



LAST KNOWN ADDRESS "Purpose & Procedure"

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LG Brooks is the Education Director of the American Society of Tax Problem Solvers (ASTPS) and the Senior Tax Resolution Consultant at Lawler & Witkowski CPAs. He is a nationally recognized tax resolution expert and speaker. He brings over 25 years of experience to his presentations and has worked and consulted on thousands of IRS tax resolution cases. LG received a Bachelor of Arts degree from Bishop College at Dallas, Texas in 1977. He is a Certified Tax Resolution Specialist and a Fellow of the National Tax Practice Institute (NTPI)

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Last Known Address Purpose

☐ Deficiency Assessment:

A “Statutory Notice of Deficiency” (SNOD) is required to be remitted to a taxpayer’s “last known address” (LKA) prior to the assessment of any proposed deficiency determined by the Secretary of the Treasury and/or the Internal Revenue Service (IRS).

IRC §6212 & §6213

Last Known Address Purpose

☐ Levy Procedure:

A “Final Notice of Intent to Levy” is required to be remitted to a taxpayer’s LKA not less than 30 days prior to the actual levy, seizure, or garnishment of a taxpayer’s assets or income.

IRC §6330 & §6331

Last Known Address Purpose

☐ Federal Tax Lien Procedures:

A “Notice of Federal Tax Lien” (NFTL) is required to be remitted to a taxpayer’s “last known address” (LKA) not more than 5 business days subsequent to the issuance or filing of such NFTL by the IRS.

IRC §6320 & §6321

Polling Question

Last Known Address Purpose

☐ Trust Fund Recovery Penalty (TFRP) Procedures:

A “Notice of Proposed Assessment of the TFRP” (Letter 1153) is required to be remitted to a taxpayer’s “last known address” (LKA) no less than 60 days prior to the assessment of a TFRP. Form 2751 is the actual “Proposed Assessment of the TFRP” form; the Letter 1153 is the required legal “notification” letter related to the Form 2751.

IRC §6672

Last Known Address Purpose

☐ Tax Court Rights:

The previously discussed **proposed and post** assessment, levy, & lien actions are subject to challenge & review by the “*United States Tax Court*” (Tax Court) if the IRS did not properly adhere to the legal requirements of mailing the required notifications to the taxpayer’s LKA.

☐ Tax Court Jurisdiction:

Tax Court jurisdiction may be compromised if it is determined that the IRS did not abide by the LKA provisions of federal law and any related assessment, levy or lien action are required to be reversed as a matter of law.

Last Known Address procedure

☐ Definition of LKA:

Except as provided in paragraph (b)(2) of this section, a taxpayer's last known address is the address that appears on the taxpayer's most recently filed and properly processed Federal tax return, **unless** the Internal Revenue Service (IRS) is given clear and concise notification of a different address.

Treas. Reg. §301.6212-2

Last Known Address procedure

❑ IRM Definition of LKA:

Treas. Reg. §301.6212.2 defines “last known address” as the address on the most recently filed and properly processed tax return, **unless** the taxpayer has clearly & concisely notified the IRS of a change of address.is given clear and concise notification of a different address.

IRM §4.8.9.9.2.1

Last Known Address procedure

❑ Clear & Concise Notification-Defined:

- A statement signed by the taxpayer informing the IRS to change the address of record
- Form 8822 (or 8822-B) “Change of Address, **may be used** to make the change
- Correspondence sent by the IRS that solicits or requires a response from the taxpayer **and** which is returned by the taxpayer with corrected taxpayer address information

Last Known Address procedure

❑ Clear & Concise Notification-Continued:

- Standing alone, the following will not constitute “clear & concise” notification of a new address:
 - Letterhead of taxpayer correspondence
 - Return envelope
 - Taxpayer’s remittance form
 - Post Office notice (other than by means of USPS National Change of Address (NCOA) database, and
 - The filing of **Form 2848, “Power of Attorney & Declaration of Representative”** or Form 4868, “Application for Automatic Extension of Time to File U. S. Individual Income Tax Returns”

