

(b) Alternative dispute resolution procedures

(1) Mediation

The Secretary shall prescribe procedures under which a taxpayer or the Internal Revenue Service Office of Appeals may request non-binding mediation on any issue unresolved at the conclusion of—

- (A) appeals procedures; or
(B) unsuccessful attempts to enter into a closing agreement under section 7121 or a compromise under section 7122.

(2) Arbitration

The Secretary shall establish a pilot program under which a taxpayer and the Internal Revenue Service Office of Appeals may jointly request binding arbitration on any issue unresolved at the conclusion of—

- (A) appeals procedures; or
(B) unsuccessful attempts to enter into a closing agreement under section 7121 or a compromise under section 7122.

(c) Administrative appeal relating to adverse determination of tax-exempt status of certain organizations

(1) In general

The Secretary shall prescribe procedures under which an organization which claims to be described in section 501(c) may request an administrative appeal (including a conference relating to such appeal if requested by the organization) to the Internal Revenue Service Office of Appeals of an adverse determination described in paragraph (2).

(2) Adverse determinations

For purposes of paragraph (1), an adverse determination is described in this paragraph if such determination is adverse to an organization with respect to—

- (A) the initial qualification or continuing qualification of the organization as exempt from tax under section 501(a) or as an organization described in section 170(c)(2),
(B) the initial classification or continuing classification of the organization as a private foundation under section 509(a), or
(C) the initial classification or continuing classification of the organization as a private operating foundation under section 4942(j)(3).

(Added Pub. L. 105-206, title III, § 3465(a)(1), July 22, 1998, 112 Stat. 768; amended Pub. L. 114-113, div. Q, title IV, § 404(a), Dec. 18, 2015, 129 Stat. 3118.)

PRIOR PROVISIONS

A prior section 7123 was renumbered section 7124 of this title.

AMENDMENTS

2015—Subsec. (c). Pub. L. 114-113 added subsec. (c).

EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114-113, div. Q, title IV, § 404(b), Dec. 18, 2015, 129 Stat. 3118, provided that: "The amendment made by subsection (a) [amending this section] shall apply to determinations made on or after May 19, 2014."

§ 7124. 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, § 7123; Pub. L. 97-258, § 3(f)(12), Sept. 13, 1982, 96 Stat. 1065; renumbered § 7124, Pub. L. 105-206, title III, § 3465(a)(1), July 22, 1998, 112 Stat. 767.)

AMENDMENTS

1998—Pub. L. 105-206 renumbered section 7123 of this title as this section.

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

Table with 2 columns: Subchapter and Sec.1. Rows include A. Crimes (7201), B. Other offenses (7261), C. Forfeitures (7301), and D. Miscellaneous penalty and forfeiture provisions (7341).

Subchapter A—Crimes

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

PART I—GENERAL PROVISIONS

Table with 2 columns: Sec. and Description. Rows include 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, 7213A. Unauthorized inspection of returns or return 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. Prohibition on executive branch influence over taxpayer audits and other investigations.

AMENDMENTS

1998—Pub. L. 105-206, title I, § 1105(b), July 22, 1998, 112 Stat. 711, added item 7217.

1997—Pub. L. 105-35, § 2(b)(2), Aug. 5, 1997, 111 Stat. 1105, added item 7213A.

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.

1 Section numbers editorially supplied.