Internal Revenue Service

memorandum

date: JUN 6 1977

to: All Regional Commissioners

from: Deputy Commissioner

subject: Processing Returns and Accounts of the President and Vice President

For some time, we have centralized the procedures for processing returns and accounts of the President and Vice President. These procedures have been in effect since the unauthorized disclosure of tax return information relating to then President Nixon. They were intended to protect the confidentiality of tax data for these officials by severely limiting access to their returns and tax accounts. Because of the high costs involved and the strong possibility that the purpose of centralized procedures would be misunderstood, the decision has been made to discontinue them.

For your information, the following processing guidelines replace the former special procedures. All prior memoranda on this subject no longer have effect.

1. All tax returns for the President and Vice President will receive normal pipeline processing through the service center. In the case of individual income tax returns, however, the whereabouts of the return will be monitored at all times during processing. After completion of processing, the income tax returns will be forwarded (in double sealed envelopes) to the Deputy Commissioner.

2. Account data will be carried on the appropriate master file and the accounts will not be subjected to restricted access procedures.

3. Individual income tax returns for the President and Vice President will be subject to mandatory audit examination. The district responsible for the examination will be determined by the Deputy Commissioner after consultation with the respective Regional Commissioner and the Assistant Commissioner (Compliance). After a determination is made as to the district having jurisdiction, copies of returns will be transmitted for the necessary examination. The transmittal memorandum will point out that:

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All Regional Commissioners

a. Regardless of DIF score, the return will be examined. #

b. Personnel should be assigned to the examination as necessary, including specialists, to conduct the audit. #

c. The District Director, or designee, should arrange for contact with the authorized representative for the beginning of the audit. #

d. All current prescribed Internal Revenue Manual procedures, i.e., requesting technical assistance, information from other agencies, etc., will apply in these as in all other cases. #

e. The return copies and any related returns examined concurrently, as well as the relevant workpapers and examination reports, will be subject to regular filing and retention procedures. #

4. Gift (and/or Estate) tax returns will be examined in accordance with procedures relating to all taxpayers. #

W. E. Williams
(6-6-77)

These instructions will be reissued in the IR Manual and Law Enforcement Manual in accordance with IRM 1254.

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