



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

APPEALS

Date: May 21, 2014

Control No: AP-08-0514-0002

Expiration Date: 06/02/2015

Affected IRMs: 8.24.1, Collection Appeals Program  
8.20.7, General Closing Procedures

MEMORANDUM FOR: Director, Field Operations East  
Director, Field Operations West  
Director, Account Processing and Support  
Director, Appeals Quality Measurement System  
Director, SB/SE, Collection Policy  
Director, Wage and Investment, Compliance

FROM: Lisa L. Zannitto /s/ *Lisa L. Zannitto*  
Acting Director, Policy, Quality and Case Support

SUBJECT: Interim Guidance on Paperless Collection Appeals Program (CAP) Process for  
Appeals Field Offices

This memorandum serves as guidance on the paperless process for field sourced Collection Appeals Program (CAP) cases until guidance is published in IRM 8.24.1, *Collection Appeals Program (CAP)*, and IRM 8.20.7, *Account and Processing Support (APS)*, *General Closing Procedures*. Please distribute this information to all affected employees within your organization.

**Purpose:** This guidance is designed to provide stakeholders with a clear step-by-step approach of the exclusive electronic process for CAP cases.

**Procedural Change:** The paperless process on the front end of field sourced CAPs will be expanded to include an exclusive electronic means process from start to finish, as described in the attached Visio chart (Attachment 2) and step-by-step addendum (Attachment 3).

**Effective/Implementation Date:** This interim guidance becomes effective on June 2, 2014, the date of implementation.

**Effect on Other Documents:** This guidance will be incorporated into IRM 8.24.1, *Collection Appeals Program (CAP)*, and IRM 8.20.7, *General Closing Procedures*, by June 2, 2015.

**Contact:** If you have any questions, please contact Appeals Senior Program Analyst John Gonzalez.

cc:  
[www.irs.gov](http://www.irs.gov)

Attachments:

- (1) Interim Guidance Overview (Pre-implementation items)
- (2) Visio Flowchart
- (3) Addendum to Step-by-step Visio Chart

## **Interim Guidance Overview**

The following issues were addressed prior to the implementation of the paperless process for field sourced CAPs:

### **1. CAP Cases Under Interim Guidance**

This interim guidance pertains to field sourced CAP cases received from Field Collection.

Note: A pilot program for non-field sourced CAPs was deployed on 7/15/2013. Due to the success of the pilot, the paperless process is being adopted for field sourced CAPs.

### **2. Affected Employees**

The implementation of the paperless CAP process on field sourced CAPs will affect the following employees:

- Appeals Field Office Teams
- Appeals Account & Processing Support (APS)
- Appeals Quality Measurement System (AQMS)
- Field Collection (Originating Function)

### **3. Clear Step-by-Step Process**

The following attachments provide step-by-step information and instructions regarding the paperless CAP process:

- Attachment 2: Visio Chart of the Paperless Process for Field Sourced CAPs
- Attachment 3: Addendum to the Step-by-Step Visio Chart of the Paperless CAP Process

### **4. Conferences with Stakeholders**

Tax Policy & Procedure (TPP) held conferences with all affected parties and discussed the step-by-process as referenced and illustrated in Attachments 2 and 3.

### **5. Electronic Signature Approval**

On 9/10/2012, TPP Collection & Processing secured approval and official guidance from the Office of Chief Counsel, Procedure & Administration, citing digital/electronic signatures by Appeals Team Managers on CAP Decision Letters are valid.

A link providing step-by-step instructions on the creation and use of electronic signatures will be provided prior to implementation of the paperless CAP process for field sourced CAPs.

