



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

SMALL BUSINESS / SELF-EMPLOYED DIVISION

November 8, 2013

Control Number: SBSE-05-1113-0087
Expiration Date: November 1, 2014
Impacted IRM: IRM 5.17.4

MEMORANDUM FOR DIRECTORS, COLLECTIONS AREA OPERATIONS
DIRECTOR, ADVISORY AND INSOLVENCY

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

SUBJECT: Interim Guidance for Monthly Filing and
Special Deposit Procedures

The purpose of this memorandum is to reissue the prior Interim Guidance Memorandum Number SBSE-05-1112-090 to change IRM 5.17.4 as follows:

As of January 1, 2012, monthly filing and special deposit procedures have become obsolete. Revenue officers must ensure that the monthly filing and/or special deposit procedures are no longer used. Employers must file quarterly Form 941 beginning with the first quarter 2012.

The final quarter for processing combined Form 941M returns under monthly filing is the period ending December 31, 2011. Revenue officers must take actions to notify the taxpayer of the change as described in IRM 5.7.2.7(4). Managerial approval is not necessary. Allow sufficient processing time for these returns before changing the filing requirement code. The filing requirement code must be changed no later than March 31, 2012. Revenue officers should advise any taxpayers using special bank deposit procedures to make federal tax deposits by electronic funds transfer procedures, such as through the Electronic Funds Federal Tax Payment System (EFTPS), effective January 1, 2012.

In situations of continued taxpayer non-compliance, revenue officers should consider pursuing Civil Injunctions per IRM 5.17.4.17. Suit recommendation must explain the actions taken to bring the taxpayer into compliance. IRM 5.17.4.17.1 will be revised to

delete the monthly filing and special deposit procedures as a requirement for demonstrating that administrative remedies have been exhausted. A copy of this interim guidance memorandum should be included in the suit package that is sent to the Department of Justice, Tax Division.

Revenue officers will continue to identify and develop cases for civil or criminal referrals based upon the facts and circumstances of each case. IRM 25.1.8.2 has been revised to delete monthly filing and special deposit procedures in consideration for Trust Fund violations.

Additionally, in cases where taxpayers have requested a collection due process (CDP) hearing and additional modules are received, revenue officers should consider a Disqualified Employment Tax Levy (IRM 5.11.1.4.1) to help ensure timely and appropriate enforcement action.

Letter 903 has been revised to eliminate the reference to monthly filing and special deposit procedures. Notice 931 explains the deposit requirements to taxpayers.

If you have any questions, please contact me, or a member of your staff may contact Rochelle Folquet, Senior Program Analyst.

cc: Director, Field Collection
www.irs.gov