



Internal Revenue Code (IRC) 7623(b)

- The law applies to claims filed after enactment date December 20, 2006.
- The award percentage ranges are statutory, with a general range between 15% to 30%, with some exceptions. There is no limit on the dollar amount of the award.
- A reduced award amount of up to 10% in cases based principally on disclosure of specific allegations resulting from:
 - Judicial or administrative hearings,
 - From a governmental report, hearing, audit or investigation,
 - Or from the news media.
 - An appropriate reduction if the whistleblower "planned and initiated" the non-compliance.
- The law applies to cases in which the amount in dispute exceeds \$2 million. If the taxpayer is an individual, the individual's gross income must exceed \$200,000 for any taxable year at issue in a claim.
- Requires the Whistleblower Office to analyze these \$2 million cases, and authorizes the IRS to request assistance from the whistleblower and their counsel.
- Individuals are eligible for awards based on additions to tax, penalties, interest, and other amounts collected as a result of any administrative or judicial action resulting from the information provided.
- Awards are subject to appeal to the U.S. Tax Court.
- If the thresholds in 7623(b) are not met, section 7623(a) authorizes, but does not require, the Service to pay for information relating to violations of the internal revenue law that result in recovery of tax.

[IRC Section 7623\(a\)](#)

[Informant Award](#) (Whistleblower)

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