

Prog: 370-S R1								
Title: Internal Revenue Manuals								
Agency: Internal Revenue Service								
Term: Beginning Date of Award and ending May 31, 2027								
						CURRENT CONTRACTOR		
			NPC, Inc. Claysburg, PA		Oready LLC Las Vegas, NV		NPC, INC. Claysburg, PA	
ITEM NO.	DESCRIPTION	BASIS OF AWARD	UNIT RATE	COST	UNIT RATE	COST	UNIT RATE	COST
I. TABLE OF CONTENTS AND GRAPHICS:								
1.	Table of Contents Page: Preparation of Table of Contents includes TRIDOC headings from the XML text files, reversing the sequence number and title, and all related processing.							
(a)	First page of Table of Contents.....per page.....	528	3.42	1,805.76	28.50	15,048.00	3.15	1,663.20
(b)	Each additional page of Table of Contents.....per page.....	692	3.42	2,366.64	14.75	10,207.00	3.15	2,179.80
2.	Graphics:							
(a)	PDF Graphics files, including all related processing.....per graphic.....	156	3.42	533.52	6.75	1,053.00	3.15	491.40
(b)	Reduction of enlargement of PDF graphics.....per graphic.....	112	2.00	224.00	4.85	543.20	1.60	179.20
(c)	Converting PDF graphics to grayscale.....per graphic.....	64	2.00	128.00	3.25	208.00	1.60	102.40
II. FORMATS:								
(a)	One-time charge (per contract) for development of initial format for all products.....one-time charge.....	1	N/C	0.00	4,250.00	4,250.00	N/C	0.00
(b)	Development of new format.....per format...	1	1,200.00	1,200.00	685.00	685.00	1,200.00	1,200.00
(c)	Change to existing format, including new tags and DTD updates.....per tag.....	1	375.00	375.00	95.00	95.00	375.00	375.00
III. PUBLISHING DATABASE OUTPUT:								
(a)	XML files via electronic transmission.....per 1,000 characters.....	92,024	0.32	29,447.68	1.45	133,434.80	0.27	24,846.48
(b)	GIF graphics files via electronic transmission.....per graphic.....	436	18.00	7,848.00	4.25	1,853.00	2.35	1,024.60
(c)	PDF files via electronic transmission.....per page.....	46,068	8.90	410,005.20	2.15	99,046.20	8.80	405,398.40
(d)	Files saved onto CD-R (including cost of disc and packing).....per disc.....	1	20.00	20.00	19.50	19.50	20.00	20.00
IV. PRINTING:								
(a)	Printing in black.....per page.....							
(1)	Makeready and/or Setup	1,776	N/C	0.00	6.85	12,165.60	N/C	0.00
(2)	Running Per 1,000 Copies	1,027	37.10	38,101.70	2.85	2,926.95	35.00	35,945.00
(b)	Printing in one additional color other than black.....per color/per page.....							
(1)	Makeready and/or Setup	18	N/C	0.00	9.25	166.50	N/C	0.00
(2)	Running Per 1,000 Copies	2	100.70	201.40	4.65	9.30	95.00	190.00
V. BINDING:								
(a)	Loose-leaf products over 1 leaf up to and including 32 leaves.....per copy.....	100	N/C	0.00	2.85	285.00	N/C	0.00
(b)	Loose-leaf products over 32 leaves up to and including 128 leaves.....per copy.....	1,149	1.06	1,217.94	5.65	6,491.85	1.00	1,149.00
(c)	Loose-leaf products over 128 leaves.....per copy.....	30	0.87	26.10	9.25	277.50	0.82	24.60
(d)	Saddle stitched products.....per copy.....	200	N/C	0.00	2.25	450.00	N/C	0.00
(e)	Drilling.....per 1,000 leaves.....	2	40.00	80.00	1.55	3.10	30.00	60.00

U.S. GOVERNMENT PUBLISHING OFFICE

Washington, DC

GENERAL TERMS, CONDITIONS, AND SPECIFICATIONS

For the Procurement of

Internal Revenue Manuals

as requisitioned from the U.S. Government Publishing Office (GPO) by the

Internal Revenue Service

Single Award

TERM OF CONTRACT: The term of this contract is for the period beginning the Date of Award, and ending May 31, 2027, plus up to four (4) optional 12-month extension periods that may be added in accordance with the "OPTION TO EXTEND THE TERM OF THE CONTRACT" clause in SECTION 1 of this contract.

The term of the first (base) contract year is expected to be approximately 13 months. Unless waived by the agency, the period from Date of Award to May 31, 2026, shall be used by the contractor to establish/perform all necessary operations in preparation for live production on or about June 1, 2026. The contractor shall plan and implement the actions necessary for the startup of full contract operations.

BID OPENING: Bids shall be opened virtually at 11:00 a.m., Eastern Time (ET), on February 18, 2026, at the U.S. Government Publishing Office. All parties interested in attending the bid opening shall email bids@gpo.gov one (1) hour prior to the bid opening date and time to request a Microsoft Teams live stream link. This must be a separate email from the bid submission. The link will be emailed prior to the bid opening.

BID SUBMISSION: Bidders must email bids to bids@gpo.gov for this solicitation. No other method of bid submission will be accepted at this time. The Program Number and bid opening date must be specified in the subject line of the emailed bid submission. Bids received after the bid opening date and time specified above will not be considered for award.

BIDDERS, PLEASE NOTE: *This program was formerly Program 851-S.* These specifications have been extensively revised; therefore, all bidders are cautioned to familiarize themselves with all provisions of these specifications before bidding.

Abstracts of contract prices are available at <https://www.gpo.gov/how-to-work-with-us/vendors/contract-pricing>.

For technical information, contact Cecilia Dominguez at (202) 512-0418 or via email at cdominguezcastro@gpo.gov.

SECTION 1. - GENERAL TERMS AND CONDITIONS

GPO CONTRACT TERMS: Any contract which results from this Invitation for Bid will be subject to the applicable provisions, clauses, and supplemental specifications of GPO Contract Terms (GPO Publication 310.2, effective December 1, 1987 (Rev. 01-18)) and GPO Contract Terms, Quality Assurance through Attributes Program for Printing and Binding (GPO Pub. 310.1, effective May 1979 (Rev. 09-19)).

GPO Contract Terms (GPO Publication 310.2) – <https://www.gpo.gov/docs/default-source/forms-and-standards-files-for-vendors/contractterms2018.p>

GPO QATAP (GPO Publication 310.1) – <https://www.gpo.gov/docs/default-source/forms-and-standards-files-for-vendors/qatap-rev-09-19.pdf>

SUBCONTRACTING: Subcontracting is not allowed.

GPO IMPRINT REQUIREMENTS: The GPO imprint requirement, GPO Contract Terms, Supplemental Specification, No. 9 is waived.

QUALITY ASSURANCE LEVELS AND STANDARDS: The following levels and standards shall apply to these specifications:

Product Quality Levels:

- (a) Printing (page-related) Attributes - Level IV.
- (b) Finishing (item-related) Attributes - Level IV.

Inspection Levels (from ANSI/ASQC Z1.4):

- (a) Non-destructive Tests - General Inspection Level I.
- (b) Destructive Tests - Special Inspection Level S - 2.

Specified Standards: The specified standards for the attributes requiring them shall be:

<u>Attribute</u>	<u>Specified Standard</u>
P-7. Type Quality and Uniformity	Average Type Dimension
P-9. Solid and Screen Tint Color Match	Pantone Matching System

OPTION TO EXTEND THE TERM OF THE CONTRACT: The Government has the option to extend the term of this contract for a period of 12 months by written notice to the contractor not later than 30 days before the contract expires. If the Government exercises this option, the extended contract shall be considered to include this clause, except, the total duration of the contract may not exceed five (5) years as a result of, and including, any extension added under this clause. Further extension may be negotiated under the “EXTENSION OF CONTRACT TERM” clause. See also “ECONOMIC PRICE ADJUSTMENT” for authorized pricing adjustments(s).

EXTENSION OF CONTRACT TERM: At the request of the Government, the term of any contract resulting from this solicitation may be extended for such period of time as may be mutually agreeable to the GPO and the contractor.

ECONOMIC PRICE ADJUSTMENT: The pricing under this contract shall be adjusted in accordance with this clause, provided that in no event will any pricing adjustment be made that would exceed the maximum permissible under any law in effect at the time of the adjustment. There will be no adjustment for orders placed during the first period specified below. Pricing will thereafter be eligible for adjustment during the second and any succeeding performance period(s). For each performance period after the first, a percentage figure will be calculated as described below and that figure will be the economic price adjustment for that entire next period. Pricing adjustments under this clause are not applicable to reimbursable postage or transportation costs, or to paper, if paper prices are subject to adjustment by separate clause elsewhere in this contract.

For the purpose of this clause, performance under this contract will be divided into successive periods. The first period will extend from Date of Award to May 31, 2027 and the second and any succeeding period(s) will extend for 12 months from the end of the last preceding period, except that the length of the final period may vary. The first day of the second and any succeeding period(s) will be the effective date of the economic price adjustment for that period.

The term of the first contract year (base year) is expected to be approximately 13 months; however, the economic price adjustment will be based on the date of actual production. Actual production begins June 1, 2026.

Pricing adjustments in accordance with this clause will be based on changes in the seasonally adjusted "Consumer Price Index For All Urban Consumers - Commodities Less Food" (Index) published monthly in the CPI Detailed Report by the U.S. Department of Labor, Bureau of Labor Statistics.

The economic price adjustment will be the percentage difference between Index averages as specified in this paragraph. An index called the variable index will be calculated by averaging the monthly Indexes from the 12-month interval ending three (3) months prior to the beginning of the period being considered for adjustment. This average is then compared to the average of the monthly Indexes for the 12-month interval ending February 28, 2026, called the base index. The percentage change (plus or minus) of the variable index from the base index will be the economic price adjustment for the period being considered for adjustment.

The Government will notify the contractor by contract modification specifying the percentage increase or decrease to be applied to invoices for orders placed during the period indicated. The contractor shall apply the percentage increase or decrease against the total price of the invoice less reimbursable postage or transportation costs and separately adjusted paper prices. Payment discounts shall be applied after the invoice price is adjusted.

SENSITIVE BUT UNCLASSIFIED (SBU): Any Government information made available, which is marked "Official Use Only" on the print order or on any part of the furnished material, shall be used only for the purpose of carrying out the provisions of this contract and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. All copies must be accounted for and waste sheets and printing plates destroyed beyond recognition or reconstruction.

SECURITY OF DATA: The contractor shall not release or sell to any person any technical or other data received from the Government under this contract; nor shall the contractor use the data for any purpose other than that for which it was provided to the contractor under the terms of the contract.

SAFEGUARDS: In performance of the contract, the contractor agrees to comply and assume responsibility for compliance by its employees, with the following requirements:

1. Any Government information which is made available, or to which access is provided, and which is considered to be, or which is marked "Official Use Only," shall be used only for the purpose of carrying out the provisions of the contract and shall not be divulged or made known in any contract. Disclosure to anyone other than an officer or employee of the contractor at any tier shall require prior written approval. Requests to make such disclosures must be addressed to the Contracting Officer.

2. All copies must be accounted for, and waste sheets, printing plates, and excess warehouse stock must be destroyed beyond recognition or reconstruction (see "DISPOSAL OF WASTE MATERIALS").
3. Shipments must be securely wrapped in opaque material with no indication on the mailing label that "Official Use Only" material is enclosed.
4. Direct distribution shipments must be made by a traceable means-- commercial freight, small package carrier, air freight forwarder, certified/registered mail, etc. (as specified by IRS).
5. Storage of contractor's printed issuances to produce the items ordered, like negatives, printing plates, and magnetic tapes, must be in secured areas to prevent unauthorized access.
6. A computer data security system must be in place to prevent unauthorized access.

SECURITY REQUIREMENTS: These requirements apply to all contractor's facilities (i.e., multiple plants) used for production of data extraction.

During the performance of this contract, legal documents (including documentary and testimonial evidence and personally identifiable information (PII)) will be reproduced. Due to the sensitive nature of the documents furnished, all materials must be kept confidential. This material is not for public consumption and should be handled with extreme care.

The contractor shall not release or sell to any person any information or materials received from the Government under the contract; nor shall the contractor use the information or materials for any purpose other than that for which it was provided to the contractor under the terms of the contract.

The contractor shall not retain or distribute, in any form, any part of the materials furnished by the Government which are not consumed in the preparation of the work or which are generated as a result of this contract. Proper precautions shall be taken to ensure that all Government-supplied materials are protected from damage. The Government furnished materials shall be returned in the same condition as originally furnished, unless otherwise specified.

NOTE: It is the contractor's responsibility to properly safeguard PII from loss, theft, or inadvertent disclosure and to immediately notify the Government of any loss of personally identifiable information. Personally identifiable information is "information that can be used to distinguish or trace an individual's identity, such as their name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc. (reference: OMB Memorandum 07-16). Other specific examples of PII include, but are not limited to:

- Personal identification numbers, such as passport number, driver's license number, taxpayer identification number, or financial account or credit card number.
- Address information, such as street address or personal email address.
- Personal characteristics, including photographic image (especially of face or other distinguishing characteristic), fingerprints, handwriting, or other biometric image or template data (e.g., retina scans, voice signature, facial geometry).

WARNING: Proper control and handling must be maintained at all times to prevent any information or materials required to produce the product ordered under these specifications from falling into unauthorized hands. All Sensitive But Unclassified (SBU) data must be adequately protected and secured and meet the required physical security minimum protection standards as defined in Publications 1075 and 4812. Unless otherwise indicated herein, all extra copies, materials, waste, etc., must be destroyed in accordance with IRS Publications 1075 (Rev. 8-2010) and 4812, Tax Information Security Guidelines for Federal, State, and Local Agencies.

The contractor agrees that it shall establish and maintain full Secure Data Transfer (SDT) compliance throughout the term of this contract. Contractor receiving SBU information from the IRS shall meet the requirements set forth below, in accordance with the IRS Publications 1075/4812, and Federal Information Security Management Act (FISMA) Compliant Data Protection and Internal Revenue Code 6103 (n):

- (a) All federal, state, and local agencies or entities shall comply with IRS Publications 1075 and 4812. Tax Information Security Guidelines for Federal, State and Local Agencies and Entities (as revised) if transmitted data contains Federal Taxpayer Information (FTI). All data that originates from the IRS shall be protected to ensure compliance with FISMA, including the technical security, physical security, personnel security, and record retention requirements.
- (b) All IRS systems that handle or process Federal Tax Information or other Sensitive but Unclassified information, including PII, source code, etc., are categorized at the moderate risk level, as required by Publication FIPS 199, Standards for Security Categorization of Federal Information and Information Systems. This contract handles FTI at the moderate risk level.

Personally identifiable information is “information that can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc. (Reference: OMB Memorandum 07-16.) Other specific examples of PII include, but are not limited to:

- Personal identification numbers, such as passport number, driver’s license number, taxpayer identification number, or financial account or credit card number.
- Address information, such as street address or personal email address.
- Personal characteristics, including photographic image (especially of face or other distinguishing characteristic), fingerprints, handwriting, or other biometric image or template data (e.g., retina scans, voice signature, facial geometry).

Contractors shall comply with moderate risk controls of National Institute of Standards and Technology (NIST) SP 800-53, Recommended Security Controls for Federal Information Systems and Organizations, Revision 3 or 4. NIST is a federal technology agency that develops and promotes measurement, standards, and technology. NIST also provides additional guidance, publications, and compliance tools to Government agencies at <http://csrc.nist.gov/groups/SMA/fisma/index.html>.

1. **Authorized Data Recipients:** Only authorized individuals may receive SBU information from the IRS. Individual identification and authentication will be accomplished through use of a third-party digital certificate issued by name to authorized individuals. Authorized contractor employees shall apply, authenticate, and retrieve a digital certificate.
2. **Data Tracking and Accounting:** Contractors receiving SBU information are responsible for ensuring the security of SBU information within the firm and shall establish procedures to track and account for data from receipt to disposition. If contracted entity is a federal, state, or local agency and transmitted data contains FTI, these procedures shall meet the requirements of Publications 1075 and 4812.
3. **Acknowledgement:** The contractor is required to provide IRS with a separate acknowledgement of receipt of SBU information.
4. **Data Transfer Log File:** Contractors receiving SBU information must maintain a log file that records complete and incomplete data transfers. For complete transmissions, the log file must identify the sender of the information, the file name, the date/time of receipt, and the record count. For incomplete transfers, the log file must identify as much of the above information as is possible.

5. **Confirmation of Successful Data Transfer:** When a contractor receives a files from the IRS via email, the contractor shall check the file to see that it is intact and usable; the contractor shall also validate the record count provided.
6. **Sensitive but Unclassified Information Breach/Misrouted File:** An SBU information breach includes any incident where SBU data is lost, misused, or compromised. This includes but is not limited to situations involving a misrouted file (a file meant for one entity or contractor is received by another entity or contractor) containing SBU data.

In the case of an SBU breach, the contractor shall contact the following offices within one (1) hour: the Computer Security Incident Response Center (CSIRC); Situation Awareness Management Center (SAMC) through the CSIRC/SAMC Incident Hotline at (866) 216-4809; the Government Publishing Office, APS DC at (202) 512-0307; and the IRS Representative. The Government will take appropriate action and advise the contractor of further action, if any, required by the contractor and/or consequences resulting from the SBU Breach.

7. **Access Controls and Audit Logs:** The contractor shall ensure that any information system (server, workstation, laptop, etc.) storing SBU information maintains access controls to the information and audit logs that document any access to the information in accordance with NIST SP 800-53. Audit logs must be saved for seven (7) years. For all federal, state, and local agencies or entities, if data transmitted through the SDT and stored on the agency's system contains FTI, access to the information shall be recorded and reviewed, as identified for access controls and auditing within Publications 1075 and 4812.
8. **Validation of Authorized Users:** All logical access to IRS information shall be controlled by U.S. Government-approved authentication methods to validate the authorized users.
9. **Web Accessible File Sharing Support:** There shall be no dial-up or broadband support for web accessible file sharing. Remote administration of the web accessible file sharing systems is permitted only via FIPS 140-2 compliant products.
10. **Safeguard Disclosure of Federal Taxpayer Information Data Transmitted Through the Secure Data Transfer:** If SDT is used by the contractor to receive FTI data from the IRS, a revised Safeguard Procedures Report (SPR) is not required to participate in the SDT. The contractor's next annual Safeguard Activity Report (SAR) submission shall document all protection mechanisms used to secure and store all data received in performing this contract. This shall include identifying the protection procedures, as well as the destruction procedures for data files received via SDT.
11. **Return and Destruction of Government Materials:** Sixty (60) calendar days after the 4th quarter of each year, the contractor must immediately destroy all physical and electronic Government material and submit a signed certificate of destruction to IRS on company letterhead.
12. **Encryption:** Contractor shall ensure that all laptops being used for this contract use full disc encryption.
13. **IT Compliance:** All IT assets must be configured to ensure compliance with the NIST Security Content Automation Protocol (SCAP) located on the NIST website.

PROTECTION OF CONFIDENTIAL INFORMATION: Any attempts by Contractor personnel to gain access to any information resources not expressly authorized by the statement of work, other terms and conditions in this contract, or as approved in writing by the IRS, is strictly prohibited. In the event of violation of this provision, the IRS will take appropriate actions with regard to the contract and the individual(s) involved. - Contractor access will be terminated for unauthorized use.

- (a) The contractor shall restrict access to all information obtained from the IRS in the performance of this contract to those employees and officials who need it to perform the contract.
- (b) The contractor shall process all information obtained from the IRS in the performance of the contract under the immediate supervision and control of authorized personnel in a manner that will protect the confidentiality of the records and in such a way that the unauthorized person(s) cannot retrieve any such records.
- (c) The contractor shall inform all personnel with access to the confidential information obtained from the IRS in the performance of this contract of the confidential nature of the information and the safeguards required to protect this information from improper disclosure.
- (d) The contractor shall assure that each contractor employee with access to IRS work knows the prescribed rules of conduct and that each contractor employee is aware that he/she may be subject to criminal penalties for violations of the Privacy Act. Contractor employees will be required to sign the Contractor Personnel Security Certification form, which will be furnished at the time of certification. A copy of this signed form must be forwarded to the IRS assigned COR before an employee is allowed to perform on this contract.
- (e) All confidential information obtained from the IRS for use in the performance of this contract shall, at all times, be stored in an area that is physically safe from unauthorized access. All contractor employees shall either be literate in English or have a translator available at all times who can read, speak, and understand the language in order to ensure all operational, security, and contract requirements are met. The contractor shall ensure communications are provided at a level such that employees can understand instructions and converse with the customer.
- (f) Work areas for the production of IRS work shall be in dedicated areas that are roped or taped off with access to only those employees working on IRS work. Signs shall be posted that only assigned employees may enter. All phases of work will be staged in one main area for each process and roped off for security. All work areas will be open for IRS representatives at all times.
- (g) At least one supervisory employee must be permanently assigned to the secured areas to visually observe at all times the printing, imaging, binding, construction, inserting, storing, shipping, and destruction of any spoiled materials.

SENSITIVE BUT UNCLASSIFIED (SBU) SYSTEMS OR INFORMATION:

- (a) In addition to complying with any functional and technical security requirements set forth in the schedule and elsewhere in the contract, the contractor shall request that the Government initiate personnel screening checks and provide signed user nondisclosure agreements, as required by this clause, for each contractor employee requiring staff-like access, i.e., unescorted or unsupervised physical access or electronic access, to the following limited or controlled areas, systems, programs, and data: IRS facilities, information systems, security items and products, and sensitive but unclassified information. Examples of electronic access would include the ability to access records by a system or security administrator. The contractor shall submit a properly completed set of investigative request processing forms for each such employee in compliance with instructions to be furnished to the IRS, within 24 hours of certification.
- (b) To verify the acceptability of a non-IRS, favorable investigation, the contractor shall submit the forms or information needed, according to instructions furnished by the IRS.
- (c) The contractor shall ensure that each contractor employee requiring access executes any nondisclosure agreements required by the Government prior to gaining staff-like access. The contractor shall provide signed copies of the agreements to the IRS Representative for inclusion in the employee's security file. Unauthorized access is a violation of law and may be punishable under the provisions of Title 5 U.S.C. 552a, Executive Order 12356; Section 7211 of Title 5, United States Code (governing disclosures to Congress); Section 1034 of Title

10, United States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); Section 2302(b)(8) of Title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.)(governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including Sections 641, 793, 794, 798, and 952 of Title 18, United States Code, and Section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. Section 783(b)), and other applicable statutes.

- (d) The contractor shall immediately notify the Contracting Officer and the IRS Representative of the termination, resignation, or reassignment of any authorized personnel under the contract. Further, the contractor shall include the steps taken to ensure continued performance in accordance with the contract. Replacement personnel or new hires must have qualifications that are equal to or higher than the qualifications of the person(s) to be replaced.

Contractor may contact the assigned IRS COR regarding questions concerning requirements for security clearance. The requirements include, but are not limited to, financial history of the contractor's firm and on-site visit(s) by the IRS security personnel. The IRS will send the Risk Assessment Checklist to the contractor upon certification of contract.

PERSONNEL SECURITY AND ANNUAL TRAINING REQUIREMENTS: The IRS requires that the contractor's employees having a need for staff-like access to sensitive but unclassified information must be approved through an appropriate level of security screening or investigation.

Immediately upon certification, the contractor must furnish the Government with a description of all positions requiring staff-like access to IRS data.

- Submission of Security Forms and Related Materials.
- Notification of Change in Contractor Personnel Employment Status, Assignment, or Standing.
- Safeguards against Unauthorized Disclosure of Sensitive but Unclassified Information.
- Mandatory IRS Security Training for Information Systems, Information Protection and Facilities Physical Access.

The Government (including an IRS personnel security officer) will assess the risk level for each position and determine the need for individual security investigations.

Upon certification of contract, the IRS will provide the necessary forms and instructions to the contractor.

Within 24 hours of receipt of the forms/instructions, the contractor must return the forms filled out for each employee who will be involved in the production on this contract.

- The IRS shall bear the cost of conducting a security screening for contractor employees requiring one.
- The Government will provide electronic copies of the required forms.
- Any costs for fingerprinting not conducted at an approved credentialing location will be borne by the contractor.
- Contractor personnel requiring investigation will not be allowed staff-like access to IRS data until approved by the IRS National Background Investigation Center (NBIC).

Other employees will be screened on an "as needed" basis. All employees will receive a moderate level security clearance initially, which may be raised, as applicable, if deemed necessary by the IRS at any time during the contract.

All applicable employees **MUST** be fingerprinted. Fingerprinting must be done at an IRS Credentialing Station. When the employee receives an email in reference to fingerprinting, the employee shall schedule an enrollment appointment. Any costs for fingerprinting not conducted at an approved credentialing location will be borne by the contractor. Travel to and from the credentialing office will be borne by the contractor.

To initiate the background investigation, the contractor must complete the Risk Assessment Checklist (RAC) form and security documents: Form 13340 (Fair Credit Reporting Act), Optional Form 306 (Declaration for Federal Employment), and review and initial Notice 1379 (Rev. 3-2008) (Tax Record Check Notice). The IRS Contractor Lifecycle Management (CLM) office may request additional forms to complete their investigation.

Upon certification of the contract, the IRS will provide the necessary forms and instructions to the contractor. The Government reserves the right to waive any or all form submissions.

The contractor must ensure that all contractor employees who require staff-like access to IRS information or information systems (where these are located at contractor-managed facilities using contractor-managed assets), regardless of their physical location, complete the required Privacy Training and Security Awareness Training prior to being granted access to SBU data. The IRS will forward training material upon certification of the contract.

Contractor must return training certification to the IRS representative within 24 hours (contact information will be provided after award).

SUBMISSION OF SECURITY FORMS AND RELATED MATERIALS (AUG 2025)

The Treasury Security Manual (TD P 15-71) sets forth investigative requirements for contractor who require staff-like access, wherever the location, to (1) IRS-owned or controlled facilities (unescorted); (2) IRS information systems (internal or external systems that store, collect, and/or process IRS information); and/or (3) IRS sensitive but unclassified (SBU) information.

“Staff-Like Access” is defined as authority granted to perform one or more of the following:

- Enter IRS facilities or space (owned or leased) unescorted (when properly badged);
- Possess login credentials to information systems (internal or external systems that store, collect, and/or process IRS information);
- Possess physical and/or logical access to (including the opportunity to see, read, transcribe, and/or interpret) SBU data; (See IRM 10.5.1 for examples of SBU data);
- Possess physical access to (including the opportunity to see, read, transcribe, and/or interpret) security items and products (e.g., items that must be stored in a locked container, security container, or a secure room. These items include, but are not limited to security devices/records, computer equipment- and identification media. For details see IRM 10.2.14, Physical Security Program, Methods of Providing Protection; or,
- Enter physical areas storing/processing SBU information (unescorted).

Staff-like access is granted to an individual who is not an IRS employee (and includes, but is not limited to: contractor personnel, whether procured by IRS or another entity, vendors, delivery persons, experts, consultants, paid/unpaid interns, other federal employee/contractor personnel, cleaning/maintenance personnel, etc.), and is approved upon required completion of a favorable suitability/fitness determination conducted by IRS Personnel Security.

For security requirements at contractor facilities using contractor-managed resources, please reference Publication 4812, Contractor Security & Privacy Controls. The contractor shall permit access to IRS SBU information or information system/assets only to individuals who have received staff-like access approval (interim or final) from IRS Personnel Security.

Contractor personnel requiring staff-like access to IRS equities are subject to (and must receive a favorable adjudication or affirmative results with respect to) the following eligibility/suitability pre-screening criteria, as applicable:

- IRS account history for federal tax compliance (for initial eligibility, as well as periodic checks for continued compliance while actively working on IRS contracts);
- Selective Service registration compliance (for males born after 12/31/59); Contractors must provide proof of registration, which can be obtained from the Selective Service website at www.sss.gov;
- U.S. citizenship/lawful permanent residency compliance; If foreign-born, contractors must provide proof of U.S. citizenship or Lawful Permanent Residency status by providing their Alien Registration Number (“A” Number);
- Background investigation forms;
- Credit history;
- Federal Bureau of Investigation fingerprint results; which require a REAL ID that meets the standards of the REAL ID Act or a U.S. Department of State-issued passport, and
- Review of prior federal government background investigations.

In this regard, Contractor shall furnish the following electronic documents to Personnel Security (PS) at hco.ps.contractor.security.onboarding@irs.gov within 10 business days (or shorter period) of assigning (or reassigning) personnel to this contract/order/agreement and prior to the contractor personnel performing any work or being granted staff-like access to IRS SBU or IRS/contractor facilities, information systems/assets that process/store SBU information thereunder:

- IRS-provided Risk Assessment Checklist (RAC);
- Non-Disclosure Agreement (if contract terms grant SBU access); and,
- Any additional required security forms, which will be made available through PS and the COR.

