





TAX EXEMPT AND  
GOVERNMENT ENTITIES  
DIVISION

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

June 20, 2013

Control No: TEGE-07-0613-06

**MEMORANDUM FOR MANAGER, EO DETERMINATIONS**

**FROM:** Karen Schiller    
Acting Director, EO Rulings and Agreements

N8XFB  
cn=N8XFB,  
email=Karen.M.Schiller@irs.gov  
2013.06.20 11:53:39 -04'00'

**SUBJECT:** Interim Guidance on the Suspension of BOLO List Usage

Effective immediately, the use of watch lists to identify cases or issues requiring heightened awareness is suspended until further notice, with the exception of categories or cases required to be identified by Criminal Investigations, Appeals, or other functional divisions for the purposes of preventing waste, fraud and abuse. This includes the Be on the Lookout (BOLO) list and the TAG (Touch and Go) monthly alerts as defined in IRM 7.20.6.3.

These lists were used to identify potential issues or cases that required heightened or coordinated efforts. They involved cases with potential terrorist connections, abusive transactions, fraud issues, emerging issues, coordinated processing<sup>1</sup> and watch-out cases to allow for more consistent treatment of similarly situated taxpayers.

EO Rulings and Agreements is undertaking a comprehensive review of screening and identification of critical issues. We intend to develop proper procedures and uses for these types of documents. Until a more formal process for identification, approval and distribution of this type of data is established, Rulings and Agreements will not use this technique to elevate issues. All efforts will be made to provide a balance between ensuring taxpayer privacy and safeguards and ensuring consistent treatment in cases involving complex or sensitive issues.

Specialists should follow the instructions in IRM 7.20.1.4 regarding cases requiring transfer to EO Technical, as well as IRM 7.20.5.4 regarding cases requiring mandatory review prior to closing. All EO Determinations Specialists and Screeners will continue to check the names of organizations and individuals referenced in the case against the Office of Foreign Asset Control (OFAC) list. If the specialist identifies an emerging issue or one that might require special handling, he or she should discuss the case with his or her manager, who in turn will elevate the issue.

<sup>1</sup> Coordinated processing cases are ones that present similar issues and thus are to be handled by a single team or group in order to facilitate consistency.