IRM §4.8.9.9.2.2

Last Known Address procedure

❑ Establishing the “Last Known Address”:

- The following steps should be taken to determine the taxpayer's "last known address:"
 - A. Search IDRS for the most recently filed tax return and other information using appropriate CFOL and IDRS command codes including INOLES, SPARQ, IRPTRO, IMFOLE, ENMODA.
 - B. Search under both the primary and secondary SSNs, if applicable.
 - C. Search under the employer identification number (EIN) if the taxpayer has filed a Schedule C.
 - D. Search the ***administrative file for "clear and concise"*** notification since the date of the last filed return.

Last Known Address procedure

❑ Establishing the “Last Known Address”- Continued:

E. Scrutinize the power of attorney for a different address. Compare the signed dates found on the power of attorney to those found on the most current filed return. Discuss address concerns with representatives appointed under Form 2848, Power of Attorney and Declaration of Representative.

F. In no event should databases or information outside of IRS systems be consulted for addresses. Alternative addresses, to the extent that they are used, must have been provided to the IRS by the taxpayer or his representative (or another agent).

Polling Question

IRM §4.8.9.9.2.5

Tax case reviews

❑ Gregory v. Comm’r, 152 T.C. No. 7 (2019):

The Third Circuit reversed the Tax Court and held that the IRS had clear and concise notification of a couple's change of address based on their filing of a Form 2848, Power of Attorney and Declaration of Representative, and a Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return, showing their new address. The Tax Court initially held that it did not have jurisdiction over the taxpayers' petition because they failed to file it within 90 days of the IRS's mailing of a notice of deficiency to the address on their most recently filed and processed Form 1040.

Tax case reviews

❑ Talbot v. Comm'r, T.C. Memo 2016-191:

An IRS settlement officer relied solely on the IRS certified mailing list to determine whether the notice was sent to the taxpayer's last known address. The address on the certified mailing list was wrong and thus, it was unclear whether a notice was sent to the taxpayer's current address. The *incorrect address was also included in the IRS case activity report* and several other places in the record, including the notices of determination. The Tax Court held that the settlement officer incorrectly determined that a notice of deficiency was sent to the taxpayer's last known address before the assessment. The court thus concluded that the settlement officer's determination to proceed with the collection of the taxpayer's tax liabilities for those years was an abuse of discretion and the Notice of Federal Tax Lien was not sustained.

Tax case reviews

❑ Ahmed v. Comm T.C. Memo 2021-142 (Rev. 3rd Cir 2023):

The Third Circuit *vacated the Tax Court's ruling that it lacked jurisdiction over a taxpayer's appeal of a collection due process hearing* in a case in which the taxpayer sent \$625,000 to the IRS as a deposit in order to stop the running of interest on his disputed trust fund recovery penalties (TFRPs), but which the IRS applied as a direct payment to his tax bill. The Third Circuit remanded the case after finding that it was unclear whether the IRS sent a Letter 1153, Notice of Trust Fund Recovery Penalty, to the taxpayer at his last known address as required under IRC §6672(b) and therefore, the IRS may not have met the requirements to assess the TFRPs administratively.

Other relevant lka cites

☐ **Rev. Proc. 61-18**

✓ **“Determining a Taxpayer’s Last Known Address”**

☐ **Rev. Proc. 90-18 (Amplified & Superseded by Rev. Proc. 2001-18)**

☐ **Rev. Proc. 2001-18 (Superseded by Rev. Proc. 2010-16)**

☐ **Rev. Proc. 2010-16**

✓ **“Rules for Notifying IRS of an Address Change”**

Polling Question

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**THANKS FOR YOUR
TIME AND INTEREST!
HOPE YOU LEARNED
SOMETHING YOU
CAN USE TODAY.**



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