court of Federal Claims hear tax cases after the taxpayer has paid the tax and filed a claim for refund or credit. If the claim is denied by the Service, the taxpayer may file a suit for refund or credit either with the District Court or the Court of Federal Claims. District Court decisions may be appealed to the Courts of Appeals for the appropriate circuit and decisions of the court of Federal Claims may be appealed to the Court of Appeals for the Federal Circuit. The Supreme Court of the United States may, at its discretion, review decisions of a Court of Appeals.

4.10.7.2.9.3.1 (01-01-2006)

District Courts

1. United States District Courts are the primary Federal courts of original jurisdiction and are located across the United States and its possessions. This is the only court where taxpayers can request a jury trial.
2. Decisions of District Courts are published by commercial publishing houses. Examples are:
 - A. CCH Incorporated: United States Tax Cases (cited USTC)
 - B. Research Institute of America: American Federal Tax Report (cited AFTR)
 - C. West publishing Company: Federal Reports (cited F. 3R)

(NOTE: West Publishing Company publishes all decisions; CCH and Research Institute publish only Federal tax decisions.)

3. Citing District Court decisions is demonstrated below for the case of Ruby Smith Stahl v. United States.
 - A. CCH Incorporated: 69-1 USTC 9179
 - B. Research Institute: 23 AFTR 2d 69-563
 - C. West Publishing: 294 F. Supp 243 (D.D.C. 1969)
4. If a case has been decided but not published, cite as follows: Gifford Corp. v. United States, Civil No. 73-1250 (D. Mass., Jan. 10, 1973).
5. If a case has not been decided, cite as follows: Cowden Mfg. Co. v. United States, Docket No. 2227 (E.D. Ky. , filed April 17, 1972).

4.10.7.2.9.3.2 (01-01-2006)

U.S. Court of Federal Claims

1. The decisions of the United States Court of Federal Claims, previously known as the United States Claims Court, are published by the following commercial publishers:
 - A. CCH Incorporated: United States Tax Cases (cited USTC)
 - B. Research Institute of America: American Federal Tax Report (cited AFTR)
 - C. West Publishing Company: Federal Reports (cited F.2d, F.3d, F.4th, etc.) and beginning October 1982, Court of Federal Claims Reporter (cited Fed. Cl. or Cl. Ct.).
2. Citing United States Court of Claims is demonstrated below for the case of Uptown Club of Manhattan, Inc. v. United States.
 - A. CCH Incorporated: 49-1 USTC 9261
 - B. Research Institute: 37 AFTR 1316
 - C. West Publishing: 83 F. Supp. 823 (Ct. Cl. 1949)
3. Citing a Claims Court decision is demonstrated below for the case of Recchie v. United States.
 - A. CCH Incorporated: 83-1 USTC 9312

B. Research Institute: 51 AFTR 2d 83-1010

C. West Publishing: 1 Cl. Ct. 726

4.10.7.2.9.4 (01-01-2006)

Court of Appeals

1. Either the taxpayer or the government may appeal decisions of the Tax Court (except for cases handle under the "small tax case procedures "), district courts, and the Court of Federal Claims to the United States Circuit Courts of Appeals. There are 13 courts of appeals.
2. District courts must follow the decisions of the court of appeals for the circuit in which they are located. For example, the District Court for the Eastern District of Missouri must follow decisions of the Court of Appeals for the Eight Circuit. If the eighth circuit has not rendered a decision on a particular issue, the district court may reach its own conclusion on the issue or follow the decision of another circuit or district court that has reviewed the issue. Because the courts in one circuit are not bound by the decision of the appellate court in another circuit, examiners should cite to cases supporting their position from the circuit where the taxpayer resides. If the appellate court for that circuit has not taken a position on the issue, the examiner may cite to the decisions of other appellate courts or district courts to support her position.
3. Since one circuit court is not bound by the decision of another circuit, it is important to find a case from the circuit that will hear the case when citing a case supporting the position taken on an issue. If a decision on a particular issue has not been rendered in the examiner's circuit, cite a supporting decision rendered in another circuit.
4. Decisions of the Courts of Appeals are published by commercial publishers in the following volumes:
 - A. CCH Incorporated: United States Tax Cases (cited USTC)
 - B. Research Institute of America: American Federal Tax Report (cited AFTR)
 - C. West Publishing Company: Federal Reports, Second Series (cited F. 2d)
5. Citing United States Courts of Appeals decisions:
 - A. Example: In the case of Graham v. Commissioner, the citation is 6 F.2d 878 (4th Cir. 1964).
 - B. If a case has not been reported in Federal Reports, cite an unofficial reporter, as follows: Marwais Steel Co. v. Commissioner, 17 AFTR 2d 11 (9th Cir. 1965), or Marwais Steel Co. v. Commissioner, 66-1 USTC 85, 126 (9TH Cir. 1965).