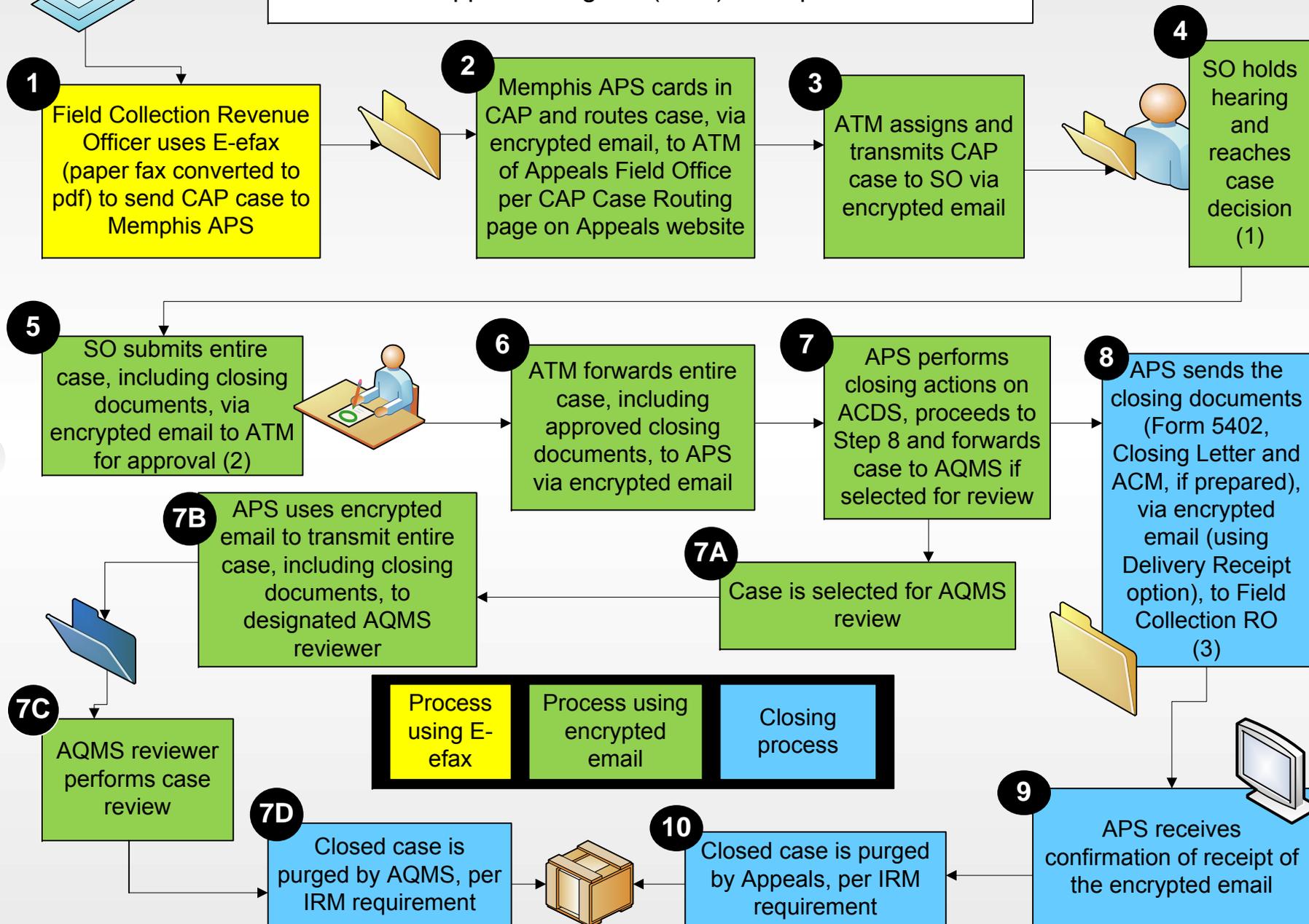
### **6. De Minimis**

On 2/20/2014, TPP was advised by the Appeals Human Capital Programs that Labor Relations Strategy & Negotiations (LRSN) determined the procedures of the paperless CAP process to be de minimis and that a courtesy notice to NTEU is not required.

### **7. Effective/Implementation Date**

The paperless CAP process for field sourced CAPs is effective on Monday, June 2, 2014, the date of implementation.

