**Course Title**

Understanding the IRS Defined Abusive Tax Shelter and the IRS Enforcement Process

**Course Description**

Over the years abusive tax shelters have evolved from simple transactions into very sophisticated strategies that now often border on tax evasion schemes. There is nothing wrong with sheltering tax through legal tax shelters. This class takes an in-depth look at violations of the Internal Revenue Code and the techniques the IRS utilizes to counteract these schemes. The class focuses on legitimate techniques for reducing a client’s tax liability. The student will be able to discern the differences between bogus and legitimate shelters. The course will include in-depth discussion of IRS enforcement practices with special emphasis on penalty and sanction issues that can arise from practitioner or taxpayer involvement in abusive tax schemes.

If it sounds too good to be true, it probably is **not** true!

The following topics are discussed in detail.

* Criteria that can be used to determine whether a particular offering is an abusive tax shelter
* Techniques to determine the economic reality of a shelter investment versus a tax sham
* Overvaluation issues relating to depreciation, interest, and credits
* History of tax legislation impacting tax shelter investment
* Examples of individual and corporate tax shelters
* Pitfalls of being a promoter of abusive tax shelter schemes and the possibility of IRS sanctions
* Techniques for avoiding substantial understatement of income penalty and overvaluation penalties
* IRS examination techniques used during audits of purported tax shelters
* Identification of IRS-identified abusive foreign tax schemes with emphasis on the UBS Bank debacle
* 2013 IRS industry tax shelter targets
* Value of disclosing a questionable position
* Appeals of tax shelter investigations

**Learning Objectives**

Upon successful completion of this course, participants will be able to

* Identify what the IRS defines as an abusive tax shelter scheme
* Understand the IRS approach to counteracting abusive tax shelter schemes
* Effectively advise and represent clients
* Understand techniques for avoiding penalties and possible sanctions for improper tax practice
* Determine whether actions taken as a client’s representative are in compliance with IRS Circular 230
* Help clients understand the economic realities of a marketed tax shelter