

March 9, 2012

Issue No. 2

Where Do I Get OVDI Information?

The [South Atlantic Area SharePoint OVDI Library](#) is the repository for most of the OVDI information referenced here. If you cannot access this SharePoint site, please contact (b) (6) (b) (6). The newsletters will be archived in the SAA OVDI Library, as well.

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2011 OVDI**Technical Advisor Group Assignments**

Each Examination group and Revenue Agent participating in the certification of the 2011 OVDI submissions will work with a specific Technical Advisor for Form 906- special language approvals and other case assistance matters. These assignments have been revised since the last OVDI Updates on January 20, 2012. Please see the updated [Group Assignments for Technical Advisors and Counsel](#) .

TAS Inquiries: Contact your Technical Advisor

If you are contacted by anyone in the Taxpayer Advocate Service (no matter what the circumstances) concerning a 2011 OVDI or 2009 OVDI case, please contact your Technical Advisor.

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Reminder about e-Trak

It is very important to have access to e-Trak to enable you to update the database as soon as 2011 OVDI cases are assigned. The QuickStart guide is available in Issue 1 of the OVDI Updates and on the national, OVDI SharePoint.

FAQ #25 Documentation in Certification Case File

Under FAQ #25 taxpayers are requested to provide bank records only for those accounts with balances of \$500,000 or more. In the certification of those cases where the taxpayer was not required to submit the bank records, please follow these guidelines:

- Bank statements should be requested as deemed appropriate by the agent.
- If there are no statements or if the agent makes the decision not to request the statements, the agent should document what alternative information or documents were reviewed in certifying amounts and/or why they did not request the statements.
- Document discussions with representative and/or taxpayer on highest balance amounts and what was used by the taxpayer and/or the representative to arrive at their conclusion.
- The case file should contain documentation of these questions and related responses provided by the taxpayer and/or the representative.

Form 8278 with 25% / 12.5% / 5% codes

[Form 8278](#) listing the Miscellaneous Offshore Penalty rates and Penalty Reference Numbers applicable to 2011 OVDI is available through the forms repository. See Page 4 of the form.

Form 5345-D for Miscellaneous Offshore Penalty

In 2011 OVDI the Miscellaneous Offshore Penalty will be assessed in 2009. A *pro forma* [Form 5345-D](#) is available on the SAA SharePoint site. The statute date will default to 01/01/2013 when the case is added on ERCS. If the case closes within 180 days of the default date, approximately 07/01/2012, the ASED can be updated to 01/XX/2013. If the case is to close before 07/01/2012, the default date can remain on the module.

For the Miscellaneous Offshore Penalty case file, please continue to indicate "No Statute" on Form 8278 and Form 3198 until further notice.

Faxed Signatures acceptable on Forms 906 for amounts of \$250,000 or less

[Director Commissioner for Services and Enforcement Memorandum](#) of 09/23/2011 provides guidance to accept faxed signatures on Form 906 for amounts of \$250,000 or less. This guidance is applicable to all OVDI cases (2011 and 2009).

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2011 OVDI Training Plans

- 2011 OVDI workshops and face-to-face assistance visits are planned for new-to-OVDI agents. Pensacola agents are scheduled for this training on the week of April 9th and the training for the Miami agents is scheduled for the week of April 16th.
- Two CENTRA sessions are being prepared for general, 2011 OVDI, training. There will be one session designed to update agents who were previously trained for and worked 2009 OVDI cases. A longer, more detailed, session will be provided for the agents who have no OVDI experience. These recorded sessions are planned to be released at the end of March and/or early April. You will be notified when the CENTRA sessions are available.

2009 OVDI**Opt Out and Removal Cases: Barred Refunds of 2009 OVDI payments**

If the 2009 OVDI taxpayer has requested a refund of previously submitted payments (income tax and/or offshore penalty) or there are barred refunds in your Opt Out (or Removal) case, please **contact your Technical Advisor**. As discussed in the 03/05/2012 conference call, prepayments will not be refunded or used to offset assessments in other periods unless the taxpayer has timely filed a claim for refund. See IRC § 6511.

Opt Out and Removal Cases: FBAR Penalty Investigation Tools

- [FBAR Counsel Coordinators for FBAR Penalty Recommendations Review](#)
- [FBAR Penalty Job Aids](#) (Opt-Out FBAR Tools)

Fact Sheet-Dual Citizens
FBAR Penalty Case Checklist
FBAR Penalty-Summary Proposal Resource
- [FBAR Statute Extension Consent Procedures](#) (A copy of the consent should be faxed or e-mailed to the Detroit Computing Center with Form 13536, including the proper project code.)

Opt Out and Removal Cases: FBAR Penalty Case Procedure Update

From the conference call on 03/05/2012: Agents working FBAR Penalty Investigations in opt out/removal cases should submit [Form 13536](#) to DCC to notify them of your investigation case. This form, the FBAR Monitoring Document, should be updated and submitted with your closed case at the conclusion of your investigation, as well. Please refer to [IRM Section 4.26.17](#) for FBAR Penalty case procedures.

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Opt Out and Removal Cases: Examination Reopening Procedures

In an Opt Out/Removal regular examination, if years (other than the 2009 OVDI years) require opening and these years have previous audit indicators, you may need to follow the re-opening procedures.

[Examination Policy Statement 4-3](#) (IRM Section 1.2.13.1.1) provides an explanation of the circumstances under which a previously examined return year may be reopened and the approval levels required for the reopening. [Form 4505](#) is used to document the reopening request and approval of such.

The AIMS Handbook, [IRM Section 4.4.26](#), provides a very good explanation on the impact to management reports of a reopened exam, as well as how to reopen the return year on AIMS.

Delinquent Returns and RGS: Reminder to indicate “Delinquent Return” on the RGS Penalty screen

Technical Services explains how to avoid cases returning from CCP where there are delinquent return years with no delinquency penalties proposed (as in the situation with 2009 OVDI delinquent returns where only the accuracy penalty is asserted). See [Technical Services Comments](#).