## Collection Appeals Program (CAP) — Paperless Process



(1) Any additional documents received by the SO during the hearing will be secured via E-fax and incorporated into the case file.

(2) SO will note the email address of the originating RO in the Remarks Section of Form 5402 (to ensure closing documents are sent to the correct RO).

(3) APS will fax or print and mail (if fax # is not available) the closing letter to the TP/POA the same day the closing documents are emailed to Collection.

**Paperless Collection Appeals Program (CAP)  
Addendum to Step-by-Step Visio Chart**

<b>Step</b>	<b>Description</b>	<b>Notes/Information</b>
1	Field Collection Revenue Officer uses E-eFax to send CAP case to Memphis APS	Originating functions (Field Collection, Automated Collection System, Compliance Services Collection Operations and Accounts Management) use E-eFax (855-214-7525) to transmit CAPs to Appeals.
2	Memphis APS cards in CAP and routes case, via encrypted email, to ATM of Appeals Field Office per CAP Case Routing page on Appeals website	Once CAPs are delivered via E-eFax (or encrypted email to <u>*AP Collection Appeals Program</u> if Field Collection secured the CAP via E-eFax), Memphis APS will card in the CAP and forward it to the designated ATM per the CAP Case Routing Page.
3	ATM assigns and transmits CAP case to SO via encrypted email	This part of the paperless process commenced on 12/5/2011, when E-eFax was deployed.
4	SO holds hearing and reaches case decision	Any additional documents received by the SO during the hearing will be secured via E-eFax and incorporated into the case file.
5	SO submits entire case, including closing documents, via encrypted email to ATM for approval <b>Note: Form 5402 will include email address of originating RO in Remarks Section</b>	Upon case completion, SOs will use encrypted email to forward the CAP file, including the closing documents, to their ATM for approval. Currently, SOs submit a paper file to their ATM. <b>Note:</b> TPP received guidance from Counsel, through a memo on 9/10/12, authorizing electronic/digital signature use on CAP Decision Letters.
6	ATM forwards entire case, including approved closing documents, to APS via encrypted email	Upon approval of the case decision, the ATM will digitally sign the appropriate documents (Closing letter and Form 5402) and forward the entire case file via encrypted email to APS.
7	APS performs closing actions on ACDS, proceeds to Step 8 and forwards case to AQMS if selected for review	APS will make the necessary inputs on ACDS upon receipt of the CAP case closures. If a case is selected for AQMS review, APS will forward the case to the designated reviewer and proceed with Step 8 of the process.
7A	Case is selected for AQMS review	If the CAP case is selected for AQMS review, a pop-up box will appear as APS inputs the closing data on ACDS.
7B	APS uses encrypted email to transmit all case documents to the designated AQMS reviewer	As opposed to forwarding a paper file to AQMS, APS will use encrypted email to transmit the entire case file to the designated AQMS reviewer.
7C	AQMS reviewer performs case review	The AQMS reviewer will have access to the same documents made available to the assigned SO.
7D	Closed case is purged by AQMS, per IRM requirement	AQMS will purge the CAP file, as opposed to returning it to APS, upon the conclusion of their review.
8	APS sends the closing documents via encrypted email to Field Collection RO <b>Note:</b> APS will select the "Request a Delivery Receipt" option to track the email	The closing documents will consist of the Form 5402, Closing Letter and Appeals Case Memo (if prepared). <b>Note:</b> APS will use the Typewriter feature on Adobe to input the date on the Closing Letter. <b>Note:</b> APS will fax or print & mail (if fax number is not available) the closing letter to the TP/POA.
9	APS receives confirmation of receipt of the encrypted email	APS will verify the closing documents were received by the originating function through a confirmation of receipt of the encrypted email.
10	Closed case is purged by Appeals per IRM requirement	Upon verification that the closing documents were received, the closed case can be purged per the IRM requirement.