

Tax Staff Training Advanced

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Revisions to §6707A

Transaction Type	Natural Persons		Other Entities	
	<i>Old Law</i>	<i>New Law</i>	<i>Old Law</i>	<i>New Law</i>
Reportable Transaction	\$10,000	75% of benefit (Max: \$10,000, Min: \$5,000)	\$50,000	75% of benefit (Max: \$50,000, Min: \$5,000)
Listed Transaction	\$100,000	75% of benefit (Max: \$100,000, Min: \$5,000)	\$200,000	75% of benefit (Max: \$200,000, Min: \$5,000)

Standards for Positions

Signing Standard	Old §6694	New §6694	Old SSTS 1	New SSTS 1	Proposed Circular 230	FIN 48
More Likely Than Not				(Cal)		Accrue Benefit
Substantial Authority		No Disc.		(Fed)	No Disc	
Realistic Possibility	No Disc.		No Disc.	No Disc*		
Reasonable Basis		Disc		Disc	Disc	
Not Frivolous	Disc		Disc			

Authorities (§1.6662-4(d)(3))

- IRC & statutes
- Regulations
- Rev. Rul & Procs.
- Treaties & Treasury Explanations
- Court cases
- Committee reports, etc.
- Blue Book
- PLRs/TAMs (10 year rule)
- AOD, GCM
- Information/press releases
- Notices, announcements, etc. published in IRB

Ethics Interpretation 101-3

- Make all management decisions and perform all management functions;
- Designate an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services;
- Evaluate the adequacy and results of the services performed; and
- Accept responsibility for the results of the services

Structure of the IRC

