



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

SMALL BUSINESS/SELF-EMPLOYED

November 16, 2012

Control #: SBSE-04-1112-093

Affected IRM: 4.24.6.9.1 and
4.24.10.5.7.2

Expiration Date: November 16, 2013

MEMORANDUM FOR ALL EXCISE TERRITORY MANAGERS AND FIELD GROUP
MANAGERS

FROM: Holly L. McCann /s/Holly L. McCann
Chief, Excise Tax Program

SUBJECT: Additional Interim Guidance Procedures for Closing No Liability
Substitute for Return (SFR) Non-Filer Cases

The purpose of this memorandum is to expand and clarify the interim guidance procedures regarding the proper closing of no liability SFR non-filer cases as stated in SBSE-04-1012-088, dated October 17, 2012. Please ensure this information is distributed to all affected employees within your organization

Letter 930 Signature Procedures for No Liability SFR Non-Filer Cases

SBSE-04-1012-088 stated that the examiner shall prepare two copies of Form Letter 930, advising taxpayer there is no liability for the tax indicated, along with a previously addressed envelope to the taxpayer. Letter 930, currently being updated, is to be signed by the manager on behalf of the Chief, Excise Tax Program.

Case File Assembly Procedures

The Case File Assembly procedures in SBSE-04-1012-088 stated that a copy of the Business Return Transaction File View (BRTVU) for the periods involved is to be included in the case file. **This is incorrect, as a BRTVU is only available for a filed return.** The correct transcript document should be a **BMFOLT** as it will show the TC150 posting for the SFR.

SFR Filing Requirement Indicator

When an SFR is established, the filing requirement indicator is "turned on." If the SFR is not liable for excise tax in the period examined and will not be liable for tax in subsequent periods, the filing requirement indicator needs to be "turned off".

Closing the SFR using DC 36 will automatically remove the filing requirement indicator for the **current period** so the examiner does not have to take any additional closing actions other than what was stated in SBSE 04-1012-088.

If the examiner determines there is no liability for the **current period and all future periods**, the examiner will close the SFR period using DC 36 but also follow the filing requirement procedures as stated in IRM 4.24.10.5.7.1(3).

The above guidance will be included in IRM 4.24.6.9.1, and IRM 4.24.10.5.7.2, No Change Report-Non-Filed Return, before the expiration date of this memo.

If you have any questions, please contact Frank Falvo, Excise Policy Manager or Chris Steadham, Senior Excise Tax Program Analyst.

Cc: www.irs.gov