



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

SMALL BUSINESS/SELF-EMPLOYED DIVISION

March 27, 2014

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IRM 5.14.10

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

FROM: Dretha Barham /s/ *Dretha Barham*
Director, Collection Policy

SUBJECT: In-Business Trust Fund Express Installment Agreements

This is a reissuance of Interim Guidance Memorandum SBSE-05-1213-0103 dated December 23, 2013 (originally issued as SBSE-05-0311-038 dated March 28, 2011).

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 will be placed into the next revision of IRMs 5.14.5 and 5.14.10.

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

- IBTF Express IA dollar criteria have 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:
 - The BMF entity has defaulted on an IA in the current year or prior calendar year periods.

Reminder: Per IRM 5.12.2.3.1 where a NFTL filing determination is not required, but a decision to file an NFTL has been made, document the justification in the case history including the manager's concurrence.

- Per IRM 5.12.2.3.1 a lien notice filing determination decision is not required for an In-Business Trust Fund Express Agreement. If the case cannot be closed as an IBTF Express IA on or before the IRM 5.12.2.3.2 lien notice filing determination requirement date, a lien notice filing determination decision must be made based on the facts of the case. The revenue officer has the latitude to make a non-filing or filing deferral determination decision 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; and,
 - 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, Enterprise Collection Strategy
 Director, Field Collection
 Director, Campus Compliance Services
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