



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
Washington, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

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MEMORANDUM FOR ESTATE AND GIFT TAX EMPLOYEES

FROM: John H. Imhoff, Jr., Director, Specialty Tax

SUBJECT: New Timeframes for Estate and Gift Tax Cases Subject to Appeals
Jurisdiction

This memorandum issues guidance on new Estate and Gift Tax examination time frames for cases subject to Appeals jurisdiction until 4.25.10, *Estate and Gift Tax Case Closing Procedures* is revised. Please ensure that this information is distributed to all affected employees within your organization.

Purpose:

The purpose of this memorandum is to issue interim guidance reflecting changes to the required number of days that must be remaining on the statute of limitations for estate and gift cases going to and coming from Appeals as a result of the Appeals Judicial Approach and Culture (AJAC) project. This guidance is effective September 3, 2014.

Background/Source(s) of Authority:

The AJAC project was designed to reinforce Appeals' quasi-judicial approach to the way it handles cases, with the goal of enhancing internal and external customer perceptions of a fair, impartial and independent Office of Appeals. Appeals has recently issued to its employees a series of interim guidance memoranda including AP-08-0713-03, dated July 18, 2013; AP-08-0614-0003, dated June 16, 2014; and, AP-08-0714-0004 dated July 2, 2014, over the implementation of the AJAC project. As a result of the AJAC project and resulting Interim Guidance, Appeals reduced the remaining number of days required on the statute of limitations when a case is received in Appeals.

Procedural Change:

As a result of Appeals' requirements the following Estate and Gift Tax examination timeframes and procedures are being implemented:

- There must be at least 365 days remaining on the statute of limitations for assessment when a Gift or Fiduciary Income Tax case is initially received by Appeals.
- There must be at least 270 days remaining on the statute of limitations for assessment when an Estate Tax case is initially received by Appeals.
- There must be at least 210 days remaining on the statute of limitations when a case is received in Examination, if Appeals releases jurisdiction of the case to Examination for consideration of new information or new issues raised by the taxpayer.
- There must be at least 180 days remaining on the statute of limitations when a case is received in Appeals, if Appeals previously released jurisdiction of the case and returned it to Examination for additional analysis and/or determination.
- Where Appeals releases jurisdiction Appeals will route estate and gift tax cases to the field through Estate and Gift Tax Planning and Special Programs (PSP). Estate and Gift Tax PSP will review the new materials or new issues raised by the taxpayer and either: (1) issue analysis directly to Appeals and the Taxpayer, or (2) assign the case file to a field examiner to issue analysis directly to Appeals and the Taxpayer. PSP will assign the case to the original examiner whenever possible.
- Where Appeals retains jurisdiction, the examiner will complete the review of new information or new issues raised by the taxpayer within 30 days of receipt from PSP.

Effect on Other Documents:

This guidance will be incorporated into IRM 4.25.10, *Estate and Gift Tax Case Closing Procedures* by September 1, 2015.

Effective Date:

This Interim Guidance is effective September 3, 2014.

Distribution:

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