

Sources of Federal Income Tax Law

Constitution

Corporations - Article I, section 8 (1787)

Individuals - 16th Amendment (1913)

Legislation

Internal Revenue Code, 26 U.S.C.

Codifies income tax laws on books for decades
(individual income tax since 1913)

Codifications: 1939, 1954, 1986

Internal Revenue Code of 1986, as amended

Administrative Law

Internal Revenue Service

Rulemaking

Regulations (26 C.F.R.)

Revenue rulings and revenue procedures

Lesser types of rulings

Adjudication

[Withholding/estimated tax]

[Annual return (self-assessment) by taxpayer]

IRS examination ("audit") of return

Notice of proposed deficiency ("30-day letter")

Taxpayer protest, administrative appeal

Notice of Deficiency ("90-day letter")

IRS assessment and collection (unless stayed by taxpayer
filing petition in Tax Court or filing in
Bankruptcy Court)

*(Settlement
possible at any
stage)*

Litigation

Federal courts

U.S. Bankruptcy Court
Bankruptcy cases only

U.S. Tax Court
Litigate without prepayment

U.S. District Court
Refund suits only

Court of Federal Claims
Refund suits only

U.S. Court of Appeals
Taxpayer's home circuit

U.S. Court of Appeals
Federal Circuit

U.S. Supreme
Court

