



# TaxNewsFlash

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## IRS announces new compliance effort focused on high-income individuals, partnerships, and large corporations

The IRS today announced a new compliance effort focused on high-income individuals, partnerships, and large corporations.

According to today's IRS release—[IR-2023-166](#) (September 8, 2023)—the new effort will be assisted by improved technology, including artificial intelligence. Key elements of the new effort include:

- **Prioritization of high-income cases:** In the high wealth, high balance due taxpayer field initiative, the IRS will intensify work on taxpayers with total positive income above \$1 million that have more than \$250,000 in recognized tax debt.
- **Expansion of pilot focused on largest partnerships leveraging artificial intelligence (AI):** The IRS is expanding the large partnership compliance (LPC) program to additional large partnerships with the help of AI.
- **Greater focus on partnership issues through compliance letters:** In early October, the IRS will start mailing around 500 partnerships showing discrepancies between end-of-year balances compared to beginning balances the following year, with no statements explaining the difference. Depending on the response, the IRS will add these to the audit stream for additional work.

Additional priority areas the IRS will be focused on include:

- Expanded work on digital assets
- More scrutiny on FBAR violations
- Labor brokers

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