Contract Duration:

- Contractor personnel whose duration of employment is 180 calendar days or more per year must meet the eligibility/suitability requirements for staff-like access and shall undergo a background investigation based on the assigned position risk designation as a condition of work under the Government contract/order/agreement.
- If the duration of employment is less than 180 calendar days per year and the contractor requires staff-like access, the contractor personnel must meet the eligibility requirements for staff-like access (federal tax compliance, Selective Service Registration, and US Citizenship or Lawful Permanent Residency), as well as an FBI Fingerprint result screening.
- For contractor personnel not requiring staff-like access to IRS facilities, IT systems, or SBU data, and only require infrequent access to IRS-owned or controlled facilities and/or equipment (e.g., a time and material maintenance contract that warrants access one or two days monthly), an IRS background investigation is not needed and will not be requested if a qualified escort, defined as an IRS employee or as a contractor who has been granted staff-like access, escorts a contractor at all times while the escorted contractor accesses IRS facilities, or vendor facilities where IRS IT systems hardware or SBU data is stored. As prescribed in IRM 10.23.2, escorting in lieu of staff-like access for IT systems and access to SBU data (escorted or unescorted) will not be allowed.

The contractor personnel will be permitted to perform under the contract/order/agreement and have staff-like access to IRS facilities, IT systems, and/or SBU data only upon notice of an interim or final staff-like approval from IRS Personnel Security, as defined in IRM 10.23.2 – Contractor Investigations, and is otherwise consistent with IRS security practices and related IRMs, to include, but not limited to:

- IRM 10.2.14 – Methods of Providing Protection and IRM 10.8.1 – Security Policy.

Current Investigation Reciprocity: Individuals who possess a prior favorably adjudicated Government background investigation that meets the scope and criteria required for their position may be granted interim staff-like access approval upon verification of the prior investigation, receipt of all required contractor security forms, and favorable adjudication of IRS pre-screening eligibility/suitability checks. If their current investigation meets IRS-established criteria for investigative reciprocity, individuals will be granted final staff-like access and will not be required to undergo a new investigation beyond an approved pre-screening determination.

Flow down of clauses: The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails access to SBU information by a subcontractor, at any tier, the same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

NOTIFICATION OF CHANGE IN CONTRACTOR PERSONNEL EMPLOYMENT STATUS, ASSIGNMENT, OR STANDING (APR 2024)

The contractor, via e-mail (hco.ps.contractor.security.onboarding@irs.gov), shall notify the Contracting Officer (CO), Contracting Officer's Representative (COR), and Personnel Security within one (1) business day of the contractor becoming aware of any change in the employment status, information access requirement, assignment, or standing of a contractor personnel under this contract or order – to include, but not limited to, the following conditions:

- Receipt of the personnel's notice of intent to separate from employment or discontinue work under this contract/order;
- Knowledge of the personnel's voluntary separation from employment or performance on this contract/order (if no prior notice was given);
- Transfer or reassignment of the personnel and performance of duties under this contract/order, in whole or in part, to another contract/order (and if possible, identify the gaining contract/order and representative duties/responsibilities to allow for an assessment of suitability based on position sensitivity/risk level designation);
- Denial of or revocation of staff-like access as determined by IRS Personnel Security;
- Separation, furlough or release from employment;
- Anticipated extended absence of more than 45 days;
- Change of legal name;
- Change to employment eligibility;
- Change in gender or other distinction when physical attributes figure prominently in the biography of an individual;
- Actual or perceived conflict of interest in continued performance under this contract/order (provide explanation); or
- Death.

When required by the COR, the contractor may be required to provide the information required by this clause to the IRS using the Risk Assessment Checklist (RAC) or security documents as identified by Personnel Security. The notice shall include the following minimum information:

- Name of contractor personnel;
- Nature of the change in status, assignment or standing (i.e., provide a brief non- personal, broad-based explanation);
- Affected contract/agreement/order number(s);
- Actual or anticipated date of departure or separation;
- When applicable, the name of the IRS facility or facilities this individual routinely works from or has staff-like access to when performing work under this contract/order;

- When applicable, contractors using contractor-owned systems for work must ensure that their systems are updated to ensure personnel no longer have continued staff-like access to IRS work, either for systems administration or processing functions; and
- Identification of any Government Furnished Property (GFP), Government Furnished Equipment (GFE), or Government Furnished Information (GFI) (to include Personal Identity Verification (PIV) credentials or badges – also referred to as SmartID Cards) provided to the contractor personnel and its whereabouts or status.

In the event the subject contractor is working on multiple contracts, orders, or agreements, notification shall be combined, and the cognizant COR for each affected contract or order (using the Contractor Separation Checklist (Form 14604 (Rev. 8-2016)) shall be included in the joint notification along with Personnel Security. These documents (the RAC and security forms) are also available by email request to Personnel Security.

The vendor POC and the COR must ensure all badges, Smart Cards, equipment, documents, and other government-furnished property items are returned to the IRS, system accesses are removed, and Real Estate & Facilities Management is notified of federal workspace that is vacant.

As a rule, the change in the employment status, assignment, or standing of a contractor personnel to this contract or order would not form the basis for an excusable delay for failure to perform under the terms of this contract, order or agreement.

Flow down of clauses: The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

SAFEGUARDS AGAINST UNAUTHORIZED DISCLOSURE OF SENSITIVE BUT UNCLASSIFIED INFORMATION (APR 2024)

1. Treasury Directive Publication 15-71 (TD P 15-71), Chapter III – Information Security, Section 24 – Sensitive But Unclassified Information defines SBU information as ‘any information, the loss, misuse, or unauthorized access to or modification of which could adversely affect the national interest or the conduct of Federal programs, or the privacy to which individuals are entitled under Section 552a of Title 5, United States Code (USC) (the Privacy Act) but which has not been specifically authorized under criteria established by an executive order or an act of Congress to be kept secret in the interest of national defense or foreign policy.’ SBU may be categorized in one or more of the following groups—
 - Federal Tax Information (FTI), including any information on or related to a tax return
 - Returns and Return Information
 - Sensitive Law Enforcement Information
 - Employee and Personnel Information
 - Personally Identifiable Information (PII)
 - Information Collected or Created from Surveys
 - Other Protected Information
2. Tax return or tax return information disclosed to the contractor can be used only for a purpose and to the extent authorized herein, and willful disclosure of any such tax return or tax return information for a purpose and to the extent unauthorized for provision of appraisal services to assist with the valuation of conservation easements constitutes a felony, punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as five (5) years, or both, together with the costs of prosecution. Any such knowing or negligent unauthorized disclosure of tax return or tax return information may also result in an award of civil damages in an amount not less than \$1,000 plus costs with respect to each instance of unauthorized disclosure. These penalties are prescribed by the Internal Revenue Code, Sections 7213 and 7431; see also 26 CFR § 301.6103(n)-1.

3. Contractors who perform work at contractor managed sites using contractor managed IT resources shall adhere to the general guidance and specific privacy and security control requirements contained in Publication 4812, Contractor Security & Privacy Controls, IRM 10.23.2 - Personnel Security, Contractor Investigations, IRM 10.5.1 Privacy Policy, and IRM 10.8.1 - Information Technology (IT) Security, Policy and Guidance. Publication 4812 and IRM 10.5.1, 10.8.1 and 10.23.2 provide comprehensive lists of all security, privacy, information protection and disclosure controls and guidance.
4. Eligibility, Fitness and Suitability. Contractor personnel hired for work within the United States or its territories and possessions and who require staff-like access, wherever the location, to IRS-owned or controlled facilities or work on contracts that involve the design, operation, repair, or maintenance of information systems, and/or require staff-like access to SBU information, must meet the eligibility requirements under IRM 10.23.2, Personnel Security, Contractor Investigations, and shall be subject to security screening and investigative processing, commensurate with the position sensitivity level, and in accordance with IRM 10.23.2, and TD P 15-71. Contractor personnel must be found both eligible and suitable, and approved for staff-like access (interim or final) by IRS Personnel Security prior to starting work on the contract/order, and before being granted access to IRS information systems or SBU information.
5. General Conditions for Allowed Disclosure. Any SBU information, in any format, made available to or created by the contractor personnel shall be treated as confidential information and shall be used only for the purposes of carrying out the requirements of this contract. Inspection by or disclosure to anyone other than duly authorized officer or personnel of the contractor shall require prior written approval of the IRS. Requests to make such inspections or disclosures shall be addressed to the CO. Access to SBU information shall be provided on a “need to know” basis. SBU information shall never be indiscriminately disseminated, and no person shall be given access to (or allowed to retain) more SBU information than is needed for performance of their duties, and for which that individual has been authorized to receive as a result of having been successfully investigated, adjudicated, trained to receive, and what is strictly necessary to accomplish the intended business purpose and mission.
6. Nondisclosure Agreement. Consistent with TD P 15-71, Chapter II, Section 2, and IRM 10.23.2.15 - Nondisclosure Agreement for Sensitive but Unclassified Information, each contractor personnel who requires staff- like access to SBU information shall complete, sign and submit to Personnel Security – through the CO (or COR, if assigned) — an approved Nondisclosure Agreement prior to being granted staff-like access to SBU information under any IRS contract or order.
7. Training. All Contractor personnel assigned to this contract with staff-like access to SBU information must complete IRS-provided privacy and security awareness training, including the Privacy, Information Protection, and Disclosure training, as outlined in IR1052.224-9001 Mandatory IRS Security Training for Information Systems, Information Protection and Facilities Physical Access. Contractor personnel required to take the Unauthorized Access to Taxpayer Data training must attest to understanding the penalties for unauthorized access, as instructed by the COR.
8. Encryption. All SBU information must be protected at rest, in transit, and in exchanges (i.e., internal and external communications). The contractor shall employ encryption methods and tools to ensure the confidentiality, integrity, and availability of SBU information.
9. Particularly relevant to this clause are the updated sections to IRM 10.8.1 and Publication 4812 regarding email and text messages, alternative work sites, and incident management:
 - For email and text messaging, the contractor shall abide by IRM 10.8.1.4.17.2.2 “Electronic Mail (Email) Security”, IRM 10.5.1.6.8 “Email” plus all subsections, and IRM 10.8.2.2.1.18 “Contractor”; or Pub. 4812 section 28.3.1 “Electronic Mail (Email) Security,”. Included are requirements on encryption, subject line content, and restrictions on personal email accounts.
 - For alternate work sites the contractor shall abide by IRM 10.8.1.4.11.16 “PE-17 Alternate Work Site” or Publication 4812 section 21.16 “PE-17 Alternate Work Site,”. Included are requirements for incident reporting, encryption, and secure access.

10. Incident and Situation Reporting. Contractors are required to report a suspected or confirmed breach in any medium or form, electronically, verbally or in hardcopy form immediately upon discovery. All incidents related to IRS processing, information or information systems shall be reported immediately upon discovery to the CO, COR, and CSIRC. Contact the CSIRC through any of the following methods: CSIRC Contacts: Telephone: 240.613.3606 E-mail to csirc@irs.gov.

In addition, if the SBU information is or involves a loss or theft of an IRS IT asset, e.g., computer, laptop, router, printer, removable media (CD/DVD, flash drive, floppy, etc.), or non-IRS IT asset (BYOD device), or a loss or theft of hardcopy records/documents containing SBU data, including PII and tax information, the contractor shall report the incident/situation to the Treasury Inspector General for Tax Administration (TIGTA) hotline at (800) 366-4484.

11. Staff-Like Access to, Processing and Storage of Sensitive but Unclassified (SBU) Information. The contractor shall not allow contractor personnel to access, process or store SBU on Information Technology (IT) systems or assets located outside the continental United States and its outlying territories.

Contractors utilizing their own IT systems or assets to receive or handle IRS SBU data shall not commingle IRS and non-IRS data.

12. Disposition of SBU Information. All SBU information processed during the performance of this contract, or to which the contractor was given staff-like access (as well as all related output, deliverables, or secondary or incidental by-products, information or data generated by the contractor or others directly or indirectly from the source material), regardless of form or format, shall be completely purged from all data storage components of the contractor's facilities and computer systems, and no SBU/Personally Identifiable Information (PII) information will be retained by the contractor either--

- When it has served its useful, contractual purpose, and is no longer needed to meet the contractor's other, continuing contractual obligations to the IRS or
- When the contract expires, or is terminated by the IRS (for convenience, default, or cause).

The contractor shall completely purge from its systems and any other storage, all SBU data, including PII and tax information (originals, copies, and derivative works) within 30 days of the point at which it has served its useful contractual purpose, or the contract expires or is terminated by the IRS (unless, the CO determines, and establishes, in writing, a longer period to complete the disposition of SBU data including PII and tax information).

The contractor shall provide to the IRS a written and signed certification to the COR that all SBU materials/information (i.e., case files, receipt books, PII and material, tax information, removable media (disks, CDs, thumb drives)) collected by, or provided to, the contractor have been purged, destroyed or returned.

13. Records Management.

A. Applicability

This language applies to all Contractors whose personnel create, work with, or otherwise handle Federal records, as defined in Section B, regardless of the medium in which the records exist. Contractor personnel are bound by the Records Management by Federal Agencies (44 U.S.C. Chapter 31) regarding the care and retention of Federal records.

B. Definitions

"Federal record" as defined in 44 U.S.C. § 3301, includes all recorded information, regardless of form or characteristics, made or received by a Federal agency under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the United States Government or because of the informational value of data in them.

The term Federal record:

1. includes IRS records;
2. does not include personal materials;
3. applies to records created, received, or maintained by Contractors pursuant to their IRS contract; and
4. may include deliverables and documentation associated with deliverables.

C. Requirements

1. Contractor shall comply with all applicable records management laws and regulations, as well as National Archives and Records Administration (NARA) records policies, including but not limited to the Federal Records Act (44 U.S.C. chapters. 21, 29, 31, 33), NARA regulations at 36 CFR Chapter XII Subchapter B, and those policies associated with the safeguarding of records covered by the Privacy Act of 1974 (5 U.S.C. 552a). These policies include the preservation of all records, regardless of form or characteristics, mode of transmission, or state of completion.
2. In accordance with 36 CFR 1222.32, all data created for Government use and delivered to, or falling under the legal control of, the Government are Federal records subject to the provisions of 44 U.S.C. chapters 21, 29, 31, and 33, the Freedom of Information Act (FOIA) (5 U.S.C. 552), as amended, and the Privacy Act of 1974 (5 U.S.C. 552a), as amended and must be managed and scheduled for disposition only as permitted by statute or regulation.
3. In accordance with 36 CFR 1222.32, Contractor shall maintain all records created for Government use or created in the course of performing the contract and/or delivered to, or under the legal control of the Government and must be managed in accordance with Federal law. Contractors shall ensure that all IRS data and IRS-derived data are in commercially available or open and non-proprietary format for transition (back to IRS) in accordance with the National Archives and Records Administration (NARA) disposition guidance.
4. IRS and its contractors are responsible for preventing the alienation or unauthorized destruction of records, including all forms of mutilation. Records may not be removed from the legal custody of IRS or destroyed except for in accordance with the provisions of IRM 1.15.5, Relocating/Removing Records, the agency records schedules and with the written concurrence of the CO. Willful and unlawful destruction, damage or alienation of Federal records is subject to the fines and penalties imposed by 18 U.S.C. 2701. In the event of any unlawful or accidental removal, defacing, alteration, or destruction of records, Contractor must immediately notify the appropriate CO. The CO must report the loss using the PII Breach Reporting Form. Privacy, Governmental Liaison and Disclosure (PGLD, Incident Management) will review the PII Breach Reporting Form and alert the Records and Information Management (RIM) Program Office that a suspected records loss has occurred. The agency must report promptly to NARA in accordance with 36 CFR 1230.
5. The Contractor shall immediately notify the appropriate CO immediately upon discovery of any inadvertent or unauthorized disclosures of information, data, documentary materials, records or equipment. Disclosure of non-public information is limited to authorized personnel with a need-to-know as described in the [contract vehicle]. The Contractor shall ensure that the appropriate personnel, administrative, technical, and physical safeguards are established to ensure the security and confidentiality of this information, data, documentary material, records and/or equipment is properly protected. The Contractor shall not remove material from Government facilities or systems, or facilities or systems operated or maintained on the Government's behalf, without the express written permission of the Head of the Contracting Activity. When information, data, documentary material, records and/or equipment is no longer required, it shall be returned to IRS control or the Contractor must hold it until otherwise directed. Items returned to the Government shall be hand-carried, mailed, emailed, or securely electronically transmitted to the CO or address prescribed in the [contract vehicle]. Destruction of records is EXPRESSLY PROHIBITED unless in accordance with Paragraph (4).

6. The Contractor is required to obtain the approval of the CO prior to engaging in any contractual relationship (sub-contractor) in support of this contract requiring the disclosure of information, documentary material and/or records generated under, or relating to, contracts. The Contractor is required to abide by Government and IRS guidance for protecting sensitive, proprietary information, and controlled unclassified information.
7. The Contractor shall only use Government IT equipment for purposes specifically tied to or authorized by the contract and in accordance with IRS policy.
8. The Contractor shall not create or maintain any records containing any non-public IRS information that are not specifically tied to or authorized by the contract.
9. The Contractor shall not retain, use, sell, or disseminate copies of any deliverable that contains information covered by the Privacy Act of 1974, Internal Revenue Code section 6103 or that which is generally protected from public disclosure by an exemption to the Freedom of Information Act.
10. IRS owns the rights to all data and records produced as part of this contract. All deliverables under the contract are the property of the U.S. Government for which IRS shall have unlimited rights to use, dispose of, or disclose such data contained therein as it determines to be in the public interest. Any Contractor rights in the data or deliverables must be identified as required by FAR 52.227-11 through FAR 52.227-20.
11. Training. All Contractor personnel assigned to this contract who create, work with or otherwise handle records are required to take IRS-provided records management training. The Contractor is responsible for confirming training has been completed according to agency policies, including initial training and any annual or refresher training.

D. Flow down of requirements to subcontractors

1. The Contractor shall incorporate the substance of this language, its terms, and requirements including this paragraph, in all subcontracts under this [contract vehicle], and require written subcontractor acknowledgment of same.
2. Violation by a subcontractor of any provision set forth in this language will be attributed to the Contractor.
3. Other Safeguards. As required, based on Cyber Security Assessment findings.

MANDATORY IRS SECURITY TRAINING FOR INFORMATION SYSTEMS, INFORMATION PROTECTION AND FACILITIES PHYSICAL ACCESS (APR 2024)

The Federal Information Security Modernization Act of 2014 (FISMA) requires each federal agency to provide periodic information security awareness training to all contractors involved in the management, use, or operation of Federal information and information systems. In addition, contractor personnel are subject to the Taxpayer Browsing Protection Act of 1997, which prohibits willful unauthorized inspection of returns and return information and details that any violation of the Act could result in civil and criminal penalties. Contractor personnel are bound by the Records Management by Federal Agencies (44 U.S.C. Chapter 31) regarding the care and retention of federal records.

1. The contractor must ensure all new contractor personnel complete all assigned briefings which are based on the responses provided on the Risk Assessment Checklist Form 14606. These responses pertaining to access to any IRS system, including basic LAN, email and internet; access to any Sensitive but Unclassified (SBU) data; and access to any IRS facility. Since new contractor personnel will not have access to the IRS training system, the COR shall provide soft copy versions of each briefing.

- i. Exception: Contractor personnel performing under IRS contracts with Nonprofit Agencies Employing People Who Are Blind or Severely Disabled (as described in FAR Subpart 8.7) are exempted from the aforementioned briefing requirements, unless the contractor requests access to the training, or there is a compelling justification for requiring the training that is approved by the Contracting Officer (CO). An example of this would be in an instance where visually impaired personnel is assigned to perform systems development and has potential staff-like access to IRS information.
- ii. Contractor personnel working with IRS information at contractor-controlled facilities with no access to the IRS network will be subject to all mandatory briefing excepting the Facilities Management Physical Security briefing as outlined in Publication 4812.

iii. Service Personnel: Inadvertent Sensitive Information Access Training

Contractor personnel performing: (i) janitorial and cleaning services (daylight operations), (ii) building maintenance, or (iii) other maintenance and repair and need staff-like access to IRS facilities are required to complete Inadvertent Access to Sensitive Information (SBU) Access training.

iv. Service Personnel Security Awareness Training: Contractor personnel providing services in the following categories are required to complete FMSS Physical Security Training:

- Medical;
- Cafeteria;
- Landscaping;
- Janitorial and cleaning (daylight operations);
- Building maintenance; or
- Other maintenance and repair

2. In combination these mandatory briefings are known as IRS Security Awareness Training (SAT). The topics covered are: Cybersecurity Awareness, Privacy Information Protection and Disclosure, Unauthorized Access to Taxpayer Data, Records Management, Inadvertent Sensitive Information Access, and/or Facilities Physical Security. The completion of the assigned mandatory briefings constitutes the completion of the Security Orientation.
3. The SAT must be completed by contractor personnel within 10 business days of successful resolution of the suitability and eligibility for staff-like access as outlined in IR1052.204-9000 Submission of Security Forms and Related Materials and before being granted access to SBU data. The date listed on the memo provided by IRS Personnel Security shall be used as the commencement date.
4. Training completion process: The contractor must submit confirmation of completed SAT mandatory briefings for each contractor personnel by either:
 - i. Using Form 14616 signed and dated by the individual and authorized contractor management entity and returned to the COR. This option is used for new contractor personnel and any that do not have an IRS network account.
 - ii. Using the IRS training system which is available to all contractors with IRS network accounts
5. Annual Training. For contracts/orders/agreement exceeding one year in length, either on a multiyear or multiple year basis, the contractor must ensure that personnel complete assigned SAT mandatory briefings annually no later than October 31st of the current calendar year. The contractor must submit confirmation of completed annual SAT on all personnel unable to complete the briefings in the IRS training systems by submitting completed Form 14616 assigned to this contract/order/agreement, via email, to the COR, upon completion.

6. Contractor's failure to comply with IRS security policy (to include completion and certification of SAT requirements within the timeframe specified) may be subject to suspension, revocation or termination (temporarily or permanently) of staff-like access to IRS IT systems and facilities.
7. *Flow down of clauses:* The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the substantially same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

IRS SPECIALIZED INFORMATION TECHNOLOGY (IT) SECURITY TRAINING (ROLE-BASED) REQUIREMENTS (APR 2024)

- (a) Consistent with the Federal Information Security Modernization Act of 2014 (FISMA), specialized information technology (IT) security training (role-based) shall be completed prior to access to Information Systems and annually thereafter by contractor personnel who have an IT security role or responsibility.
- (b) Identifying contractor with a role or responsibility for IT security is completed by the Contractor, and verified by the COR, by completing the Risk Assessment Checklist (RAC). The roles listed in the RAC conform to those roles listed in the Internal Revenue Manual 10.8.1.3 that apply to contractor personnel. This process applies to new contractors, replacement personnel and for existing contractors whose roles change during their work on a contract. This includes, but is not limited to, having an approved elevated privilege to one or more IRS systems through the Business Entitlement Access Request System (BEARS).
- (c) Prior to accessing any IT system, all contractor personnel must successfully complete all provisions of IR1052.204-9000 Submission of Security Forms and Related Materials.
- (d) In keeping with the Security Orientation outlined in IR1052.224-9001, contractors designated on the Risk Assessment Checklist as performing a role shall complete approved training equal to the assigned hours within 5 business days of receiving the Personnel Security's memo approving staff-like access.
- (e) Annual Requirements: Thereafter, on an annual basis within a FISMA year cycle beginning July 1st of each year, contractor personnel performing under this contract in the role identified herein is required to complete specialized IT security, role-based training by June 1st of the following year.
- (f) Training Certificate/Notice: The contractor shall use the Government system identified by Cybersecurity to annually complete specialized IT security training (role-based). The COR will track the courses, hours completed and adhere to the established due dates for each contractor personnel. Alternatively, courses may be completed outside of the Government system. Any courses taken outside of the Government system must be pre-approved by IRS Cybersecurity's FISMA Training Compliance team via the COR. Adequate information such as course outline/syllabus must be provided for evaluation. Once a course is approved, certificates of completion provided for each contractor shall be provided to COR in order to receive credit toward the required hours for the contractor personnel. Copies of completion certificates for externally completed course must be shared with the Contracting Officer upon request.
- (g) Administrative Remedies: A contractor who fails to complete the specialized IT security training (role-based) requirements, within the timeframe specified, may be subject to suspension, revocation or termination (temporarily or permanently) of staff-like access to IRS IT systems.

Flow down of clauses: The contractor shall include and flow down, in its subcontracts (or arrangements or outsourced service agreements) that entails staff-like access to SBU information by a subcontractor, at any tier, the same Federal Acquisition Regulation (FAR) and local security or safeguard clauses or provisions for protecting SBU information or information systems that apply to and are incorporated in its prime contract with IRS.

PRIVACY TRAINING:

- a) Definition. As used in this clause, “personally identifiable information” means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other information that is linked or linkable to a specific individual. (See Office of Management and Budget (OMB) Circular A-130, Managing Federal Information as a Strategic Resource).
- b) The Contractor shall ensure that initial privacy training, and annual privacy training thereafter, is completed by contractor employees who—
 1. Have access to a system of records;
 2. Create, collect, use, process, store, maintain, disseminate, disclose, dispose, or otherwise handle personally identifiable information on behalf of an agency; or
 3. Design, develop, maintain, or operate a system of records (see also FAR subpart 24.1 and 39.105).
- c) The contracting agency will provide initial privacy training, and annual privacy training thereafter, to Contractor employees for the duration of this contract.
- d) The Contractor shall maintain and, upon request, provide documentation of completion of privacy training to the Contracting Officer.
- e) The Contractor shall not allow any employee access to a system of records, or permit any employee to create, collect, use, process, store, maintain, disseminate, disclose, dispose or otherwise handle personally identifiable information, or to design, develop, maintain, or operate a system of records unless the employee has completed privacy training, as required by this clause.

DATA RIGHTS: All data and materials furnished and produced in the performance of this contract shall be the sole property of the Government. The contractor agrees not to assert rights or to establish any claim to such data in whole or in part in any manner or form, or to authorize others to do so, without prior written consent of the Contracting Officer.

Information contained in all source documents and other media provided by the Government is the sole property of the Government.

WARNING: All contractor employees performing on this contract are required to be U.S. citizens. The contractor is prohibited from producing or distributing the products produced under this contract outside of the official orders (i.e., cannot produce for their own use, sale, or other uses, including marketing, promotion, or other uses).

The contractor shall not retain or distribute, in any form, any part of the materials furnished by the Government which are not consumed in the preparation of the work or which are generated as a result of this contract. Proper precautions shall be taken to ensure that all Government-supplied materials are protected from damage. The Government furnished materials shall be returned in the same condition as originally furnished.

Proper control and handling must be maintained at all times to prevent any information, data, or materials required to produce the products ordered under these specifications from falling into unauthorized hands.

All erroneous copies produced by the contractor are to be destroyed by means of abrasive destruction, burning, shredding, or other method that guarantees complete protection against access and in accordance with the level of security designated by the agency. (See “DISPOSAL OF WASTE MATERIALS.”)

DISPOSAL OF WASTE MATERIALS: Subcontracting for the disposal of waste materials is not allowed. The contractor is required to demonstrate how all waste materials used in the production of classified information will be definitively destroyed, i.e., burning, pulping, shredding, macerating, or other suitable means appropriate for the type of classification. Electronic records must be definitively destroyed in a manner that prevents reconstruction. *Definitely* destroying the records means the material cannot be reassembled and used in an inappropriate manner in violation of law and regulations.

The contractor, at a minimum, must crosscut shred all documents into squares not to exceed 1/4 inch. All documents to be destroyed cannot leave the security of the building and must be destroyed at contractor's printing site. The contractor must specify the method planned to dispose of the material.

All disposal/destruction must be performed on site at the contractor's facility.

PREAWARD PRELIMINARY SECURITY ASSESSMENT: A virtual preliminary security call will be held to evaluate the contractor systems and their facilities who are under contract to the IRS to use, store, manipulate, and collect Sensitive but Unclassified (SBU) and Taxpayer data in support of IRS Critical Business Processes. The estimated time for the assessment is 3 full days unless the IRS indicates otherwise. Attending this meeting will be representatives from the Internal Revenue Service and the Government Publishing Office. The assessment will include Facilities Management Security Services FMSS (Physical Security), Privacy, Governmental Liaison and Disclosure, and Information Technology Cybersecurity, Security Risk Management, Security Controls Testing & Evaluation, Contract Security Assessment.

Production and Quality Systems Plans will be reviewed in depth during this call.

Note: Review Publication 4812 to prepare for this assessment.

POSTAWARD SECURITY ASSESSMENT: The IRS Cybersecurity Team will arrange an on-site visit for a contract security site assessment. The assessment will include Facilities Management Security Services FMSS (Physical Security), Privacy, Governmental Liaison and Disclosure, and Information Technology Cybersecurity, Security Risk Management, Security Controls Testing & Evaluation, Contract Security Assessment.

The estimated time for the assessment is 3 full days unless the IRS indicates otherwise.

To coordinate all required operations, a representative from each contractor-involved production area should be present.

PREAWARD SURVEY: In order to determine the responsibility of the contractor, the Government reserves the right to conduct an on-site preaward survey at the contractor's facility or to require other evidence of technical, production, managerial, financial, and similar abilities to perform, prior to the award of a contract. As part of the financial determination, the contractor in line for award may be required to provide one or more of the following financial documents:

- 1) Most recent profit and loss statement
- 2) Most recent balance sheet
- 3) Statement of cash flows
- 4) Current official bank statement
- 5) Current lines of credit (with amounts available)
- 6) Letter of commitment from paper supplier(s)

The documents will be reviewed to validate that adequate financial resources are available to perform the contract requirements. Documents submitted will be kept confidential and used only for the determination of responsibility by the Government. Failure to provide the requested information, in the time specified by the Government, may result in the Contracting Officer not having adequate information to reach an affirmative determination of responsibility.

