



October 21, 2016

Kirsten Wielobob  
Chief, IRS Office of Appeals  
999 North Capital Street, NW  
Washington, DC 20003

**RE: Appeals Team Case Leaders Settlement Authority**

Dear Ms. Wielobob:

On behalf of the Coalition for Effective & Efficient Tax Administration<sup>1</sup> ("CEETA"), we are writing you concerning recent media reports that the Office of Appeals is planning to move settlement authority from approximately 35 Appeals team case leaders ("ATCLs") to approximately six Appeals team managers ("ATMs"), the next level of management in Appeals.

We respectfully submit this letter to state our concerns and general objection to any planned removal of settlement authority from ATCLs. Current Appeals procedures providing for ATCL settlement authority have served taxpayers and the Internal Revenue Service well for many years, and allow Appeals to efficiently and effectively meet its stated mission of resolving tax controversies, without litigation, in a fair and impartial manner to both taxpayers and the Service. We strongly urge Appeals to reconsider any planned shift of settlement authority, and allow current, well-established and well-serving procedures to remain in place.

Removing ATCL settlement authority will result in negative results for taxpayers and the Service. First, shifting settlement authority from ATCLs to ATMs will remove the "decision-maker" from the room. ATCLs are the Appeals personnel conducting conferences with taxpayers and Examination, engaging with the parties to fully understand the facts, the legal issues and the positions of each side. ATMs would not be present at these conferences, nor other discussions and activities that take place during the handling of a case before Appeals. That is, ATMs would be removed from all the necessary and vital procedures in Appeals case development until the last moment when they will be asked to make a final determination based on a memorandum attempting to summarize all that has previously taken place before the ATCL. Placing final settlement authority with a person with no involvement in the case development and no interaction with the parties questions the core purpose of Appeals to settle cases in a fair and impartial manner for both taxpayers and the Service. Worse still, this could lead directly to more litigation and negate the exact purpose of Appeals.

Second, removing ATCL settlement authority to ATMs will, without doubt, delay Appeals case settlements. Aside from the additional step of simply forwarding a settlement recommendation memorandum to an ATM and waiting on a response, either taxpayers, Examination or the ATCLs, and the ATM, will want additional discussions and conferences to discuss the facts and issues to enable the ATM to make an informed decision. This is a direct result of the decision-maker being brought into the case after the substantive discussions have long since taken place. Moreover, unlike a court of appeals

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<sup>1</sup> The Coalition for Effective and Efficient Tax Administration ("CEETA") is a coalition of companies and trade associations seeking to effect constructive administrative and legislative changes to IRS audit practices. More information can be found at [www.etax.org](http://www.etax.org).

reviewing a lower court's holding, there is no transcript of the conference proceedings to guide the review. Given time and resource constraints of Appeals, and the Service overall, we believe it is imprudent to add procedures to Appeals settlements that will surely delay the ultimate resolution of cases to the detriment taxpayers, the Service, and the courts.

We respectfully request that Appeals reconsider the planned removal of settlement authority from ATCLs to ATMs. The resulting negative effects of the proposed change will result in more, not less, unnecessary and expensive litigation.

Thank you for your consideration of the above matters. On behalf of CEETA, We are happy to participate in any further discussions. Please contact Pam Olson at (202) 414-1401 or Kevin Brown at (202) 346-5051 if you have any questions.

Sincerely,

Coalition for Efficient and Effective Tax Administration

CC: John Dalrymple, Deputy Commissioner, Services and Enforcement  
Nina Olson, National Taxpayer Advocate