

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.)

Guidance

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

