

Internal Revenue Manual Section 10.24.1.7.4(1)(d)

GenAI Considerations

1. Employees should keep the following considerations and best practices in mind as they interact and experiment with LLMs:
 - a. Accuracy and Reliability: LLMs may sometimes produce inaccurate or misleading information. LLMs can also produce what are called "hallucinations." Hallucinations result when output appears coherent and plausible, but does not reflect factual data. Always critically evaluate LLM outputs and verify information from reliable sources.
 - b. Transparency and Disclosure: When using LLMs to generate content, be transparent about their involvement. As appropriate, disclose that the content was created with the assistance of an LLM and how AI was used (e.g. drafting, editing, etc.).
 - c. Variability in Responses: LLMs may generate different responses to the same prompt if asked more than once. This variability is a normal part of their function, as their output is based upon the probability of the next token as output. Experiment with different prompts and parameters to achieve desired results.
 - d. Over-reliance: Avoid becoming overly reliant on LLMs. Use LLMs as tools to assist and augment your work, not replace your own critical thinking and judgment.
 - e. Consult PGLD at *Privacy for guidance on requirements for use of data in GenAI contexts, including publicly-available, synthetic, simulated, or anonymized data.

