Hello, my name is Philip Oyofo. I am an Appeals team manager out of the Portland, Oregon, office. I supervise a team of appeals officers who consider exam cases. Joining me on the stage is Ursula Wastian. She is also an Appeals team manager out of the Milwaukee, Wisconsin, office. She supervises a team of settlement officers who work on collection issue cases. Today, we would like to discuss how to successfully navigate Exam cases through the Appeals process. We will discuss the different types of work streams worked by appeals officers, and we will also discuss Appeals’ independence and policy changes that affect new information or new issues that are introduced during the Appeals process.

This presentation will provide guidance on actions that you should take to have an effective hearing and what options are available if a settlement is not reached. Lastly, you will learn about other options available to get a faster resolution of your client's case.

We have to start with the Appeals mission. The Appeals mission is to resolve tax controversies, without litigation, on a basis which is fair and impartial to both the government and the taxpayer in a manner that will enhance voluntary compliance and public confidence in the integrity and efficiency of the Service. The Appeals mission is based upon the foundation of an independent Appeals organization within the IRS. Our goal is to be impartial. We try to honor both the government's need for an effective tax system and the peoples’ right to be treated fairly within the law. Getting to the right answer takes time and resources, and these are limited for both the taxpayer and the government. We are, therefore, constantly looking for ways to reduce the length of the appeal process and to work more efficiently, and thereby reduce the taxpayer’s burden. We have been resolving cases between the IRS and the taxpayer for the last 88 years.

How we accomplish our mission: when you come to Appeals, we will listen and consider the positions of both sides. It is important to note that, without the taxpayer's consent, Appeals is prohibited from engaging in ex parte communications with Compliance. We consider and evaluate all arguments and available information. We independently determine the best settlement by weighing the hazards of litigation. A hazards settlement is one that reflects our assessment of how your case will be resolved by a court if it were litigated. We consider the law, including relevant court cases and the facts during our determination.

An Appeals hearing officer must consider admissibility, credibility, and the probative or substantiating value of available evidence. We also consider how the court in your circuit has resolved similar cases, or if there are no similar
cases, how other courts have ruled on the issues. Our goal is to resolve the
case in a manner that is fair to both the government and the taxpayer. Recent
policy changes have further strengthened our independence. Appeals will not
raise new issues or reopen issues on which the taxpayer and Compliance
reached an agreement during the examination except in instances involving
fraud, malfeasance, or misrepresentation of a material fact.

If Appeals receives new information from the taxpayer that, in the judgment
of an appeals officer, merits additional analysis or investigative action, then
the case will be returned to Compliance to examine the new information.
Appeals will attempt to settle a case on factual hazards when the case
submitted by Compliance is not fully developed and the taxpayer has
presented no new information or evidence. Our settlements are impartial to
both the taxpayer and the government.

Exam cases: appeals officers consider various cases from Compliance. Our
work stream can be divided into two main categories. The first category is the
non-docketed cases, and the second category is the docketed cases. The
process usually begins with an audit of the taxpayer's return where
Compliance is proposing certain adjustments to the return. In most instances,
the examiner will issue a 30-day letter or other letter explaining the
disallowance of a claim or disallowance of penalty abatement request. The
taxpayer has two options. One, agree; or two, file a protest requesting
Appeals consideration. This protest is the cornerstone of your client's case. In
small cases (that is a case with a deficiency of less than $25,000), tremendous
detail is not required on the protest. In more complex cases (that is a case
with a deficiency exceeding $25,000), it requires a formal protest.

It is essential for the protest to adequately explain the taxpayer's position. The
protest communicates the reason for the disagreement along with supporting
law. If the taxpayer does not respond to the 30-day letter, then Compliance
will issue a Statutory Notice of Deficiency. We call that the 90-day letter.
This is the taxpayer's ticket to tax court.

