

IRS Audit Issues, Rulings & Tax Cases

Discussed in the “Update from the IRS” at the

AICPA National Auto Dealership Conference ... Phoenix, AZ - Oct. 26, 2006

Page 1 of 2

I. IRS Audit Activity - Examinations, etc.

- *An Update on Current IRS Audit Activity (DTW Sept. 2006, pp. 3-8)*
- *IRS Updates Its Audit Technique Guide for Automobile Dealerships (DTW March 2005, pp. 7-17)*
- *Dealership Tax Return Compliance & Planning Opportunities Checklist (DTW Dec. 2004, pp. 23-31)*

II. Electronic Records Retention Obligations

- *Electronic Records Retention Requirements for Automobile Dealerships ... Revenue Procedure 98-25 (Automotive Alert) (DTW March 2005, pp. 30-31)*
- *If the Taxman Ever Knocks at Your Door ... Will You Be Ready? (DTW Sept. 2004, p. 3)*
- *IRS Is Zeroing in on Electronic Recordkeeping Requirements (DTW June 2000, pp. 2-3)*

III. Service Technicians' Tool Programs

- *Accountable Plans for Technicians' Tools under Sec. 62(c) (DTW Sept. 2006, pp. 10-11)*
- *Namyst in the Tax Courts ... Accountable Plan Rules Require Repayments of Excess Amounts Received (DTW June 2006, pp. 4-5)*
- *Service Technicians' Tool Reimbursement Plans (Automotive Alert) (DTW March 2006, pp. 38-39)*
- *Technician Accountable Plans ... Obviously Flawed Plans Take a Hit as a New Revenue Ruling (2005-52) Emphasizes Strict Compliance (DTW Sept. 2005, pp. 11-14)*
- *Technicians' Tool Reimbursement Plans under Section 62(c) (DTW June 2005, pp. 4-48)*

IV. Section 263A Inventory Cost Capitalization Rules ... Are dealerships “retailers” or “producers?”

- *An Update on Current IRS Audit Activity (DTW Sept. 2006, p. 9)*
- *Should Auto Dealerships Be Treated as “Producers” or as “Retailers” under Section 263A (DTW March 2006, pp. 3-12)*

V. - VIII. For articles included, see Page 2 of 2

IRS Audit Issues, Rulings & Tax Cases

Discussed in the “Update from the IRS” at the

AICPA National Auto Dealership Conference ... Phoenix, AZ - Oct. 26, 2006

Page 2 of 2

V. Changes in the Form of IRS Guidance ... GLAMs, TAMs, etc.

- *An Inside Look at What’s Wrong with the Tam Process & How a New Form of IRS Technical Advice ... Generic Legal Advice Memorandum (GLAM) ... May Be More Effective than a TAM (DTW Sept. 2006, pp. 16-17, 28)*

VI. Cash Reporting on Form 8300 and the Tysinger Motors Case

- *Dealership Escapes Major Penalty for Not Filing Forms 8300 ... Tysinger Motor Co. v. U.S (DTW June 2006, pp. 10-21)*
- *Cash Reporting & Your Dealership ... Questions & Answers on Form 8300 (Automotive Alert) (DTW March 2006, pp. 40-45)*

VII. Dow Huffman ... IRS adjusts dealership’s method for computing LIFO

- *The IRS Adjusts Decades of “Errors” in Dealership’s Link-Chain LIFO Calculations ... Huffman et al. v. Comm. (LL June 2006, pp. 7-32)*

VIII. Treatment of Trade Discounts as a Reduction of Inventory costs

- *Dealers on LIFO & Trade Discount Handling ... Risk of Loss of LIFO Election & LIFO Reserves if Trade Discounts Are Not Eliminated from Inventory Costs (LL Sept. 2006, pp. 15)*
- *Trade Discount & Advertising Expense CAMs May Be the Answer for Dealers Looking for Big, One-Time Tax Write-Offs ... With a Little More Background on These Changes (LL Dec. 2002, pp. 1-2)*
- *Auto Dealer Changes in Accounting Method for Trade Discounts, Floorplan Assistance, Advertising Fees & Expenses (DTW Sept. 2003, pp. 10-15)*

... 150 Pages ...