



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

July 6, 2020

MEMORANDUM FOR ALL SB/SE EXAMINATION EMPLOYEES

FROM: De Lon Harris 
Deputy Commissioner, SB/SE Examination

SUBJECT: SB/SE Compliance Priorities Post People First Initiative

As we begin to resume compliance activities, the health and safety of employees, as well as taxpayers is of utmost importance. Accordingly, this memorandum provides initial guidance for SB/SE Examination employees on what activities will commence on July 15, 2020, once the People First Initiative lapses, as well as what is expected to ensure employee and taxpayer health and safety is first and foremost.

We will leverage the significant progress we have made in equipping our employees to work in a virtual environment, continue to maximize telework and use digital transmissions to accept digital signatures and documents. We will be mindful, deliberate and sensitive in how we interact with taxpayers as we carry out compliance actions necessary for tax administration.

We are reviewing and updating our internal operations guidance to transition from the People First Initiative exceptions to more fully resumption of program work and other priorities. These plans are summarized as follows:

Field Programs:

- On July 15th we will resume suspended examinations impacted by the People First Initiative.
- We will initiate new examinations and begin sending out appointment letters, except for certain fuel tax compliance activities.
- Field examiners, including specialty tax functions, will continue examinations virtually. In some instances, field examiners may need to make in person visits with taxpayers; however, this would be the exception and not the norm. Face to face interactions must be agreed to by the employee and the taxpayer and/or representative and submitted through the frontline manager to the territory

manager for approval. The approval request will include a social distancing plan and face masks must be worn by all parties during any face to face interaction.

- Office examinations, where the taxpayer normally comes into an IRS office will continue in a virtual environment until further notice.
- For field and office examinations where it is determined that a face to face interaction with a taxpayer/representative is necessary only to exchange books and records, employees should consider conducting the meeting in a Taxpayer Assistance Center (TAC) that is equipped with plexiglass barriers, if possible. As stated above, Face to face interactions must be agreed to by the employee and the taxpayer/representative and submitted through the frontline manager to the territory manager for approval. The approval request will include a social distancing plan and face masks must be worn by all parties during any face to face interaction.
- Examiners and managers should consider all factors including the state of the taxpayer's business operations, the geographic location, and any other circumstances brought to light by the taxpayer or employee when scheduling appointments and response dates.
- A mail plan is being developed to address the backlog of mail that has accumulated since the beginning of COVID-19 and is currently being held by the United States Postal Service.
- We will continue to focus on our strategic priorities such as servicing taxpayer claims, focusing on abusive transactions, fraud, audit coverage for high income individuals and implementing compliance efforts on CARES and Families First Act provisions.

Campus Programs:

- We will prioritize work and turn on our various campus processing systems to support these work streams in a strategic ratable manner to avoid creating new bottlenecks or backlogs as program activities resume.
- We estimate new outgoing correspondence from the Consolidated Print Sites will be issued around mid-August.
- Our priority will remain working through several months of accumulated mail and audit reconsiderations.
- Properly servicing taxpayers requires us to have current mail receipts available and up-to-date taxpayer account information. Consequently, we do not plan to immediately open our phone lines until Submission Processing and Campus Support have substantially addressed the existing mail backlog.

While we cannot anticipate and provide guidelines for every possible situation, we recognize the current environment is changing frequently. We will strive to be agile and adjust our plans as necessary to resume operations, while at the same time ensuring the safety of our employees and taxpayers.

I sincerely appreciate your continued efforts and dedication to serving our taxpayers and assisting others as we work through the COVID-19 pandemic.