4.10.7.2.9.5 (01-01-2006)

U.S. Court of Appeals for the Federal Court

1. Before October 1, 1982, decisions of the U.S. Court of Claims were appealed directly to the Supreme Court. A new appellate court, the United States Court of Appeals for the Federal Circuit was established in October 1982 to hear appeals of decisions of the United States Court of Federal Claims.
2. IRM Exhibit 4.10.7-1 shows the jurisdiction of the circuits of the Court of Appeals.

4.10.7.2.9.6 (01-01-2006)

Supreme Court

1. Decisions of the U.S. Courts of Appeal, including the Court of Appeals for the Federal Circuit, may be appealed to the United States Supreme Court. The Supreme Court of the United States is the highest court of the land. In general, Supreme Court review is discretionary, the Supreme Court accepts cases which it views as having national importance. Only a limited number of tax cases are heard.
2. Supreme Court review is by a petition for a Writ of Certiorari. If the Supreme Court accepts the petition, it will grant the writ, cited cert. granted. If the petition is denied, the case is cited cert. denied.
3. Supreme Court decisions are published by the Internal Revenue Service in the Internal Revenue Bulletin and Cumulative Bulletin. Commercial publishers as well as the Government Printing Office print the Court's decisions:

- A. CCH Incorporated: United States Tax Cases (cited USTC)
 - B. Research Institute of America: American Federal Tax Report (cited AFTR)
 - C. West Publishing Company: Supreme Court Reporter (cited S. Ct.)
 - D. United States Law Week (cited U.S.L.W).
 - E. Government Printing Office: United States Reports (cited U.S.)
4. Citing Supreme Court cases is demonstrated below for the case of Commissioner v. Neil Sullivan:
- A. CCH Incorporated: 58–1 USTC 9368
 - B. Research Institute of America: 1 AFTR 2d 1158
 - C. West Publishing Company: 78 5. Ct. 512
 - D. United States Reports: 356 U.S. 27 (1958)
 - E. Cumulative Bulletin: 1958–1 C.B. 506

4.10.7.2.9.7 (01-01-2006)

Citators: Researching Case History

1. Knowledge of the judicial history of a tax case is important and research of case law is not complete until the history of a case is reviewed in a citator. For example, examiners should consider whether a case is current, whether there are other cases on the same point of law that should be considered, or whether a ruling is still valid. A citator lists court decisions alphabetically by case name and shows where the full text of the decisions may be found. The citator traces the case history from its original entry into the court system through the Supreme Court, if appealed.
2. Decisions reached in a lower court are sometimes reversed in the appellate or Supreme Court. When this happens, the lower case decision has no legal sanction and may not be cited as an authority. A citator will show whether a higher court reversed, affirmed, modified or otherwise disposed of a lower court decision.
3. Revenue Rulings and Procedures may be revoked, modified, amplified, etc. A citator findings list will indicate whether or not this is the case.
4. A citator will also direct examiners to subsequent cases or rulings that deal with the same legal principle in the setting of other Code sections or fact patterns. It lists everything that has been said about a case, ruling, or procedure.
5. Citators are published by commercial publishers of tax services such as CCH Incorporated and Research Institute of America. While formats differ, commercial citators provide basically the same information.

4.10.7.2.9.7.1 (01-01-2006)

Citator Examples

1. The following examples are taken from the Main Citator Table of CCH Incorporated's Standard Federal Tax Reporter on compact disc.
2. Example 1: Case Citator
 - A. **Batman, Ray L.** ANNOTATED AT . . . 96 FED 2250.66; 8586.0358; 8706.075; 8706.11; 11, 025.3801; 13, 709.2261; 25,424 .95
 - B. **SCt**—Cert. denied, 342 US 877; 72 SCt 167
 - C. **CA–5**—(aff'g TC), 51–1 USTC P9305; 189 F2d 107
 - D. Miller, CA–10, 61–1 USTC 9156, 285 F2d 843
 Finley, CA–10, 58–1 USTC 9517, 255 F2d 128
 Batman, CA–5, 57–1 USTC 9247, 239 F2d 283
 Christopher, CA–5, 55–1 USTC 9504, 223 F2d 124