PREAWARD PRODUCTION PLANS: As part of the preaward survey, the contractor shall present, in writing, to the Contracting Officer within five (5) workdays of being notified to do so by the Contracting Officer or his/her representative, detailed plans for each of the following activities. The workday after notification to submit will be the first day of the schedule. If the Government requests additional information after review of plans, the contractor must submit updated plans within two (2) workdays of the request.

THESE PROPOSED PLANS ARE SUBJECT TO REVIEW AND APPROVAL BY THE GOVERNMENT, AND AWARD WILL NOT BE MADE PRIOR TO APPROVAL OF SAME. THE GOVERNMENT RESERVES THE RIGHT TO WAIVE SOME OR ALL OF THESE PLANS.

If the Government, during the preaward survey, concludes that the contractor does not or cannot meet all requirements described in this contract, the contractor will be declared nonresponsive.

Option Years: For each option year that may be exercised, the contractor will be required to review their production plans and resubmit the above plans in writing, detailing any changes and/or revisions that may have occurred. The revised plans are subject to Government approval. The revised plans must be submitted to the Contracting Officer or their representative within five (5) workdays of notification that the option year is being exercised.

NOTE: If there are no changes/revisions, the contractor will be required to submit to the Contracting Officer or their representative a statement confirming that the current plans remain in effect.

Quality Control Plan: The contractor shall provide a Quality Control Plan, which includes the practices and procedures to ensure compliance with these specifications, that the contractor shall implement upon award of this contract. This plan shall describe in detail the in-process controls, sampling, and inspection techniques for all phases of production, including database management, composition, printing, binding, packaging and labeling, and distribution. The plan shall also describe how, when, and by whom the above controls and inspections will be performed. The plan shall describe how problems will be reported, the procedures to be followed to rectify problems, and actions that will be taken to ensure that problems do not recur.

Security Control Plan: The contractor shall maintain in operation an effective security system where items by these specifications are manufactured and/or stored (awaiting distribution or disposal) to assure against theft and/or the product ordered falling into unauthorized hands.

The contractor is cautioned that no Government-provided information shall be used for non-government business. Specifically, no Government information shall be used for the benefit of a third party.

The Government retains the right to conduct on-site security reviews at any time during the term of the contract.

The plan shall contain at a minimum:

- (1) How will the Government files (data) be secured to prevent disclosure to a third party.
- (2) How all accountable materials will be handled throughout all phases of production.
- (3) How the disposal of waste materials will be handled. (See "DISPOSAL OF WASTE MATERIALS.")
- (4) How all applicable Government-mandated security as cited in this contract shall be adhered to by the contractor.

Disposal of Waste Materials Plan: The contractor must provide the method planned to dispose of the materials in accordance with the requirements specified herein (see "DISPOSAL OF WASTE MATERIAL") and must include the names of all contract officials responsible for the plan, describing their duties in relation to the waste material plan.

PREAWARD TEST: Prior to award, the prospective contractor shall be required to successfully demonstrate their ability to physically perform the composition and distribution (generation of labels and packing slip) portions of this contract. The Government reserves the right to waive the preaward test if there is other evidence that, in the opinion of the Contracting Officer, indicates that the contractor being considered for award has the capability to successfully produce the items required.

For the preaward test, electronic files representative of the files to be furnished under these specifications will be provided via email and will consist of raw Data Capture of the IRM.

Contractor must complete this test within three (3) workdays of receipt of test materials.

Contractor must submit digital deliverables, via email, to the IRS representative, george.e.valencia@irs.gov, and the U.S. Government Publishing Office, at cdominguezcastro@gpo.gov.

The test will consist of two parts, orchestrated concurrently, and will include services detailed in the contract specifications, as follows:

Part One will cover the composition of the contract: Upon notification to perform the preaward test, the prospective contractor will be provided with the files for an Internal Revenue Manual (approximately 100 pages) via electronic transmission. Within 10 workdays, the contractor shall develop and implement all required programming to perform the test, enter the file(s) into their system, and in accordance with these specifications, provide the Government with a complete set of fully formatted pages. The fully formatted pages must be furnished via electronic transmission to George Valencia, IRS Project Officer (email address to be provided at the time of test).

Part Two will cover distribution and consolidation: Upon notification to perform the preaward test, the prospective contractor will be provided Distribution files for five (5) Internal Revenue Manuals via electronic transmission. Within 10 workdays of receipt of files, the contractor shall develop and implement all required programming, and within five (5) workdays of development/implementation of required programming, the contractor shall provide to the Government all package labels (inner and outer) and packing slips in accordance with these specifications. The contractor shall organize the labels and packing slips so that each outer label and the corresponding inner labels and packing slips are bound together. For example, an outer label could be placed on an envelope, with the appropriate inner labels and packing slips inserted in the envelope. These samples must be sent to: IRS, Attn: George Valencia 1111 Constitution Avenue, Room 6423, Washington, DC 20224.

The Government acceptance period will be up to four (4) workdays for both phases of the preaward test.

The contractor shall notify the Contracting Officer upon completion of the preaward test.

In the event the preaward tests are disapproved by the Government, the contractor may by written notice be required, at the option of the Government, to submit additional preaward samples, as applicable. In such event, the contractor shall, at no cost to the Government, make any necessary changes. Such additional preaward samples shall be furnished under the terms and conditions of this contract and within the time specified.

Failure to successfully deliver completed preaward test samples within the stated time period may disqualify the contractor from further consideration for award.

All operations necessary in the performance of this test shall be performed at the facilities in which the contract production will be performed.

No charges will be allowed for costs incurred in the performance of this preaward test.

STANDARDS: The most current issued version of each standard in effect at contract award will be the prevailing standard applicable to this contract. ISO 8879, Standard Generalized Markup Language.

The Internal Revenue Manual is available for review at <https://www.irs.gov/irm>, or at the IRS Freedom of Information Reading Room, 1111 Constitution Avenue, NW, Washington, DC, 20224.

INSPECTION: The Government has the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract.

VERIFICATION OF DATABASE AT CONTRACTOR'S FACILITY: At Government's option, a database verification will be performed at the contractor's facility by Government personnel approximately 60 calendar days after award of the contract to verify that specifications have been met. Subsequently, additional verification performances may be required at the contractor's facility during the term of the contract.

POSTAWARD CONFERENCE: Unless waived by the Contracting Officer, the total requirements of the job as indicated in these specifications will be reviewed by Government representatives with the contractor's representatives at the U.S. Government Publishing Office, Washington, DC immediately after award. At Government's option, this may be held via teleconference. Person(s) that the contractor deems necessary for the successful implementation of the contract must be in attendance.

Option Years: For each option year that may be exercised, the Government's representatives may request a meeting with the contractor's representatives to be held at the contractor's facility to discuss the requirements of that contract year's jobs. At Government's option, this may be held via teleconference. Person(s) that the contractor deems necessary for the successful implementation of the contract must be in attendance.

ASSIGNMENT OF JACKETS, PURCHASE, AND PRINT ORDERS: A GPO jacket number will be assigned and a purchase order issued to the contractor to cover work performed. The purchase order will be supplemented by an individual print order for each job placed with the contractor. The print order, when issued, will indicate the quantity to be produced and any other information pertinent to the particular order.

ORDERING: Items to be furnished under the contract shall be ordered by the issuance of print orders by the Government. Orders may be issued under the contract from Date of Award through May 31, 2027 plus for such additional period(s) as the contract is extended. All print orders issued hereunder are subject to the terms and conditions of the contract. The contract shall control in the event of conflict with any print order. A print order shall be "issued" upon notification by the Government for purposes of the contract when it is electronically transmitted or otherwise physically furnished to the contractor in conformance with the schedule.

REQUIREMENTS: This is a requirements contract for the items and the period specified herein. Delivery of items or performance of work shall be made only as authorized by orders issued under the clause entitled "ORDERING." The quantities of items specified herein are estimates only, and are not purchased hereby. Except as may be otherwise provided in this contract, if the Government's requirements for the items set forth herein do not result in orders in the amounts or quantities described as "estimated," it shall not constitute the basis for an equitable price adjustment under this contract.

Except as otherwise provided in this contract, the Government shall order from the contractor all the items set forth which are required to be purchased by the Government activity identified on page 1.

The Government shall not be required to purchase from the contractor, requirements above the limit on total orders under this contract if any.

Orders issued during the effective period of this contract and not completed within that time shall be completed by the contractor within the time specified in the order, and the rights and obligations of the contractor and the Government respecting those orders shall be governed by the terms of this contract to the same extent as if completed during the effective period of this contract.

If shipment/delivery of any quantity of an item covered by the contract is required because of urgency prior to the earliest date that shipment/delivery may be specified under this contract, and if the contractor will not accept an order providing for the accelerated delivery, the Government may procure this requirement from another source.

The Government may issue orders which provide for delivery to or performance at multiple destinations.

Subject to any limitations elsewhere in this contract, the contractor shall furnish to the Government all items set forth herein which are called for by print orders issued under the "ORDERING" clause of this contract.

PRIVACY ACT NOTIFICATION: This procurement action requires the contractor to do one or more of the following: design, develop, or operate a system of records on individuals to accomplish an agency function in accordance with the Privacy Act of 1974, Public Law 93-579, December 31, 1974 (5 U.S.C. 552a) and applicable agency regulations. Violation of the Act may involve the imposition of criminal penalties as stated in 5 U.S.C. 552a (i)(1) CRIMINAL PENALTIES. It is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a, specifically, 5 U.S.C. 552a (i)(1) CRIMINAL PENALTIES and m(1) GOVERNMENT CONTRACTORS.

PRIVACY ACT

(a) The contractor agrees:

- (1) To comply with the Privacy Act of 1974 and the rules and regulations issued pursuant to the Act in the design, development, or operation of any system of records on individuals in order to accomplish an agency function when the contract specifically identifies (i) the system or systems of records and (ii) the work to be performed by the contractor in terms of any one or combination of the following: (A) Design, (B) development, or (C) operation;
- (2) To include the solicitation notification contained in this contract in every solicitation and resulting subcontract and in every subcontract awarded without a solicitation when the statement of work in the proposed subcontract requires the design, development, or operation of a system of records on individuals to accomplish an agency function; and
- (3) To include this clause, including this paragraph (3), in all subcontracts awarded pursuant to this contract which require the design, development, or operation of such a system of records.

(b) In the event of violations of the Act, a civil action may be brought against the agency involved where the violation concerns the design, development, or operation of a system of records on individuals to accomplish an agency function, and criminal penalties may be imposed upon the officers or employees of the agency where the violation concerns the operation of a system of records on individuals to accomplish an agency function. For purposes of the Act when the contract is for the operation of a system of records on individuals to accomplish an agency function, the contractor and any employee of the contractor is considered to be an employee of the agency.

(c) The terms used in this clause have the following meanings:

- (1) "Operation of a system of records" means performance of any of the activities associated with maintaining the system of records including the collection, use, and dissemination of records.
- (2) "Record" means any item, collection or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph.
- (3) "System of records" on individuals means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual.

ADDITIONAL EMAILED BID SUBMISSION PROVISIONS: The Government will not be responsible for any failure attributable to the transmission or receipt of the emailed bid including, but not limited to, the following –

1. Illegibility of bid.
2. Emails over 75 MB may not be received by GPO due to size limitations for receiving emails.
3. The bidder's email provider may have different size limitations for sending email; however, bidders are advised not to exceed GPO's stated limit.
4. When the email bid is received by GPO, it will remain unopened until the specified bid opening time. Government personnel will not validate receipt of the emailed bid before bid opening. GPO will use the prevailing time (specified as the local time zone) and the exact time that the email is received by GPO's email server as the official time stamp for bid receipt at the specified location.

PAYMENT: Contractor's billing invoices must be approved by the ordering agency before submitting to GPO for payment. Immediately upon completion of each order, and no later than 30 calendar days of completion of distribution for each order, the contractor shall submit an itemized billing statement to the ordering agency for verification, approval, and signature. The contractor must email their billing invoice and all necessary documentation to: george.e.valencia@irs.gov. After agency verification and approval, the contractor must submit the approved, signed billing invoice to the U.S. Government Publishing Office.

Additionally, the contractor must email the approved, signed billing invoice to: cdominguezcastro@gpo.gov and apsdc@gpo.gov.

Submitting invoices for payment via the GPO fax gateway (if no samples are required), utilizing the GPO barcode coversheet program application, is the most efficient method of receiving payment. Instructions for using this method can be found at the following web address:

<http://winapps.access.gpo.gov/fms/vouchers/barcode/instructions.html>.

Invoices may also be mailed to: U.S. Government Publishing Office, Office of Financial Management, Attn: Comptroller, Stop: FMCE, Washington, DC 20401.

For more information about the billing process, refer to the General Information of the Office of Finance web page located at: <https://www.gpo.gov/how-to-work-with-us/vendors/how-to-get-paid>.

All contractor billing invoices must be itemized in accordance with the line items in the "SCHEDULE OF PRICES."

SECTION 2. – SPECIFICATIONS

SCOPE: These specifications cover the establishment, updating, and maintenance of an XML text and graphics publishing database; electronic prepress; composition; output of electronic files in various formats; printing; binding; packing; and distribution.

TITLE: Internal Revenue Manuals.

BACKGROUND: The IRM system is a document system that can be updated at any time. The Government will be updating units of issue ranging from 2 pages to more than 1,000 pages.

A TRIDOC is the smallest unit in the IRM that can be revised. A TRIDOC consists of any block of type that includes a number heading, a title, a date, and any text up to, but not including, the next number heading. Each exhibit in the IRM is considered to be a TRIDOC. A TRIDOC may be many pages long, or as small as a single heading. (See Exhibit 1.)

Print quantities are based on Government-supplied distribution files. Estimated quantities will be indicated on the print orders. Exact quantities to be printed shall be determined by the contractor by processing the distribution files and adding any quantities for Inspection and/or Blue Label Samples.

The IRM is structured as follows: Part, Chapter, Section, and five levels of Subsections. For example, IRM 2.4.6.1 is Part 2, Chapter 4, Section 6, Subsection 1. IRM 2.11.93.2 is Part 2, Chapter 11, Section 93, Subsection 2.

A period of heavy update activity (peak period) for IRM Parts 2, 3, and 21 occurs from September through January each year.

FREQUENCY OF ORDERS: Approximately 600 to 850 orders per year. Order activity may not be consistent throughout the year. During peak production periods (September through January each year), over 40 print orders may be issued during each week.

The majority of print orders issued for IRM packages will be for composition only and will require no printing.

QUANTITY: Approximately 30 to 2,500 copies per order.

NUMBER OF PAGES: Approximately 2 to 1,000 pages per order. The majority of orders will be for less than 200 pages.

TRIM SIZE: 8-1/2 x 11”.

GOVERNMENT TO FURNISH: Electronic media will be furnished as follows –

Platform: Windows.

Storage Media: Email; SFTP.

Software: XML, MS Excel, Adobe Acrobat. All files will be created in current versions or near current versions of the above-mentioned program.

NOTE: All Government software upgrades (for specified applications) which may occur during the term of the contract, must be supported by the contractor.

Fonts: All printer and screen fonts will be furnished/embedded, as applicable.

Contractor is cautioned that furnished fonts are the property of the Government and/or its originator. All furnished fonts are to be eliminated from the contractor's archive immediately after completion of the contract.

Additional
Information: Files will be furnished in native application and/or PDF format.

All files and print orders will be furnished via email and/or SFTP.

XML, Label, and Graphic files.

The IRM DTD: Distribution list containing quantity and address information.

Distribution lists for special one-time-only distributions.

IRS-established small package carrier account number (provided after award).

"Postage and Fees Paid" mailing indicia (provided after award).

Government Bill of Lading (GBL).

Sample printed products and written instructions.

Identification markings such as register marks, ring folios, rubber stamped jacket numbers, commercial identification marks of any kind, etc., must not print on finished product.

EXHIBITS: The facsimiles shown in the section entitled "EXHIBITS" are representative of the requirements which will be ordered under this contract. However, it cannot be guaranteed that future orders will correspond exactly to these exhibits.

EXHIBIT 1 – IRM.

EXHIBIT 2 – Graphic with Identifier and "#" to indicate "Official Use Only."

EXHIBIT 3 – IRM Page with OUO Material Deleted.

EXHIBIT 4 – CCDM pages.

EXHIBIT 5 – IRS Document 12215 – IMDDS Labeling, Packing, and Shipping Instructions.

EXHIBIT 6 – IRS document 12194 – IMDDS shipping Label.

EXHIBIT 7 – Table of Contents (Organization and Staffing).

EXHIBIT 8 – Pallet Specifications.

EXHIBIT 9 – Labeling Cartons (containers).

CONTRACTOR TO FURNISH: All materials and operations, other than those listed under "GOVERNMENT TO FURNISH," necessary to produce the product(s) in accordance with these specifications.

All XML text and graphic database management, composition, printing, and binding services required to manage and produce all IRMs and CCDMs in the document system.

All programming, processing, packing, and labeling for the distribution system.

Various administrative tasks, including the preparation of Excel spreadsheets of invoices, billing, and shipping logs.

Special security handling procedures for all "Official Use Only" material supplied and produced under this contract.

Full back-up capability of the entire XML and graphic database. Backup capability shall also be provided for all software and equipment used to fulfill these requirements.

At the conclusion of the contract, the contractor shall return to the Government the complete set of all products supplied by the Government for determining page numbering (updated by the contractor for all documents produced under this contract), and any camera copy/plates stored by the contractor.

The contractor must be able to accept files electronically via their secure contractor-hosted SFTP server. Appropriate log-on instructions and protocol shall be provided by the contractor at time of award. The contractor shall provide security, which at a minimum, shall require a unique user ID and password for access.

DATA ENTRY: The Government will supply XML files for updated and new documents via electronic transmission. The contractor shall enter these files into the publishing database, deleting the previous version of these files. When requested, the contractor shall enter the TRIDOC and Exhibit dates for Complete Revisions into the files supplied by the Government. No charges will be allowed for entering the dates into Complete Revisions.

XML files supplied by the Government will contain markup that uses proportional units (e.g., 50*) to indicate measurements (column widths) in TABLEs. The contractor shall calculate the column widths of proportional tables by dividing the proportional units for each column by the total number of proportional units in all columns, and use the quotients as the percentage of the total table width for each column width.

The contractor shall maintain the text database using XML and shall compose typeset pages from the XML files. The contractor shall not maintain or update the text files using non-XML or proprietary coding and shall not convert non-XML files to generate XML files.

Contractor to maintain non-proprietary style sheets and will provide them to the Government upon request.

The contractor shall parse contractor-updated files and Government supplied XML files to ensure that the files are in accordance with the DTD and ISO 8879 prior to composition and printing.

The contractor shall programmatically verify that all XML table tags used within a TABLE element are appropriate based on the COLS attribute and COLSPEC and SPANSPEC tags for that table. This verification shall be done prior to composition and printing. The contractor shall NOT use NAMEST and NAMEND attributes in place of the COLNAME attribute for an ENTRY that does not span more than 1 column. In TABLE ENTRY tags, if the NAMEST attribute is used, the NAMEND attribute must also be used.

The contractor shall programmatically identify and delete XML comments from XML files supplied by the Government. The contractor shall delete the comments from the files prior to composition and prior to incorporating the files into the database.

Exhibits are graphics, text, and or tables that are located at the end of an IRM. Figures are graphics that are incorporated within the textual pages of the IRM.

The XML text files contain identifiers that reference the graphic files. If a graphic is revised or replaced by the Government, and the new or revised graphic reference number is not indicated, the contractor shall generate the identifier. These identifiers shall be printed at the bottom of the page on which the graphic appears. If a graphic contains "Official Use Only" material (as indicated by the GRAPHIC tag attributes), the identifier printed on the page shall be followed by a "#" (pound sign). The identifier shall be eight (8) digits. The first five (5) digits of the identifier shall be the IRM Catalog Number, followed by a unique three-digit alphanumeric identifier.

The Government will supply PDF graphics files via electronic transmission. The contractor shall enter these files into the publishing database.

Some graphics may require reduction, enlargement, and conversion to grayscale, as applicable.

Copy for graphics will be provided, indicating the exhibit number and title or figure number and caption (if applicable).

For graphics that contain “Official Use Only” material (graphics marked with “#”s in the margin), the contractor shall indicate that the graphic contains “Official Use Only” material by setting the “RESTRICT” attribute in the GRAPHIC tag as appropriate in the XML file.

The contractor shall typeset and include in the XML text file exhibit numbers, exhibit titles, and figure numbers, figure captions, and any text submitted as part of an exhibit as appropriate.

The contractor shall incorporate graphics into their proper position with the textual data during output of electronic files. On any page containing a graphic, the contractor shall typeset and print at the bottom of the page the graphic identifier. If the graphic contains “Official Use Only” material, a “#” (pound sign) shall be typeset beside the identifier. (See Exhibit 2.)

When an IRM is revised, the contractor shall delete from the publishing database any unused graphics previously associated with that IRM. No charges will be allowed for deleting the unused graphics.

For existing graphics that require renaming, the contractor shall rename and/or copy the graphics as requested by the Government. Copying and/or renaming a graphic will be charged to the line item for reduction or enlargement of graphic (line item I.2.(b) in the “SCHEDULE OF PRICES”).

If an IRM is obsoleted, the contractor shall delete all the files associated with that IRM from the publishing database. There will be no charge allowed for deleting these obsolete files.

The Table of Contents for IRMs shall be programmatically generated from the TRIDOC headings and their numbers. Exhibit Numbers and Titles shall appear in the Table of Contents. The contractor shall process the entire unit of issue to produce the Table of Contents. (See Exhibit 7.)

Manual Transmittal pages are cover sheets used to issue all IRM material. Manual Transmittal pages contain textual user information and the Distribution Pattern for the transmittal. If no transmittal date is indicated on the print order, the contractor shall enter the contractual ship date as the transmittal date. (See Exhibit 1.)

ELECTRONIC PREPRESS: Prior to image processing, the contractor shall perform a basic check (preflight) of the furnished media and publishing files to assure correct output of the required reproduction image. Any errors, media damage, or data corruption that might interfere with proper file image processing must be reported to the IRS Project Officer in sufficient time to comply with the shipping schedule.

The contractor shall create or alter any necessary trapping, set proper screen angles and screen frequency, and define file output selection for the imaging device being utilized. Furnished files must be imaged as necessary to meet the assigned quality level.

When required by the Government, the contractor shall make minor revisions to the electronic files. It is anticipated that the Government will make all major revisions.

Prior to making revisions, the contractor shall copy the furnished files and make all changes to the copy.

Upon completion of each order, the contractor must furnish final production native application files (digital deliverables) with the furnished material. The digital deliverables must be an exact representation of the final printed product and shall be returned on the same type of storage media as was originally furnished. The Government will not accept, as digital deliverables, PostScript files, Adobe Acrobat Portable Document Format (PDF) files, or any proprietary file formats other than those supplied, unless specified by the Government. (The Government will accept PDF files as digital deliverables when furnished by the Government.)

COMPOSITION: Contractor shall provide a full-page electronic composition (with graphics in place) for all pages produced. (See Exhibits 1, 3, and 4)

Pagination shall be designed to follow the IRM page design and the GPO Style Manual for widows, table breaks, etc.

All composition (text and tabular) shall be identical throughout the product(s) ordered under these specifications.

The IRM's text pages shall be set in the Helvetica and Arial typefaces (light, italic, regular, medium, bold condensed), in sizes 6 through 72 points.

No alternate typefaces will be allowed; however, manufacturers' generic equivalents will be accepted for the above typefaces. Each bidder shall list in the bid the name of the generic equivalent typeface(s) and composing machine to be used (see "TYPEFACES" in the "SCHEDULE OF PRICES").

The Government reserves the right to require samples of any generic equivalent typefaces offered if deemed necessary to determine their suitability.

Unless otherwise specified, the contractor shall follow the GPO Style Manual for the proper use of hyphens, en dashes, em dashes, ellipses, en spaces, em spaces, open and close quotes, etc. The GPO Style Manual can be found at <https://www.govinfo.gov/collection/gpo-style-manual>.

All indentations for the paragraphs shall be accomplished by tags and not fixed spaces. No composition codes shall appear in the text files.

The contractor shall provide 100 percent correct hyphenation. The last word of a paragraph cannot be hyphenated, and hyphenation is not allowed between columns and/or pages.

The contractor shall use Webster's Third International Dictionary as the standard for determining correct hyphenation points.

Word spaces shall not exceed 1-em.

IRM and CCDM page layouts are essentially the same, except for placing the appropriate product identification (IRM, CCDM) in the page headers and footers.

The contractor shall provide composition of "Official Use Only" text as follows:

A pound sign (#) shall appear to the right of any line of type containing information which cannot be disclosed to the general public. This material is classified "Official Use Only."

"Official Use Only" text may appear in IRMs. The contractor shall typeset "Any line marked with a # is for Official Use Only" on IRMs with "Official Use Only" data.

The contractor shall markup "Official Use Only" material within the publishing database using the "RESTRICT" tag and attributes.

When requested, the contractor shall provide PDF files of IRM units of issue with the "Official Use Only" text, tabular material, and graphics deleted. The pages are to appear with the space left for the "Official Use Only" material, but the "Official Use Only" material shall not be included in the file. No changes shall be made to the publishing database to generate these pages. The "#"'s and phrase "Any line marked with a # is for Official Use Only" shall appear on the pages. (See Exhibit 3.)

Electronic output must have a minimum resolution of 1,200 lines per inch (lpi) or equivalent dots per inch (dpi).

NOTE: The majority of print orders issued for IRM packages will be for composition only and will require no printing.

PUBLISHING DATABASE OUTPUT:

The contractor shall provide XML text files as follows:

- The file name(s) for XML files(s) shall be in one of the following formats, as applicable –
“irmXX-XXX-XXX--YYYY-MM-DD.xml” - for non-ouo IRMs
“irmXX-XXX-XXX--YYYY-MM-DD--ouo.xml” - for OUO IRMs
- The contractor is responsible for identifying and creating the file name based on IRM number and manual transmittal date.

XX-XXX-XXX = IRM Number (i.e., IRM 1.1.1 = irm01-001-001)
- Files shall be transmitted to the Government via SFTP as indicated on the print order:
 - The text shall contain no hyphens other than for compound works;
 - The contractor shall parse the files to ensure conformance with the DTD;
 - Files may be ordered for the complete text database or any part of the text database.

The contractor shall provide graphics files in GIF format as follows:

- Files shall be transmitted to the Government via CD-R, email, or SFTP as indicated by the Government;
- The file name(s) shall be the eight-digit alphanumeric graphic identifier number(s), and the extension shall be “GIF”;
- CD-Rs shall be labeled with the print order number, IRM number, and catalog number;
- CD-Rs shall contain only the files requested on the print order and shall not contain extraneous files and directories;
- The contractor shall provide standardized graphic orientation for landscape graphics;
- Files may be ordered for the complete graphic database or any part of the graphic database.

The contractor shall furnish IRMs in Adobe PDF format as follows:

- The contractor shall convert ("distill") database files into PDF files;
- The Adobe Acrobat Distiller shall be used for the conversion; PDF Writer shall not be used; the ASCII format option in Distiller shall not be used during conversion;
- The file name(s) for PDF file(s) shall be in one of the following formats, as applicable:
“irmXX-XXX-XXX--YYYY-MM-DD.pdf” - for non-ouo IRMs
“irmXX-XXX-XXX--YYYY-MM-DD--rdct.pdf” - for OUO IRMs
“irmXX-XXX-XXX--YYYY-MM-DD--ouo.xml” - for OUO IRMs

- The contractor is responsible for identifying and creating the file name based on IRM number and manual transmittal date.

XX-XXX-XXX= IRM number (i e., IRM 1.1.1 = irm01-001-001)

- If requested, CD-Rs shall be labeled with the print order number, IRM number, and catalog number;
- The contractor shall include the Transmittal Page(s) and Table Of Contents pages in the PDF file(s) and shall deliver a single, complete PDF file for each IRM requested. PDF files shall match the printed documents page for page including blank pages;
- The contractor shall enter PDF Mark information in the PDF files as follows:

TITLE - IRM number and Revision Date (e.g., "3.12.3 (Rev. 1/1/2012)")

SUBJECT - IRM Title (e.g., "Individual Income Tax Returns")

AUTHOR - Contractor name and ship date of print order (e.g., "Ima Printer, Dec. 1, 2001")

STOCK/PAPER: The specifications of all paper furnished must be in accordance with those listed herein or listed for the corresponding JCP Code numbers in the "Government Paper Specification Standards No. 13" dated September 2019.

Government Paper Specification Standards No. 13 – https://www.gpo.gov/docs/default-source/forms-and-standards-files-for-vendors/vol_13.pdf.

All text paper used in each copy must be of a uniform shade.

White Uncoated Text, basis weight: 50 lbs. per 500 sheets, 25 x 38" equal to JCP Code A60.

PRINTING: At contractor's option, the product may be produced via conventional offset or digital printing, provided that Quality Level IV standards are maintained.

