

Department  
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Treasury

Internal  
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Service

Office of  
Chief Counsel

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**Notice**

N(30)000-349

October 8, 2000

Division Counsel, Upon Incorporation  
Subject: Small Business/Self-Employed Cancel Date: into the CCDM

This notice is intended to advise Counsel employees of the organizational structure and assignment of duties within the Office of Division Counsel, Small Business/Self-Employed.

### Generally

Effective October 8, 2000, the Small Business/Self-Employed function will be headed by Division Counsel who will report to, and be supervised by, the Deputy Chief Counsel (Operations). Two Deputy Division Counsel, one pre-filing and filing and the second, post-filing, will report to, and be supervised by, the Division Counsel. The Division Counsel, Small Business/Self-Employed will maintain a headquarters office in the Washington, D.C. metropolitan area and will there supervise, either directly or through or with the Deputies four subordinate managers for Taxpayer Education and Communication; Customer Accounts and Services Support; Tax Litigation-Examination and General Litigation-Collection. The Division Counsel will also supervise, either directly or through the two Deputies, eight subordinate area offices headed by Area Counsel 1 (Manhattan) maintaining offices in Manhattan, Brooklyn, Buffalo, Hartford and Boston; Area Counsel 2 (Philadelphia) maintaining offices in Philadelphia, Pittsburgh, Newark, Baltimore, Washington, Greensboro, Richmond and two international attorneys in Washington, D.C.; Area Counsel 3 (Jacksonville) maintaining offices in Jacksonville, Atlanta, Birmingham, Fort Lauderdale, Miami, Nashville and New Orleans; Area Counsel 4 (Chicago) maintaining offices in Chicago, Cincinnati, Cleveland, Detroit, Indianapolis, Milwaukee and Louisville; Area 5 (Denver) maintaining offices in Denver, Kansas City, Las Vegas, Omaha, Phoenix, Salt Lake City, St. Louis and St. Paul; Area 6 (Dallas) maintaining offices in Dallas, Houston, Austin and Oklahoma City; Area 7 (San Francisco) maintaining offices in San Francisco, Portland, Seattle, Sacramento, San Jose, Honolulu and a post of duty in Anchorage; and Area 8 (Los Angeles) maintaining offices in Los Angeles, Laguna Niguel, San Diego and Thousand Oaks.

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## Organization and Function of The Office of Division Counsel (Small Business/Self-Employed)

1. **PURPOSE.** This document describes the organization and function of the Office of Division Counsel (Small Business/Self-Employed) and subordinate offices.
2. **ESTABLISHMENT.** There is established within the Office of Chief Counsel, Internal Revenue Service, a Small Business/Self-Employed function, known as the Office of Division Counsel (Small Business/Self-Employed). The office is headquartered in New Carrollton, MD, and maintains additional offices in Washington, D.C., eight areas, and 49 offices located throughout the United States.
3. **MISSION.** The mission of the Office of Division Counsel (Small Business/Self-Employed)[hereinafter "DC (SB/SE)"] is to provide top quality legal advice, litigation services, and litigation support services on tax matters involving small business taxpayers and to provide assistance to the Commissioner, Small Business/Self-Employed Division [hereinafter "Commissioner, SB/SE Division"] and employees of that office in determining strategies, plans, and designs for a comprehensive and customer-oriented tax administration program to meet the needs of small business taxpayers and practitioners. The office will represent the government in the U.S. Tax Court in cases involving both SB/SE and Wage & Investment Division customers, through geographically dispersed tax litigation groups, called General Practice Groups.
4. **DIVISION COUNSEL (SMALL BUSINESS/SELF-EMPLOYED).** The function is headed by a Division Counsel (Small Business/Self-Employed) [hereinafter DC (SB/SE)], who reports to, and is supervised by, the Deputy Chief Counsel (Operations). The Division Counsel:
  - a. Serves as senior legal advisor and expert consultant to the Commissioner of Internal Revenue, Commissioner, SB/SE Division, other Division Commissioners, the Chief Counsel, and other top ranking IRS and Treasury officials on the legal issues, regulations, and needs relevant to serving all individuals filing schedules C, E, F, and/or form 2106, as well as corporations, S corporations and partnerships with assets less than \$5 million. Represents these officials on sensitive and controversial legal matters related to these areas.
  - b. Serves as principal legal advisor to the Chief Counsel, Deputy Chief Counsel(s), other Division Counsel, and other Chief Counsel and IRS executives on issues and programs falling into several operating divisions, such as those affecting Fiduciary and Estate and Gift tax program customers, Employment and Excise tax programs customers, and certain International district customers.
  - c. Works closely with the Commissioner and Deputy Commissioner, SB/SE Division, in formulating short and long range program policies, strategies, and objectives for the Division to implement overall IRS strategy and vision. Participates as an executive member of Commissioner, SB/SE Division Planning Council. Participates in the design and development of integrated policies, programs, systems, and strategies that effectively provide superior

