



TaxNewsFlash

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Announcement 2025-6: Pilot program to test changes to alternative dispute resolution (ADR) programs

The IRS today released [Announcement 2025-6](#) that introduces and describes three pilot programs to test changes to its alternative dispute resolution (ADR) programs.

A related IRS release—[IR-2025-14](#)—explains that the pilots focus on Fast Track Settlement (FTS) and Post-Appeals Mediation (PAM).

- FTS allows the IRS Independent Office of Appeals (Appeals) to mediate disputes between a taxpayer and the IRS while the case is still within the jurisdiction of the examination function.
- PAM is a program in which a mediator is introduced to help foster a settlement between Appeals and the taxpayer.

Among other things, the pilots:

- Align the Large Business and International (LB&I), Small Business and Self-Employed (SB/SE) and Tax Exempt and Government Entities (TE/GE) divisions in offering FTS on an issue-by-issue basis. Previously, if a taxpayer had one issue that was ineligible for FTS, the entire case was ineligible.
- Provide that requests to participate in FTS and PAM will not be denied without the approval of a first-line executive.
- Clarify that when requests for FTS or PAM are formally denied, taxpayers will receive an explanation for the denial.

Another pilot, “Last Chance FTS,” will inform taxpayers of FTS options before their cases move to Appeals.

Lastly, another pilot removes the limitation that participation in FTS would preclude eligibility for PAM.

These piloted changes will be evaluated after a two-year test period to determine the degree to which they should be discontinued, adjusted, or made permanent. Comments will be accepted throughout the pilot period.

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