

**MEMORANDUM OF AGREEMENT BETWEEN THE UNITED STATES COAST
GUARD AND THE INTERNAL REVENUE SERVICE REGARDING CERTAIN
RECORDS MAINTAINED BY THE COAST GUARD**

1. **PARTIES.** The parties to this Agreement are the United States Coast Guard (USCG) and the Internal Revenue Service (IRS).
2. **AUTHORITY.** This Agreement is authorized –
 - A. for the USCG under:
 - 1) 14 U.S.C. § 141; and
 - 2) 14 U.S.C. § 93(a)(20).
 - B. for the IRS under Treasury Order 150-10.
3. **PURPOSE.** The purpose of this Agreement is to set forth terms by which the USCG will make available to the IRS certain records maintained by the USCG that have been submitted to it in accordance with the regulations and policy promulgated from the Outer Continental Shelf Lands Act (OCSLA) of 1978 (as amended). These records would have been received as part of an application to the USCG in which an applicant seeks either a determination (from the USCG) as to the applicability of the OCSLA employment restrictions to the applicant's vessel(s) or unit(s) engaged in Outer Continental Shelf (OCS) activity on the U.S. OCS, or an authorization from the USCG to employ foreign nationals on their vessel(s) or unit(s) so engaged. Making these records available under this MOA is intended to assist the IRS in its effort to identify foreign vessel owners or operators, or other employers of foreign nationals who may be subject to U.S. tax laws.
4. **RESPONSIBILITIES:**
 - A. **USCG.**
 - 1) The records to be made available to the IRS will be limited to the following two documents if those documents have been maintained:
 - a. the document submitted by the applicant that summarizes their request, which is typically in the form of a cover letter, but may also be in the body of an email; and
 - b. the letter issued by the USCG in response to that request, which will be either a –
 - i. letter of non-applicability (LOA) issued under 33 CFR § 141.5(b)(3);
 - ii. letter of exemption (LOE) issued under 33 CFR § 141.20;
 - iii. letter of determination (LOD) issued under 33 CFR § 141.15(c); or

iv. denial letter.

- 2) Unless other arrangements have been agreed to by the parties hereto, these records will be made available to the IRS –
- a. after 14 calendar days' notice to review the records has been made to the USCG;
 - b. in the format in which the records are maintained;
 - c. at the location where the records are maintained; and
 - d. will include only those records maintained since January 1, 2005.
- 3) The USCG will not be required to create or submit reports of any kind under this Agreement.

B. IRS.

- 1) The IRS will provide 14 calendar days' notice to the USCG to review the records maintained by it. The locations where one or both of these documents may be maintained are as follows:
- a. CG-CVC-2, which receives the application for the LOA and issues the response letter
 - b. CG-CVC-2, which receives the application for the LOE and issues the response letter
 - c. any of the following USCG units, which may receive an application for an LOD and issue a response letter –
 - i. D8 OCS OCMI
 - ii. Sector Mobile
 - iii. Sector New Orleans
 - iv. Sector Corpus Christi
 - v. MSU Morgan City
 - vi. MSU Port Arthur
 - vii. MSU Texas City
 - viii. any other unit so identified by the USCG

- 2) Unless other arrangements have been agreed to by the parties hereto, the IRS will –
 - a. coordinate through CG-CVC-2 any request to review the documents maintained by the USCG;
 - b. ensure all original documents remain at the location at which the documents are maintained;
 - c. make copies of any documents reviewed only at the location at which those documents are maintained; and
 - d. restore all original documents to their original location or filing system once the review has been completed.
- 3) The IRS will maintain its copies of records with proper safeguards in accordance with its established agency procedures for retention of documents containing Personally Identifiable Information (PII), Confidential Business Information (CBI), and other sensitive information. If the IRS receives a Freedom of Information Act (FOIA) request to which documents from the USCG are responsive, the IRS will forward that request and the documents to the USCG as the originator and owner of the documents.
- 4) Information and documents received from the USCG will not be further disseminated, in any form, beyond IRS personnel whose official duties require access to these documents except as authorized by law.


5. POINTS OF CONTACT.

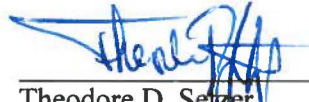
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6. OTHER PROVISIONS. Nothing in this Agreement is intended to conflict with current law, regulations, or the directives of the USCG, Department of Homeland Security (DHS), and the IRS. If a term of this Agreement is inconsistent with such authority, then that term shall be invalid, but the remaining terms and conditions of this Agreement shall remain in full force and effect.
7. EFFECTIVE DATE. The terms of this Agreement will become effective upon signature by the parties.
8. MODIFICATION. This Agreement may be modified upon the mutual written consent of the parties.
9. TERMINATION. The terms of this Agreement, as modified with the consent of the parties, will remain in effect until December 31, 2017. This Agreement may be extended by mutual written consent of the parties. Either party upon 30 days' written notice to the other party may terminate this Agreement.

APPROVED BY:


Rear Admiral Paul F. Thomas
Assistant Commandant for Prevention Policy
U.S. Coast Guard
U.S. Department of Homeland Security


Theodore D. Setzer
Assistant Deputy Commissioner
International
Internal Revenue Service

Date: 9/22/16

Date: 9/14/2016