customer service and ensure fairness and equity in enforcement of the Division's delivery of service and accountability to taxpayers.

d. Sets DC (SB/SE) business unit strategy and goals in alignment with overall organizational and research strategy. Establishes performance targets and business unit goals. Functions as business owner for business process information systems.

e. Executes program direction provided by the Division Counsel (Wage & Investment) relative to tax litigation and other legal services associated with W&I cases and taxpayers.

f. Exercises ongoing responsibility for the overall management of DC (SB/SE) tax litigation groups which are geographically dispersed. Through subordinate managers and attorneys, represents the government in the U.S. Tax Court and provides quality legal advice to SB/SE and W&I Division field personnel.

g. Provides general litigation services for all Service collection activity, including recommending the commencement and defense of proceedings, authorizing affirmative action concerning the assessment and collection of taxes, and handling all legal problems and questions relating to the collection of taxes both under administrative processes and in court proceedings.

h. Coordinates litigation strategy and positions with appropriate officials throughout the SB/SE Division, other Division Counsel offices, and Associate Chief Counsel offices. Reviews and exercises independent judgment with respect to questions concerning litigation and/or settlement of issues and cases.

i. Provides executive leadership and direction to a nationwide staff of attorneys and support personnel through subordinate executives and managers. Functional responsibilities include program planning and field operations. Delegates sufficient authority and provides a supportive environment for subordinates to manage their resources effectively and seek continuous improvement through creativity and innovation.

j. Directs and oversees the overall management of the DC (SB/SE) staff. In this regard, provides continuing coordination, control, and direction of DC (SB/SE) operations to assure that Chief Counsel objectives, policies, procedures, and programs are implemented fully and effectively, including the development of programs and their evaluation in terms of effectiveness, efficiency, comprehensiveness, and timeliness.

k. Solicits and incorporates into the performance evaluations of SB/SE Area Counsel assessments made by the Division Counsel (Wage & Investment), as related to delivery of legal services and tax litigation related to W&I cases and taxpayers.

l. Allocates DC (SB/SE) resources among headquarters, pre-filing, filing, and post-filing activities of the division. Manages operating unit budget process and investment process.

m. Assures that DC (SB/SE)'s key managers operate as an effective management team, and that all management functions are handled equitably and in a manner that is

responsive to the needs of all programs that Division Counsel (SB/SE) supports. Assures sound position management policy and takes positive steps in support of all merit system principles. Provides direct leadership to the Deputy Division Counsel (SB/SE) and to the Area Counsel (SB/SE), and through them to the SB/SE organization.

n. Assures the full range of personnel activities are properly and timely addressed as necessary (i.e., recruitment, training, performance evaluation, disciplinary or adverse action, and management reporting), and performs all needful activities to effectively manage the organization and personnel within the DC (SB/SE) organization, including:

- i. Partners with the NTEU on the Partnership Council;
- ii. Develops and executes policies, procedures, and directives designed to manage the budget process of all aspects of office operations;
- iii. Develops and monitors 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;
- iv. Implements and evaluates operational policies and procedures designed to improve the delivery of legal services;
- v. Ensures that performance and program goals, strategy, and organizational policies are clearly communicated to employees;
- vi. Identifies emerging issues in the topical areas within his/her jurisdiction to improve delivery of legal services;
- vii. Assigns work, reviews the work product, and appraises the performances of subordinate personnel as necessary;
- viii. Assigns, reassigns, and transfers personnel among any of the function's subordinate offices, as necessary;
- ix. Prepares and maintains records and reports with respect to the work of the function;
- x. Performs other functions delegated to him/her from time to time, and redelegates as necessary any of his/her functions, except as may be otherwise limited;
- xi. Coordinates the work of his/her function with the other functions of the Office and the Internal Revenue Service and disposes of all matters under his/her jurisdiction, referring to the Chief Counsel, the appropriate Deputy Chief Counsel, Associate Chief Counsel, or Division Counsel such matters as in his/her discretion seems proper, or as directed; and
- xii. Signs on behalf of the Chief Counsel by use of the "by-line"

(described in (30)7(11)0, Office of Chief Counsel Handbook) or in his/her own name as DC (SB/SE) (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 DC (SB/SE). Except through the use to the by-line, correspondence and other papers are not to be signed in the name of the Chief Counsel by anyone other than the Chief Counsel, except in specific situations where he/she authorizes the use of his/her signature.

5. ORGANIZATION STRUCTURE. The Division Counsel (SB/SE) supervises two Deputies Division Counsel (Small Business/Self-Employed). The Division Counsel (SB/SE) also supervises, either directly or through or with his deputies: eight Area Counsel (Small Business/Self-Employed), and several managers, special or technical assistants, and other staff in the Division Counsel (SB/SE) headquarters, and through the Deputies Division Counsel and Area Counsel, geographically dispersed Associate Area Counsel (Small Business/Self-Employed).

a. DEPUTIES DIVISION COUNSEL (SMALL BUSINESS/SELF-EMPLOYED).

The Deputies Division Counsel (Small Business/Self-Employed) [hereinafter Deputies DC (SB/SE) or deputies] report to, and are supervised by, the Division Counsel (SB/SE). The deputies perform those functions the DC(SB/SE) 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 DC (SB/SE).

i. In general, one of the deputies will focus on the oversight of the Pre-Filing and Filing activities of the Office of Division Counsel (SB/SE). These activities may relate to general executive oversight of Area and local office components of the division and the following programs of the Commissioner, SB/SE Division, or the Division Counsel (SB/SE):

- A. Program Research and Development.
- B. Taxpayer Education and Communications and other outreach activities.
- C. Legislative Analysis and Development.
- D. Training Needs Assessment and Implementation.
- E. Customer Service Support.
- F. Service Center Advice Network.
- G. Electronic Tax Administration, including e-Commerce for SB/SE customers.

ii. In general, the other of the deputies will focus on the Post-filing and Compliance activities of the DC (SB/SE). These activities may relate to the general executive oversight of Area and local office components of the division and the following programs of the Division Commissioner, SB/SE Division, or DC (SB/SE):

- A. Field Guidance and Advice Programs.

- B. Examination and Litigation Policies and Strategies.
- C. Collection Policies and Strategies.
- D. Coordination with National Office Technical Subject Experts.
- E. Development and Review of SB/SE Manuals and Directives.
- F. Development and Review of SB/SE Audit Technique Guides.
- G. Counsel Notice Case Procedures.

iii. Upon delegation by the DC (SB/SE), either deputy may supervise all or specified managers, Area Counsel, or any Special Assistants, Technical Assistants, and staff not otherwise supervised by the Area Counsel in the function.

iv. As prescribed by the DC (SB/SE), either deputy may serve as Acting DC (SB/SE) in the absence of the DC (SB/SE) and may act for or represent the DC (SB/SE) in the development of policies governing the office. Either deputy will perform such additional duties as may, from time to time, be assigned by the DC (SB/SE).