Print head-to-head or one side only (as ordered) in black ink; or black ink and one additional ink color. (NOTE: approximately 1% of the pages require a second color.) Portions of graphics to be printed in color will be indicated on an overlay.

Contractor to match Pantone number as specified on the print order.

NOTE: The GPO imprint requirement is waived and must not print on the final product.

MARGINS: Margins will be as indicated on the print order or furnished electronic file.

BINDING: Various binding styles will be required as follows:

The contractor shall trim four sides on all loose-leaf products.

Each loose-leaf product over one leaf and up to and including 32 leaves: At contractor's option, these shall be stitched, or paper banded, as specified below.

Each loose-leaf product over 32 leaves and up to and including 128 leaves: At contractor's option, these shall be paper-banded, shrink-film wrapped, or inserted in polyethylene envelopes, as specified below.

Each loose-leaf product over 128 leaves: At contractor's option, these shall be shrink-film wrapped or inserted in polyethylene envelopes, as specified below.

Stitched loose-leaf products: The contractor shall place one wire stitch in the upper left corner (ULC).

Paper-banded loose-leaf products: The contractor shall band each complete product with a strip of heavy Kraft paper, not less than 4" in width, around the short dimension (8-1/2") of the product.

Saddle-Stitched: When ordered, the contractor shall saddle-stitch and trim three sides. Each product must contain complete four-page signatures after trimming. Single leaves connected with a lip (i.e. binding stub) to the left or right side of stitches will not be allowed.

Drilling: When ordered, drill three (3) round 3/8" diameter holes on the 11" side, 4-1/4" center to center. Center of holes shall be 3/8" from the bound edge of the sheet.

PACKING: All shipments which fill less than a shipping container must be packaged with materials of sufficient strength and durability and in such a manner which will guarantee the product will not be damaged and the package will not open nor split during the shipping or delivery process.

Packing List: The contractor shall create a packing list for each shipping container and insert it at the top of the container. The packing list shall contain the Primary Order Point Number, IRM numbers, quantities, catalog numbers, Order Point Numbers, program number, and print order number.

Bulk Shipments:

The contractor shall pack bulk shipments in shipping containers. Containers shall be corrugated or solid fiber shipping containers 200 psi minimum bursting strength. Bottom flaps may be glued, stapled, or sealed with polyester tape, 2" to 3" width, minimum 965 pounds transverse tensile strength. If stapled, containers must be stapled before packing and without damage to the product. Containers shall be sealed at the top with 2" to 3" paper polyester tape (not reinforced). Contractor shall determine exact dimensions of container in accordance with trim size and weight of the product. All containers must be packed solid, not to exceed 40 pounds per container when fully packed.

Contractor-supplied pallets (required for freight shipments only) shall be type III and shall conform to Federal Specifications NN-P-71C, and any amendments thereto, except for dimensions and single center stringer. Full entry shall be on the 40" width. (See Exhibit 8.) Strict adherence to these dimensions is necessary to accommodate storage requirements of IRS distribution centers. Receipt of incorrect pallets may result in a charge for each incorrect pallet, which will be assessed against the contractor. This charge will cover additional costs incurred by IRS to re-palletize the shipment onto correct pallets.

Containers shall be stacked on pallets with a maximum height of 55" including pallet height. Metal strapping or pallet caps shall not be used for securing material on pallets. There shall be no more than one partial pallet per destination. Containers shall be stacked on pallets using a reverse layer pattern, usually having nine containers per layer, or as appropriate. Containers must be fastened securely to the pallet in a manner that will prevent movement during transit but permit ready removal, without damage to the containers at destinations.

Contractor to use the most current IRS Pallet Specification. (See Exhibit 8.)

Mailed Shipments:

Insert single or multiple copies, up to 2 pounds, into Kraft envelopes.

Quantities over 2 pounds, up to 12 pounds, must be inserted into cushioned shipping bags or wrapped in shipping bundles (maximum gross weight 14 pounds).

Quantities over 12 pounds, up to 24 pounds, must be wrapped in shipping bundles or packed in small shipping containers (maximum gross weight 27 pounds).

Quantities over 24 pounds, up to 36 pounds, must be packed in shipping containers (maximum gross weight 40 pounds).

LABELING AND MARKING: The contractor shall be required to neatly label and mark packages and shipments and create and affix labels, stickers, and/or forms for all packages and shipments.

Two types of labels are required:

Inner Address Labels: The inner address label shall contain the ship date, Order Point Number, street address, sequential package numbers (“1 of ___, 2 of ___,” etc.), if applicable, quantity, IRM number, catalog number, program number, and print order number.

Outer Address Labels: The outer address label shall contain the return address (contractor’s name, followed by the address of the contractor's production facility), ship date, Primary Order Point Number, street address, sequential package numbers (“1 of ___, 2 of ___,” etc.), if applicable, quantities, IRM numbers, catalog numbers, Order Point Numbers, program number, and print order number.

The Government will provide a Label File for each print order. The Label File will contain only the information for Primary Order Point Numbers receiving a shipment for that print order. The contractor shall process all Label Files together for a consolidated shipment to produce the outer address labels. If multiple label files contain different information for the same Primary Order Point Number, the contractor shall use the information from the most recent Label File.

The contractor will use the most current IRS Document 12215 - IMDDS Labeling, Packaging and Shipping Instructions and IRS Document 12194 IMDDS Shipping Label for all shipments. (See Exhibits 5 and 6.)

The contractor shall verify that the Label File contains Primary Order Point (Outer Label) information for each Order Point (Inner Label) in a consolidated shipment. If there are Inner Labels without Outer Labels, the contractor shall notify the IRS Project Officer for resolution.

Shipping labels shall be firmly affixed to the widest surface of all packages. No part of the shipping label shall be placed over a seam or on top of sealing tape, and no part shall obstruct or be obstructed by other labels, stickers, markings, or banding.

When there are multiple packages in an order, the packing slip shall be placed in the first package and it shall have the words “Packing Slip Enclosed” on either the label or stamped on the label-side of the package.

Shipments shall be limited to one package per address label. In shipments that contain more than one package, each container shall be marked “1 of ___, 2 of ___,” etc., to indicate the total number of packages in the shipment.

The contractor shall be responsible for obtaining carrier approval for the use of shipping labels and barcodes.

DEPARTMENTAL RANDOM COPIES (BLUE LABEL): All orders must be divided into equal sublots in accordance with the chart below. A random copy must be selected from each subplot. Do not choose copies from the same general area in each subplot. The contractor will be required to certify that copies were selected as directed using GPO Form 917-Certificate of Selection of Random Copies (located on www.GPO.gov).

<u>Quantity Ordered</u>	<u>Number of Sublots</u>
500 - 3,200	50
3,201 - 10,000	80
10,001 - 35,000	125
35,001 and over	200

These randomly selected copies must be packed separately and identified by a special label (GPO Form 2678-Departmental Random Copies (Blue Label) that must be printed on blue paper and affixed to each affected container. This form can be downloaded from www.GPO.gov. The container and its contents shall be recorded separately on all shipping documents and sent in accordance with the distribution list to: IRS, Attn: George Valencia, IRS Project Officer C:DC:TS:CAR:MP: P:TC:CD, 1111 Constitution Avenue, Room 6423, Washington, DC 20224..

A copy of the print order/specification and a signed Certificate of Selection of Random Copies must be included.

A copy of the signed Certificate of Selection of Random Copies must accompany the invoice sent to U.S. Government Publishing Office, Financial Management Service, for payment. Failure to furnish the certificate may result in delay in processing the invoice.

QUALITY ASSURANCE RANDOM COPIES: In addition to the Departmental Random Copies (Blue Label), the contractor may be required to submit quality assurance random copies to test for compliance against the specifications. The print order will indicate the number required, if any. When ordered, the contractor must divide the entire order into equal sublots and select a copy from a different general area of each subplot. The contractor will be required to certify that the copies were selected as directed using GPO Form 917 – Certificate of Selection of Random Copies which can be located on GPO.gov. Copies will be paid for at the running rate offered in the contractor’s bid, and their cost will not be a consideration for award. A copy of the print order must be included with the samples.

Business Reply Mail labels will be furnished for mailing the quality assurance random copies. The copies are to be mailed at the same time as the first scheduled shipment. A U.S. Postal Service-approved Certificate of Mailing, identified by GPO program, jacket, and print order numbers, must be furnished with billing as evidence of mailing.

DISTRIBUTION SYSTEM AND CONSOLIDATED SHIPPING:

Distribution files for each print order will be sent to the contractor via electronic transmission, as specified under “GOVERNMENT TO FURNISH.” The contractor shall use these files to determine print quantities and produce distribution lists and labels. The file names will be the print order number. The new file format for these shipping labels are Excel Flat files. The file type DIST.XLS will contain the IRM number, catalog number, order point numbers, and quantities.

The file type OUT.XLS will contain the Primary Order Point Numbers (OPNs) and mailing addresses. The file type INN.XLS will contain the subscribing OPNs, IRM number, quantities, and OPNs attention lines.

Example: Order Points 321605900, 321606611, and 321606612 are to receive one (1) copy each of two (2) different manual transmittals. The six (6) inner packages shall be consolidated in a single shipping container and shipped via small package carrier to the address for the Primary Order Point 321600000.

Combine shipments for the same street address.

Example: OPNs beginning with 1 through 4 with a “9” as their second digit share the same street address. The third digit further clarifies the shipping location (for example, Fresno begins with 190; Austin 292; Atlanta 396; Andover 498; etc.).

Ten different Order Points with the first five (5) digits starting with "292" (Austin) are to receive multiple copies of a manual transmittal with a total weight of 300 pounds.

Fifteen other Order Points with the first five (5) digits starting with "292" are to receive multiple copies of another transmittal with a total weight of 400 pounds.

All of the manual transmittals shall be consolidated into a single freight shipment to the Primary Order Point 292000000 on a GBL.

CAUTION: There may be multiple IRS offices in the same city; the contractor is not to combine shipments with a different street address that share the same zip code address.

The Government will schedule ship dates for individual print orders based on the contract Production Schedule. The ship date indicated on the print order will be the date the transmittals shall be available to ship. The contractor shall consolidate all transmittals available and ship on Tuesday and Friday of each week. If the consolidation day is a Federal holiday, the shipment shall be made the previous workday. The Government reserves the right to change the consolidation days with two days' notice to the contractor. The Government may require that material for an individual print order ship on the contract Production Schedule date.

The contractor shall package transmittals for individual print orders and affix an Inner Address Label (see Exhibits 5 and 6).

The contractor shall complete the Primary Order Point Consolidation. The contractor shall group together all packages to be shipped to a common office (the same first five (5) digits of the order point). The contractor shall then pack all inner packages for each office into shipping container(s) and ship the container(s) to the Primary Order Point. The contractor shall generate and affix an Outer Address Label to each shipping container (see Exhibits 5 and 6).

A single inner package going to a specific office shall not be placed within another shipping container. In this situation, both the outer and inner label shall be placed on the package, with the "ship to" address (the address on the outer label) clearly indicated.

Examples:

- An envelope with an inner label is the only package going to an office. The outer label will also be placed on the envelope, with the ship to address clearly indicated. The inner label must not be covered by the outer label.
- A 40-lb. container with an inner label containing IRMs going to a single order point. The outer label will also be placed on the container, with the ship to address clearly indicated. The inner label must not be covered by the outer label.

The contractor shall consolidate all packages addressed to: IRS, 1111 Constitution Avenue, NW, Washington, DC 20224, into a single shipment.

Contractor to use only consolidated shipping dates (Tuesday and Friday) on print orders/production schedules. The contractor to email shipping logs to the IRS Project Officer.

DISTRIBUTION: Ship/mail f.o.b. contractor's city.

Complete addresses and quantities will be furnished with the print orders.

Billing of Consolidated Shipments: For consolidated print orders, the contractor shall bill inner labels and packaging to the production print order, and outer labels, packing, and pallets to the monthly order for consolidation. A print order will be provided after the contractor provides this report.

Billing Report: The contractor shall maintain an Excel billing log and provide a weekly email copy detailing the charges associated with each print order, showing charges by line item and the print order's ship date. The contractor shall include all line items and all billing associated with a print order in the report.

The contractor shall provide delivery by Small Parcel Carrier(s) as follows:

Upon award of the contract, or at least five (5) workdays prior to the first shipments, the IRS will provide a small package carrier account number. If not notified of the establishment of this account, the contractor shall contact the IRS Project Officer. Use of the small package carrier account number for shipments not authorized by the IRS is strictly prohibited. Packing and shipping containers shall conform to the size and weight limitations prescribed by the small package carrier, United States Postal Service, or other carriers, as appropriate. Proper documentation of shipments shall be maintained by the contractor. In the event of lost packages, tracking will be required, and this documentation shall be readily available.

Shipments:

Bulk Shipments –

The contractor shall ship all shipments weighing 500 pounds or more using GBLs. The only exception will be that shipments in the contractor's commercial zone must be made via local delivery. GBLs have designated carriers, and the contractor shall use the carriers as provided. Problems with GBLs or carriers shall be reported promptly to the IRS Traffic Manager.

The Government will furnish the contractor with 10 GBLs for the IRS service centers. Service Centers receive most of the bulk shipments. The contractor shall ensure that an adequate supply of GBLs is maintained for the service centers and shall supply a written inventory of the GBLs on hand on the first workday of each week to the IRS Project Officer. When the supply of GBLs for any of the service centers reaches three (3) or less, the contractor shall notify the IRS Project Officer.

The contractor shall notify the Government when a shipment not going to a service center will require GBLs. The contractor shall provide the Primary Order Point Number and the weight of the shipment to the IRS Project Officer.

The contractor shall ensure that the proper weight and number of pieces are shown on the GBL. The contractor shall ensure the date of receipt of shipment and signature are accurately entered by the carrier's agent, and the proper GBL paperwork is issued to the carrier. All memorandum copies must be legible. Proper documentation of shipments shall be maintained by the contractor. In the event of lost shipments, tracing will be required, and this documentation shall be readily available.

Mailed Shipments –

Destinations not available for small parcel carrier locations shall ship through the U.S. Postal Service (USPS). In most cases, first class, priority mail, or overseas airmail will be required. All copies mailed shall conform to the appropriate regulations in the U.S. Postal Service manuals for "Domestic Mail" or "International Mail," as applicable, and delivered to the local post office, appropriate bulk mail center, or Sectional Center Facility. If more than one of the above Postal facilities is available, the contractor shall make an agreement with the USPS as to the facility to be used for shipments under this contract in view of the importance of speedy delivery by the Postal Service.

The contractor shall ship all "Official Use Only" material by traceable means, and a signature required whenever possible.

When using the IRS mail permit imprint, the contractor shall obtain verification of delivery to USPS on PS Form 3602 or PS Form 3605 (as appropriate) and GPO form 712 (Certificate of Conformance). The contractor is cautioned that the "Postage and Fees Paid" permit imprint may be used only for the purpose of mailing material produced under this contract.

The contractor shall apply the appropriate postage to each piece for orders which result in mailings of less than 200 pieces or less than 50 pounds. The contractor will be reimbursed for postage by submitting a properly completed Postal Service Certificate of Mailing with the invoice for billing.

Occasionally, the contractor shall prepay postage costs, perhaps through the use of a postage meter. To be reimbursed for these costs, the contractor shall provide a daily listing of actual postal charges with the billing invoice for payment. This report shall include:

- Date of shipment.
- Beginning and ending postage meter readings and the difference.
- A list of items shipped.
- Unit weight in pounds of each individual IRM product to three decimal places (± 0.005).
- The signature of the responsible contractor's representative.

USPS Regulations: The contractor must comply with all U.S. Postal Service regulations governing the preparation of the mailing which are in effect at the time of the mailing for both domestic and international mail, including the issuance of the required forms (mailing statements) and the weighing of shipments. The contractor must meet with local postal authorities before the start of production.

Certificate of Conformance: When using Permit Imprint Mail the contractor must complete GPO Form 712 - Certificate of Conformance (Rev. 10-15), and the appropriate mailing statement(s) supplied by USPS. A fillable GPO Form 712 Certificate of Conformance can be found at <https://www.gpo.gov/how-to-work-with-us/vendors/forms-and-standards>.

Postage Summary Report: Within two (2) days of mailing, the contractor shall submit a summary of postage costs to the IRS Project Officer. The summary shall include all USPS mailing statements used to complete the mailing and must include the program number, print order number, total quantity mailed, total postage costs, and the zip code of the acceptance post office.

The contractor must provide the shipping tracking number (when applicable) and list the method of shipment (GBLs, USPS, small parcel carrier, etc.) and include the number on all shipping notifications to the Government.

For each consolidated shipment, the contractor shall supply a count of the total number of inner and outer labels for that shipment and a list of the print orders in that shipment. The agency will be providing a new print order number for consolidated shipment after receiving this report.

The contractor is responsible for complying with each carrier's specific shipping requirements. The contractor shall not ship products that do not conform to a carrier's shipping requirements.

If the method of shipment selected by the contractor was unable to deliver to the Government specified customers/addresses, it shall be the contractor's responsibility to reship the package(s) at the contractor's expense.

The contractor shall notify the Government when it becomes apparent the distribution requirement, as identified above, will not be met (i.e., late distribution). When the contractor is advised that the ship/mail date was not met for a customer/address due to something within the contractor's control, the contractor shall take the appropriate corrective actions to resolve current discrepancies and to prevent reoccurrence in the future.

Upon completion of each order, the contractor must notify the ordering agency (on the same day the order ships/mailed) via email to the address indicated on the print order. The subject line of the email shall be "Distribution Notice for Program 370-S R1, Print Order XXXXX, Jacket Number XXX-XXX." The notice must provide all applicable tracking numbers, shipping/mailed method, and title of the product. (See "DISTRIBUTION" for additional reporting requirements.)

All expenses incidental to picking up and returning furnished materials (if applicable) and furnished sample copies must be borne by the contractor.

SCHEDULE: Adherence to this schedule must be maintained. Contractor must not start production of any job prior to receipt of the individual print order (GPO Form 2511).

Communication via email or SFTP shall be available within 15 calendar days of contract award.

The following schedules begin the workday after receipt of the print order and furnished material; the workday after receipt will be the first workday of the schedule.

XML, Graphics, and PDF files shall be furnished via electronic transmission on the same workday the print order is issued.

New formats shall be available for composition within 10 workdays of notification of availability of print order and furnished materials.

Format changes shall be made within two (2) workdays of notification of availability of print order and furnished materials.

Production Schedules:

Schedule I – Composition.

Orders for initial keying of new data and/or updates of existing data, composition, and furnishing publishing database output will follow the below schedule:

<u>Number of Pages</u>	<u>Shipment</u>
1 up to and including 19.....	2 workdays
20 up to and including 67.....	3 workdays
68 up to and including 240.....	6 workdays
over 240.....	7 workdays

NOTE: Approximately 85% of orders issued will follow Schedule I.

Schedule II – Composition, Printing, Binding, and Distribution.

Orders for initial keying of new data and/or updates of existing data, composition, printing, binding, and distribution will follow the below schedule (combining the schedules for column (1) (Print, Bind, Ship/Mail) and column (2) (Composition), if applicable):

<u>Number of Pages</u>	(1) <u>Print, Bind, Ship/Mail</u>	(2) <u>Composition</u>
1 up to and including 19.....	3 workdays	2 workdays
20 up to and including 67.....	4 workdays	3 workdays
68 up to and including 240.....	7 workdays	6 workdays
over 240.....	8 workdays	7 workdays

- a) The number of workdays in accordance with column (1) above are based upon the total number of pages in the ordered publication.
- b) If composition is not required, then only column (1) schedule will apply.
- c) The number of workdays in accordance with column (2) above are based upon the number of pages composed for initial keying of new data or updates of existing data, plus.

Example: 224 printed pages are identified under columns (1) and (2). Under column (1), seven (7) workdays are allowed for the printed pages, and six (6) workdays are allowed under column (2) for composed pages, for a total of 13 workdays allowed for the ship/mail schedule under Schedule II.

When XML, Graphics, and/or PDF files are ordered on a print order that also requires composition and printing, the contractor shall deliver the files two (2) workdays after the number of workdays allowed for Composition in the Production Schedule.

The ship/mail date indicated on the print order is the date products ordered for shipping/ mailing f.o.b. contractor's city must be delivered to the U.S. Postal Service and/or picked up by small package carrier.

Unscheduled material such as shipping documents, receipts or instructions, delivery lists, labels, etc., will be furnished with each order or shortly thereafter. In the event such information is not received in due time, the contractor will not be relieved of any responsibility in meeting the shipping schedule because of failure to request such information.

For compliance reporting purposes, the contractor is to notify the U.S. Government Publishing Office of the date of shipment or delivery. Upon completion of each order, contractor must contact the Shared Support Services Compliance Section via email at compliance@gpo.gov or via telephone at (202) 512-0520. Personnel receiving the email or call will be unable to respond to questions of a technical nature or to transfer any inquiries.

CONTRACT TERMINATION TRANSITION SERVICES: Upon termination of the contract, the contractor shall provide the Government all data and materials generated as a result of this contract and all services to which the Government is entitled under the contract.

Within five (5) workdays of the end of composition work on this contract, the contractor shall provide the complete set of all printed products (furnished by the Government and updated by the contractor) at no additional cost to the Government.

All contract deliverables, including graphic materials, to which the Government takes possession, shall be packaged in accordance with the contract specifications, where applicable, or in suitable containers to prevent damage during shipment and shall be provided at the contractor's expense. The materials shall be delivered to a location(s) designated by the Government. Shipping costs will be borne by the Government, and GBLs will be provided for shipments.

SECTION 3. - DETERMINATION OF AWARD

The Government will determine the lowest bid by applying the prices offered in the "SCHEDULE OF PRICES" to the following units of production which are the estimated requirements to produce one (1) year's production under this contract. These units do not constitute, nor are they to be construed as, a guarantee of the volume of work which may be ordered for a like period of time.

The following item designations correspond to those listed in the "SCHEDULE OF PRICES."

I.	1.	(a)	528	
		(b)	692	
	2.	(a)	156	
		(b)	112	
		(c)	64	
II.		(a)	1	
		(b)	1	
		(c)	1	
III.		(a)	92,024	
		(b)	436	
		(c)	46,068	
		(d)	1	
IV.			(1)	(2)
	(a)	1,776	1027	
	(b)	18	2	
V.		(a)	100	
		(b)	1,149	
		(c)	30	
		(d)	200	
		(e)	2	
VI.			1	
VII.		(a)	636	
		(b)	652	
		(c)	368	
		(d)	64	
		(e)	40	
		(f)	248	
		(g)	4	

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SECTION 4. - SCHEDULE OF PRICES

Bids offered are f.o.b. contractor’s city.

Prices must include the cost of all required materials and operations for each item listed in accordance with these specifications.

Bidder must make an entry in each of the spaces provided. Bids submitted with any obliteration, revision, or alteration of the order and manner of submitting bids, may be declared non-responsive.

An entry of NC (No Charge) shall be entered if bidder intends to furnish individual items at no charge to the Government. Bids submitted with NB (No Bid), NA (Not Applicable), or blank spaces for an item may be declared non-responsive.

The Contracting Officer reserves the right to reject any offer that contains prices for individual items of production (whether or not such items are included in the “DETERMINATION OF AWARD”) that are inconsistent or unrealistic in regard to other prices in the same offer or to GPO prices for the same operation if such action would be in the best interest of the Government.

All invoices submitted to the GPO shall be based on the most economical method of production.

Contractor’s billing invoice must be itemized in accordance with the line items in the “SCHEDULE OF PRICES.”

Fractional parts of 1,000 will be prorated at the per-1,000 rate.

Unless otherwise specified, no more than (3) blank pages shall be permitted at the end of text for saddle-stitched products.

For printed products, a charge will be allowed for each text page of a single-color product, whether printed or blank. For products printing in more than one color, a charge under line item IV.(b) will be allowed only for pages actually printed with the additional color(s).

I. TABLE OF CONTENTS AND GRAPHICS:

1. Table of Contents Pages: Preparation of Table of Contents includes TRIDOC headings from the XML text files, reversing the sequence number and title, and all related processing.

(a) First page of Table of Contents..... per page.....\$ _____

(b) Each additional page of Table of Contents per page.....\$ _____

2. Graphics:

(a) PDF Graphics files, including all related processing..... per graphic.....\$ _____

(b) Reduction or enlargement of PDF graphics..... per graphic.....\$ _____

(c) Converting PDF graphics to grayscale..... per graphic.....\$ _____

(Initials)

II. FORMATS:

- (a) One-time charge (per contract) for development of initial format for all products..... one-time charge.....\$ _____
- (b) Development of new format..... per format.....\$ _____
- (c) Change to existing format, including new tags and DTD updates per tag.....\$ _____

III. PUBLISHING DATABASE OUTPUT: Prices must be all-inclusive for data entry, composition, and all other related processing in accordance with these specifications.

- (a) XML files via electronic transmissionper 1,000 characters.....\$ _____
- (b) GIF graphics files via electronic transmission per graphic.....\$ _____
- (c) PDF files via electronic transmission..... per page.....\$ _____
- (d) Files saved onto CD-R (including cost of disc and packing)per disc.....\$ _____

IV. PRINTING: Prices offered shall include the cost of all required materials and operations necessary (including paper) for the printing of the products listed in accordance with these specifications.

	<u>Makeready and/or Setup</u> (1)	<u>Running Per 1,000 Copies</u> (2)
(a) Printing in black per page..... \$ _____	\$ _____	\$ _____
(b) Printing in one additional ink color other than black per color/per page..... \$ _____	\$ _____	\$ _____

V. BINDING: Prices offered shall include the cost of all required materials and operations necessary for the binding of the product listed in accordance with these specifications.

NOTE: Prices for line items V.(a), (b), and (c) must include the cost of trimming each leaf four sides.

- (a) Loose-leaf products over 1 leaf up to and including 32 leaves per copy.....\$ _____
- (b) Loose-leaf products over 32 leaves up to and including 128 leaves per copy.....\$ _____
- (c) Loose-leaf products over 128 leaves per copy.....\$ _____
- (d) Saddle stitched products..... per copy.....\$ _____
- (e) Drilling per 1,000 leaves.....\$ _____

(Initials)

VI. ADDITIONAL OPERATIONS:

One-time setup charge (per contract) for
SFTP setup, email communication, distribution,
and consolidation system one-time charge \$ _____

VII. PACKING AND DISTRIBUTION: Prices must be all-inclusive, as applicable, and must include the cost of packing; Kraft envelopes, cushioned shipping bags, shipping bundles, and shipping containers; generating and affixing all labels, all necessary wrapping and packing materials; labeling and marking; shipping; and distribution in accordance with these specifications.

- (a) Creating and affixing inner address label per label \$ _____
- (b) Creating and affixing outer address label per label \$ _____
- (c) Inserting copies up to 2 pounds into Kraft envelopes per envelope \$ _____
- (d) Quantities over 2 pounds, up to 12 pounds,
packed in cushioned shipping bags or wrapped
in shipping bundles (maximum gross weight 14 pounds) per bag or bundle \$ _____
- (e) Quantities over 12 pounds, up to 24 pounds,
wrapped in shipping bundles or packed in small
shipping containers (maximum gross weight 27 pounds) per bundle or container \$ _____
- (f) Quantities over 24 pounds, up to 36 pounds,
packed in shipping containers
(maximum gross weight 40 pounds) per container \$ _____
- (g) Pallets for bulk shipments per pallet \$ _____

TYPEFACES: If an alternate typeface is proposed, the bidder must list on the line of the same number as the preferred typeface, the name of the alternate typeface to be used.

Preferred Typeface: 1. Helvetica
2. Arial

Manufacturer's Generic Equivalent Typefaces	Name of Composing Machine
1. _____	_____
2. _____	_____

LOCATION OF POST OFFICE: All mailing will be made from _____

Post Office located at Street Address _____,

City _____, State _____, Zip Code _____.

(Initials)

SHIPMENTS: Shipments will be made from: City _____ State _____.

The city(ies) indicated above will be used for evaluation of transportation charges when shipment f.o.b. contractor's city is specified. If no shipping point is indicated above, it will be deemed that the bidder has selected the city and state shown below in the address block, and the bid will be evaluated and the contract awarded on that basis. If shipment is not made from evaluation point, the contractor will be responsible for any additional shipping costs incurred.

DISCOUNTS: Discounts are offered for payment as follows: _____ Percent _____ Calendar Days. See Article 12 "Discounts" of Solicitations Provisions in GPO Contract Terms (Publication 310.2).

AMENDMENT(S): Bidder hereby acknowledges amendment(s) number(ed) _____.

BID ACCEPTANCE PERIOD: In compliance with the above, the undersigned agrees, if this bid is accepted within _____ calendar days (60 calendar days unless a different period is inserted by the bidder) from the date for receipt of bids, to furnish the specified items at the price set opposite each item, delivered at the designated point(s), in exact accordance with specifications. Failure to provide a 60-day bid acceptance period may result in the expiration of the bid before award.