Now, let's take a look at the docketed casework. A docketed case is one
where the Service has issued a statutory notice, and the taxpayer has filed a
petition for review by the United States Tax Court. These cases are one step
away from trial, and Counsel generally sends these cases to Appeals to make
an attempt to reach a settlement with the taxpayer.

When to Appeal: in general, all cases received in Appeals from Compliance
must have at least 365 days left on the statute of limitation. When should you
file a protest to come to Appeals? The situations include, one, when the law is
not clear; there is an absence of legal precedence; or if you don't agree with
Compliance’s interpretation of the law. This may create hazards of litigation
for both sides. Two, if the case does not fit neatly into existing case law.
Three, if there are differing opinions as to the law, facts, or value of something. For example, professional appraisers have determined different property values. Four, there could be conflicting court decisions. Generally, tax court judges in the same Federal Appeals Court Circuit all need to follow the decisions within their circuit. This is commonly referred to as the Golson Rule.

Hearing your client's case: Appeals conferences are informal and can be conducted by correspondence, telephone, or in person. We currently have six campuses that work Appeals cases. They are located in Brookhaven, Cincinnati, Fresno, Memphis, Ogden, and Philadelphia. Most recently, Appeals has expanded Virtual Service Delivery (VSD) to all campuses. VSD utilizes teleconferencing technology that permits parties to conduct virtual face-to-face meetings. Additionally, there are Appeals field offices located throughout the country. We consider the available resources and make every effort to fulfill your request for a face-to-face conference.

Role play. Now that we have discussed the basics of the Appeals process for an exam case, we would now like to demonstrate through a series of role-playing scenarios how to effectively handle a case through the Appeals process. Keep in mind that these conferences can be done by phone, correspondence, or face-to-face. We will begin with a penalty case and then illustrate an audit reconsideration case. For this presentation, the taxpayer is not real, so if anything sounds at all familiar, that is a coincidence. How do we know? We made everything up.

In this role play, the taxpayer is a chiropractor, Dr. Johnny “Bones” McCracken. For the past several months, the doctor has been dealing with several pending collection tax issues for his business. His mother unexpectedly passed away, and he was named the executor of his mother's estate. His accountant suggested that he file an extension, as Dr. McCracken was unsure of his mother's financial picture. Dr. McCracken timely mailed an extension for filing his mother's final Form 1040. However, no payment was made with the extension request. The return was timely filed by the extended due date. However, there was an amount due, which was paid with the filing of the tax return. Dr. McCracken received a notice assessing a failure-to-pay penalty and accrued interest.

Dr. McCracken submitted a written request for the abatement of the penalty to the IRS. The penalty abatement request was denied by Exam, and he was given a 30-day letter to appeal the denial. Realizing he should have used a professional, Dr. McCracken speaks to Max Credit, the enrolled agent that has been assisting Dr. McCracken with his collection issues. Max Credit agrees to help the doctor with his mother's penalty issue. Max Credit prepares a protest and subsequently participates in a conference with Appeals on the penalty abatement request.
Max meets with Dr. McCracken, who is the executor in this case, and recommends that he would like him to attend the hearing with him. For illustration, we are going to refer to Dr. McCracken as the taxpayer, but please understand that the taxpayer is his deceased mother. Max then gives the taxpayer a list of information to provide establishing basis for the abatement of the penalty. Max also provides the appeals officer with a memo to supplement the items in the protest.

Max follows up with the taxpayer to make sure everything was getting done promptly on the penalty appeal before the hearing with Appeals Officer Wise the next day. Let us watch the conference with Appeals Officer Wise.

Now, for the audience, we do not have a third person to play the role of the taxpayer, so we will represent the taxpayer in the conference by the nametag. When it is time for him to speak, the representative will wear his nametag and speak on his behalf. We appreciate your understanding.

Mr. Wise: Good morning, Ms. Credit and Dr. McCracken.

Ms. Credit: Good morning.

Dr. McCracken: Good morning.

Mr. Wise: I have to advise you of your Appeals right, Appeals process, and options available if no settlement is reached. First, at the end of this process if your client is unsatisfied with the process/results and wants his case heard further, he can make that request through our alternative dispute resolution program. We offer Post Appeals Mediation for eligible cases. I will be glad to expand on this when the occasion presents itself. Secondly, at the conclusion of your case and if Appeals sustains the adjustment, then we will issue a closing letter outlining our determination and we will instruct you of your options going forward. No settlement is final unless approved by my manager. Do you have any questions for me before we continue?

Ms. Credit: No.

Mr. Wise: Thank you for providing the memo to further support the arguments you raised in your protest.

Ms. Credit: Well, first and foremost, I wanted my client present today because I believe he has firsthand knowledge of the events that transpired, and I would like for you to hear directly from him. Second, I believe he is very credible, and he will have a strong witness before a judge if this case ever goes to court. I have sent you the memo establishing our basis for abatement of the penalties and
addressing our main points. I think you will find the document very convincing.

Mr. Wise: I see.

Ms. Credit: In preparing for this appeal, I realized that the return preparer failed to include additional expenses that were deductible on the return. Can you consider those now as part of this penalty appeal? I have a detailed spreadsheet and the invoices for your review right here with me.

Mr. Wise: Unfortunately, Ms. Credit, the issue before me today is the abatement of failure-to-pay penalty. Any new issue raised in Appeals must first be considered by Compliance. I would suggest that you file an amended return claiming the additional expenses. Once Exam considers the amended return, if you are not in agreement with their determination, then you will have an opportunity to return to Appeals.

Ms. Credit: Really? I would prefer to have the whole mess taken care of today, but I understand you have your systems and processes. Can we just proceed on the penalty issue?

Mr. Wise: Yes, ma'am. Based on my records, the Service has assessed the failure-to-pay penalty on your client's mother's final tax return. In consideration of your request for abatement, the IRM provides the guidelines for the abatement. These guidelines discuss reasonable cause, ordinary business care and prudence, ignorance of the law, and reliance on professional advice. I see, too, that you have addressed each one of these in your protest memo. Can you proceed with making your case as you outlined?

Ms. Credit: Sure. I will reiterate what was cited in the protest in my memo. First, at the time of extension filing, the preparer and Dr. McCracken were unable to determine if an amount would be due. Second, the preparer advised the doctor not to make a payment; my client was still grieving the loss of his mother. Third, securing the deceased mother's financial information was difficult and time-consuming as the doctor had no knowledge of her holdings. The correct amount of tax was paid promptly with the timely filing of the return by extension due date; no willful neglect was involved. As my client is present, I would let him provide further detail.

Dr. McCracken: I'm a hardworking man and a law-abiding taxpayer. As you know, I am still grieving the death of my mother. Her death was not expected due to her relatively young age and good health. Gathering her financial records has been extremely difficult because my mother was anything but organized. In fact, it was not until several months after we filed the extension that I learned that my mother had sold several stocks prior to her death.
I never received any of the statements from the brokerage houses, because after she sold the stock, she closed the accounts. I had no knowledge of my mother's holdings and financial situation due to the fact that I do not live close to where she resides, or did at the time of her passing. I paid the full amount due on the timely filed return. As you can see, Mr. Wise, I am doing everything to comply with the tax requirement.

Mr. Wise: Thank you, doctor. In making a determination, I have considered the facts and circumstances of your particular case. I have considered the case on its merits. I have researched court cases with similar facts to that of this case. I have weighed the hazards of litigation. I have considered whether the taxpayer exercised ordinary business care and prudence in determining his mother's tax obligations, but was nevertheless unable to comply with the obligations.

Lastly, I have considered the credibility of written and oral testimony provided here today. In this case, the most convincing evidence was not the written documents submitted, but the oral testimony of the doctor who was able to elaborate on the written information and provide a full and complete image of what transpired that led to the assessment of the penalty. Subsequent to my weighing the evidence, the failure-to-pay penalty is fully conceded by the government.

Ms. Credit: Thank you for being so reasonable.

Dr. McCracken: And I thank you, too.

Philip Oyofo: Effectively representing your clients: penalties establishing basis for abatement of penalty. Penalties are normally not imposed if it is shown that there is a reasonable cause for non-compliance. Reasonable cause is based on facts and circumstances of the particular situation. Ordinary business care and prudence requires that a taxpayer make a reasonable effort to determine your tax obligations. In determining if the taxpayer exercised ordinary business care and prudence, the following factors are considered. One: taxpayer's reason, compliance history, length of time, and circumstances beyond the taxpayer's control.

Two: ignorance of the law. Ignorance of the law alone does not show a reasonable cause; however, combined with other facts and circumstances, it may support a reasonable cause waiver, such as level of education and/or compliance history, previous tax, and penalty experience.

Three: reliance on professional advice. To satisfy the requirement, the taxpayer must demonstrate that the advisor had sufficient expertise to justify reliance, that necessary and accurate information was provided to the advisor,
and there was actual good-faith reliance by the taxpayer on the advisor's judgment.

In handling a case before Appeals, it is imperative that the representative be prepared and submit information to the appeals officer prior to the conference. By submitting the information to Mr. Wise prior to the conference, the appeals officer was able to settle the case during the Appeals conference.

Let us now look at another scenario with a different twist to it. Here are the facts of the next case. The taxpayer is Mr. Billy Fancy. He deducted casualty losses on Schedule A and Schedule D from water damage to his home and business on his 2012 individual income tax return. Compliance disallowed each claimed loss in full because the taxpayer failed to provide verification of the actual amount of loss and failed to establish the amount received from the insurance reimbursement. A notice of deficiency was issued, and Mr. Billy Fancy failed to file a petition with the tax court as instructed by the notice of deficiency.

The tax was assessed. Billy then asked for an audit reconsideration, but failed to provide much information to the examiner during the process. One day, Mr. Billy Fancy happened to be receiving back treatment at Dr. McCracken's chiropractor business when he mentioned his tax problem to the good old doctor. He then referred Billy Fancy to Max Credit Tax Firm. The doctor had recently had a successful appeal with the representation of Max Credit. Mr. Billy Fancy hired Max Credit to represent him in Appeals for the audit reconsideration appeal.

Ms. Tammy Foot of Max Credit was assigned to represent Billy. As usual, Ms. Foot met with Billy Fancy to go over what information he had received previously and plan out a strategy before appearing before Appeals Officer Wise in the Appeals office downtown. Let's watch.

Mr. Wise: Good morning, Ms. Foot.

Ms. Foot: Good morning, Mr. Wise.

Mr. Wise: I must advise you of the Appeals process.

Ms. Foot: No, let's skip that. I have heard it several times. Let's just move on.

Mr. Wise: Alright with me. I have reviewed the case file, and as you know, this is an audit reconsideration case. Your client did not provide any information to Compliance, and he failed to petition the tax court when he received the notice of deficiency. As a result, the taxes were assessed. Furthermore, he contacted Compliance after the assessment and asked for an audit reconsideration,
which he was granted. Compliance reviewed the case again and did not make any changes. What happened?

Ms. Foot: Well, my client lost all his personal records in a flood in his home and warehouse where he operated his business. His records, including copies of prior-year tax returns, were destroyed by water, and then they were discarded during cleanup. The taxpayer's insurance company sent an adjuster to his home a few weeks after the flood and issued a report, which states the company would pay for the damages. However, my client had no insurance for his small business.

My client stated that he went to the audit reconsideration by himself and was hoping he could tell the agent the good story. He stated that the agent didn't believe him and stated that even if he did, he wasn't going to make any changes without written supporting documents related to the value of the assets he claimed he lost. The examiner recommended allowing the casualty loss claimed on the Schedule A equal to the deductible on the insurance policy if Billy could provide supporting documents. My client disagreed and he was given his appeal rights, so here we are.

Mr. Wise: What documents have you brought with you today?

Ms. Foot: Well, I have secured some documents combined with the sworn written statements signed under penalties of perjury from my client to present to you today. I have a copy of his 2012 federal income tax return that I secured from the IRS. I also have secured from the insurance company an itemized list of the home items, allowances, reimbursement, and policy limitations. In addition, I have the taxpayer's expenses reconstructed from his memory, which were incurred to clean up and repair his home and business property. It is very detailed.

I have a list of uninsured items with the estimate of their values. I have some repair estimates. We used sources like eBay, Craigslist, and others to estimate their values, as an appraisal cannot be obtained. We also have before-and-after pictures my client took. Finally, I have a copy of a used newspaper for prior sales of warehouse units. I believe this information should be enough to allow all his deduction in full.

Mr. Wise: By policy, any new information provided to us will have to be reviewed by Compliance if the appeals officer determines that it warrants additional analysis or investigative action. In this case, it does, and as such, I will have to close the case and return it to Compliance for an examiner's review. Appeals does not examine new information. Our mission is to resolve controversies.

Ms. Foot: I understand. When can we expect to hear from Compliance?
Mr. Wise: It depends on their caseload. Normally, they do get back to you within a reasonable time.

Ms. Foot: Thanks.

Mr. Wise: Thank you.

Philip Oyofo: Now, 45 days go by, and the taxpayer and his representative receive a revised report from Compliance allowing a portion of the Schedule A casualty loss equal to the deductible on the insurance policy. The examiner does not accept any of the other documents. The representative disagrees with Compliance’s determination and seeks review by Appeals. The case is returned to Appeals and assigned to Appeals Officer Wise. Mr. Wise reviews the revised report and contacts Ms. Foot to schedule a conference.

Mr. Wise: Good morning, Ms. Foot.

Ms. Foot: Hi, again.

Mr. Wise: I have reviewed the agent's report.

Ms. Foot: Well, I was truly hoping that Exam would have allowed the entire casualty loss. My client has endured an extensive loss and we have tried to reconstruct the information as best we could.

Mr. Wise: Based on my review of the information that you have provided, relevant case law, and the examiner's revised report, I have determined that both the government and the taxpayer face hazards should this case proceed to court. Your client's personal losses were fully reimbursed by the insurance company with the exception of the amount allowed by the examiner in the revised report. I understand that your client did not have any insurance for his small business. I'm extending an offer of 50 percent casualty loss disallowed by exam based on the information that you have provided.

Ms. Foot: Only 50 percent? You won't go higher? And what if I won't sign or agree to this settlement?

Mr. Wise: Well, if you don't agree with the settlement proposal, then you have the right to request Post Appeals Mediation, where a third-party mediator from Appeals will mediate our disagreement.

Ms. Foot: Well, we were hoping for a higher allowable loss, but my client is very anxious to finalize the matter. We know we have hazards in this case, and so do you, so I think we will accept your offer.
Mr. Wise: Perfect. I will send you computations and the agreement forms for your review. Once you receive them, please return them promptly.

Ms. Foot: Thank you, again.

Mr. Wise: Thank you.

Philip Oyofo: Effectively representing your client. Please don't wait until the case is in Appeals to submit new information or raise new issues. First review by Compliance ensures that the taxpayer is afforded a true appeal with respect to his or her position. If Appeals conducts the initial review, then the taxpayer is not getting a “true appeal” or second look at his case. If Exam has been given an opportunity to review the information, then Appeals won't send back the information. It is important to give all relevant information to Compliance when they have the case. The representative should always be ready to make a settlement offer to appeals officers.

Getting to resolution sooner: we recognize that the entire process, from examination to Appeals consideration to the final resolution, can be time consuming. There are other alternative dispute resolution services available. The purpose of ADR is to resolve the case as early in the process as possible. Publication 4167 available on the IRS.gov website will provide more information about these options. If this is all new to you and you have a disagreement with the IRS but are not sure whether mediation is right for you, then please check out the Appeals Mediation Programs Online Self-Help Tool.

These are the three ADR options we have in Appeals. The first one is Early Referral. Taxpayers whose returns are under the jurisdiction of Examination or Collection may request the transfer of a developed but unagreed issue to Appeals while the other issues in the case continue to be developed in Exam. Early Referral can also be requested with respect to issues regarding an involuntary change in method of accounting, employment tax, employee plans, and exempt organizations. Regular Appeals procedures apply including taxpayer's conference. For complete information on Early Referral, please see Revenue Procedure 99-28.

The next one is Fast-Track Settlement. Fast-Track Settlement is designed to help IRS operating divisions and taxpayers expeditiously resolve disputes while the case is still in Exam. In a Fast-Track Settlement, a trained mediator from the Office of Appeals is assigned to help the taxpayer and exam reach an agreement on the disputed issues. In addition to using mediation techniques to facilitate settlement discussion, the Appeals mediator may extend a settlement proposal and use Appeals’ settlement authority if need be to resolve the dispute.
The taxpayer and Compliance retain full control over every decision made during the Fast-Track Settlement process. No one can impose a decision on either the taxpayer or the IRS. The goal is to resolve the case within 60 days for SB/SE and TE/GE tax cases and within 120 days for LB&I cases. For more information on Fast-Track Settlement, see Publication 5022 SB/SE, Publication 4539 LB&I, and Publication 5092 TE/GE.

The last one is Post Appeals Mediation. With Post Appeals Mediation, a trained mediator from the Office of Appeals is assigned to help you and your appeals officer reach an agreement on the disputed issue. Post Appeals Mediation does not create any special authority for a settlement by Appeals. You retain full control of every decision you make during the Post Appeals Mediation. No one can impose a decision on either you or Appeals. The mediator has no settlement authority. Post Appeals Mediation is also an optional and non-binding process. It is available after a good-faith settlement negotiation with Appeals is complete but unsuccessful. For additional information for Post Appeals Mediation, you should see Revenue Procedure 2014-63 and IRM 8.26.5 for non-collection cases.

These are some of the ADR benefits when you use the Alternative Dispute Resolution options. Appeals has encountered high satisfaction rate with the program in outcome, speed, cost, flexibility, control, and reduced risk. For Fast-Track Settlement, the taxpayer retains full rights if no agreement is reached.

For more information, we advise you to visit the Appeals website at www.irs.gov/appeals. The Appeals website is available and you can get information on how to appeal and what to expect during the appeals process. It also includes simple decision trees for you to use to help determine if you might qualify for penalty appeals, innocent spouse, an Offer in Compromise, or Post Appeals Mediation.

In addition, the website includes background information on Appeals, the Appeals process, and links to all forms, letters, and publications dealing with appeal rights. It is also a great resource for understanding how to successfully navigate the Appeals process.

**Question:** I have a question.

**Philip Oyofo:** Yes, ma’am.

**Question:** In the second scenario where the appeals officer said, “Okay, we will give you 50 percent,” how much discretion does that appeals officer have? And if Ms. Foot had decided to push it, could she have gotten any more?
Philip Oyofo: It is possible in terms of if Ms. Foot can look at the information, the evidence before both parties, and say, “I think based on this evidence here you have more hazards than the taxpayer.” She can make that case, and if she succeeds in making that case, the appeals officer will change that settlement proposal. So, the appeals officer came up with a 50 percent proposal based on his assessment of the hazards based on the evidence in front of him.

Question: In the documentation and wanting to go for more, should Ms. Foot have had pictures of the destruction and that type of thing to help you give greater than 50 percent?

Philip Oyofo: That's an excellent point. That's good information to provide to the appeals officer. Pictures: they tell a thousand stories, so that's an excellent point. I believe if she had pictures, that would change the scale in terms of the hazards. That's a good point, ma'am.

Question: As to the penalty abatement, I'm a little confused on the penalty abatement when you go through the process the first time as opposed to dispute resolution process. What's the better way to go when you have a penalty abatement situation? I don't get anywhere with first-time penalty abatement because it appears the Service wants the client to be a saint.

Ursula Wastian: Well, I can speak about a penalty abatement request, and first-time penalty abatement is just that. What happens is when you submit that, the Service employee who received that claim or that appeal is engaging in an analysis what we call of the look-back period. They will look for the prior year, if not two, to see if this happened before. If your client has been a frequent shopper with the agency, so to speak, and has been here before, our system is earmarked to indicate that. So, if it's found that they've been here, done that before, they're not going to get it. You can appeal that decision, but when you do appeal it, tell us why. Tell the agency why you're appealing it.

If you realize your client no longer qualifies for first-time delinquent criteria or reasonable cause, you've got to have another reason because that one's dead now, right? So, there's got to be another reason. What is it? If you feel you have reasonable cause or another issue, present it at that point. You can, and if you're denied again, you can appeal that, and that's how you get into our shop, and we'll negotiate if we feel that there's a basis for further negotiation. With first-time delinquent, they do a lot of work to determine whether or not it is truly a first-time offense. Unfortunately, that is how our system is designed. We train our employees like that, and there's a strict criteria to have that approved and abated.

[End of Audio]
**Glossary**

**Early Referral** – Taxpayers whose returns are under the jurisdiction of Examination or Collection may request the transfer of a developed but unagreed issue to Appeals, while the other issues in the case continue to be developed in Examination. Early referral can also be requested with respect to issues regarding an involuntary change in method of accounting, employment tax, employee plans and exempt organizations. Regular Appeals procedures apply including taxpayer conferences.

**Fast-Track Settlement (FTS)** – FTS is designed to help IRS Operating Divisions and taxpayers expeditiously resolve disputes while their case is still in Examination. In a FTS, a trained mediator from the IRS Office of Appeals is assigned to help the taxpayer and Examination reach an agreement on the disputed issue(s). In addition to using mediation techniques to facilitate settlement discussions, the Appeals mediator may extend a settlement proposal and use Appeals’ settlement authority, if needed, to resolve the dispute. The taxpayer and Compliance retain full control over every decision made during the FTS process. No one can impose a decision on either the taxpayer or the IRS. The goal is to resolve the case within 60 days for SB/SE and TE/GE and within 120 days for LB&I.

**Post Appeals Mediation (PAM)** – Mediation is an informal, confidential, and flexible dispute resolution process in which an Appeals Officer trained in mediation techniques serves as an impartial third party facilitating negotiations between the disputing parties. With PAM, a trained mediator from the IRS Office of Appeals is assigned to help you and your Appeals Officer or Settlement Officer reach an agreement on the disputed issue(s). PAM does not create any special authority for settlement by Appeals. You retain full control over every decision you make during the PAM process. No one can impose a decision on either you or Appeals. PAM is available for both legal and factual disputes. However, campus cases are not eligible for PAM at this time.

**Publication 4167, Appeals - Introduction to Alternative Dispute Resolution** – This publication describes the Early Referral, Fast-Track Settlement, and Post Appeals Mediation programs.
Appeals: Navigating Examination Cases through the Appeals Process

Index

A
Alternative Dispute Resolution, 10-11
Appealing a case
  Effectively representing your client, 6-7, 10
  Hearing your client’s case, 3
  When to appeal, 2-3

E
Early Referral, 10, 13
Examination cases, 2

F
Fast-Track Settlement, 10-11, 13

M
Mission of Appeals, 1

P
Post Appeals Mediation, 11, 13
Publication 4167, 10, 13

R
Resources, 11
Role-play scenarios, 3-6, 7-10