From:
Sent: Friday, February 03, 2012 11:24:19 AM
To:
Cc:
Subject: RE: TEFRA Issues

I am not sure what your question is. A "computational adjustment" is the change in a partner's tax liability. I.R.C. 6231(a)(6). A computational adjustment can be either directly assessed (if its purely a math computation) or assessed through a notice of deficiency if further factual determinations are required. "Computational adjustment" does not mean an amount that is directly assessed, even though people commonly refer to it as such.

If the taxpayer agrees to the assessment and signs a waiver, it is also an agreed affected item.

If the partner signs a waiver, the agent does not need to determine whether factual determinations are required or not. We can simply assess. If no waiver is signed, then we can directly assess only if the assessment is purely a math computation with no partner-level factual determinations required.