West, CA-5, 54-2 USTC 9480, 214 F2d 300
Wofford, CA-5, 53-2 USTC 9637, 207 F2d 749
Mauritz, CA-5, 53-2 USTC 9495, 206 F2d 135
Tomlinson, CA-5, 52-2 USTC 9543, 199 F2d 674
Seabrook, CA-5, 52-1 USTC 9294, 196 F2d 322
Culbertson, Sr., CA-5, 52-1 USTC 9233, 194 F2d 581
Alexander, CA-5, 52-1 USTC 9232, 194 F2d 921
Tilden, Inc., CA-5, 51-2 USTC 9501, 192 F2d 704
Britt Est., CA-5, 51-2 USTC 9414, 190 F2d 946
Scott, DC—Ark, 53-1 USTC 9166, 110 FSupp 165
Lewis, TC, Dec. 20,733, 23 TC 538
West, TC, Dec. 19,435, 19 TC 808
Tomlinson, TC, Dec. 18,513(M), 10 TCM 828

- E. **TC**—Dec. 17,553(M); 9 TCM 210
3. Explanations of the above citations are as follows:
- A. Case name (Batman, Ray L.) and paragraph references to CCH Federal Standard Tax Reporter.
 - B. Batman was appealed to the Supreme Court; however, certiorari was denied.
 - C. Fifth Circuit Court of Appeals heard Batman and affirmed the Tax Court Decision.
 - D. These cases deal with the same legal principle or fact pattern and cite Batman.
 - E. Tax Court heard Batman and case was appealed to Fifth Circuit Court of Appeals.
4. Example 2: Rulings Finding List
- A. **Rev. Proc. 75-25, 1975-1 CB 720** ANNOTATED AT ...96 FED 8471.90; 29,663.90 1975 CCH 6595
 - B. **Amplified by:** Rev. Proc. 78-25
 - C. **Cited in:** Jones, Dec. 49,862(M), 67 TCM 2997, TC Memo. 1994-230 Notice 91-4 T.D. 8408 Haynsworth, TC, Dec. 34,581, 68 TC 703 Rev. Rul. 76-247
 - D. **Obsoleted by:** Rev. Proc. 92-29
 - E. **Superseding:** Mim. 4027
 - F. Example 2 is self-explanatory.

4.10.7.2.9.8 (01-01-2006)

Importance of Court Decisions

- 4. Decisions made at various levels of the court system are considered to be interpretations of tax laws and may be used by either examiners or taxpayers to support a position.
- 5. Certain court cases lend more weight to a position than others. A case decided by the U.S. Supreme Court becomes the law of the land and takes precedence over decisions of lower courts. The Internal Revenue Service must follow Supreme Court decisions. **For examiners, Supreme Court decisions have the same weight as the Code.**
- 6. **Decisions made by lower courts, such as Tax Court, District Courts, or Claims Court, are binding on the Service only for the particular taxpayer and the years litigated. Adverse decisions of lower courts do not require the Service to alter its position for other taxpayers.**

4.10.7.2.9.8.1 (01-01-2006)

Action on Decision

- 1. It is the policy of the Internal Revenue Service to announce at an early date whether it will follow the holdings of lower courts in certain cases. An Action on Decision (A.O.D.) is the document making such an announcement. An Action on Decision is issued at the discretion of the Service only on unappealed issues, decided adverse to the government.

Generally, an Action on Decision is issued where guidance would be helpful to Service personnel working with the same or similar issues. Unlike a Treasury Regulation or a Revenue Ruling, an Action on Decision is not an affirmative statement of Service position. It is not intended to serve as public guidance and may not be cited as precedent.

2. An Action on Decision may be relied upon within the Service only as the conclusion, applying the law to the facts in the particular case at the time the Action on Decision was issued. Caution should be exercised in extending the recommendation of the Action on Decision to similar cases where the facts are different. Moreover, the recommendation in the Action on Decision may be superseded by new legislation, regulations, rulings, cases, or Actions on Decisions.
3. Prior to 1991, the Service published acquiescence or nonacquiescence only in certain regular Tax Court opinions. The Service expanded its acquiescence program to include other civil tax cases where guidance is determined to be helpful. Accordingly, the Service may acquiesce or nonacquiesce in the holdings of memorandum Tax Court opinions, as well as those of the United States District Courts, Claims Court, and Circuit Courts of Appeal. Regardless of the court deciding the case, the recommendation of any Action on Decision will be published in the Internal Revenue Bulletin.
4. The recommendation in every Action on Decision is summarized as acquiescence, acquiescence in result only, or nonacquiescence. Both "acquiescence " and "acquiescence in result only" mean that the Service accepts the holding of the court in a case and that the Service will follow it in disposing of cases with the same controlling facts. The following differences are noted:
 - A. "Acquiescence" indicates neither approval nor disapproval of the reasons assigned by the court for its conclusions.
 - B. "Acquiescence in result only" indicates disagreement or concern with some or all of those reasons.
 - C. Nonacquiescence signifies that, although no further review was sought, the Service does not agree with the holding of the court and generally, will not follow the decision in disposing of cases involving other taxpayers. In reference to an opinion of a circuit court of appeals, a nonacquiescence indicates that the Service will not follow the holding on a nationwide basis. However, the Service will recognize the precedential impact of the opinion on cases arising within the venue of the deciding circuit.

