

IRM PROCEDURAL UPDATE

DATE: 12/11/2014

NUMBER: SBSE-04-1214-1678

SUBJECT: BMF Underreporter (BMF-AUR) Program

AFFECTED IRM(s)/SUBSECTION(s): 4.119.4.21.6

CHANGE(s):

IRM 4.119.4.21.6(5) revised instruction for when taxpayer's calculation does not match revised figures

5. If the taxpayer's calculation of the new tax does not match the revised tax figures, take the following action:

If	Then
The taxpayer's revised tax figures are XXXXXXXXXX of the verified revised tax calculation and the "agree criteria" is met. See IRM 4.119.4.21.5, <i>Agreed Responses</i> for additional information REMINDER: Taxpayer must also agree to any remaining applicable penalties (ex: Accuracy Related penalty).	<ol style="list-style-type: none">1. Process the assessment using the taxpayer's figures as the new tax liability. See IRM 4.119.4.21.10, <i>Adjustments</i> for additional information.2. Close the case using Process Code 4470 (Letter 2531 phase), 45RN (Letter 2030 phase) or 47SR (Stat Notice phase).3. Annotate the DCI and case folder.
The taxpayer's revised tax figures are XXXXXXXXXX of the verified revised tax calculation and the "agree criteria" is not met	<ol style="list-style-type: none">1. Issue a recomputed Letter 2030 using the taxpayer's figures.2. Update IDRS Activity Code as appropriate. See Exhibit 4.119.4-7, <i>Activity Codes/Category Codes</i>, for additional information.3. Annotate the DCI and case folder with Process Code 4520 (Letter 2030 after Letter 2531 phase), 4530 (Letter 2030 phase) or 4750

	(Stat Notice phase).
The taxpayer's revised tax figures are #XXXXXXXX# of the verified revised tax calculation	<ol style="list-style-type: none"> 1. Issue a recomputed Letter 2030 with the corrected figures. 2. If necessary, include an explanation paragraph regarding the difference in the calculation. 3. Update IDRS Activity Code as appropriate. See Exhibit 4.119.4-7, <i>Activity Code/Category Codes</i>, for additional information. 4. Annotate the DCI and case folder with Process Code 4520 (Letter 2030 after Letter 2531 phase), 4530 (Letter 2030 phase) or 4750 (Stat Notice phase).
<p>The verified revised tax calculation is LESS THAN the taxpayer's calculation and the "agree criteria" is met. See IRM 4.119.4.21.5, <i>Agreed Responses</i> for additional information</p> <p>REMINDER: Taxpayer must also agree to any remaining applicable penalties (ex: Accuracy Related penalty).</p>	<ol style="list-style-type: none"> 1. Process the assessment based on the verified revised tax calculation. See IRM 4.119.4.21.10, <i>Adjustments</i> for additional information. 2. Send Letter 4551C. Include an explanation regarding the difference in the tax calculations. 3. Update the Activity Code as appropriate. See Exhibit 4.119.4-7, <i>Activity Codes/Category Codes</i>, for additional information. 4. Close the case using Process Code 4470 (Letter 2531 phase), 45RN (Letter 2030 phase) or 47SR (Stat Notice phase). 5. Annotate the DCI and case folder.
The verified revised tax calculation is LESS THAN the taxpayer's calculation and the "agree criteria" is not met	<ol style="list-style-type: none"> 1. Issue a recomputed notice with the corrected figures. 2. If necessary, include an explanation paragraph regarding the difference in

	<p>tax calculation.</p> <ol style="list-style-type: none"> 3. Update IDRS Activity Code as appropriate. See Exhibit 4.119.4-7, <i>Activity Codes/Category Codes</i>, for additional information. 4. Annotate the DCI and case folder with Process Code 4520 (Letter 2030 after Letter 2531 phase), 4530 (Letter 2030 phase) or 4750 (Stat Notice phase).
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