


## **Internal Revenue Code Section 7463(a)**

Disputes involving \$50,000 or less

 (a) In general.

In the case of any petition filed with the Tax Court for a redetermination of a deficiency where neither the amount of the deficiency placed in dispute, nor the amount of any claimed overpayment, exceeds-

- (1) \$50,000 for any one taxable year, in the case of the taxes imposed by subtitle A,
- (2) \$50,000, in the case of the tax imposed by chapter 11,
- (3) \$50,000 for any one calendar year, in the case of the tax imposed by chapter 12, or
- (4) \$50,000 for any 1 taxable period (or, if there is no taxable period, taxable event) in the case of any tax imposed by subtitle D which is described in section 6212(a) (relating to a notice of deficiency),

at the option of the taxpayer concurred in by the Tax Court or a division thereof before the hearing of the case, proceedings in the case shall be conducted under this section .

Notwithstanding the provisions of section 7453 , such proceedings shall be conducted in accordance with such rules of evidence, practice, and procedure as the Tax Court may prescribe. A decision, together with a brief summary of the reasons therefor, in any such case shall satisfy the requirements of sections 7459(b) and 7460 .

(b) Finality of decisions.

A decision entered in any case in which the proceedings are conducted under this section shall not be reviewed in any other court and shall not be treated as a precedent for any other case.

(c) Limitation of jurisdiction.

In any case in which the proceedings are conducted under this section , notwithstanding the provisions of sections 6214(a) and 6512(b) , no decision shall be entered redetermining the amount of a deficiency, or determining an overpayment, except with respect to amounts placed in dispute within the limits described in subsection (a) and with respect to amounts conceded by the parties.

(d) Discontinuance of proceedings.

At any time before a decision entered in a case in which the proceedings are conducted under this section becomes final, the taxpayer or the Secretary may request that further proceedings under this section in such case be discontinued. The Tax Court, or the division thereof hearing such case, may, if it finds that (1) there are reasonable grounds for believing that the amount of the deficiency placed in dispute, or the amount of an overpayment, exceeds the applicable jurisdictional amount described in subsection (a) , and (2) the amount of such excess is large

enough to justify granting such request, discontinue further proceedings in such case under this section . Upon any such discontinuance, proceedings in such case shall be conducted in the same manner as cases to which the provisions of sections 6214(a) and 6512(b) apply.

(e) Amount of deficiency in dispute.

For purposes of this section , the amount of any deficiency placed in dispute includes additions to the tax, additional amounts, and penalties imposed by chapter 68, to the extent that the procedures described in subchapter B of chapter 63 apply.

(f) Additional cases in which proceedings may be conducted under this section .

At the option of the taxpayer concurred in by the Tax Court or a division thereof before the hearing of the case, proceedings may be conducted under this section (in the same manner as a case described in subsection (a) ) in the case of-

(1) a petition to the Tax Court under section 6015(e) in which the amount of relief sought does not exceed \$50,000,

(2) an appeal under section 6330(d)(1)(A) to the Tax Court of a determination in which the unpaid tax does not exceed \$50,000, and

(3) a petition to the Tax Court under section 6404(h) in which the amount of the abatement sought does not exceed \$50,000.