

Department
of the
Treasury

Internal
Revenue
Service

Office of
Chief Counsel

Notice

N(30)000-346

November 19, 2000

Upon Incorporation

Subject: International Restructuring **Cancel Date:** into the CCDM

Purpose

This notice is intended to advise Counsel employees of a modification to the organizational structure of, and assignment of duties within, Associate Chief Counsel (International).

Generally:

Effective November 19, 2000, the International function will be headed by the Associate Chief Counsel (International), who will report to, and be supervised by, the Deputy Chief Counsel (Technical). The Deputy Associate Chief Counsel (Strategic International Programs), Deputy Associate Chief Counsel (International Technical), and Deputy Associate Chief Counsel (International Field Service and Litigation) will report to, and be supervised by, the Associate Chief Counsel (International). The Associate Chief Counsel (International) will maintain a headquarters office in Washington, D.C., and will there supervise, either directly or through or with the Deputies, seven subordinate offices headed by the Director, Advance Pricing Agreement (APA) Program and Branch Chiefs (Branches 1 to 6). The Associate Chief Counsel (International) will also supervise, either directly or through the Deputies or the Director (APA) four subordinate APA offices each headed by a branch chief, and one of which maintains offices in both Los Angeles and San Francisco. The International District Counsel office is hereby merged into the Associate Chief Counsel (International) Branch 1.

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Organization and Function of the Office of Associate Chief Counsel (International)

- (1) **PURPOSE.** This document describes the organization and function of the Office of Associate Chief Counsel (International).
- (2) **ESTABLISHMENT.** There is established within the Office of Chief Counsel, Internal Revenue Service, an International function, known as the Office of Associate Chief Counsel (International). The office is headquartered in Washington, D.C., and will maintain one branch with offices located in both Los Angeles and San Francisco.
- (3) **MISSION.** The mission of the Office of Associate Chief Counsel (International) is to provide legal advisory services on all international and foreign tax matters, including all matters relating to the activities of non-U.S. persons or entities inside the United States and the activities of U.S. or U.S.-related persons or entities outside the United States. These legal advisory services support uniform interpretation, application, enforcement, and litigation of the tax laws related to all international provisions of the United States revenue laws, all bilateral and multilateral tax treaties and agreements to which the United States is a party, and all foreign revenue laws that pertain to or affect tax matters in the United States. The Office of Associate Chief Counsel (International) provides these services to IRS operating divisions, other IRS and Counsel offices, other government agencies, and the public.
- (4) **ASSOCIATE CHIEF COUNSEL (INTERNATIONAL).** The function is headed by an Associate Chief Counsel (International) [hereinafter ACCI], who reports to, and who is supervised by, the Deputy Chief Counsel (Technical) of the Internal Revenue Service.
 - a. The ACCI formulates and directs programs and policies with respect to litigation of international issues in the U.S. Tax Court, and, together with the Division Counsel (DC), makes determinations as to which of such cases should be tried, settled, or conceded. The ACCI assures IRS-wide consistency of approach in international tax litigation; consults with the DC as to the defense or settlement of international cases pending in U.S. Tax Court (including the preparation and approval of Chief Counsel decisions) and, together with the DC, reviews and coordinates pleadings, briefs, settlement documents, notices of appeal, and other materials prepared in connection with U.S. Tax Court litigation involving international matters. Except with respect to certiorari matters, the ACCI, in consultation with DC, approves recommendations of acquiescence and nonacquiescence in adverse decisions and orders in such cases and suits and makes recommendations to the Department of Justice regarding appeals, offers in compromise, or settlement in such cases or suits pending on appeal. In consultation with the DC, the ACCI directs preparation of recommendations concerning defense, settlement, or concession, and authorizes or sanctions counterclaims, third-party complaints, or the commencement of collection suits with respect to refund suits pending in international cases in the U.S. District Courts or the Court of Federal Claims. The ACCI coordinates international appellate litigation with the General Counsel and Commissioner of Internal Revenue, as appropriate.