BIDDER'S NAME AND SIGNATURE: Unless a specific written exception is taken, the bidder, by signing and submitting a bid, agrees with and accepts responsibility for all certifications and representations as required by the solicitation and GPO Contract Terms - Publication 310.2. When responding by email, fill out and return one copy of all pages in "SECTION 4. – SCHEDULE OF PRICES," including initialing/signing where indicated. Valid electronic signatures will be accepted per the Uniform Electronic Transactions Act, §2. Electronic signatures must be verifiable of the person authorized by the company to sign bids. *Failure to sign the signature block below may result in the Bid being declared non-responsive.*

Bidder _____
(Contractor's Name) (GPO Contractor's Code)

(Street Address)

(City – State – Zip Code)

By _____
(Printed Name, Signature, and Title of Person Authorized to Sign this Bid) (Date)

(Person to be Contacted) (Telephone Number)

(Email) (Fax Number)

THIS SECTION FOR GPO USE ONLY

Certified by: _____ Date: _____ Contracting Officer: _____ Date: _____
(Initials) (Initials)

**MANUAL
TRANSMITTAL**

1.1.1

Department of the Treasury
Internal Revenue Service

JULY 29, 2019

EFFECTIVE DATE

(07-29-2019)

PURPOSE

- (1) This transmits revised IRM 1.1.1, Organization and Staffing, IRS Mission and Organizational Structure.

MATERIAL CHANGES

- (1) IRM 1.1.1 has been updated to reflect the current IRS structure, as follows:
 - a. IRM 1.1.1.1 - Clarified language. No procedural or significant changes.
 - b. IRM 1.1.1.2 - Clarified language.
 - c. IRM 1.1.1.4 - Added IRS Values.
 - d. IRM 1.1.1.5(2) - Removed the Affordable Care Act (ACA) office; realigned staff and duties to appropriate offices.
 - e. IRM 1.1.1.5(3) - Removed Planning, Programming and Audit Coordination (PPAC), which realigned to Chief Financial Officer (CFO) March 19, 2017.
 - f. IRM 1.1.1.5(3) - Realigned CFO and Chief Risk Office (CRO) to Deputy Commissioner for Operations Support (DCOS) April 30, 2016.
 - g. IRM 1.1.1.5(3) - Realigned Facilities Management and Security Services (FMSS), formerly Agency Wide Shared Services (AWSS), Equity, Diversity, and Inclusion (EDI) and Research Applied Analytics and Statistics (RAAS) to DCOS.
 - h. IRM 1.1.1.5(4) - Removed Office of Compliance Analytics (OCA), which merged with Research Applied Analytics and Statistics (RAAS) October 4, 2016.
 - i. Exhibit 1.1.1-1 - Updated to reflect current organizational structure.

EFFECT ON OTHER DOCUMENTS

This IRM supersedes IRM 1.1.1 dated June 2, 2015.

AUDIENCE

IRS employees

Darlene Frank
Director, Executive Secretariat

1.1.1
IRS Mission and Organizational Structure

Table of Contents

- 1.1.1.1 Purpose of IRM 1.1.1
- 1.1.1.2 IRS Mission
- 1.1.1.3 Statutory Authority
- 1.1.1.4 IRS Values
- 1.1.1.5 Structure of the IRS

Exhibits

- 1.1.1-1 IRS Organization Chart - Internal Revenue Service Organization and Top Officials

IRS Mission and Organizational Structure 1.1.1

page 1

- 1.1.1.1
(07-29-2019)
Purpose of IRM 1.1.1
- (1) This IRM section explains the mission, statutory authority and organizational structure of the IRS.
 - (2) Publication 3744, *Internal Revenue Service Strategic Plan (FY 2018 - 2022)*, reflects the IRS' primary goals and objectives.
 - (3) The *Taxpayer Bill of Rights* clearly summarizes important protections for taxpayers and outlines the fundamental rights of every taxpayer.
- 1.1.1.2
(07-29-2019)
IRS Mission
- (1) The IRS mission:
Provide America's taxpayers top-quality service by helping them understand and meet their tax responsibilities and enforce the law with integrity and fairness to all.
 - (2) This mission statement describes the IRS's role and the public's expectation about how the IRS should perform that role.
 - In the United States, the Congress passes tax laws and requires taxpayers to comply.
 - The taxpayer's role is to understand and meet their tax obligations.
 - The IRS's role is to help compliant taxpayers understand the tax law, while ensuring that the minority who are unwilling to comply pay their fair share of taxes.
- 1.1.1.3
(03-01-2006)
Statutory Authority
- (1) The IRS is organized to carry out the responsibilities of the Secretary of the Treasury under Internal Revenue Code 7801. The Secretary has full authority to administer and enforce the internal revenue laws and the power to create an agency to enforce these laws.
 - (2) The IRS was created based on this legislative grant. IRC Section 7803 provides for the appointment of a Commissioner of Internal Revenue to administer and supervise the execution and application of the internal revenue laws.
- 1.1.1.4
(07-29-2019)
IRS Values
- (1) The values of the IRS are:
 - a. Honesty and integrity: We uphold the public trust in all that we do; we are honest and forthright in all our internal and external dealings.
 - b. Respect: We treat each colleague, employee and taxpayer with dignity and respect.
 - c. Continuous improvement: We seek to perform the best that we can today, while embracing change, so that we perform even better in the future.
 - d. Inclusion: We embrace diversity of background, experience and perspective.
 - e. Openness and collaboration: We share information and collaborate recognizing we are a team.
 - f. Personal accountability: We take responsibility for our actions and decisions and learn and grow from our achievements and mistakes.

1.1 Organization and Staffing

1.1.1.5 (07-29-2019)

Structure of the IRS

- (1) The IRS structure is divided into two primary organizations: the Deputy Commissioner for Services and Enforcement (DCSE) and the Deputy Commissioner for Operations Support (DCOS).
- (2) The Deputy Commissioner for Services and Enforcement (DCSE), the largest organization, oversees the following four primary operating divisions responsible for the major customer segments and other taxpayer-facing functions.
 - a. Wage and Investment (W&I) serves approximately 155 million taxpayers, including those who file jointly, with wage and investment income only.
 - b. Small Business/Self-Employed (SB/SE) serves approximately 57 million small business/self-employed filers who are fully or partially self-employed individuals and small businesses.
 - c. Large Business and International (LB&I) serves corporations, subchapter S corporations, and partnerships with assets greater than \$10 million. It also serves U.S. citizens and residents with offshore activities and non-residents with U.S. activities.
 - d. Tax Exempt and Government Entities (TE/GE) serves customers across three distinct taxpayer segments - Employee Plans, Exempt Organizations, and Government Entities.
 - e. Criminal Investigation (CI) investigates potential criminal violations and financial crimes in a manner that fosters confidence in the tax system.
 - f. Office of Professional Responsibility (OPR) administers the laws and regulations governing the practice of tax professionals before the Department of the Treasury and the Internal Revenue Service.
 - g. Whistleblower Office assesses and analyzes tips received from individuals who spot tax problems in their workplace or day-to-day business.
 - h. Return Preparer Office (RPO) seeks to improve taxpayer compliance by providing comprehensive oversight and support of tax professionals.
 - i. Online Services delivers strategy, policy and initiatives to strengthen the IRS online services experience.
- (3) The Deputy Commissioner for Operations Support (DCOS) oversees the IRS's integrated support functions, facilitating economy of scale efficiencies and better business practices. The functions under the DCOS include:
 - a. Information Technology (IT) manages and secures information resources and technology for the agency. IT establishes the IRS's long-range objectives and strategies for improving tax administration through modernizing tax administration systems.
 - b. The Chief Financial Office (CFO) manages a portfolio of corporate-wide activities including strategic planning, performance measurement, budget formulation, budget execution, accounting, financial management and internal controls.
 - c. Facilities Management and Security Services (FMSS) strategically partners with IRS customers, delivering a safe, secure and optimal work environment that promotes effective tax administration.
 - d. Human Capital Office (HCO) provides human capital strategies and tools for recruiting, hiring, developing and retaining a highly skilled and high performing workforce to support IRS mission accomplishments.
 - e. Privacy, Government Liaison and Disclosure (PGLD) preserves and enhances public confidence by advocating for the protection and proper use of identity information.
 - f. Equity, Diversity, and Inclusion (EDI) provides services and resources to enhance the IRS's ability to achieve its mission by leveraging the diversity

IRS Mission and Organizational Structure 1.1.1

page 3

- of our workforce, cultivating inclusion within our workplaces and ensuring the civil rights of taxpayers and employees are respected and enforced.
- g. Office of the Chief Risk Office (CRO) oversees the Enterprise Risk Management Program, providing a strategic framework to effectively deal with risk across the agency.
 - h. Procurement provides acquisition services for all business units of the IRS and other bureaus and offices within Treasury.
 - i. Research Applied Analytics and Statistics (RAAS) provides strategic research, analytics, statistics and technology services.
- (4) Certain key functions report directly to the IRS Commissioner to maintain their independence from the operating units. The principals of these offices are:
- a. Chief Counsel (Counsel) provides legal interpretation and represents the IRS with complete impartiality, so that taxpayers know the law is being applied with integrity and fairness. Counsel reports to the Commissioner of Internal Revenue on tax matters and reports to the Treasury General Counsel on other matters.
 - b. Communications and Liaison (C&L) supports the IRS mission by building relationships and understanding between the IRS and its stakeholders through effective information sharing.
 - c. The Office of Appeals resolves tax controversies without litigation on a basis that is fair and impartial to both the taxpayer and the Government.
 - d. The National Taxpayer Advocate helps taxpayers resolve problems with the IRS and recommends systemic changes.
- (5) For additional information on these offices, see the applicable IRM section for the functional description of each major IRS organization and office under IRM 1.1, Organization and Staffing at <http://irm.web.irs.gov/link.asp?link=1.1>.
- (6) Exhibit 1.1.1-1 displays the IRS organizational structure in a flow chart. See Exhibit 1.1.1-1.

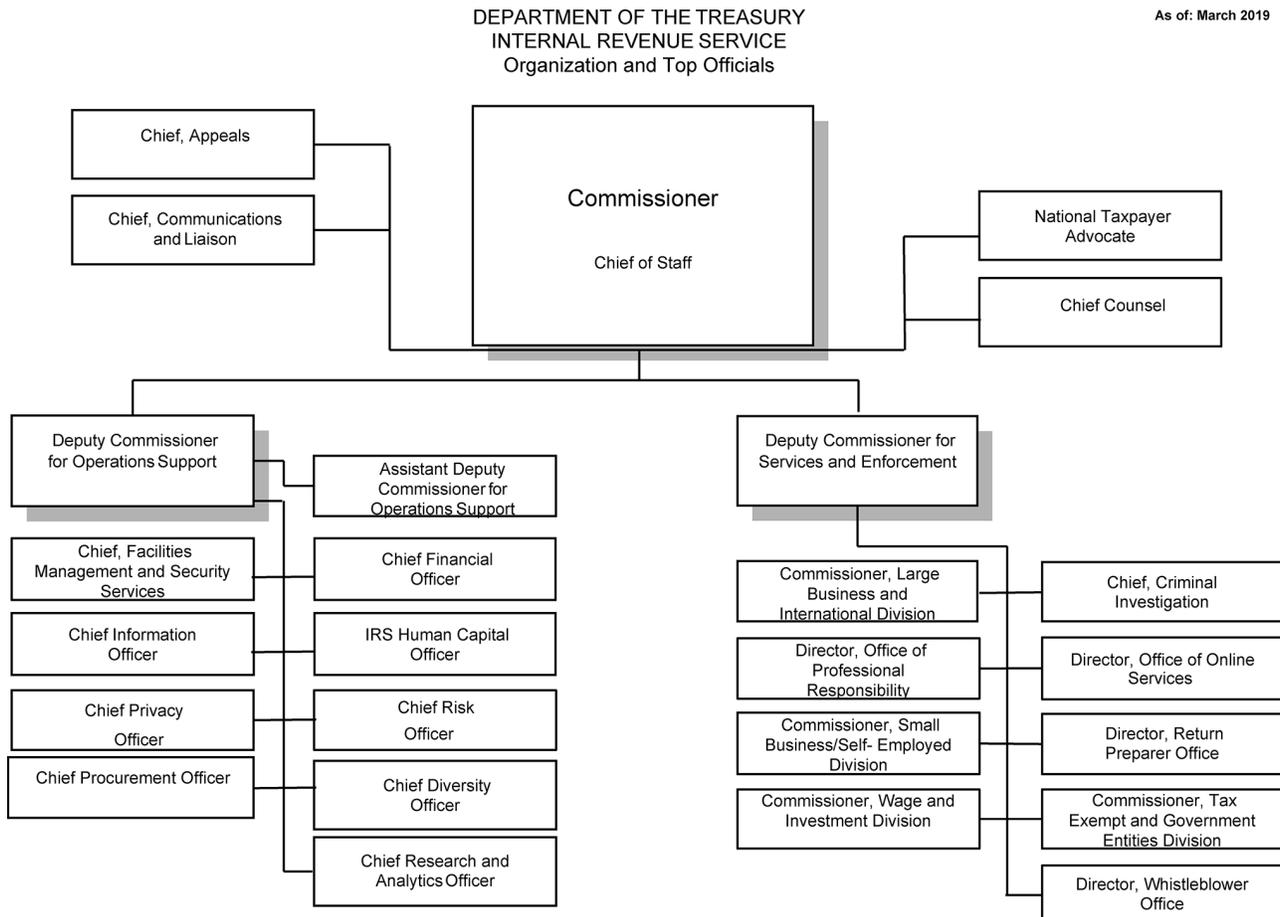
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IRS Mission and Organizational Structure 1.1.1

Exhibit 1.1.1-1 (07-29-2019)

IRS Organization Chart - Internal Revenue Service Organization and Top Officials

For the most current information visit <https://irssource.web.irs.gov/CL/Documents/IRSOrganizationTopOfficialsChart.pdf>



NOTE: With respect to tax litigation and the legal interpretation of tax law, the Chief Counsel also reports to the General Counsel of the Treasury Department. On matters solely related to tax policy, the Chief Counsel reports to the Treasury General Counsel.

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**MANUAL
TRANSMITTAL**Department of the Treasury
Internal Revenue Service**32.3.2****AUGUST 2, 2022****EFFECTIVE DATE**

(08-02-2022)

PURPOSE

- (1) This transmits revised CCDM 32.3.2, Letter Rulings, Information Letters, and Closing Agreements; Letter Rulings.

BACKGROUND

- (1) CCDM 32.3.2 is revised as follows:
 - Amended CCDM 32.3.2.7, Referrals of Copies of Letter Rulings to the Appropriate Service Official, provides updated contact information for the appropriate Service official to receive copies of issued letter rulings, including all Change in Accounting Method (CAM) correspondence, and other documents and information pertaining to any taxpayer letter ruling request.
 - New CCDM 32.3.2.7.1, Notifying the Service to Update Taxpayer's Account Regarding Consent to Extend Time to Assess Tax in Conjunction with the Issuance of a Letter Ruling, provides procedures for notifying the Service that a taxpayer consented to extend the statutory period of time to assess tax in conjunction with the issuance of a letter ruling. This will ensure the taxpayer's IRS account is updated to reflect the extended assessment statute end date.

MATERIAL CHANGES

- (1) CCDM 32.3.2.7 is amended to add electronic hyperlinked access through the CCDM to the current listing of Service officials by operating division who should receive copies of the issued letter ruling, including all Change in Accounting Method (CAM) correspondence.
- (2) New CCDM 32.3.2.7.1 is added to provide procedures the Office of Chief Counsel will follow to notify the Service that a taxpayer consented to extend the statutory period of time to assess tax in conjunction with the issuance of a letter ruling. The new section identifies the W&I resource mailbox that will receive the notification as well as what information and documents Chief Counsel is required to provide to the Service.
- (3) In addition to the earlier updates above, the e-mail address under CCDM 32.3.2.7.1(3) was corrected due to an earlier typo.

EFFECT ON OTHER DOCUMENTS

CCDM 32.3.2, dated October 6, 2017, is superseded.

AUDIENCE

Chief Counsel

Ashton P. Trice
Deputy Associate Chief Counsel
(Procedure & Administration)

32.3.2
Letter Rulings**Table of Contents**

- 32.3.2.1 Authority to Issue Letter Rulings
- 32.3.2.2 Refusal to Rule or Deferral of Letter Ruling Pending Issuance of Published Guidance
- 32.3.2.3 General Procedures for Handling Requests for Letter Rulings
 - 32.3.2.3.1 Acknowledgment and Assignment
 - 32.3.2.3.2 Processing Letter Rulings
 - 32.3.2.3.2.1 Processing Accounting Method and Accounting Period Change Letters
 - 32.3.2.3.2.2 Caveats to be Included in Letter Rulings, Technical Advice Memoranda, and Accounting Method and Period Change Letters
 - 32.3.2.3.2.2.1 Other Potential Caveats
 - 32.3.2.3.3 Use of Citations
 - 32.3.2.3.4 Changes in Position
 - 32.3.2.3.5 Nonretroactivity under Section 7805(b)(8)
 - 32.3.2.3.5.1 General
 - 32.3.2.3.5.2 Means of Revoking or Modifying a Previously Issued Letter Ruling
 - 32.3.2.3.5.3 Processing Section 7805(b)(8) Requests Involving Determination Letters
 - 32.3.2.3.6 File Memoranda
 - 32.3.2.3.7 Case History, Form 9718
- 32.3.2.4 Conferences
 - 32.3.2.4.1 Scheduling and Conducting a Conference
 - 32.3.2.4.2 Pre-Submission Conferences
 - 32.3.2.4.3 Conference Procedures
- 32.3.2.5 Coordination with Other Offices
 - 32.3.2.5.1 Processing Requests Containing Two or More Issues (Multi-Issue Requests)
 - 32.3.2.5.1.1 Processing Multi-Issue Requests in One Office
 - 32.3.2.5.1.2 Severance of Issues
 - 32.3.2.5.2 Resolving Differences
- 32.3.2.6 Coordination with Other Federal Departments and Agencies
 - 32.3.2.6.1 Employment Tax Coordination with Social Security Administration
 - 32.3.2.6.2 Employment Tax Coordination with Railroad Retirement Board
- 32.3.2.7 Referral of Copies of Letter Rulings to the Appropriate Service Official
 - 32.3.2.7.1 Notifying the Service to Update Taxpayer's Account Regarding Consent to Extend Time to Assess Tax in Conjunction with the Issuance of a Letter Ruling
- 32.3.2.8 Representation of Taxpayers
 - 32.3.2.8.1 Authority
 - 32.3.2.8.2 Authorized Representatives

32.3.2.8.3 Power of Attorney and Declaration of Representative (Form 2848) or Tax Information Authorization (Form 8821)

32.3.2.8.3.1 General Guidelines

32.3.2.8.3.2 Specific Requirements

32.3.2.8.3.3 Examples

32.3.2.8.4 Acceptable Power of Attorney or Other Third Party Authorizations

32.3.2.8.5 Deficient Power of Attorney or Other Authorization

32.3.2.8.6 Signature on Letters Concerning Powers of Attorney

32.3.2.8.7 Copy of a Power of Attorney or a Tax Information Authorization

Exhibits

32.3.2-1 Letter 1690

32.3.2-2 Letter 1690 (Version 2): Accounting Method Change Letter

32.3.2-3 Letter Ruling to Taxpayer

32.3.2-4 Letter Ruling to Taxpayer's Representative

32.3.2-5 Sample Format for Recommendation of Application or Rejection of Section 7805(b)(8) Relief

32.3.2-6 Conference Report

Letter Rulings 32.3.2

page 1

32.3.2.1
(07-09-2014)**Authority to Issue Letter Rulings**

- (1) The Associate Chief Counsel (Corporate), the Associate Chief Counsel (Financial Institutions & Products), the Associate Chief Counsel (Income Tax & Accounting), the Associate Chief Counsel (International), the Associate Chief Counsel (Passthroughs & Special Industries), the Associate Chief Counsel (Procedure & Administration), and Division Counsel/Associate Chief Counsel (TEGE) (collectively, the Associate Offices) generally will issue a letter ruling to a taxpayer in response to the taxpayers' written inquiry about its status for tax purposes or the tax effects of its acts or transactions. See Revenue Procedure 2013-1 (or successor revenue procedure) for nonexclusive lists of circumstances in which a letter ruling will be issued and will not be issued.
- (2) Requests for letter rulings presenting two or more issues under the jurisdiction of different Associate Offices and requests presenting issues dependent on the prior or contemporaneous determination of another issue or issues not presented in the request under the jurisdiction of another office require coordination and joint action of the Associate Offices concerned. See **CCDM 32.3.2.5** <http://publish.no.irs.gov/getpdf.cgi?catnum=39010>, *Coordination with Other Offices*, for procedures for coordinating with other Associate Offices.

32.3.2.2
(07-09-2014)**Refusal to Rule or Deferral of Letter Ruling Pending Issuance of Published Guidance**

- (1) Counsel employees should review requests for letter rulings at the earliest possible date to identify those requests containing technical issues on which the Service will not issue a revenue ruling, exercise sound judgment and identify circumstances when a letter ruling should not be issued. See Revenue Procedure 2013-1 (or successor revenue procedure) for lists of circumstances in which a letter ruling will be issued and will not be issued. These lists are nonexclusive and Counsel employees should exercise sound judgment to identify other circumstances when a letter ruling should not be issued, raising such circumstances with management.

Note: When developing a Service position on a particular issue, the initiating Associate Office must consider the possible effect of section 7805(b)(8), regarding retroactivity. Publication of the Service position prior to or concurrently with the issuance of an individual response may simplify the resolution of nonretroactivity questions.

- (2) For example, the following are situations in which it is appropriate to publish the Service position in published guidance prior to, or concurrently with, the issuance of a letter ruling.

Situation 1: A taxpayer requests a letter ruling on a situation the tax treatment of which obviously would be a matter of concern to other taxpayers. Uniform application of the Service position will be promoted by first publishing a revenue ruling. This is especially desirable in any situation in which competitive advantages or disadvantages would result from a lack of uniform application.

Situation 2: An inquiry is received from a person, who describes certain related situations with respect to which a statement of Service position is needed. This person, however, is not the taxpayer with respect to all of the situations involved. In this case, the initial effort should be directed toward processing a revenue ruling and issuing a response to the inquiry that simply refers to the published ruling (a copy of which could be enclosed) with any additional comments that are pertinent.

32.3 Letter Rulings, Information Letters, and Closing Agreements

Situation 3: A trade association requests a letter ruling on an issue in which some or all of its members are interested. Since the Service's established procedure is to issue a letter ruling only to a taxpayer or authorized representative, it is not appropriate to issue a letter ruling to the trade association, even though a need for Service guidance is recognized. Instead, a revenue ruling should be recommended. A letter should be sent to the trade association informing the association of the Service's refusal to rule on the matter before a position of the Service is established.

32.3.2.3 (07-09-2014) **General Procedures for Handling Requests for Letter Rulings**

- (1) The Office of Chief Counsel generally will respond to requests for letter rulings within 180 days of the date of receipt. Branch personnel must notify the Associate Chief Counsel or Deputy Associate Chief Counsel when the branch determines that a response will not be provided within 180 days of the date of receipt. This notice generally should be provided no later than 165 days from receipt of the request for letter ruling.
- (2) The procedures set forth in the following paragraphs apply to all requests for letter rulings, including those submitted by collectors of collected taxes. Additionally, except as otherwise provided, requests for accounting method and accounting period change letters will be processed in the same manner and will be subject to the same procedures as letter ruling requests.
- (3) Requests for letter rulings are to be submitted with the applicable fee in the form required by the Revenue Procedure 2013-1 (or successor revenue procedure) to the Internal Revenue Service at the address shown in Revenue Procedure 2013-1 (or successor revenue procedure).

32.3.2.3.1 (07-09-2014) **Acknowledgment and Assignment**

- (1) On receipt of a request for a letter ruling, the Docket, Records & User Fee Branch, Legal Processing Division, ensures that the letter ruling request includes all required documents, including the applicable user fee. Requests that are complete are controlled by the Docket, Records & User Fee Branch on CASE-MIS and an acknowledgment letter is mailed to the taxpayer. After mailing the acknowledgment letter, the Docket, Records & User Fee Branch will forward the letter ruling request to the appropriate Associate Office for action.
- (2) On receipt of the request for a letter ruling from the Docket, Records & User Fee Branch, the Associate Office will review the file and confirm that the primary issue raised in the request is within the Associate Office's jurisdiction. The Associate Office will assign the request to a branch or docket attorney and reviewer. If the Associate Office assigns the request to a branch, the branch chief, or delegate, will assign the request to a docket attorney and reviewer.
- (3) The assignment of letter rulings must comply with the policy provided for in this section. It is important that the public is confident that the letter ruling program is administered fairly and impartially. The policy is intended to foreclose the risk and the potential perception that practitioners can unduly influence the process for assigning a case to a specific counsel attorney. This policy also provides flexibility for each Associate Office to implement the requirements of the policy in a manner that accommodates that office's unique needs, resources, and circumstances.

- (4) Requirement 1: Each Associate Office must adopt one or more safeguards on the pre-submission conference process to minimize the ability of a practitioner to use the process as a tactic to direct the resulting request for letter ruling to a particular attorney. In all cases where a pre-submission conference is granted, the practitioner must be advised that any resulting request for letter ruling will be assigned based on the needs of the office and that the attorney/reviewer team assigned to the pre-submission conference will not necessarily be the team assigned to the letter ruling.

Example 1. Where branches have concurrent subject matter jurisdiction, a procedure under which all requests for pre-submission conferences are forwarded to the Associate Office's front office and then assigned to the branches using a rotational ("next-in-line") or random assignment process is an appropriate safeguard.

Example 2. Where branches have concurrent subject matter jurisdiction, a procedure under which attorneys from more than one branch or the front office participate in each pre-submission conference is an appropriate safeguard.

Example 3. Where branches have concurrent subject matter jurisdiction, a procedure under which an attorney's ability to accept a request for a pre-submission conference is governed by a formula established and monitored by the Associate Office's front office that limits assignments from a particular practitioner and/or firm is also an appropriate safeguard.

Example 4. Where branches do not have concurrent subject matter jurisdiction, or in cases where pre-submission conference requests are received directly by a branch, a procedure under which the Branch Chief or the Associate Office's front office management must approve the attorney assigned to the pre-submission conference is an appropriate safeguard. In approving the assignment to the attorney, the Branch Chief or front office management should take into account the number of pre-submission conferences the attorney has held with the same practitioner and/or firm, along with other relevant considerations, such as the specialized expertise of the attorney and the need to balance workload among attorneys.

- (5) Requirement 2: The process that each Associate Office uses to assign requests for letter rulings must allow for management control and monitoring of the number of letter ruling requests from a particular practitioner that are assigned to each attorney.

- a. In the case of a letter ruling request that was not preceded by a pre-submission conference, management must assure that safeguards similar to those above for pre-submission requests are followed.

Example: A letter ruling assignment process that assigns ruling requests to branches following a rotational ("next-in-line") process, or a process under which the Branch Chief or the Associate Office's front office management must approve the assigned attorney, are appropriate safeguards.

- b. The Associate Office's assignment process should allow flexibility so that the mere fact that the incoming request indicates that the request was discussed with a particular attorney is not determinative as to which attorney is assigned to the letter ruling request.

32.3 Letter Rulings, Information Letters, and Closing Agreements

- c. Each Associate Office must ensure that for all letter ruling assignments, the practitioner's name and firm have been entered into the "Filer Representative" field on TECHMIS. At the beginning of each month, CC:F&M will run a TECHMIS informational report for each Associate Office that sorts all pending letter ruling requests by name of the assigned attorney and shows the name of the practitioner.
 - d. When assigning letter ruling requests, the Branch Chief (or other assigning manager) must take into account prior letter ruling assignments originating from the same practitioner and/or firm. Where possible, the assigning manager should limit the number of letter ruling assignments to an attorney that originate from a single source. An office may have unique circumstances that make it unrealistic or impractical to avoid repeat assignments from a particular source (e.g., a limited number of specialized experts for a particular Code provision, or a large volume of letter ruling requests originating from a small number of practitioners or firms). This policy does not prohibit repeat assignments from the same practitioner and/or firm to a particular attorney, provided management makes such assignments based on the needs of the office.
- (6) Requirement 3: As an additional safeguard against the perception that a practitioner can obtain an unwarranted benefit from a particular attorney/reviewer team, each office must establish procedures for a substantive check on the holding(s) of the letter ruling to ensure that novel interpretations of the law are reviewed by others in the Associate Office prior to issuance of the letter ruling.

Example 1. A process under which all letter rulings addressing novel issues must be shared with other branches having concurrent jurisdiction (e.g., on a 3-day review or similar process) and any disagreements handled pursuant to the office's reconciliation procedures, is an adequate substantive check.

Example 2. A process under which all letter rulings addressing novel issues must be briefed to one or more members of the Associate Office's front office (e.g., through "significant item" meetings or a similar process) is an adequate substantive check.

32.3.2.3.2 (10-06-2017) Processing Letter Rulings

- (1) The following procedures apply to letter rulings, except those involving accounting method and accounting period change letters.
- (2) Upon receiving a request for a letter ruling, the attorney (or tax law specialist) assigned to the request should review the file for procedural and substantive completeness. The attorney should pay particular attention to whether:
 - The request has been submitted by an appropriate person
 - The requestor has properly designated a representative to handle the request
 - A conference of right is requested
 - Expeditious treatment is requested
 - Section 7805(b)(8) relief (regarding retroactivity) is requested
 - A complete statement of relevant facts and authorities is present
 - The request involves multiple issues or issues under the jurisdiction of other branches or offices

Note: The checklist in the annual revenue procedure for letter rulings and determination letters provides a useful reference of items that must be addressed.

