

ID: CCA_2016042616112454

UILC: 7602.00-00

Number: **201621012**

Release Date: 5/20/2016

From: [REDACTED]

Sent: Tuesday, April 26, 2016 4:11:24 PM

To: [REDACTED]

Cc: [REDACTED]

Bcc:

Subject: third party contacts and classified information

P&A has now studied this issue and consulted with the attorney in TE/GE Counsel who provided the advice to Exam. For the benefit of everyone on this email, here is the context:

EO is examining an organization which had a contract to provide services to a government agency. The contract itself was classified information. Exam and TE/GE Counsel all had to get top secret security clearances to work on the case. The revenue agents interviewed certain government officials about the contract. The names of the individual government officials are part of the classified information. No one can even acknowledge the existence of the contract in a non-secure setting. The taxpayer, by virtue of its own clearance and its participation in the contract, knows who the individuals are. All meetings with the taxpayer in which classified information is discussed are held in a secure location.

P&A has concluded that section 7602(c) is satisfied in this situation so long as the IRS gave advance notice that third-party contacts may be made, and the IRS can, if asked, provide those names to the taxpayer at the secure location. It is not necessary for the IRS to record the classified names on the third-party contact listing. Thus, P&A concurs with the advice provided by TE/GE Counsel.