b. The ACCI prepares revenue rulings, revenue procedures, announcements, and news releases to be published for the guidance of taxpayers and IRS personnel; issues technical advice memoranda responding to questions raised by IRS examiners; issues private letter rulings and general technical information letters in response to requests from taxpayers; and prepares legal opinions for other Chief Counsel offices and IRS functions with respect to legal questions raised in litigation and IRS programs. The ACCI conducts the negotiation and execution of all Advance Pricing Agreements.

c. The ACCI works with Treasury officials to coordinate recommendations for legislation that particularly affects international activities; directs IRS participation in this aspect of the legislative process, including the furnishing of advice and guidance with respect to the development of new or revised legislative proposals; and oversees IRS participation with legislative staffs in the drafting of such legislation and committee reports. The ACCI also directs the preparing and reviewing of proposed regulations and Treasury Decisions, assessing public comments and conducting public hearings on proposed regulations, and managing the movement of regulations through the review process within the IRS and the Department of the Treasury.

d. The ACCI coordinates the processing and review of nondocketed cases involving international issues submitted for consideration by various local, area, division, or national offices. The ACCI renders legal advice and assistance to IRS personnel and other Chief Counsel personnel concerning international issues under examination, or in the consideration of claims for refund. The ACCI renders legal advice and assistance to the United States Competent Authority on all matters of treaty interpretation and implementation, including both substantive legal issues as well as all procedural issues arising out of treaty-based processes, such as information exchange and cross-border information gathering and collection processes.

e. Together with the LMSB Director for International and Treasury's International Tax Counsel, the ACCI serves as a member of the International Council, a three-office partnership designed to formulate and coordinate goals and strategies for the development and advancement of sound tax policy and administration in the international arena.

f. The ACCI plans, directs, and coordinates the Office of Chief Counsel's participation in all multinational fora, such as the Organization for Economic Cooperation and Development, the Group of Four, and the Pacific Association of Tax Administrators.

g. Working with the LMSB Director for International and the LMSB Division Counsel, the ACCI formulates and coordinates goals and strategies for the effective and comprehensive strategic management of international issues through all phases of the tax administration process. In this regard, the ACCI works closely with, and coordinates the advice provided by, cadres of international specialists assigned to the LMSB Division Counsel and located in various field offices across the country.

h. The ACCI performs all needful activities to effectively manage the organization and personnel within the Office of the ACCI including:

i. Developing and executing policies, procedures, and directives designed to manage the budget process of all aspects of office operations;

ii. Developing and monitoring performance measures and program goals for: the provision of legal services, litigation, and published guidance, and the implementation, compliance and outreach initiatives within his/her jurisdiction;

iii. Implementing and evaluating operational policies and procedures designed to improve the delivery of legal services;

iv. Ensuring that performance and program goals, strategy, and organizational policies are clearly communicated to employees;

v. Identifying emerging issues in the topical areas within his/her jurisdiction to improve delivery of legal services;

vi. Assigning work, reviewing the work product, and appraising the performances of subordinate personnel as necessary;

vii. Assigning, reassigning, and transferring ACCI personnel among any of the function's subordinate offices, as necessary;

viii. Preparing and maintaining records and reports with respect to the work of the function; and

ix. Designating an acting official of the function, during the temporary absence of an incumbent.

h. The ACCI signs on behalf of the Chief Counsel by use of the "by-line" or in his/her own name as the ACCI (whichever is appropriate) correspondence and other papers pertaining to the functions of Counsel and which are considered in the course of the official duties of the ACCI.

i. The ACCI performs other functions delegated to him/her from time to time by the Chief Counsel or Deputy Chief Counsel, and redelegates any of his/her authority, as necessary, appropriate, and consistent with law.

(5) ORGANIZATION STRUCTURE: The ACCI supervises three Deputy Associate Chief Counsel (International) and any immediate staff, including Special Counsel. The ACCI also supervises, either directly or through or with his/her Deputies seven subordinate offices: Director, Advance Pricing Agreement Program (APA) and six Branch Chiefs (Branches 1 to 6). The ACCI International District Counsel office is hereby merged with ACCI Branch 1.