b. AREA COUNSEL. Area Counsel (Small Business/Self-Employed)[hereinafter "AC (SB/SE)"] report to, and are supervised by, the DC (SB/SE), either directly or through or with his deputies. Each of the eight Small Business/Self Employed areas/geographic offices has an Area Counsel. Each Area Counsel has the following responsibilities, among others:

i. As to issues arising within the assigned area, serves as senior legal advisor and expert consultant to the Area Director, Area Director of Appeals, Division Counsel, and other IRS and Treasury officials on the legal issues, regulations, and needs relevant to serving all individuals filing schedules C, E, F, and/or form 2106, as well as corporations, S corporations, and partnerships with assets less than \$5 million. Consults with Division Counsel (SB/SE) about SB/SE legal concerns of nationwide application.

ii. Consults with IRS Area and Territory Managers (compliance, insolvency and specialized taxes) about SB/SE concerns and legal needs in the Area. Promotes, cultivates, and evaluates legal service to Service and Computing Centers for both SB/SE and W&I.

iii. In coordination with the IRS Area Director, participates in outreach activities on behalf of Commissioner, SB/SE Division, speaking to local practice groups and evaluating relationships between IRS counsel and private practitioners.

iv. Sets Area business strategy and goals in alignment with overall organizational and research strategy. Establishes performance targets and business unit goals. Functions as business owner for business process information systems within the assigned area.

v. Exercises ongoing responsibility for the overall management of tax litigation groups in the Area which are geographically dispersed. Through subordinate managers and attorneys, represents the government in the U.S. Tax Court, and provides quality legal advice to SB/SE and W&I field personnel. Reviews and exercises independent judgment with respect to questions concerning litigation and/or settlement of issues and cases.

vi. Provides general litigation services for area Service collection activity, including recommending the commencement and defense of proceedings, authorizing affirmative action concerning the assessment and collection of taxes, and handling all legal problems and questions relating to the collection of taxes both under administrative processes and in court proceedings.

vii. Provides executive leadership and direction to the staff of attorneys and support personnel in the Area through subordinate managers. Delegates sufficient authority and provides a supportive environment for subordinates to manage their resources effectively and seek continuous improvement through creativity and innovation.

viii. Directs and oversees the management of the DC (SB/SE) legal staff in the assigned area. Provides continuing coordination, control, and direction of SB/SE operations in the Area to assure that Chief Counsel objectives, policies, procedures, and programs are implemented fully and effectively, including the development of programs and their evaluation in terms of effectiveness, efficiency, comprehensiveness, and timeliness.

ix. Assures that the function's Area managers operate as an effective management team, and that all management functions are handled equitably and in a manner that is responsive to the needs of all programs that the function supports. Assures sound position management policy, and takes positive steps in support of all merit system principles. Provides direct leadership to the Associate Area Counsel (SB/SE), and through them to the DC (SB/SE) field staff.

x. Assures the full range of personnel activities are properly and timely addressed as necessary (i.e., recruitment, training, performance evaluation, disciplinary or adverse action, and management reporting) and performs all needful activities to effectively manage the organization and personnel within his or her office, including such activities listed in 4./I. above as are charged to his or her responsibility by the DC (SB/SE) or Deputies DC (SB/SE) for matters and personnel under his or her jurisdiction.

c. ASSOCIATE AREA COUNSEL (SMALL BUSINESS/SELF-EMPLOYED). Each Area Counsel office within the SB/SE Division will have assigned one or more Associate Area Counsel (SB/SE), which are the first-level managers of attorneys and legal support staff in the field.

d. TECHNICAL ASSISTANTS, HEADQUARTERS (SMALL BUSINESS/SELF-EMPLOYED). Four Technical Assistants, located in the Division Headquarters, New Carrollton, Maryland, or IRS Headquarters, Washington, D.C., report to, and are supervised by, the DC (SB/SE), either directly or through or with his deputies. Each Technical Assistant, and his or her assigned staff, will have one or more of the following specific areas of focus:

