



Large Business & International Directive on Information Document Requests (IDRs)



LB&I Control No: LB&I-04-0613-004
Impacted IRM 4.46.4

June 18, 2013

MEMORANDUM FOR: ALL LARGE BUSINESS & INTERNATIONAL EMPLOYEES

FROM: Paul D. DeNard /s/ Paul D. DeNard
Acting Commissioner, Large Business & International Division

SUBJECT: Large Business & International Directive on Information Document Requests (IDRs)

Introduction

By now, all LB&I examiners and specialists should have completed the mandatory training on IDRs. This training reinforced best practices for information gathering in LB&I examinations. The training sets forth several actions that must be performed in issuing IDRs. First and foremost, the training states that all IDRs issued during the course of an LB&I examination must be issue focused. That is, the examiner must identify and state the issue that has led the examiner to request the information included in the IDR. In addition, the examiner must discuss the IDR with the taxpayer in advance of issuing it, and both parties must discuss and determine a reasonable timeframe for response.

When all of these steps are followed, the expected outcome is that the IDR process will be more efficient, and as a result, there will be less need to enforce IDRs through summonses.

Planning and Examination Guidance

The purpose of this Directive is to announce the requirement that all IDRs issued after June 30, 2013, must comply with the principles set forth in the training - IDRs must be issue focused, they must be discussed with the taxpayer, and the taxpayer and the agent need to discuss the appropriate deadline for the request. As part of this implementation, existing Memorandums of Understanding relating to IDR management that do not comply with the principles set forth in the training are no longer effective.

In the coming months, we will be announcing changes to the IDR enforcement process. While, as stated above, we believe the need for an enforcement process may be limited once IDRs meet the requirements described in the training, it is important to have an effective and swift enforcement process when one is necessary. Before the new enforcement process is implemented, however, it is essential that all IDRs issued during the course of an LB&I examination meet the requirements discussed in the training. This Directive ensures that will occur.

This Directive is not an official pronouncement of law and cannot be used, cited, or relied upon as such.

cc: Division Counsel, LB&I

Page Last Reviewed or Updated: 2013-06-19