



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

SMALL BUSINESS / SELF-EMPLOYED DIVISION

March 26, 2013

Control Number: SBSE-05-0313-024
Expiration: August 1, 2013
Impacted: IRM 5.14.5
IRM 5.14.10

MEMORANDUM FOR DIRECTORS, FIELD COLLECTION AREA OPERATIONS
DIRECTOR, CAMPUS FILING AND PAYMENT COMPLIANCE

FROM: Scott D. Reisher /s/ **Scott D. Reisher**
Director, Collection Policy

SUBJECT: In-Business Trust Fund Express Installment Agreements

This is a reissuance of Interim Guidance Memorandum SBSE-05-0312-034 dated March 27, 2012.

This interim guidance memorandum is being issued to Field Collection employees to implement policy changes to In-Business Trust Fund Express Installment Agreements (IBTF Express IA) that were announced by the Commissioner in the February 24, 2011 press release. These changes are effective immediately and will be placed into the next revisions of IRMs 5.14.5 and 5.14.10.

The IRM 5.14.5.4 will be updated to incorporate the following revisions regarding IBTF Express Installment Agreements:

- IBTF Express IA dollar criterion has been raised from \$10,000 (with accruals) to \$25,000 Unpaid Balance of Assessments (UBA)(the SUMRY balance).
- IBTF Express agreements may not be granted where the first payment on the agreement is a lump sum payment to be made in order to pay down the balance to meet the \$25,000 criteria. Taxpayers must meet the dollar criteria at the time the IBTF Express IA is granted. However, taxpayers with a liability greater than \$25,000, can be considered for an IBTF Express agreement if they pay down the liability to \$25,000 or less prior to the agreement being granted.
- Use of the Direct Debit payment option (DDIA) is required on all IBTF Express IAs with a UBA between \$10,000 and \$25,000.

- A field call is not required just to view assets.
- No lien determination is required on IBTF Express Agreements, but liens may be filed if they will protect the government's interests, such as:
 - BMF entity has defaulted on an IA in the current year or prior calendar year periods;
 - BMF entity meets the current definitions of a “Repeater” trust fund taxpayer, as described in IRM 5.7.8.2.

Note: Per IRM 5.12.2.4 a lien determination is required by a specific date. If the case cannot be closed as an IBTF Express IA on or before the lien determination date, a lien determination must be made based on the facts of the case. The revenue officer has the latitude to make a timely lien determination as a non-filing or deferral of the lien filing, then finish the negotiation and grant the IBTF Express IA.

- A TFRP determination is required if the liability exceeds the dollar criteria in IRM 5.7.3 IRM 5.7.4.1(3) has been expanded to state that a determination to pursue the TFRP should not be made when the taxpayer meets the criteria for an IBTF Express IA and the decision has been made to grant the agreement. The taxpayer must meet **all** the following conditions in order to make the determination to not pursue the TFRP:
 - UBA is \$25,000 or less;
 - Outstanding liabilities only include current year or prior calendar year periods; and
 - BMF entity does not meet the current definitions of a “Repeater” trust fund taxpayer, as described in IRM 5.7.8.2.

All other criteria found in IRM 5.14.5.4 (1) and (2) will remain the same.

If you have any questions, please contact me, or a member of your staff may contact David Beach (Installment Agreements), Jeanne Dunford (TFRP) and Chris Kalcevic (NFTL).

cc: Director, Field Collection
Director, Campus Compliance Services
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