4.10.7.2.9.8.2 (01-01-2006)

Publication of Action On Decisions

1. Action on Decisions are published in the weekly Internal Revenue Bulletin and consolidated semiannually. The consolidation appears in the first Bulletin for July and in the Cumulative Bulletin for the first half of the year. The annual consolidation appears in the first Bulletin for the following January and in the Cumulative Bulletin for the last half of the year.

4.10.7.2.9.8.3 (01-01-2006)

Citing Actions on Decisions

1. If the Commissioner has published an acquiescence, acquiescence in result only, or nonacquiescence in a Tax Court or Board of Tax Appeals decision, it must be included in the citation, as in the following examples:
 - A. Merle P. Brooks, 36 T.C. 1128 (1961), acq., 1962-2 C.B. 4.
 - B. Rodney Horton, 13 T.C. 143 (1949), acq. in result, 1959-2 C.B. 5.
 - C. Forest Lawn Memorial Park Ass'n., 45 B.T.A. 1091 (1941), nonacq. 1960-2 C.B.

4.10.7.2.10 (01-01-2006)

Private Letter Rulings and Technical Advice Memorandums

1. A Private Letter Ruling (PLR) represents the conclusion of the Service for an individual taxpayer. The application of a private letter ruling is confined to the specific case for which it was issued, unless the issue involved was specifically covered by statute, regulations, ruling, opinion, or decision published in the Internal Revenue Bulletin.

2. Technical Advice Memorandums (TAM) are requested by IRS area offices after a return has been filed, often in conjunction with an ongoing examination. TAMs are binding on the Service in relation to the taxpayer who is the subject of the ruling.
3. A private letter ruling to a taxpayer or a technical advice memorandum to an area director, which relates to a particular case, should not be applied or relied upon as a precedent in the disposition of other cases. However, they provide insight with regard to the Service's position on the law and serve as a guide.
4. Existing private letter rulings and memorandums (including Confidential Unpublished Rulings (C.U.R.), Advisory Memorandums (A.M.), and General Counsel Memorandums (G.C.M.)) may not be used as precedents in the disposition of other cases but may be used as a guide with other research material in formulating an area office position on an issue.
5. Whenever an area office finds that a C.U.R., A.M., or G.C.M. represents the sole precedent or guide for determining the disposition of an issue and cannot to its own satisfaction find justification in the Code, regulations, or published rulings to support the indicated position, technical advice should be requested from the Headquarters Office.
6. Technical advice should be requested where taxpayers or their representatives take the position that the basis for the proposed action is not supported by statute, regulations, or published positions of the Service. If it is believed that the position of the Service should be published, the request for technical advice will contain a statement to that effect. Instructions for requesting technical advice from the Headquarters Office are contained in the second revenue procedure issued each year. Questions regarding the procedures should be addressed to the functional contacts listed in the revenue procedure.

4.10.7.2.10.1 (01-01-2006)

Publication of PLRs and TAMs

1. Letter rulings and technical advice memorandums are available on <http://www.irs.gov> and from commercial publishers.

4.10.7.2.10.2 (01-01-2006)

Citing PLRs and TAMs

1. Letter rulings and technical advice memorandums are cited PLR or TAM, respectively, followed by a seven digit number. For example, PLR 8210019 or TAM 9643001. The first two digits indicate the year the ruling was published, for example, 1982 and 1996, respectively.

4.10.7.2.11 (01-01-2006)

General Counsel Memorandums

1. General Counsel Memorandums (GCM) are legal memorandums from the Office of Chief Counsel prepared in connection with the review of certain proposed rulings (Rev. Ruls., PLRs, TCMs) . They contain legal analyses of substantive issues and can be helpful in understanding the reasoning behind a particular ruling and the Service's response to similar issues in the future.

4.10.7.2.12 (01-01-2006)

Technical Memorandums

1. Technical Memorandums (TM) function as transmittal documents for Treasury Decisions or Notices of Proposed Rule Making (NPRMs) . They generally summarize or explain proposed or adopted regulations, provide background information, state the issues involved, and identify any controversial legal or policy questions. Technical Memorandums are helpful in tracing the history and rationale behind a regulation or regulation proposal.

More Internal Revenue Manual

http://www.irs.gov/irm/part4/irm_04-010-007.html