- (3) The assigned attorney should carefully analyze the request to determine whether sufficient information is furnished on which to base the ruling requested and whether the matter is one that may properly be made the subject of a letter ruling. In each case, the facts should be developed to the fullest extent necessary before preparing the letter ruling. If essential information is lacking, the attorney must request the necessary information. If the request is one in which a letter ruling will not be issued because the issue falls within a no rule area, the attorney should prepare a “no-ruling letter.” The attorney should not recite the “facts” in the “no-ruling letter.” Rather, the attorney should provide a brief statement of the issue presented in the request and cite the authority or reason for not issuing a ruling.
- (4) The assigned attorney or other branch representative should call the taxpayer or authorized representative if the request includes a properly executed power of attorney, within 21 calendar days after receiving the letter ruling request to discuss the procedural and, to the extent possible, substantive issues in the request. The attorney should include a notation in the file when the contact is made. If the attorney does not call the taxpayer or authorized representative within 21 days, branch personnel must notify the Associate Chief Counsel or Deputy Associate Chief Counsel that the required taxpayer contact was not made and the reason(s) that the contact was not made timely. This notification must be in writing and must be made within 5 days after the branch determines that required contact was not made timely. A copy of the notification must be placed in the legal file.
- (5) If the request lacks essential information, the assigned attorney will tell the taxpayer during the initial or subsequent contact that the request will be closed if the Service does not receive the information within 21 calendar days from the date of the request for additional information, unless an extension of time is granted. An extension of the 21-day period for providing additional information will be granted only if justified in writing by the taxpayer and approved by the branch reviewer. The taxpayer will be told promptly, and later in writing, of the approval or denial of the requested extension. If the extension request is denied, there is no right of appeal.
- (6) If the taxpayer does not submit the information requested during the initial or subsequent contact within the time provided, the letter ruling request will be closed and the taxpayer will be notified in writing. If the information is received after the request is closed, the request will be reopened and treated as a new request as of the date the information is received. The taxpayer must pay another user fee before the case can be reopened.
- (7) When the request for a letter ruling is accompanied by a power of attorney, the assigned attorney is responsible for determining whether the representative has complied with the Conference and Practice Requirements. See **CCDM 32.3.2.8** <http://publish.no.irs.gov/getpdf.cgi?catnum=39010>, *Representation of Taxpayers, concerning the Conference and Practice Requirements*, including the furnishing of power of attorney, tax information declaration of representative, evidence of enrollment to practice, and other matters.

32.3 Letter Rulings, Information Letters, and Closing Agreements

Note: Taxpayers who ask in the letter ruling request that a copy of the reply be sent to an unauthorized person should be informed that the Service will not send a copy to a person who is not an eligible representative authorized to represent the taxpayer before the IRS.

(8) A letter ruling should:

- a. Fully resolve all issues presented in the request
- b. Be written in plain language to the extent that circumstances permit
- c. Be technically accurate, legally sound, and as concise as possible without sacrificing clarity
- d. Contain an appropriate explanation of the reasons for the conclusions reached
- e. Distinguish any contrary authority cited by the taxpayer if necessary to do so in support of the Service's conclusion in the letter ruling

Note: This is particularly true of revenue rulings, regulations, and court decisions in which the Service has acquiesced or otherwise announced it will follow that appear to bear closely on the issue. Normally only those authorities bearing most directly on the issue need be distinguished. If helpful, any published guidance available may be enclosed.

- (9) Letter rulings and determination letters are addressed to the taxpayer and prepared for the signature of the official having authority to act in the matter. The closing for all letter rulings is "sincerely."
- (10) After a letter ruling has been prepared and the signature package is assembled, the file is forwarded for review and signature or transmittal to the next official in the chain of review.
- (11) After the letter ruling is signed, the original letter ruling or determination letter is sent to the taxpayer using regular mail. The Service also will send copies of the letter ruling or determination letter to no more than two (2) authorized representatives of the taxpayer if the taxpayer checked the appropriate boxes on the Form 2848, Power of Attorney and Declaration of Representative. Copies of the letter ruling are transmitted using Letter 1690, Exhibit 32.3.2-1, and copies of an accounting method change letter are transmitted using Letter 1690 (Version 2), Exhibit 32.3.2-2.
- (12) A copy of the letter ruling, whether favorable or adverse, is sent to the appropriate Service official in the operating division having examination jurisdiction of the taxpayer's return. See **CCDM 32.3.2.7** <http://publish.no.irs.gov/getpdf.cgi?catnum=39010>, *Referral of Copies of Letter Rulings to the Appropriate Service Official*.
- (13) After the letter ruling is sent to the taxpayer, the attorney must complete the Checksheet for Processing Private Letter Rulings, and Form 9818, Case Processing, and submit the letter ruling to the Legal Processing Division for processing. In addition, if a refund of all or part of the user fee is due, the attorney must complete the User Fee Refund Request Form and submit it to the Legal Processing Division, Docket, Records and User Fee Section, for processing.

Letter Rulings 32.3.2

page 7

32.3.2.3.2.1
(08-11-2004)

**Processing Accounting
Method and Accounting
Period Change Letters**

(1) [RESERVED]

32.3.2.3.2.2
(08-11-2004)

**Caveats to be Included
in Letter Rulings,
Technical Advice
Memoranda, and
Accounting Method and
Period Change Letters**

(1) All letter rulings, technical advice memoranda, and accounting method and period change letters issued after the adoption of temporary or final regulations will contain one of the following caveats:

- a. **Letter rulings:** “This letter ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Internal Revenue Code provides that it may not be used or cited as precedent.”
- b. **Accounting method change letters:** “The accounting method change granted in this letter ruling is directed only to the taxpayer who requested it and may not be used or cited as precedent.”
- c. **Accounting period approval action letters:** “The accounting period approval granted in this letter ruling is directed only to the taxpayer who requested it and may not be used or cited as precedent.”

(2) All letter rulings, technical advice memoranda, and accounting method and period change letters issued before the adoption of temporary or final regulations will contain one of the following caveats:

- a. **Letter rulings:** “This letter ruling is directed only to the taxpayer who requested it. Section 6110(k)(3) of the Internal Revenue Code provides that it may not be used or cited as precedent. Temporary or final regulations pertaining to one or more of the issues addressed in this letter ruling have not yet been adopted. Therefore, this letter ruling will be modified or revoked by the adoption of temporary or final regulations to the extent the regulations are inconsistent with any conclusion in the letter ruling. See [add reference to appropriate section of annual revenue procedure]. If the taxpayer can demonstrate that the criteria in [add appropriate section of annual revenue procedure] are satisfied, a letter ruling is not revoked or modified retroactively except in rare or unusual circumstances.”
- b. **Accounting method change letters:** “The accounting method change granted in this letter is directed only to the taxpayer who requested it and may not be used or cited as precedent. Temporary or final regulations pertaining to one or more of the issues addressed in this letter have not yet been adopted. Therefore, should final or temporary regulations be adopted with positions that are inconsistent with the conclusions reached in this grant letter, the method of accounting utilized as a result of the grant letter will no longer be regarded as a proper method of accounting, and would be subject to change within the framework of sections 446 and 481 of the Code.”
- c. **Accounting period approval action letters for change or adoption of accounting periods:** “The accounting period approval granted in this letter is directed only to the taxpayer who requested it and may not be used or cited as precedent. Temporary or final regulations pertaining to one or more of the issues addressed in this letter have not yet been adopted. Therefore, should final or temporary regulations be adopted with positions that are inconsistent with the conclusions reached in this grant letter, the annual accounting period of utilized as a result of the grant letter will no longer be regarded as a proper period of accounting, and

32.3 Letter Rulings, Information Letters, and Closing Agreements

would be subject to change within the framework of the applicable sections of the Code, regulations, or other administrative guidance.”

Caution: In cases in which regulations have not been adopted and for which either the answer seems reasonably certain (but not entirely free from doubt) or the answer does not seem reasonably certain, a higher level of review, which may include consultation with Treasury, may be appropriate before issuing a response. During this review, consideration will be given to whether a letter ruling is the proper form of guidance in the particular situation. For example, it could be decided that another form of guidance, such as a revenue ruling or a notice, would be more appropriate.

- (3) Attach copy to relevant tax returns. To remind taxpayers to attach a copy of the letter ruling to their returns, a paragraph substantially in the following language should be inserted in each letter ruling if it is anticipated that the taxpayer will receive the letter ruling before filing any return to which the transaction is relevant: “You must attach a copy of this letter ruling to any tax return to which it is relevant.” See also **CCDM 32.3.1.13** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *Requirements with Respect to Submission of Requests for Letter Rulings*.
- (4) Based on particular circumstances. It may be necessary to create a caveat to address the particular facts and circumstances of a request for letter ruling or technical advice. For example, if a letter ruling or a technical advice memorandum relies on a translation of a foreign statute to arrive at a conclusion, pertinent portions of the translation should be incorporated in the body of the ruling or technical advice or attached as an exhibit with a caveat, as follows: “This letter ruling [technical advice memorandum] is based on a translation of a foreign statute supplied by the taxpayer and its application is conditional on the accuracy of such translation. The Internal Revenue Service has not independently verified the accuracy of the translation supplied by the taxpayer.”

32.3.2.3.2.2.1
(08-11-2004)

Other Potential Caveats

- (1) The following caveats may be used as appropriate.
 - a. The information contained in the letter ruling is based on the information and representations submitted by the taxpayer and accompanied by a penalty of perjury statement executed by an appropriate party. While this office has not verified any of the material submitted in support of the request for ruling, it is subject to verification on examination.
 - b. Except as specifically set forth above, no opinion is expressed or implied concerning the federal tax consequences of the proposed transaction under any other provision of the Code or regulations.
 - c. Enclosed is a copy of the letter ruling showing the deletions proposed to be made when the letter is disclosed under section 6110 of the Code.
 - d. In accordance with the power of attorney on file with this office, a copy of this letter is being sent to the taxpayer [taxpayer’s representative].

32.3.2.3.3
(08-11-2004)

Use of Citations

- (1) Attorneys should use citations that are consistent with the Chief Counsel style requirements.

Letter Rulings 32.3.2

page 9

32.3.2.3.4
(08-11-2004)
Changes in Position

- (1) If in connection with the preparation of a letter ruling, a change in Service position or in a prior interpretation is involved, see the procedures set out in **CCDM 32.3.2.1.4** <http://publish.no.irs.gov/getpdf.cgi?catnum=29146>, *Change in Position*.

32.3.2.3.5
(08-11-2004)
Nonretroactivity under Section 7805(b)(8)

- (1) Pursuant to section 7805(b)(8), it is within the discretion of the Commissioner or the Commissioner's delegate to prescribe the extent, if any, to which any letter ruling (or determination letter) will be applied without retroactive effect.
- (2) A request for letter ruling may contain a request for relief under section 7805(b)(8) in the event the Service proposes to issue a letter ruling adverse to the taxpayer's request. See **CCDM 32.3.2.3.5.1** <http://publish.no.irs.gov/getpdf.cgi?catnum=39010>, *General*.
- (3) Relief under section 7805(b)(8) may also be requested when the Service revokes or modifies a previously issued letter ruling. See **CCDM 32.3.2.3.5.2**, *Means of Revoking or Modifying a Previously Issued Letter Ruling*.
- (4) Special procedures apply when section 7805(b)(8) relief is requested in connection with the modification or revocation of a determination letter. See **CCDM 32.3.2.3.5.3**, *Processing Section 7805(b) Requests Involving Determination Letters*.

32.3.2.3.5.1
(07-09-2014)
General

- (1) If a letter ruling is revoked or modified, the revocation or modification applies to all open years unless the Commissioner or the Commissioner's delegate exercises the discretionary authority under section 7805(b) to limit the retroactive effect of the revocation or modification.

Note: In **Delegation Order No. 30-1** <http://publish.no.irs.gov/getpdf.cgi?catnum=39625>, *Application of Rulings without Retroactive Effect*, (in IRM 1.2.53.2), the Commissioner authorized the Associate Chief Counsel and Division Counsel/Associate Chief Counsel (TEGE) to prescribe the extent, if any, to which any letter ruling issued under their respective jurisdiction is applied without retroactive effect.

- (2) A request to limit the retroactive effect of a letter ruling must be in the general form of, and meet the requirements for, a letter ruling request and comply with the annual revenue procedure for letter rulings. A request for relief under section 7805(b)(8) may be made either at the time a request is submitted or at any time before the letter ruling is issued.
- (3) A taxpayer may request a conference on the application of section 7805(b)(8) in accordance with the provisions of the annual revenue procedure for letter rulings.
- (4) Whenever the question of nonretroactive application under section 7805(b)(8) is considered, the following additional procedures apply.
- a. When recommending the nonretroactive application of any letter ruling, the initiating branch shall prepare a memorandum explaining the basis for the recommendation and requesting the approval of the appropriate Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE). If there has been any question whether the extent of the nonretroactive application should be different from that recommended, the memorandum shall identify the alternatives considered and explain the

32.3 Letter Rulings, Information Letters, and Closing Agreements

reasons for not recommending the alternatives. The memorandum includes a recommendation and date line for the branch, a concurrence and date line for the Assistant Chief Counsel (when appropriate), and an approval and date line for the appropriate Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE).

- b. If it is recommended that section 7805(b) relief should not be granted, the initiating branch will prepare a memorandum to that effect. The memorandum includes a recommendation and date line for the branch and an approval and date line for the appropriate Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE).
 - c. These memoranda are prepared in the format shown in Exhibit 32.3.2-5 and forwarded to the appropriate Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE) for approval or rejection.
- (5) The letter rulings involving cases where the application of section 7805(b)(8) is considered are generally prepared for the signature of the initiating office.

32.3.2.3.5.2
(07-09-2014)

Means of Revoking or Modifying a Previously Issued Letter Ruling

- (1) Unless it was part of a closing agreement, a letter ruling found to be in error or not in accord with the current views of the Service may be revoked or modified. If a letter ruling is revoked or modified, the revocation or modification applies to all open years unless the Commissioner or the Commissioner's delegate exercises the discretionary authority under section 7805(b)(8) to limit the retroactive effect of the revocation or modification.
- (2) Revocation or modification of a letter ruling may be made by any of the events specified in **CCDM 32.3.1.6.1** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *May be Revoked or Modified if Found to be in Error*. Consistent with these provisions, if a letter ruling relates to a continuing action or a series of actions, the ruling will ordinarily be applied until one of the events described in *CCDM 32.3.1.6.1* occurs or until it is specifically withdrawn. Publication of a notice of proposed rulemaking will not affect the application of any letter ruling under these procedures.

Caution: When a letter ruling that concerns a continuing transaction is modified or revoked by, for example, a subsequent revenue ruling, a letter ruling request to limit the retroactive effect of the modification or revocation of the letter ruling must be made before the examination of the return that contains the transaction that is the subject of the letter ruling request.

- (3) When the Service reconsiders a favorable letter ruling previously issued to a taxpayer that will not require a change to a revenue ruling or a temporary or final regulation, the taxpayer must be notified in writing that the letter ruling is being reconsidered and, therefore, is withdrawn. The written notification may be preceded by a telephone call to the taxpayer or the taxpayer's representative (so long as the power of attorney is still valid), or both, to alert them to the withdrawal of the letter ruling. If the final decision is adverse, the taxpayer will be permitted to request relief under section 7805(b)(8).

Note: If a letter ruling is revoked by letter with retroactive effect, the letter will, except in fraud cases, state the grounds upon which the revocation is being made and the reasons why the revocation is being applied retroactively.

Caution: Any case containing unusual circumstances that suggest that the letter ruling is not to be withdrawn immediately is to be brought to the attention of the appropriate Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE). See **CCDM 32.3.1.13.3**, <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *Effect of Section 6110 on Letter Rulings*, for section 6110 considerations.

- (4) Except in rare or unusual circumstances, the revocation or modification of a letter ruling will not be applied retroactively to the taxpayer for whom the letter ruling was issued or to a taxpayer whose tax liability was directly involved in the letter ruling if the conditions specified in **CCDM 32.3.1.6.3** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *Not Otherwise Generally Revoked or Modified Retroactively*, are met.
- (5) When a revenue ruling has the effect of modifying or revoking a letter ruling previously issued to the taxpayer or when the Service notifies the taxpayer of a change in position that will have the effect of revoking or modifying a prior letter ruling, the taxpayer may request relief under section 7805(b)(8) in the form of a separate request for letter ruling. When such notice is given during the course of an examination of the taxpayer's return or during the consideration of the return by an appeals office, a request to limit the retroactive effect of the modification or revocation of a letter ruling must be made in the form of a request for technical advice. See **CCDM 33.2.2** <http://publish.no.irs.gov/getpdf.cgi?catnum=29148>, *Requests for Technical Advice and Technical Expedited Advice*.
- (6) See **CCDM 32.3.1.6.3** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *Not Otherwise Generally Revoked or Modified Retroactively*, for the nonretroactive application of a revocation or modification of a letter ruling issued on a particular transaction.
- (7) See **CCDM 32.3.1.6.4** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *Retroactive Revocation to a Continuing Transaction*, for the nonretroactive application of a revocation or modification of a letter ruling covering a continuing action or a series of actions.
- (8) A letter ruling holding that the sale or lease of a particular article is subject to the manufacturer's excise tax or the retailer's excise tax may not retroactively revoke or modify an earlier letter ruling holding that the sale or lease of the article was not taxable, if the taxpayer to whom the letter ruling was issued, in reliance upon the earlier letter ruling, parted with possession or ownership of the article without passing the tax on to the customer. Section 1108(b), Revenue Act of 1926. See also **CCDM 32.3.1.6.5** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *Generally not Retroactively Revoked or Modified if Related to Sale or Lease Subject to Excise Tax*.
- (9) A taxpayer is not protected against the retroactive revocation or modification of a letter ruling under the circumstances described in **CCDM 32.3.1.6.6** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *May be Revoked or Modified When Transaction is Entered into Before the Issuance of the Letter Ruling*.

32.3 Letter Rulings, Information Letters, and Closing Agreements

32.3.2.3.5.3
(10-25-2011)

Processing Section 7805(b)(8) Requests Involving Determination Letters

- (1) Determination letters are written statements issued by a director that apply the previously announced principles and precedents to specific sets of facts. In the case of a determination letter that a director proposes to modify or revoke, the taxpayer to whom the determination letter has been issued may request that the appropriate Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE) exercise the discretionary authority under section 7805(b)(8) to limit the retroactive effect of any revocation or modification of the determination letter.

Note: A director has not been delegated authority under Section 7805(b)(8) to limit the modification or revocation of a determination letter. See **Delegation Order 7-1** <http://publish.no.irs.gov/getpdf.cgi?catnum=39615>, *Employee Plans Determination and Revocation Letters; Prohibited Transactions; Amendment of Employee Plans; and Examination Reports*, in IRM 1.2.46.2.

- (2) The taxpayer's request must be in the form of, and meet the general requirements for a technical advice request.
- (3) The taxpayer has a right to a conference to the same extent as does any taxpayer who is the subject of a technical advice request. See **CCDM 33.2.2** <http://publish.no.irs.gov/getpdf.cgi?catnum=29148>, *Requests for Technical Advice and Technical Expedited Advice*.

32.3.2.3.6
(08-11-2004)

File Memoranda

- (1) When a request for a letter ruling presents a particularly difficult question of law a memorandum may be prepared for reviewing officials that discusses the authorities (including court cases and previous determinations by the Service) and the reasoning supporting the initiator's conclusion that are not included in the proposed reply to the request. These memoranda may be appropriate in borderline cases where there does not appear to be any clear precedent.
- (2) If a tentative conclusion is reached in a current letter ruling case that conflicts with a prior conclusion reached on the same issue, a file memorandum explaining the different interpretation should be prepared, and the conflict should be brought to the attention of the appropriate Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE) for resolution. A copy of the memorandum should be retained for the letter ruling file.
- (3) The memorandum in both (1) and (2) above should include a discussion of whether it may be more appropriate to use a different form of guidance. See Caution at **CCDM 32.3.2.3.5.2(2)** <http://publish.no.irs.gov/getpdf.cgi?catnum=39010>, *Means of Revoking or Modifying a Previously Issued Letter Ruling*.

32.3.2.3.7
(10-25-2011)

Case History, Form 9718

- (1) See **CCDM 30.9.1.2** <http://publish.no.irs.gov/getpdf.cgi?catnum=29712>, *Case History Sheets*, for the use of **Form 9718** <http://publish.no.irs.gov/getpdf.cgi?catnum=21154>, *Case History*.

32.3.2.4
(08-11-2004)
Conferences

- (1) The following applies to all conferences (including pre-submission conferences) held in Chief Counsel in connection with requests for letter rulings and technical advice memoranda.

- (2) A taxpayer may request a conference regarding a letter ruling request. The taxpayer is entitled, as a matter of right, to only one conference except as provided.
- (3) The Associate Office will offer the taxpayer an additional conference if, after the conference of right, an adverse holding is proposed, but on a new issue, or on the same issue but on different grounds from those discussed at the first conference. There is no right to another conference when a proposed holding is reversed at a higher level with a result less favorable to the taxpayer, if the grounds or arguments on which the reversal is based were discussed at the conference of right.
- (4) The limit on the number of conferences to which a taxpayer is entitled does not prevent the Associate Office from offering additional conferences, including conferences with an official higher than the branch level, if the Associate Office decides they are needed. These conferences are not offered as a matter of course simply because the branch has reached an adverse decision. In general, conferences with higher level officials are offered only if the Associate Office determines that the case presents significant issues of tax policy or tax administration and that the consideration of these issues would be enhanced by additional conferences with the taxpayer.

32.3.2.4.1
(08-11-2004)
**Scheduling and
Conducting a
Conference**

- (1) A taxpayer may request a conference regarding a letter ruling request. Normally, a conference is scheduled only when the Associate Office considers it to be helpful in deciding the case or when an adverse decision is indicated. If conferences are being arranged for more than one request for a letter ruling involving the same taxpayer, they will be scheduled so as to cause the least inconvenience to the taxpayer. A taxpayer who wants to have a conference on the issue or issues involved should indicate this in writing when, or soon after, filing the request.
- (2) The conference is normally held at the branch level and is attended by a person who has the authority to sign the letter ruling in his or her own name or for the branch chief. When more than one branch has taken an adverse position on an issue in a letter ruling request or when the position ultimately adopted by one branch will affect that adopted by another, a representative from each branch with the authority to sign in his or her own name or for the branch chief will attend the conference. If more than one subject is to be discussed at the conference, the discussion will constitute a conference on each subject.
- (3) To have a thorough and informed discussion of the issues, the conference usually will be held after the branch has had an opportunity to study the case. At the request of the taxpayer, the conference of right may be held earlier.
- (4) Because conference procedures are informal, no tape, stenographic, or other verbatim recording of a conference may be made by any party.
- (5) The senior Associate Office representative present at the conference ensures that the taxpayer has the opportunity to present views on all the issues in question. An Associate Office representative explains the Associate Office's tentative decision on the substantive issues and the reasons for that decision. If the taxpayer asks the Associate Office to limit the retroactive effect of any letter ruling or limit the revocation or modification of a prior letter ruling, an Associate Office representative will discuss the recommendation concerning

32.3 Letter Rulings, Information Letters, and Closing Agreements

this issue and the reasons for the recommendation. The Associate Office representatives will not make a commitment regarding the conclusion that the Associate Office will finally adopt.

- (6) Depending on the circumstances, conferences, including conferences of right and pre-submission conferences may be held by telephone. This may occur, for example, when a taxpayer wants a conference of right but believes that the issue involved does not warrant incurring the expense of traveling to Washington, D.C., or if it is believed that scheduling an in person conference of right will substantially delay the ruling process. If a taxpayer makes such a request, the branch reviewer will decide if it is appropriate in the particular case to hold a conference by telephone. If the request is approved, the taxpayer will be advised when to call the Associate Office representatives (not a toll-free call).

32.3.2.4.2 (08-11-2004) Pre-Submission Conferences

- (1) Sometimes it will be advantageous to both the Associate Office and the taxpayer to hold a conference before the taxpayer submits the letter ruling request to discuss substantive or procedural issues relating to a proposed transaction. These conferences are held only if the identity of the taxpayer is provided to the Associate Office, only if the taxpayer actually intends to make a request, only if the request involves a matter on which a letter ruling is ordinarily issued, and only at the discretion of the Associate Office and as time permits.
- (2) A letter ruling request submitted following a pre-submission conference will not necessarily be assigned to the branch that held the pre-submission conference. Also, when a letter ruling request is not submitted following a pre-submission conference, the Associate Office may notify, by memorandum, the appropriate Service official in the operating division that has examination jurisdiction of the taxpayer's tax return and may give its views on the issues raised during the pre-submission conference. This memorandum may constitute Chief Counsel Advice, as defined in section 6110(i), subject to disclosure under section 6110.
- (3) A taxpayer may request a pre-submission conference in writing or by telephone. The request should identify the taxpayer and include a brief explanation of the primary issue so that an assignment to the appropriate branch can be made.
- (4) Depending on the circumstances, pre-submission conferences may be held in person at the Associate Office or may be conducted by telephone.
- (5) Generally, the taxpayer will be asked to provide, at least three business days before the scheduled pre-submission conference, a statement of whether the issue is an issue on which a letter ruling is ordinarily issued, a draft of the letter ruling request or other detailed written statement of the proposed transaction, issue, and legal analysis. If the taxpayer's authorized representative will attend or participate in the pre-submission conference, a power of attorney is required. If multiple taxpayers and/or their authorized representatives will attend or participate in the pre-submission conference, cross powers of attorney (or tax information authorizations) are required.
- (6) Any discussion of substantive issues at a pre-submission conference is advisory only, is not binding on the Service in general or on the Office of Chief

Letter Rulings 32.3.2

page 15

Counsel in particular, and cannot be relied upon as a basis for obtaining retro-active relief under the provisions of section 7805(b).

32.3.2.4.3
(08-11-2004)

Conference Procedures

- (1) If the taxpayer designates a representative to handle the request for a letter ruling, the initiator must be sure that the person representing the taxpayer has met all necessary conference and practice requirements. See **CCDM 32.3.2.8** <http://publish.no.irs.gov/getpdf.cgi?catnum=39010>, *Representation of Taxpayers*.
- (2) Conferences are generally conducted in an informal manner for the purpose of discussing the issue, the background, and the arguments for and against the proposed ruling.
- (3) All pertinent facts should be stated in the original request for a letter ruling (or in information subsequently submitted). Occasionally, however, some fact is identified or developed in the conference or an authority is cited that was not mentioned or fully presented in the request for letter ruling. In these cases, the taxpayer is responsible for furnishing in writing any additional data, lines of reasoning, or precedents that were discussed at the conference in accordance with the requirements to submit additional information in **CCDM 32.3.1.13** <http://publish.no.irs.gov/getpdf.cgi?catnum=29177>, *Requirements with Respect to Submission of Requests for Letter Rulings*.
- (4) A conference report should be prepared. See Exhibit 32.3.2-6. After approval by the conference leader attending the conference, the original of the report is associated with the case file and copies are distributed to Service personnel who attended.

32.3.2.5
(08-11-2004)

Coordination with Other Offices

- (1) The general procedures for coordination are set out in **CCDM 31.1.4** <http://publish.no.irs.gov/getpdf.cgi?catnum=29650>, *Coordination and Reconciliation of Disputes*.
- (2) A request for a letter ruling may contain issues coming under the jurisdiction of two or more offices in Chief Counsel. The preparation of a reply in these cases requires coordination between the offices involved. The coordination should be done early and at the lowest supervisory level in order to ensure timely and adequate responses.
- (3) A single reply ordinarily should be made to each request for a letter ruling that presents two or more issues. If the reply is to be for signature above the branch level, a single reply is preferable and should be made whenever feasible.
- (4) In some cases it may be preferable to reply to each issue separately if the issues are under the jurisdiction of different offices, and those offices agree that separate replies are in the best interests of the Service. Disagreements concerning whether separate replies are preferred will be referred promptly to succeeding levels of authority until resolved. See **CCDM 32.3.2.5.2** <http://publish.no.irs.gov/getpdf.cgi?catnum=39010>, *Resolving Differences*.
- (5) If more than one branch or office is involved, the branch chief having responsibility for the principal issue in a request is responsible for recognizing the need for coordination and for instituting appropriate action.

32.3 Letter Rulings, Information Letters, and Closing Agreements

32.3.2.5.1
(08-11-2004)

Processing Requests Containing Two or More Issues (Multi-Issue Requests)

- (1) On initial receipt of a multi-issue request for a letter ruling, the Docket, Record & User Fee Branch refers the request to the branch having jurisdiction over the principal issue.
- (2) If the need for assistance is apparent, it should generally be requested within the first 15 days after receipt in the branch having jurisdiction over the principal issue. If the need for assistance is not apparent upon receipt of the case, assistance should be requested as soon as the need is recognized.
- (3) The assistance request should state whether the issues are interdependent or capable of concurrent consideration; if interdependent, the request should state how the requesting branch proposes to rule on its issue.
- (4) The assistance request should clearly identify the issue that is the subject of the request either by stating the issue or by clear reference to the issue number, page number, etc., in the underlying request for letter ruling.
- (5) The assistance should be written in such form that it can be used in the letter ruling without rewording.
- (6) The office receiving assistance should prepare the letter ruling using the signature principles that would be appropriate if no other office were concerned. See **CCDM 31.1.3** <http://publish.no.irs.gov/getpdf.cgi?catnum=29649>, *Signature Principles*.

