

Bond Case Briefs

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NABL: TEB Releases Work Plan for FY 2017.

The Internal Revenue Service (IRS) Tax Exempt and Government Entities (TE/GE) Division, including the Office of Tax-Exempt Bonds (TEB), has released its work plan for fiscal year (FY) 2017. TEB's highest priority examination cases are claims and returns that have been identified because of evidence of noncompliance, such as referrals. TEB receives two types of claims: claims for a return of an overpayment of rebate and claims for direct pay bonds. In FY 2016, TEB revised its direct pay bond refund process, and as a result, in FY 2017, TEB expects to receive fewer direct pay bond referrals, but these referrals will be returns that likely have a higher risk of noncompliance than found generally in returns referred under the prior process. The next priority is returns having issues for which past information, including past examinations and VCAPs, indicate a higher risk of noncompliance. This initiative began in FY 2016 and includes examinations of returns for prison financings and small issue bonds. TEB will also devote resources to identifying new issues and fact patterns with a higher risk of noncompliance, and developing methods to find these new issues. TEB will use methods, including market scans and data analytics, to identify new areas of noncompliance for examination.

The IRS TE/GE work plan is available [here](#) (note that the TEB section begins on page 21).