(6) DEPUTIES ASSOCIATE CHIEF COUNSEL (INTERNATIONAL). The Deputies Associate Chief Counsel (International) [hereinafter Deputy or Deputies] report to, and are supervised by, the ACCI. The Deputies perform those functions the ACCI is authorized to perform that arise out of, relate to, or concern the respective activities or functions administered by each Deputy, subject to the continuing supervision, control, and review of the ACCI.

a. In general, the Deputy Associate Chief Counsel (Strategic International Programs) will focus on strategic planning within the Office of Chief Counsel; develop strategic relationship with the LMSB Division; plan, direct, and coordinate the Office of Chief Counsel's participation in all multinational fora; develop strategic international pre-filing and post-filing services for all operating divisions; assist the Treasury in planning, directing, and coordinating the negotiation of treaties and other international agreements; and plan, direct, and coordinate international training for the Office of Chief Counsel.

b. In general, the Deputy Associate Chief Counsel (International Technical) will focus on formulating and directing programs and policies with respect to the preparation and publication of proposed regulations and Treasury Decisions; formulating and directing programs and policies with respect to the preparation and publication of revenue rulings, revenue procedures, announcements, and news releases to be issued for the guidance of taxpayers and IRS personnel; ensuring accurate, consistent, and uniform legal analysis in all the Office's legal products; and working with Treasury officials to coordinate recommendations for legislation that particularly affects international activities, directing IRS participation in this aspect of the legislative process, and overseeing IRS participation with legislative staffs in the drafting of such legislation and committee reports.

c. In general, the Deputy Associate Chief Counsel (International Field Service and Litigation) will focus on formulating and directing programs and policies with respect to the litigation of international issues in the U.S. Tax Court, and together with the DC, making determinations as to which such cases should be tried, settled, or conceded; assuring IRS-wide consistency of approach in international tax litigation; formulating and directing programs and policies with respect to litigation of international issues in the U.S. District Courts or the court of Federal Claims; coordinating information gathering abroad in such cases and suits; coordinating with other Counsel litigation functions and the Department of Justice when international issues or cases are implicated in nonsubstantive tax matters, such as FOIA litigation or summons enforcement; coordinating international appellate litigation with the General Counsel and Commissioner of Internal Revenue; coordinating litigation in foreign courts involving tax treaty issues; developing litigation and field service support expertise; coordinating the issuance and publication of technical advice memoranda and Chief Counsel advice to field personnel; and working closely with, and coordinating the advice provided by, cadres of international specialists assigned to the LMSB Division Counsel.

d. Upon delegation by the ACCI, any Deputy may supervise all or specified Chiefs, the Director (APA), Special Counsel, and staff not otherwise directly supervised by the ACCI.

e. As prescribed by the ACCI, any Deputy may serve as Acting ACCI in the absence of the ACCI and may act for or represent the ACCI in the development of policies governing the office.

f. Any deputy will perform such additional duties as may, from time to time, be assigned by the ACCI.

(7) DIRECTOR, ADVANCE PRICING AGREEMENT PROGRAM. The Director, APA reports to, and is supervised by, the ACCI, either directly or through or with the Deputies. The Director (APA) performs those functions the ACCI is authorized to perform that arise out of, relate to, or concern the respective activities or functions administered by the Director (APA), subject to the continuing supervision, control and review of the ACCI. The Director (APA) will head a subordinate ACCI office maintained at the office headquarters in Washington, D.C., as well as one subordinate office located in both Los Angeles and San Francisco, and will there supervise subordinate offices headed by branch chiefs. The Director (APA) focuses on formulating, implementing, and executing a comprehensive technical APA program.

(8) CANCELLATION. Inconsistent delegations and organizational and functional statements germane to this office or its predecessor office are superseded.

(9) EFFECTIVENESS. This statement is effective as of the date stated on the Chief Counsel Notice of which it is part or to which it is first attached.

(10) EXPIRATION. This statement shall continue in effect until superseded or canceled in full or in part or incorporated into the CCDM, whichever occurs first.

(11) OFFICES OF PRIMARY INTEREST. Office of the General Counsel, Office of the Commissioner of Internal Revenue, and Office of Chief Counsel, Internal Revenue Service.

_____/s/
STUART L. BROWN
CHIEF COUNSEL
INTERNAL REVENUE SERVICE

[DATE: November 3, 2000]