32.3.2.5.1.1
(08-11-2004)

Processing Multi-Issue Requests in One Office

- (1) When a subsidiary issue is repetitious or routine, the state of the law on that issue is well established, and there is no risk of inconsistent positions, the office that has jurisdiction over the primary issue should also answer the subsidiary issue.
- (2) The offices involved will agree on whether the subsidiary issue should be handled by the office having jurisdiction over the primary issue and on the extent to which the office with jurisdiction over the subsidiary issue should review, or be informed of, the proposed reply to the subsidiary issue.

32.3.2.5.1.2
(08-11-2004)

Severance of Issues

- (1) Severance of issues is never done unilaterally. The reviewers in the offices involved must agree that severance is the most appropriate way of processing a case, within the context of providing the best service possible and making the most efficient use of available resources.
- (2) Taxpayers will not be invited to sever the issues in a case. If a taxpayer asks that the issues in the case be severed, or submits multiple requests for the purpose of separating the issues, and the issues are interrelated, the offices concerned will consult to determine whether assistance or severance is the best method of processing the request. If the issues are so interrelated that they are most efficiently considered in tandem, the issues should not be severed and assistance should be requested by the office with the primary issue.
- (3) If a determination is made to sever the issues, the severance should be made as early as possible; i.e., as soon as it is mutually determined that the issues are not interdependent and that severance is in the best interests of the taxpayer and of the Service.

Letter Rulings 32.3.2

page 17

- (4) In any case that the supervisors decide to sever an issue, the initiator of the original request should provide a copy of the request and any relevant material to the other office using a buck slip or short memorandum signed by the branch chief or other reviewer stating that the case is being severed and the response to the issue is to be prepared separately.
- (5) The receiving office should ask the Docket, Record & User Fee Branch to create a new TECHMIS number for the severed issue and to cross-reference the initial request.
- (6) Each of the separate replies is prepared for the appropriate signature and contains a statement that the issue not answered is being considered separately.

32.3.2.5.2
(10-25-2011)

Resolving Differences

- (1) When assigning, preparing, or reviewing letter rulings, whether or not more than one issue is involved, each initiator should be alert to the possibility that the issue or issues in the request may involve two or more Code sections that are under the jurisdiction of more than one office. In any case where a conflicting interpretation appears to be developing or to have occurred, every effort should be made to resolve the matter at the earliest stage of consideration and at the lowest managerial level. Matters that cannot be resolved at the lowest managerial level should be referred promptly to succeeding levels of authority until resolved. The matter is to be handled expeditiously and each level of authority will attempt to resolve the matter informally, but as a matter proceeds to higher levels of review certain memoranda may need to be prepared.
- (2) The resolution of a difference at any level of authority should be evidenced by endorsement of the official file copy by the offices involved.
- (3) In any case where appropriate, a memorandum of agreement signed by both offices, indicating the basis upon which the differences were resolved, is also made part of the case file.
- (4) For additional procedures to be followed in resolving disagreements between two offices see **CCDM 31.1.4** <http://publish.no.irs.gov/getpdf.cgi?catnum=29650>, *Coordination and Reconciliation of Disputes*.

32.3.2.6
(08-11-2004)

Coordination with Other Federal Departments and Agencies

- (1) The following covers coordination with other federal departments and agencies.
- (2) As the need arises initiators confer with members of other departments or agencies of the Government on specific matters requiring coordination.
- (3) The Service is responsible for the Federal Insurance Contributions Act (FICA) tax and the Self-Employment Contributions Act (SECA) tax provisions of the Code. The Social Security Administration administers the social security medicare coverage provisions under the Social Security Act. Coordination procedures were originally adopted in December 1937. A Presidential directive dated February 24, 1949, requires the two agencies to join in submitting to the Attorney General for advice any case in which the two agencies have divergent views.
- (4) The Service is responsible for the Railroad Retirement Tax Act provisions of the Code. The Railroad Retirement Board administers the retirement and benefit coverage provisions under the Railroad Retirement and Railroad Unem-

32.3 Letter Rulings, Information Letters, and Closing Agreements

ployment Insurance Acts. Coordination procedures were revised in a written agreement dated December 3, 1973, between the Service and the Board.

32.3.2.6.1
(08-11-2004)

Employment Tax Coordination with Social Security Administration

- (1) The Division Counsel/Associate Chief Counsel (TEGE) has responsibility for all coordination procedures between the Service and the Social Security Administration (SSA) with respect to cases involving technical questions referred to the Associate Offices. Such procedures include the following:
 - a. Making available to the SSA legal opinions of Chief Counsel and of the General Counsel for the Department of the Treasury concerning tax liability under the Federal Insurance Contributions Act and the Self-Employment Contributions Act.
 - b. Receiving inquiries from the SSA and initiate action in novel cases of sufficient importance to justify joint consideration.
 - c. Receiving inquiries from the SSA in those cases in which the coverage status of the individuals involved is being considered by both agencies.
 - d. Exchanging views in any matter of substantial importance to the operations of the other, or if one of the respective agencies contemplates making a decision in a specific case that is contrary to a prior decision of the other agency or to the views expressed by it.
 - e. Affording the SSA an opportunity to express its views with respect to the publication of any letter ruling if, because of its broad scope or application, coordination is deemed desirable or there is doubt whether the SSA agrees with the views of the Service.
- (2) Any matter regarding the Federal Insurance Contributions Act (FICA) tax and the Self-Employment Contributions Act (SECA) tax provisions of the Code that arises directly or indirectly in a case in another Associate Office should be coordinated with the Office of the Division Counsel/Associate Chief Counsel (TEGE) as soon as the matter arises.

32.3.2.6.2
(08-11-2004)

Employment Tax Coordination with Railroad Retirement Board

- (1) The Division Counsel/Associate Chief Counsel (TEGE) has responsibility for all coordination procedures between the Service and the Railroad Retirement Board with respect to cases involving technical questions. Such coordination shall be with the Chief Executive Officer and the General Counsel of the Railroad Retirement Board and shall include the following procedures:
 - a. Making available legal opinions of the Chief Counsel and of the General Counsel for the Department of the Treasury concerning tax liability under the Railroad Retirement Tax Act.
 - b. Exchanging views on technical matters before issuance of an interpretation involving provisions of the law which affect the responsibility of both agencies, to the extent deemed mutually advisable by the agencies.
 - c. Receiving inquiries from the Board in those cases in which the coverage status of the individuals involved is being considered.
 - d. Exchanging views in any other matter of substantial importance from the standpoint of the operations of the other.
 - e. Exchanging views if one of the respective agencies contemplates making a decision in a specific case that is contrary to a prior decision of the other agency or to the views expressed by it.
 - f. Affording the Board an opportunity to express its views with respect to the publication of any letter ruling if, because of its broad scope or applica-

tion, coordination is deemed desirable or there is doubt whether the Board agrees with the views of the Service.

- (2) Any matter regarding the Railroad Retirement Tax Act provisions of the Code that arises directly or indirectly in a case in another Associate Office should be coordinated with the Office of the Division Counsel/Associate Chief Counsel (TEGE) as soon as the matter arises.

32.3.2.7

(06-14-2022)

Referral of Copies of Letter Rulings to the Appropriate Service Official

- (1) Send one copy of each letter ruling, which includes all Change in Accounting Method (CAM) correspondence produced by any Associate office (except ITA CAM correspondence produced for LB&I taxpayers, which has its own procedure), whether favorable or adverse, to the appropriate Service official identified in the CAMS/PLR Directory accessed from the Office of Chief Counsel intranet site [https://employeeresources.prod.irs.counsel.treas.gov/CC%20Phone%20Directory/plr_cam_other_correspondence_address_list.pdf]. This alerts the Service official that a taxpayer received a letter ruling and, in connection with an examination of the taxpayer's return, the Service may verify the facts upon which the letter ruling was based.
- (2) Furnish documents and information obtained or developed in the course of considering a taxpayer's letter ruling request to the Service official identified in paragraph (1). Such documents and information may be important to the Service when examining the taxpayer's return, and must be furnished to the Service official whether or not the letter ruling is issued.
- (3) Notify the Service official identified in paragraph (1) when a taxpayer withdraws a letter ruling request. In addition, you may give your views on the issues in the request for the Service's consideration during any later examination of the taxpayer's returns. Do not return correspondence and exhibits related to a request to the taxpayer. Do not return the letter ruling user fee to the taxpayer. The Service may publish its conclusion(s) with respect to a letter ruling request in a revenue ruling or a revenue procedure.
- (4) Notate a "cc" on each issued letter ruling and all copies of the letter ruling, including the IRS file copy, identifying the appropriate Service official receiving the copy of the letter ruling.

32.3.2.7.1

(08-02-2022)

Notifying the Service to Update Taxpayer's Account Regarding Consent to Extend Time to Assess Tax in Conjunction with the Issuance of a Letter Ruling

- (1) In conjunction with the issuance of a letter ruling a taxpayer may consent to extend the statutory period of time to assess tax. The agreement to extend the statutory period of time to assess tax may be executed using the Service's Form 872, Consent to Extend the Time to Assess Tax, or the agreement may be included in the content of the letter ruling itself or other document (the Consent).
- (2) The Consent is signed and dated by the taxpayer or the taxpayer's authorized representative and countersigned and dated by the Deputy Associate Chief Counsel. See Delegation Order 25-2 (*IRM 1.2.2.14.2(3)*) and *IRM 1.11.4.5.2(1)*.
- (3) After the Consent is signed and countersigned, a Chief Counsel attorney must notify the Service regarding the extended statutory assessment period by sending an email to *wi.plr.ased.extension@irs.gov.
- (4) A Chief Counsel attorney must provide the Service the following information in the email:

32.3 Letter Rulings, Information Letters, and Closing Agreements

- a. Subject line: Assessment statute extension - letter ruling.
 - b. Taxpayer's name.
 - c. Tax year(s) for which the statutory assessment period was extended.
 - d. End date of the statutory assessment period as extended by the Consent.
 - e. Attachment description, e.g., Form 872, other signed agreement.
- (5) In addition, a Chief Counsel attorney must include as an attachment to the email to `*wi.plr.ased.extension@irs.gov` an encrypted copy of the Consent that was signed by the taxpayer or the taxpayer's authorized representative and countersigned by the Deputy Associate Chief Counsel. This may be a copy of the fully executed Form 872, the signed letter ruling, or other signed agreement made by the taxpayer and the Deputy Associate Chief Counsel to extend the statutory assessment period.
- a. Such attachments must comply with the Service's procedures protecting the taxpayer's personal identifying information (PII). See *IRM 10.5.1.6.2* for PII protection and attachment encryption information.
 - b. SEMS secure messaging also may be used to transmit the notification and Consent to the IRS. See *IRM 1.10.3.2.1*.
- (6) The Consent documents bearing the original signatures of the taxpayer or the taxpayer's authorized representative and the Deputy Associate Chief Counsel must be retained in the letter ruling files.

32.3.2.8
(07-09-2014)

Representation of Taxpayers

- (1) Counsel employees must verify that a person is properly authorized to receive the taxpayer information of another person prior to discussing any tax matter or information that may be subject to the disclosure provisions of the Code.
- (2) These rules apply generally to any contact concerning taxpayers or taxpayer information as defined by the Code, including, but not limited to, the following:
- Requests for letter rulings
 - Requests for technical advice
 - Congressional inquiries
 - Requests for general information concerning a specific taxpayer
 - Any other matters involving a specific taxpayer

Caution: Counsel employees may be liable for unauthorized disclosures to persons who are not properly authorized to receive the taxpayer information.

- (3) Care must be taken to ensure that any authorization, such as a power of attorney (usually **Form 2848** <http://publish.no.irs.gov/getpdf.cgi?catnum=11980>, *Power of Attorney and Declaration of Representative*) or **Form 8821** <http://publish.no.irs.gov/getpdf.cgi?catnum=11596>, *Tax Information Authorization*, (is broad enough to cover the matter under consideration, particularly when relying on a power that is forwarded from another office or function.

Note: A taxpayer may execute a Form 8821, Tax Information Authorization, consenting to IRS's disclosure of the taxpayer's return or return information to another person.

- (4) A taxpayer's written consent generally is required before Counsel may disclose tax information to a third party designee of the taxpayer. However, where the

third party is assisting the taxpayer in a Federal tax matter relating to the taxpayer, Counsel may disclose tax information to the third party based upon the taxpayer's written or nonwritten (oral) request for assistance or information. In the case of a written request, the writing must be signed and dated by the taxpayer, and it must contain the following:

1. The taxpayer's identity information (i.e., the taxpayer's name, mailing address, taxpayer identifying number)
2. The identity of the person or persons to whom disclosure is to be made
3. Sufficient facts to enable Counsel to determine the nature and the extent of the information or assistance requested and the tax information to be disclosed
4. In the case of a nonwritten (oral) request, Counsel may make the disclosure after accomplishing the following:
5. Obtaining sufficient facts from the taxpayer to enable Counsel to determine the nature and extent of the information or assistance requested and the tax information to be disclosed
6. Confirming the identity of the person to whom disclosure is to be made
7. Confirming the date, the nature, and the extent of information or assistance requested

Note: Employees making disclosures pursuant to a nonwritten (oral) request should, where possible, record in the case file the details of the request and the disclosure.

- (5) A letter ruling will be addressed to the taxpayer, with a copy to the first representative listed on the power of attorney, unless the Service is instructed to do otherwise. See line 7 of **Form 2848** <http://publish.no.irs.gov/getpdf.cgi?catnum=11980> and the applicable instructions.

32.3.2.8.1
(07-09-2014)
Authority

- (1) Treasury Department Circular 230, 31 CFR, Subtitle A, Part 10, contains rules governing the recognition of attorneys, certified public accountants, enrolled agents, and other persons representing clients before the Internal Revenue Service.

32.3.2.8.2
(07-09-2014)
**Authorized
Representatives**

- (1) A request for a letter ruling, determination letter, or closing agreement by or for a taxpayer must be signed by the taxpayer or the authorized representative. An individual can represent a taxpayer in connection with a request for a letter ruling, determination letter, or closing agreement if the individual is eligible to practice before the IRS. See 31 C.F.R. Part 10 (Circular 230) §§ 10.3 and 10.7(c).
- (2) Any authorized representative representing a taxpayer in connection with a request for a letter ruling, determination letter, or closing agreement must comply with the Conference and Practice requirements of the Statement of Procedural Rules (26 C.F.R. § 601.501 et seq.) and Circular 230.

Note: An unenrolled return preparer cannot represent a taxpayer in connection with a request for a letter ruling, determination letter, or closing agreement.

Caution: There are special post-employment restrictions for former Service employees who are authorized to represent others before the Service. See **CCDM 39.1.2.3.3** <http://publish.no.irs.gov/getpdf.cgi?catnum=29355>, *Post-Employment*, for further guidance.

32.3 Letter Rulings, Information Letters, and Closing Agreements

32.3.2.8.3
(07-09-2014)

Power of Attorney and Declaration of Representative (Form 2848) or Tax Information Authorization (Form 8821)

- (1) A Counsel employee generally cannot discuss a letter ruling with any individual other than the taxpayer unless the taxpayer has consented to the disclosure. Taxpayers should use **Form 2848** <http://publish.no.irs.gov/getpdf.cgi?catnum=11980>, *Power of Attorney and Declaration of Representative*, to designate an eligible individual to represent the taxpayer before Counsel with regard to requests for letter rulings. Taxpayers can use **Form 8821** <http://publish.no.irs.gov/getpdf.cgi?catnum=11596>, *Tax Information Authorization*, to consent to the disclosure of the taxpayer's tax information to a third party who is not representing a taxpayer. In addition, **Form 8655** <http://publish.no.irs.gov/getpdf.cgi?catnum=10241>, *Reporting Agent Authorization* (which generally is used to appoint an individual as reporting agent with authority to sign and file Federal tax deposits for the taxpayer), may be used to authorize the reporting agent as a designee of the taxpayer to receive duplicate copies of notices, correspondence, and transcripts with respect to employment tax returns filed by the designee. See Rev. Proc. 96-17, 1996-1 C.B. 633.
- (2) Each Associate Chief Counsel or Division Counsel/Associate Chief Counsel (TEGE) must establish procedures consistent with this section to ensure that taxpayers are represented only by individuals eligible to practice before the IRS. The procedures also must ensure that the powers of attorney authorizing the representation are valid.

32.3.2.8.3.1
(08-11-2004)

General Guidelines

- (1) It is not mandatory that **Form 2848** <http://publish.no.irs.gov/getpdf.cgi?catnum=11980>, *Power of Attorney and Declaration of Representative*, or **Form 8821** <http://publish.no.irs.gov/getpdf.cgi?catnum=11596>, *Tax Information Authorization*, be used. If one of these forms is not used, the information required by the form must be included in any substitute statement.
- (2) A Form 2848, or substitute, must accompany each request for a letter ruling if the taxpayer desires another person to act as representative and perform any of the specific acts enumerated on Form 2848. A Form 8821, or a substitute, must accompany each request for a letter ruling if the taxpayer desires to authorize a representative to receive confidential information (such as conference participation, receipt of letter ruling, or similar action), but not to perform any of the specific acts enumerated on Form 2848. The power of attorney or the authorization for another to receive tax information may be included in a taxpayer's letter requesting a letter ruling. The declaration as to the representative's qualifications to practice before the Service may be contained in a letter ruling request submitted by the representative.
- (3) When a request for a letter ruling submitted by a person other than the taxpayer does not involve the receipt of confidential tax information, for example, filing a protest or requesting reconsideration of a letter ruling, the authority to represent a taxpayer will be satisfied by restricting the specified acts enumerated in Part I, and completing Part II, of Form 2848, filed by an attorney, certified public accountant, or an agent enrolled to practice before the Service.
- (4) If a power of attorney or other authorization is required and it does not accompany the request for letter ruling, either (1) Letter 2324 will be sent to the person who submitted the request for the letter ruling or (2) the taxpayer or the person who submitted the request for the letter ruling will be contacted by phone by the appropriate branch personnel.

Note: To expedite the receipt of a proper power of attorney, the improperly designated representative may be contacted directly only for the purpose of informing the representative that the power of attorney submitted in connection with a request for letter ruling is unacceptable. The content of the request should not be discussed.

32.3.2.8.3.2
(08-11-2004)

Specific Requirements

- (1) A power of attorney or other authorization may be given only to individuals. If the individuals are members of a firm, the names of the individuals must be listed and not just the firm name.
- (2) A power of attorney or other authorization must clearly specify the type of tax, period, or transaction. It may apply to the tax for a specified period, for example, Income Tax 1996; Estate Tax, November 29, 1995 (Date of Death); Excise Tax, third quarter 1995. Instead of a period, the power of attorney or other authorization may be for a specified transaction or act, for example, whether a sale or use of a product is subject to excise tax. Any number of specific periods or types of taxes may be listed in a power of attorney or other authorization, for example, Income Tax, Estate Tax, Gift Tax, and Excise Tax for 1995 through 1996, but a reference to all years, all periods, or all taxes, is not acceptable.

Note: When a power of attorney is submitted for a letter ruling request, the power must specify that the representative is authorized to act on behalf of the taxpayer with respect to the letter ruling request. It is not sufficient to merely state the tax period to which the ruling request relates.

- (3) A power of attorney or other authorization must be signed by the taxpayer. If a matter concerns a joint return and both the husband and wife are represented by the same individual, both must sign the power of attorney. Either the husband or the wife may sign a **Form 8821** <http://publish.no.irs.gov/getpdf.cgi?catnum=11596>, *Taxpayer Information Authorization*. When the taxpayer is a corporation or association, an officer must sign. If the taxpayer is a partnership, all the partners, the partner authorized to act in the name of the partnership, or (for purposes of executing **Form 2848** <http://publish.no.irs.gov/getpdf.cgi?catnum=11980>, *Power of Attorney and Declaration of Representative*) the tax matters partner must sign. When the taxpayer is an estate or trust, the fiduciary must sign.
- (4) The representative(s) must sign and date the power of attorney, enter the designation under which the representative is authorized to practice before the IRS, and list the jurisdiction in which admitted or licensed to practice. Failure to do so invalidates the power with respect to the nonconforming party; however, the power will still be valid as to the representative who complied with these requirements.
- (5) Unless the taxpayer authorizes the representative to redelegate authority or to substitute another representative, only those individuals listed on the power of attorney or other authorization may represent the taxpayer.
- (6) A new power of attorney or other authorization revokes all prior powers of attorney or other authorization unless the new one contains a clause specifically stating that it does not revoke the prior powers of attorney or other

32.3 Letter Rulings, Information Letters, and Closing Agreements

authorization. Copies of the prior powers of attorney or other authorization must be attached to the new power of attorney or other authorization to remain in effect.

Note: The filing of a Form 2848 will not revoke any Form 8821 that is in effect. Similarly, the filing of a Form 8821 will not revoke any Form 2848 that is in effect.

32.3.2.8.3.3 (08-11-2004) Examples

- (1) A power of attorney or other authorization that specifies it applies to a request for a letter ruling of a particular date, rather than a specified tax period, should be accepted. The date of the letter ruling request on the power of attorney should agree with the date on the letter requesting the letter ruling.
- (2) A power of attorney or other authorization that states it is for a number of years but does not specify the type of tax should not be accepted.
- (3) A power of attorney or other authorization that the authorized representative has modified should not be accepted. A representative's declaration cannot alter a taxpayer's power of attorney.
- (4) A power of attorney or other authorization where two corporations are listed as the taxpayers must be signed by an officer of each corporation. If the ruling is requested only by one of the named corporations, and an officer of that corporation has signed the power of attorney or other authorization, it should be accepted.
- (5) A power of attorney or other authorization for a partnership that is signed by an individual who indicates he is a member of the firm should not be accepted. A power of attorney or other authorization for a partnership must be signed by all partners, unless one partner is authorized to act in the name of the partnership, in which case that partner must sign the power of attorney.
- (6) A general power of substitution is good prospectively if the language of the grant makes such intention clear. For example: On August 19, 1990, A prepared a document in which A conferred upon B full power to substitute for A before the Service in all cases where I now or may hereafter have power of attorney. On July 15, 1991, the taxpayer granted a power of attorney, on Form 2848, to A. A and B signed the reverse side of Form 2848 indicating their eligibility to serve. Both A and B should be recognized to practice before the Service.

32.3.2.8.4 (07-09-2014) Acceptable Power of Attorney or Other Third Party Authorizations

- (1) Completed powers of attorney or other third party authorizations that are valid will be stamped "Accepted" on the bottom of the first page near the form number, if **Form 2848** <http://publish.no.irs.gov/getpdf.cgi?catnum=11980> or **Form 8821** <http://publish.no.irs.gov/getpdf.cgi?catnum=11596> is used, or after all typed material on the first page of the authorization, if an IRS form is not used. The stamp will be initialed by the employee who stamps the power of attorney. The name of the authorized representative will be entered into TECHMIS. The case assignment will be referred for assignment or to the initiator, as appropriate.

Letter Rulings 32.3.2

page 25

- 32.3.2.8.5
(07-09-2014)
Deficient Power of Attorney or Other Authorization
- (1) When the power of attorney or other third party authorization is not complete or not valid, Letter 2587 or other appropriate letter will be sent to the taxpayer. However, the taxpayer or person who submitted the request may be contacted by phone by appropriate branch personnel and advised to submit an acceptable power of attorney or other third party authorization.
- 32.3.2.8.6
(08-11-2004)
Signature on Letters Concerning Powers of Attorney
- (1) All letters concerning powers of attorney or other authorizations will be prepared for the signature of the appropriate branch chief.
- 32.3.2.8.7
(07-09-2014)
Copy of a Power of Attorney or a Tax Information Authorization
- (1) The original, a photocopy, or a fax copy of a power of attorney or a tax information authorization will be accepted when its authenticity is not reasonably disputed.

32.3 Letter Rulings, Information Letters, and
Closing Agreements

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Letter Rulings 32.3.2

page 27

Exhibit 32.3.2-1 (08-11-2004)

Letter 1690

Internal Revenue Service

Index No.: 0168.00-00

John A. Smith, Esq.
Smith, Jones, and Smith
10 Elm Street
Columbus, OH 43215-XXXX

Department of the Treasury

P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Person to Contact:

Jane Doe ID # 11-1111

Telephone Number:

(202) 622-5555

Refer Reply To:

CC:PSI:6-PLR-54321-02

Date:

In re: XYZ Company (EIN: 12-3456789)

Dear Mr. Smith:

The enclosed copy of a letter is sent to you under the provisions of a power of attorney and declaration of representative, or other proper authorization, currently on file with the Internal Revenue Service.

Sincerely,
Heather Maloy
Associate Chief Counsel
(Passthroughs and Special Industries)

By:

Richard Brown
Chief, Branch 6

Enclosures:

Copy of letter

Copy for section 6110 purposes

32.3 Letter Rulings, Information Letters, and Closing Agreements

Exhibit 32.3.2-2 (08-11-2004)**Letter 1690 (Version 2): Accounting Method Change Letter**

Internal Revenue Service

Index No.: 0168.00-00

John A. Smith, Esq.
Smith, Jones, and Smith
10 Elm Street
Columbus, OH 43215-XXXX

Department of the Treasury

P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Person to Contact:

Jane Doe ID # 11-1111

Telephone Number:

(202) 622-5555

Refer Reply To:

CC:PSI:6-PLR-54321-02

Date:

In re: XYZ Company (EIN: 12-3456789)

Dear Mr. Smith:

The enclosed copy of a letter is sent to you under the provisions of a power of attorney and declaration of representative, or other proper authorization, currently on file with the Internal Revenue Service. Please note that the Consent Agreement has been sent with the original letter ruling to the taxpayer. The Consent Agreement must be signed by the taxpayer and returned to the Service within 45 days from the date of the letter ruling.

Sincerely,

Heather Maloy
Associate Chief Counsel
(Passthroughs and Special Industries)

By:

Richard Brown
Chief, Branch 6

Enclosure:

Copy of letter

Letter Rulings 32.3.2

page 29

Exhibit 32.3.2-3 (08-11-2004)
Letter Ruling to Taxpayer

Note: This form is available on macro. When the macro is initiated, choose PLR setup. Enter Index Number, person to contact, symbols, phone number, the appropriate Service official to whom a copy of the letter is to be sent, and the TECHMIS-MIS number. Select each of the remaining buttons and enter the requested information. Exit to document when complete.

Internal Revenue Service

Index No.: 0168.00-00

John A. Smith, Esq.
President
XYZ Company
695 Wildcat Street
Lexington, KY 46221-XXXX

Department of the Treasury

P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Person to Contact:

Jane Doe ID # 11-1111

Telephone Number:

(202) 622-5555

Refer Reply To:

CC:PSI:6-PLR-54321-02

Date:

In re: Letter Ruling Request Regarding Depreciation

LEGEND:

Taxpayer = XYZ Company (EIN: 12-3456789)

Dear Mr. Smith:

This is in response ...

Sincerely,

Heather Maloy
Associate Chief Counsel
(Passthroughs and Special Industries)

By:

Richard Brown
Chief, Branch 6

Enclosures:

Copy of letter

Copy for section 6110 purposes

cc: (Name and address of authorized representative)

(Name and address of appropriate Service official)

32.3 Letter Rulings, Information Letters, and Closing Agreements

Exhibit 32.3.2-4 (08-11-2004)**Letter Ruling to Taxpayer's Representative**

Internal Revenue Service

Index No.: 0168.00-00

Mr. John A. Smith, Esq.
Smith, Oswald, and Smith
123 Main Street
Columbus, OH 43215-XXXX

In re: XYZ Company
695 Wildcat Street
Lexington, KY 46221-XXXX
EIN: 12-3456789

LEGEND:

Taxpayer = XYZ Company

Dear Mr. Smith:

This is in response ...

Department of the Treasury

P.O. Box 7604
Ben Franklin Station
Washington, DC 20044

Person to Contact:

Jane Doe ID 11-1111

Telephone Number:

(202) 622-5555

Refer Reply To:

CC:PSI:6-PLR-54321-02

Date:

Sincerely,

Heather Maloy
Associate Chief Counsel
(Passthroughs and Special Industries)

By:

Richard Brown
Chief, Branch 6

Enclosures:

Copy of letter

Copy for section 6110 purposes

cc: (Name and address of taxpayer)

(Name and address of appropriate Service official)

Letter Rulings 32.3.2

page 31

Exhibit 32.3.2-5 (08-11-2004)

Sample Format for Recommendation of Application or Rejection of Section 7805(b)(8) Relief

Office of Chief Counsel
Internal Revenue Service
m e m o r a n d u m
CC:PSI :ABName
(Techmis no.)

date:

to: [name]
Associate Chief Counsel
(Passthroughs And Special Industries) CC:PSI

from: [name]
Chief, CC:PSI:6

subject: Application (or Rejection of application) of Section 7805(b)(8) in: (Case name and TECHMIS number)

Issue: (Provide a brief statement of the technical issue and conclusion set forth in the attached technical advice memorandum, letter ruling, or revenue ruling.)

Views of Taxpayer and/or field: (Set forth taxpayer's request, if any, and the field's recommendation and supporting facts and reason for application or rejection of application of section 7805(b)(8), including specific date(s), tax involved, if known, and year(s) involved, as appropriate. If the question was first raised in the national office, so state.)

