

Department
of the
Treasury

Internal
Revenue
Service

Office of
Chief Counsel

Notice

CC-2002-013

January 03, 2002

Subject: Contents of Letters to the
Department of Justice

Upon Incorporation
Cancel Date: into the CCDM

Purpose

This Notice updates the procedures governing suit and defense letters to the Department of Justice authorizing a civil action to collect or recover taxes or providing recommendations regarding the defense of refund suits or other miscellaneous court proceedings.

Background

In order to prepare judgments and to ensure the proper application of amounts received pursuant to those judgments, the Department of Justice has asked that suit and defense letters provide complete and accurate information regarding the taxpayer and the tax liabilities at issue in a form that allows for easy identification of the tax data. Current procedures contained in Parts 34 and 35 of the CCDM require that suit or defense letters include much of this data.¹ Current procedures, however, do not contain instructions concerning qualified offers pursuant to I.R.C. § 7430(g). The Department of Justice has requested that suit and defense letters contain information about any qualified offers that are pending when the matter is referred to the Department of Justice.

Contents of Suit and Defense Letters

Every effort should be made to ensure that all letters to the Department of Justice contain the information required by CCDM 35.18.2.1(2), 34.7.3, Exhibit 35.18.1-1, and Exhibit 34.7.3-2, including:

¹ The requirements for refund suits are contained in CCDM 35.18.2.1(2) and Exhibit 35.18.1-1. The requirements for civil suits to collect or recover taxes and for letters defending miscellaneous collection suits filed against the United States are contained in CCDM 34.7.3 and Exhibit 34.7.3-2. See CCDM 34.7.3 and 34.12.1.2(4).

Filing Instructions: Binder Part (34)(35) _____ Master Sets: NO ___ RO ___
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- Full name of the taxpayer and any party against whom judgment is sought
- Identity of the taxpayer where the party bringing suit is not the taxpayer
- TIN for the taxpayer and any party against whom judgment is sought
- Type of tax -- income, employment, excise – and Form number of return
- Tax period
- Information about any pending qualified offer
- Internal Revenue Service point of contact for files and updated tax information, including a name, business address, and telephone number

Letters authorizing the filing of a suit to collect or recover a tax and defense letters concerning miscellaneous court proceedings should contain the following information in addition to that listed above:

- Amounts assessed
- Date of assessments for each period
- Amount of assessment that is unpaid, including accrued interest and penalties
- Any applicable statute of limitations

The information regarding tax liabilities, including interest, should specifically state the date the information was obtained. The information should be current as of the date the letter is sent to the Department of Justice.

Information regarding tax liabilities can be provided in several ways. The tax data can be included in narrative form in the fact section of the letter, in table form in an appendix enclosed with the letter, or by attaching a Form 4340. An example of a table of tax data is attached as Appendix I. If a Form 4340 is used to provide tax data, the letter should include in the first part of the fact section the accruals of interest and penalties to a date as close as possible to the date when the letter is sent to the Department of Justice.

Suit letters should also include information about any qualified offers that are pending when the suit is referred to the Department of Justice.

