

AUDIT RECONSIDERATION

John and Jane Doe were subject to a recent examination in which they chose not to have professional representation. The exam resulted in significant assessments that are still unpaid with the appeal window now closed. They now have come to see you and you have determined that if certain other information was provided, the assessments would have been reduced. What can you do for them?

Audit Reconsideration may be an available resource.

- Reconsideration requests are based on
 - New information not previously considered
 - Computation or processing errors
 - The liability is **UNPAID**. Liabilities that have been previously paid should follow normal refund claims, if the statute of limitations has not expired.
 - Forms 906 or 870-AD were not executed

- Requirements for submission
 - Attach copy of audit report and 1040
 - Do not submit original supporting documentation, only copies
 - Explanation of requested changes
 - Copy of audit report (Form 4549)
 - Reconsideration request is sent to the campus shown on audit report. If unclear, call Practitioner Priority Service for correct mailing address.

- Collection action may stop upon the request for reconsideration. Note, that this may toll the collection statute and taxpayers in installment agreements must stay current and make all required payments.

- Special procedures exist for combat zone and disaster area cases.

- Appeal rights are available

- Form 12661 is now obsolete and no longer relevant

- For additional information, see
 - IRS Publication 3598
 - IRM Part 4. Examining Process, Chapter 13. Audit Reconsideration