Recommendation: (State recommendation of branch as to whether section 7805(b)(8) should be applied or rejected. Include specific date(s) and year(s) involved, as appropriate, and include supportive facts and reasoning to extent necessary. It is not necessary to repeat facts and reasoning to extent they are the same as the field's. Merely indicate such to be the case.)

Recommended by: _____ Date:

Chief, Branch 6

Approved by: _____ Date:

Associate Chief Counsel

Note: Depending on an organization's structure and internal procedures, it may be appropriate to add a concurrence line for signature by the Assistant Chief Counsel. Use the same format (signature line, date, title, and symbols) and insert between the recommendation and approval entries.

32.3 Letter Rulings, Information Letters, and Closing Agreements

Exhibit 32.3.2-6 (08-11-2004)

Conference Report

CONFERENCE REPORT

Case Name:

TECHMIS No:

Subject of Conference:

Time Consumed:

Date:

Time Held:

Place:

Taxpayer/Representatives At Conference:

Service Representatives At Conference:

Name of Person Preparing Report:

Date Prepared:

Symbols:

Signature: _____

Name of Person Reviewing Report:

Date Prepared:

Symbols:

Signature: _____

BRIEF RESUME OF CONFERENCE, INCLUDING CONCLUSIONS REACHED:



IMDDS Labeling, Packaging and Shipping Instructions

➔ **Note:** These instructions do not apply to packaging the IMDDS/Order Fulfillment material that goes to the National Distribution Center (NDC) via Order Point Number (OPN) 81100-1424. When an IMDDS product is created or revised that is designated in ESN's Distribution Program field as Code 18: IMDDS/Order Fulfillment, a 2040 list needs to be created for the NDC stock. The 2040 program generates the carton labels (Form 6153) that are required on NDC shipments.

Publishing Specialists send an email to "W&I M&P NIC F6697" mailbox to request lists and labels. A National IMDDS Coordinator generates the files in electronic format (the contractor uses these to print lists and labels). The Coordinator attaches these to the 2040 request.

Labeling Specifications

There are three sets of labels and a Distribution List, (which can also be used as the individual receiving office's packing list).

1. INNER IMDDS packaging labels (electronic file tab called Inner Label) have a nine-digit Order Point Number (OPN) at the top line (e.g. 31600-1000), and the item quantity printed in the lower right corner. Inner labels are affixed to each individual package.
2. OUTER IMDDS shipping address labels (electronic file tab called Outer Label) have a five-digit number printed at the top (e.g. 31600) and the mailing shipping address. OUTER labels are affixed to SHIPPING container. (Example carton, envelope, etc.)

UPS World Ship labels may be used for the outer label. But the outer label must include the illustrated information.

OPN
↓

31600-1000 REQ NO: 2000-0000
 IRS/SUMMIT BUILDING, ATLANTA
 DIR ACCT MGMT WI STF 94-WI
 DIST OF DOC 7130
 FILE 345 01459P QTY: 3

Internal Revenue Service
 IMDDS COORD-RM 201
 2970 BRANDYWINE RD
 CHAMBLEE GA 30341

Official Business
Penalty for Private Use, \$300

REQ: 2000-0000
 DIST OF DOC 7130
 FILE 345 01459P

31600
 IRS/SUMMIT BUILDING, ATLANTA
 DISTRIBUTION RM 952 STOP 814-D
 401 W. PEACHTREE STREET
 ATLANTA GA 30308-0000

1st Five Digits of OPN →

Note: The INNER and OUTER labels "match" when the first five digits of the OPN on **both** labels are the same.

3. **Document 12194, IMDDS ERC Shipping Label**, should also be placed on the outer package, but not below the outer address label. USPS "readers" look for the last 2 lines of a package to determine mailing locations. **Therefore, the outer IMDDS address label should be the lowest label on the package.**

Packaging Specifications

The Distribution Report tab contains all the receiving OPNs and their office addresses. The report contains page breaks for each office. The report can be printed and used as individual office's packing lists.

Inner Packages:

Contractors will package the quantity specified on the lower right corner of the INNER label and affix the label to individual OPN package. INNER packages should be in the smallest possible container (*e.g. use an envelope, shrink wrap, binding, or box*).

Complete packages:

- All packages labeled with OPNs beginning with the same first five digits will be consolidated into the least number and size of shipping containers possible.
- See Packaging Example #1 which illustrates Consolidated Shipments to Multiple OPNS – Using a Shipping Envelope.
- See Packaging Example #2 which illustrates Consolidated Shipments to Multiple OPNS – Using a Carton.
- See Packaging Example #3 which illustrates Packaging when Contents are for One OPN Only – Using an Envelope.
- See Packaging Example #4 which illustrates Packaging when Contents are for One OPN Only – Using a Carton.

Shipping Specifications

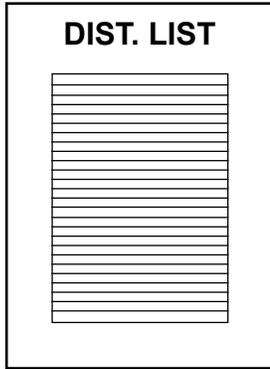
- Shipments weighing 13 ounces or less will be shipped through the U.S. Postal Service (USPS).
- Shipments weighing between 14 ounces through 749 pounds will be shipped by a small package carrier unless it is addressed to a POST OFFICE or is being shipped to a post office box, in which case the shipment must be sent through USPS. When shipping UPS Ground, contractors may use UPS World Ship labels as the IMDDS outer label. These labels must contain the illustrated outer label information shown on Page 1.
- Shipments weighing 750 lbs. OR MORE to one address will require an Internal Revenue Bill of Lading, formerly a Government Bill of Lading (GBL) and will be sent by motor freight.
- UPS Ground should **not** be used for International shipments. (*Note: Puerto Rico, Virgin Islands, Alaska and Hawaii can receive UPS Ground Shipments.*) The alternative International shipping method is UPS Express. APO/ FPO shipments have to go by US Postal Service.

Summary

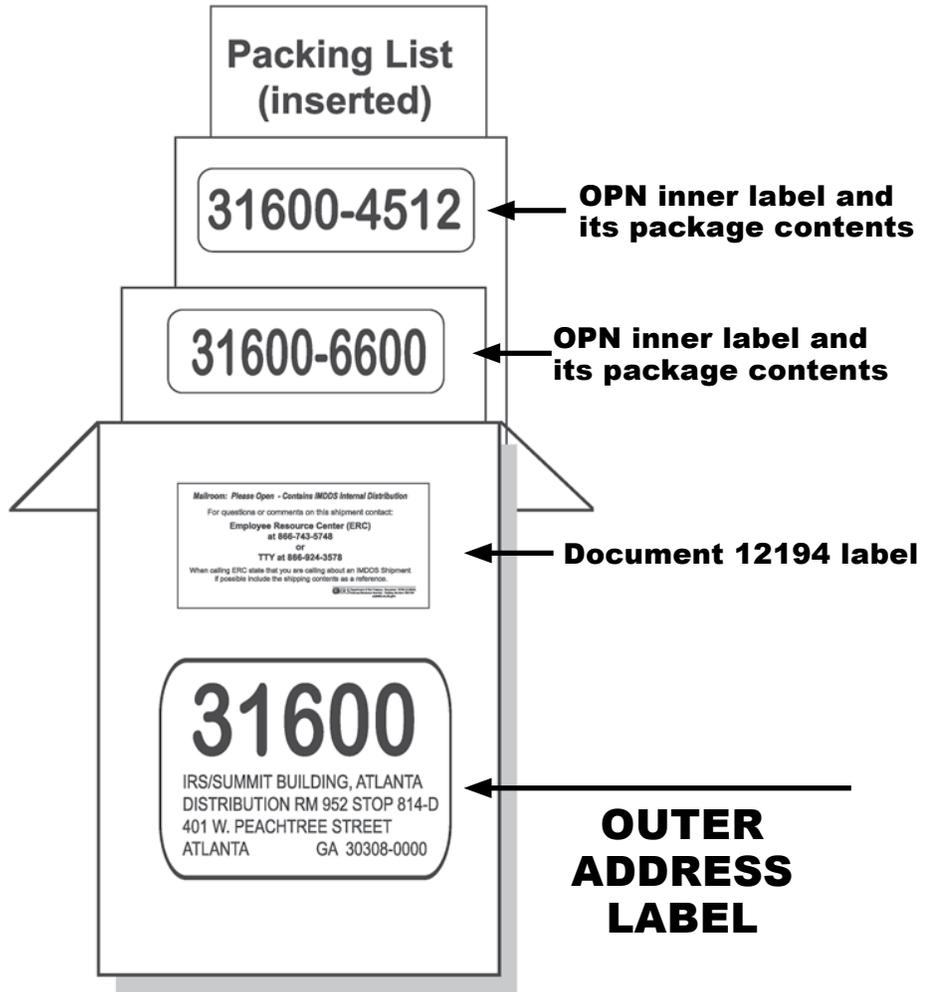
1. INNER and OUTER labels “match” when the first five digits of the OPNs on both labels are the same.
2. Document 12194 should be on the OUTER package, but not below the OUTER IMDDS address label.
3. DISTRIBUTION lists specifies the complete product distribution and all OPNs (and quantities) that require INNER packaging and labeling.
4. PACKING lists will specify the matching OPNs (INNER packages) that are consolidated into an OUTER package (shipping container).
5. Contractors will package the quantity specified on the lower right corner of the INNER label and affix label to the individual OPN package. INNER packages will be the smallest possible container (*e.g. use an envelope, shrink wrap, binding, etc. instead of a carton*).
6. Multiple shipping containers to a single address must specify “Box ____ of ____.” Packing lists must be included in the shipping container marked “Box 1 of ____.” The “matching” OUTER label will be affixed to the outside of each shipping container.
7. Shipping container packages are correct when the first five digits of the OPN on both the INNER and OUTER labels match.

Packaging Example #1

Consolidated Shipments to Multiple Matching OPNS – Using a Shipping Envelope



Attached to the 2040 Request



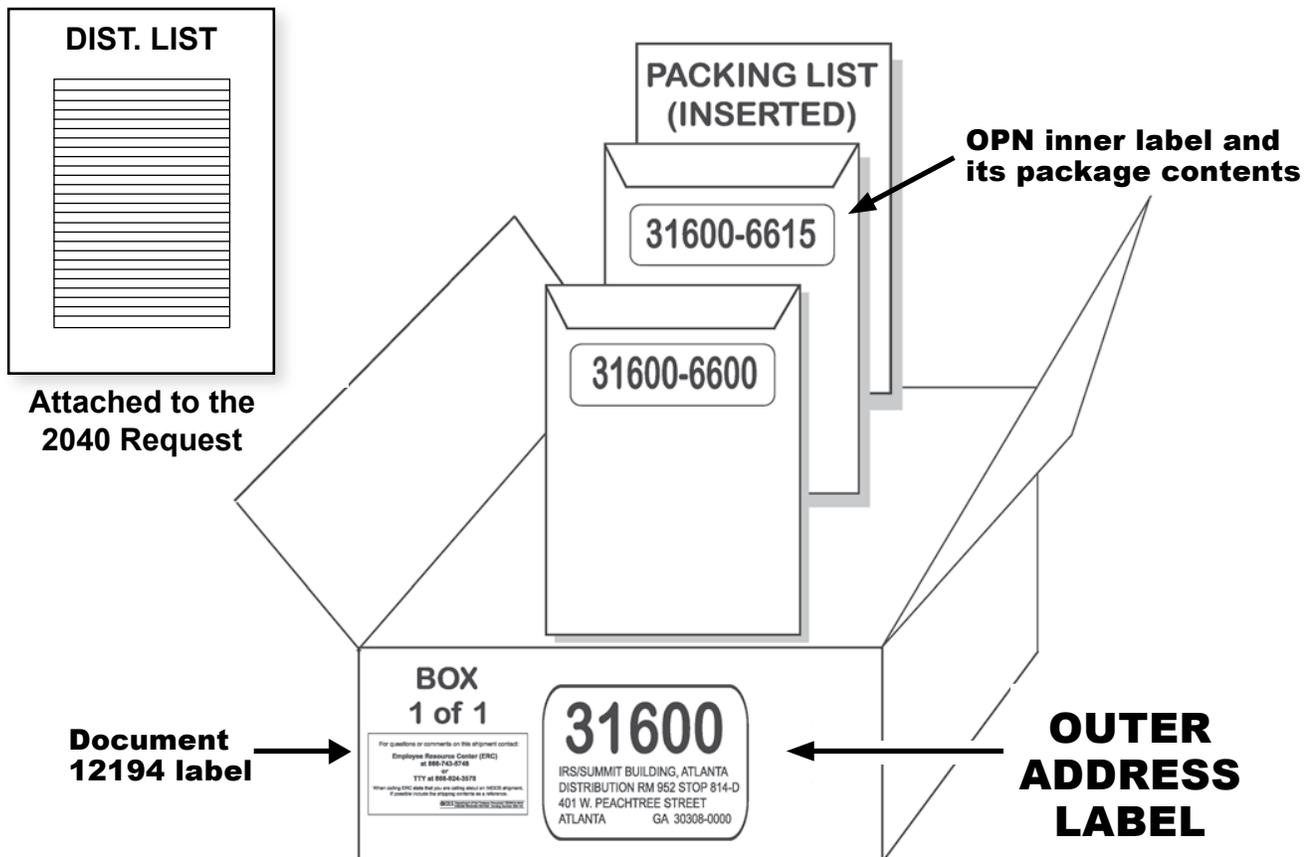
Order Point Numbering (OPN) System

		OPN SUFFIX	QTY	
Primary OPN	31600	- 0000		(outer label)
Internal OPN	31600	- 6600	1	(inner label)
	31600	- 6615	1	(inner label)
Total Package Qty			-	2

Packaging Example #2

Consolidated Shipments to Multiple Matching OPNs – Using a Carton

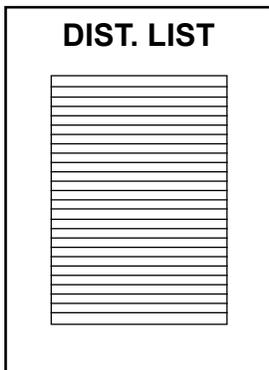
- Packaging specifications are provided on Page 2.



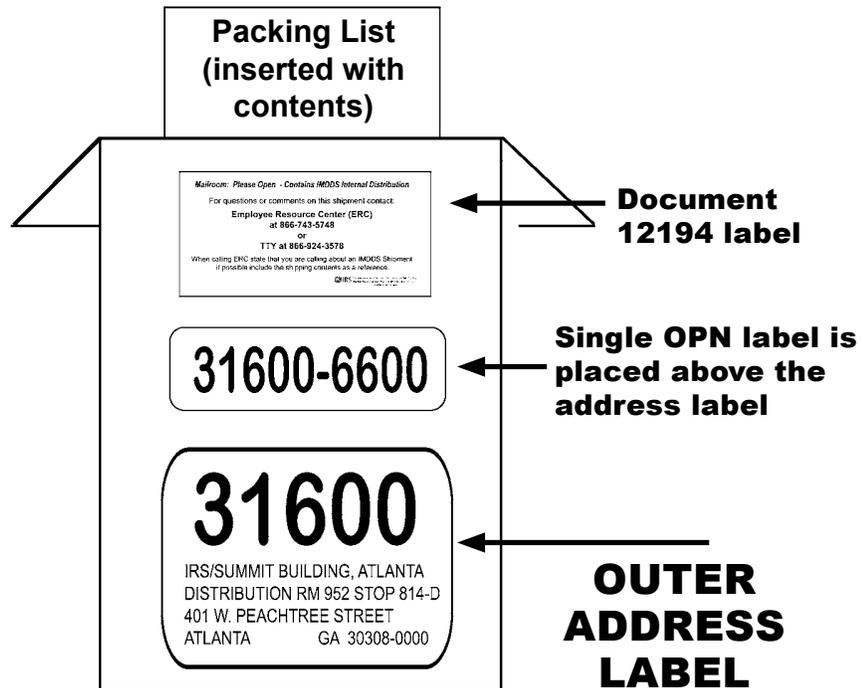
Packaging Example #3

Packaging When Contents Are for One OPN Only – Using an Envelope

- This example illustrates when only one OPN is receiving distribution for the entire address (office) and the contents fit into a shipping envelope.
- Packaging Example #1 illustrates using an envelope to ship to multiple matching OPNS (Always use the smallest container possible to ship.)
- In Example #3, when using a shipping envelope, the OPN inner label should be placed above the Outer Address label as shown below.
- Packaging specifications are provided on Page 2.



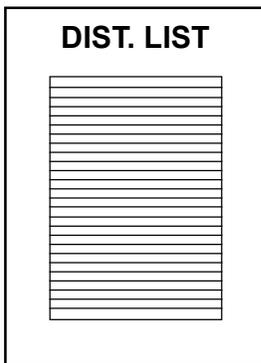
Attached to the 2040 Request



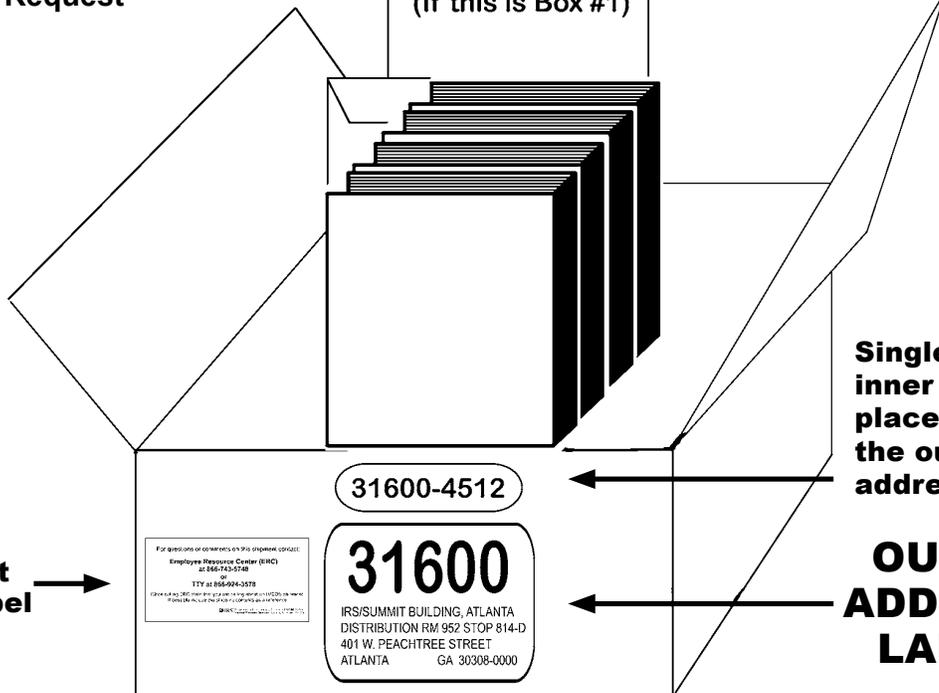
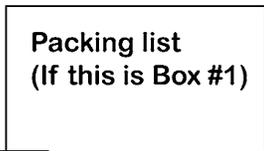
Packaging Example #4

Packaging When Contents Are for One OPN Only – Using a Carton

- This example illustrates when one OPN's product quantity is large enough to fill a carton by itself.
- The smallest container possible, like an envelope (see Packaging Example #3), should be used when only one OPN in an office is receiving a product.
- In Example #4, when using one container to ship to one OPN, the OPN inner label should be placed **above** the Outer Address label as shown below.
- Packaging specifications are provided on Page 2.



Attached to the 2040 Request



Single OPN inner label is placed above the outer address label

OUTER ADDRESS LABEL

Document 12194 label

For questions or comments on this document, contact:
 Employee Response Center (ERC)
 at 866-743-5748
 or
 TTY at 866-924-2578
 (available 24 hours a day, 7 days a week, except on holidays)
 Publication 12215-02-15 (Rev. 11-17-15)

31600-4512

31600

IRS/SUMMIT BUILDING, ATLANTA
 DISTRIBUTION RM 952 STOP 814-D
 401 W. PEACHTREE STREET
 ATLANTA GA 30308-0000

Mailroom: Please Open - Contains IMDDS Internal Distribution

For questions or comments on this shipment contact:

**Employee Resource Center (ERC)
at 866-743-5748**

or

TTY at 866-924-3578

When calling ERC state that you are calling about an IMDDS shipment.
If possible include the shipping contents as a reference.

 **IRS** Department of the Treasury Document 12194 (5-2004)
Internal Revenue Service Catalog Number 38512N
www.irs.gov

1.1.1
IRS Mission and Organizational Structure

Table of Contents

- 1.1.1.1 Purpose of IRM 1.1.1
- 1.1.1.2 IRS Mission
- 1.1.1.3 Statutory Authority
- 1.1.1.4 Structure of the IRS

Exhibits

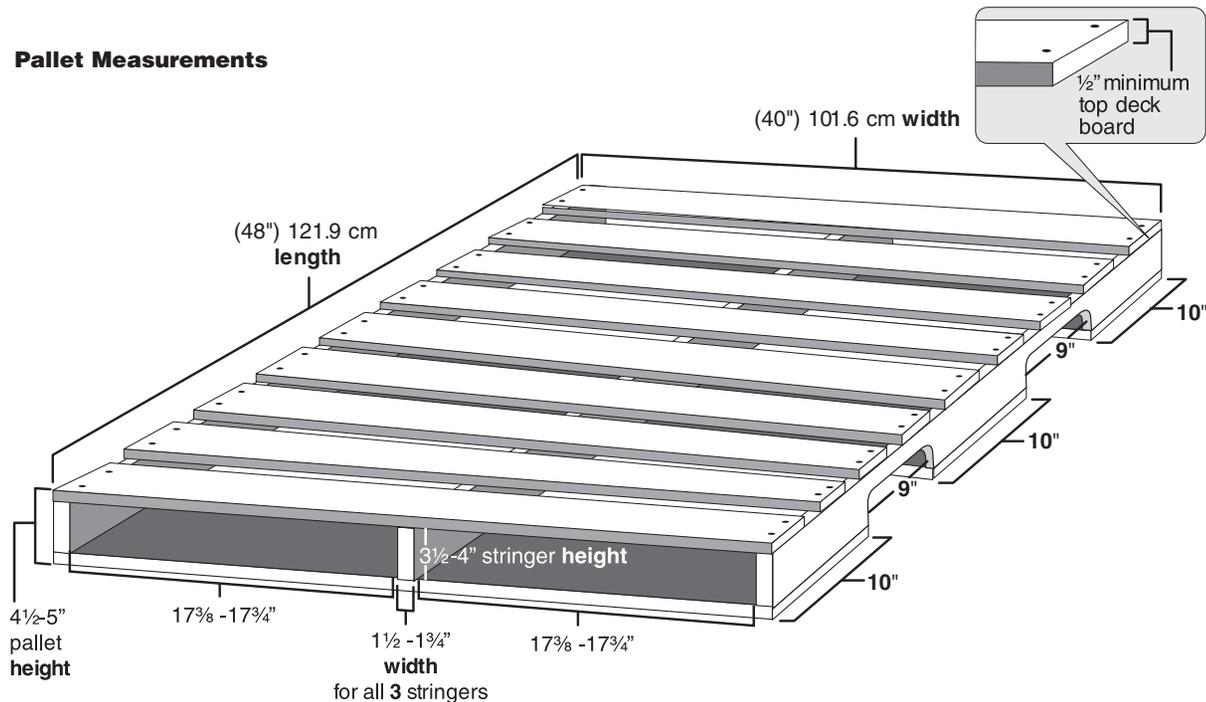
- 1.1.1-1 IRS Organization Chart - Internal Revenue Service Organization and Top Officials



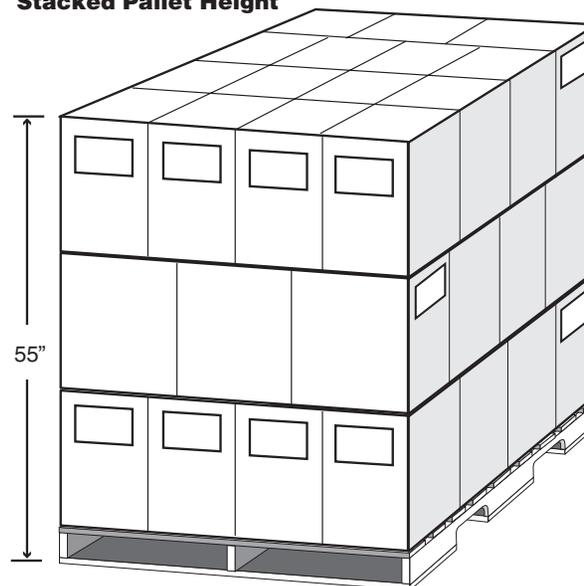
IRS Pallet Specifications

All shipments delivered to the National Distribution Center (NDC), must conform to the specifications outlined in this document. To ensure shipments are 100% compliant and received by the NDC, please reference Publication 4803 and any relating information outlined in the work contract specifications. Non-conformance to the specifications of this document, the standards described in Publication 4803 and or specific instructions outlined in the work contract specifications, may result in corrections at the vendor's expense.

Pallet Measurements

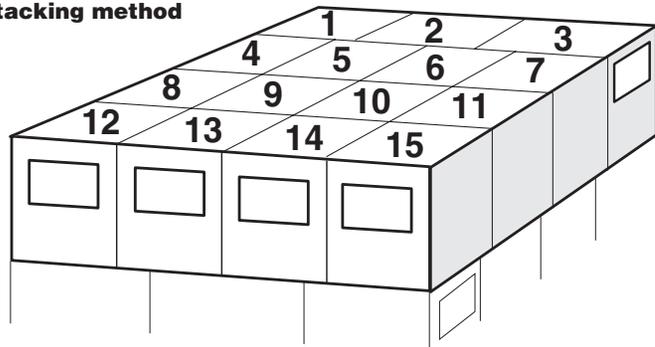


Stacked Pallet Height



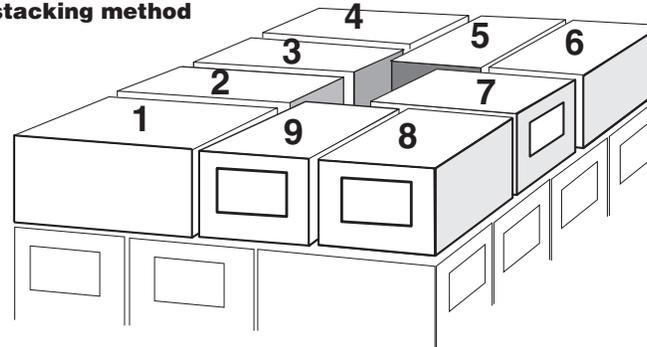
For IRS products the maximum full pallet height (pallet + cartons) **must not** exceed 55".

15 tier stacking method



Shipments requiring palletization of cartons for non-Standard (i.e products that are not and can not be folded down to an 8.5' x 11' size without destroying the functionality or integrity of the product) IRS products should be stacked using this 15 tier method.

9 tier stacking method



Products that are 8.5' x 11' or can be folded to those dimensions are considered standard IRS products and should be stacked using this 9 tier method.

Read Prior to Producing or Labeling Cartons

Labels **MUST** be generated from the PDF file provided. Handwritten updates are not allowed on any label. If these instructions are not followed, the Contractor will be held responsible for all re-labeling charges.

Section I – Prior to Producing Label

- 1) **Contact the IRS for a new carton label** if any of the following fields are blank when the label is received:
 (a) Catalog number, (b) Revision, (c) Requisition number, (d) Product number, or (e) Product title.
- 2) **Fields for Contractor to Update Electronically:** (a) Carton # of # (*see number Section I, 3 below*); (b) From address; (c) To address (*see exception under Section II, 2, Cartons via Small Package Carrier (SPC) below*); and (d) Carton quantity (*if carton quantity is blank, it must be updated with the correct packing quantity*).
- 3) **Automated Carton # of # fields:** To print the correct number of labels for each address with sequential carton numbers, input the total number of cartons in second # field and press "Print Labels" button. **Warning: Once the print button is pressed, printing cannot be canceled. Be sure all information is correct prior to printing.**
- 4) **Printing:** Labels must be produced same-size in black ink on white paper.
- 5) **Proof:** An electronic proof of the label may be required if indicated on the contract or print order.

Section II – Labeling for Shipment

- 1) **Cartons:** All cartons must have IRS shipping label affixed to one end of the carton only (never on top, long-side, or bottom).
- 2) **Cartons via Small Package Carrier (SPC):** Affix SPC label to top of carton on edge nearest to IRS label. If shipping via SPC to the IRS National Distribution Center, leave the "To (Consignee)" address field blank.
- 3) **Small SPC packages/boxes/envelopes via SPC:** Affix IRS label to front of package and SPC label to the back. This includes advance distributions and IRS samples.

cut here cut here

Carton Shipping Label

Department of the Treasury Internal Revenue Service		Publishing analyst	Phone number	Carton #	of #
GPO Jacket number		Print order number	Program number		
From (<i>Contractor name and address</i>)			To (<i>Consignee</i>)		
Catalog number	Revision (YYYY-MM-DD)				
Product number (<i>Form, Document, Publication, etc</i>)			Product title		
Carton quantity	Requisition number (YY-nnnnn)				