

§ 7122. Compromises**(a) Authorization**

The Secretary may compromise any civil or criminal case arising under the internal revenue laws prior to reference to the Department of Justice for prosecution or defense; and the Attorney General or his delegate may compromise any such case after reference to the Department of Justice for prosecution or defense.

(b) Record

Whenever a compromise is made by the Secretary in any case, there shall be placed on file in the office of the Secretary the opinion of the General Counsel for the Department of the Treasury or his delegate, with his reasons therefor, with a statement of—

- (1) The amount of tax assessed,
- (2) The amount of interest, additional amount, addition to the tax, or assessable penalty, imposed by law on the person against whom the tax is assessed, and
- (3) The amount actually paid in accordance with the terms of the compromise.

Notwithstanding the foregoing provisions of this subsection, no such opinion shall be required with respect to the compromise of any civil case in which the unpaid amount of tax assessed (including any interest, additional amount, addition to the tax, or assessable penalty) is less than \$50,000. However, such compromise shall be subject to continuing quality review by the Secretary.

(Aug. 16, 1954, ch. 736, 68A Stat. 849; Oct. 4, 1976, Pub. L. 94-455, title XIX, § 1906(b)(13)(A), 90 Stat. 1834; July 30, 1996, Pub. L. 104-168, title V, § 503(a), 110 Stat. 1461.)

AMENDMENTS

1996—Subsec. (b). Pub. L. 104-168 substituted “\$50,000. However, such compromise shall be subject to continuing quality review by the Secretary.” for “\$500.”

1976—Subsecs. (a), (b). Pub. L. 94-455 struck out “or his delegate” after “Secretary”.

EFFECTIVE DATE OF 1996 AMENDMENT

Section 503(b) of Pub. L. 104-168 provided that: “The amendment made by this section [amending this section] shall take effect on the date of the enactment of this Act [July 30, 1996].”

CROSS REFERENCES

Compromise of liability under the Federal Alcohol Administration Act, see section 207 of Title 27, Intoxicating Liquors.

Deposit of collections, see section 7809 of this title.

Fraud and false statement, see section 7206 of this title.

Joint returns of income tax by husband and wife, see section 6013 of this title.

Limitation on credit or refund, see section 6511 of this title.

Mitigating effect of—

Limitation in case of related taxes under different chapters, see section 6521 of this title.

Limitations and other provisions, see section 1311 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 63, 473, 1311, 6013, 6103, 6325, 6511, 6521, 7206, 7809 of this title.

§ 7123. Cross references

For criminal penalties for concealment of property, false statement, or falsifying and destroying

records, in connection with any closing agreement, compromise, or offer of compromise, see section 7206.

(Aug. 16, 1954, ch. 736, 68A Stat. 850; Sept. 13, 1982, Pub. L. 97-258, § 3(f)(12), 96 Stat. 1065.)

AMENDMENTS

1982—Subsec. (a). Pub. L. 97-258, § 3(f)(12)(A), struck out heading “Criminal penalties”.

Subsec. (b). Pub. L. 97-258, § 3(f)(12)(B), struck out subsec. (b) which set forth cross reference to R.S. 3469 (31 U.S.C. 194) relating to compromises after judgment.

CHAPTER 75—CRIMES, OTHER OFFENSES, AND FORFEITURES

Subchapter	Sec. ¹
A. Crimes	7201
B. Other offenses	7261
C. Forfeitures	7301
D. Miscellaneous penalty and forfeiture provisions	7341

Subchapter A—Crimes

Part	
I.	General provisions.
II.	Penalties applicable to certain taxes.

PART I—GENERAL PROVISIONS

Sec.	
7201.	Attempt to evade or defeat tax.
7202.	Willful failure to collect or pay over tax.
7203.	Willful failure to file return, supply information, or pay tax.
7204.	Fraudulent statement or failure to make statement to employees.
7205.	Fraudulent withholding exemption certificate or failure to supply information.
7206.	Fraud and false statements.
7207.	Fraudulent returns, statements, or other documents.
7208.	Offenses relating to stamps.
7209.	Unauthorized use or sale of stamps.
7210.	Failure to obey summons.
7211.	False statements to purchasers or lessees relating to tax.
7212.	Attempts to interfere with administration of internal revenue laws.
7213.	Unauthorized disclosure of information.
7214.	Offenses by officers and employees of the United States.
7215.	Offenses with respect to collected taxes.
7216.	Disclosure or use of information by preparers of returns.
[7217.]	Repealed.]

AMENDMENTS

1982—Pub. L. 97-248, title III, § 357(b)(2), Sept. 3, 1982, 96 Stat. 646, struck out item 7217 “Civil damages for unauthorized disclosure of returns and return information”.

1976—Pub. L. 94-455, title XII, § 1202(e)(2), Oct. 4, 1976, 90 Stat. 1687, added item 7217.

1971—Pub. L. 92-178, title III, § 316(b), Dec. 10, 1971, 85 Stat. 529, added item 7216.

1958—Pub. L. 85-321, § 3(b), Feb. 11, 1958, 72 Stat. 6, added item 7215.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 6420, 6421, 6427, 7851 of this title; title 48 sections 1421i, 1612.

§ 7201. Attempt to evade or defeat tax

Any person who willfully attempts in any manner to evade or defeat any tax imposed by

¹ Section numbers editorially supplied.