



INDEPENDENT OFFICE
OF APPEALS

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

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Affected IRMs: 8.20.7, 8.20.16 (new)

MEMORANDUM FOR ALL IRS INDEPENDENT OFFICE OF APPEALS EMPLOYEES

FROM: Steven M. Martin /s/ *Steven M. Martin*
Director, Operations Support

SUBJECT: Appeals Case Management System (ACMS) procedure
guidance for new IRM 8.20.16, Collection Closing Procedures

This guidance transmits the proposed new IRM 8.20.16, Collection Closing Procedures. Please distribute this information to all impacted employees within your organization.

Purpose: This guidance is issued to update Account and Processing Support (APS) closing procedures for Collection-based workstreams. This guidance reflects the functionality and process changes for the IRS Independent Office of Appeals (Appeals) new case management system, Appeals Case Management System (ACMS).

Background/Source(s) of Authority: Appeals Centralized Database System (ACDS), Appeals' aging legacy system, is being replaced by ACMS, a more modernized system. Appeals contracted Salesforce to create ACMS, which will provide Appeals with a new level of automation and analytics. These updates will allow for more effective collaboration within Appeals and, in the future, other IRS business units.

Procedural Change: Procedural changes pertaining to this guidance are included in the attachment. ACDS and ACMS will operate simultaneously for some actions until ACMS is built to accommodate all Appeals workstreams.

Additional Information: Additional information on ACMS can be found on the Appeals Intranet page – Appeals Case Management System (ACMS). This site will contain links for helpful information with ACMS, training documents, etc.

Effect on Other Documents: This guidance may be incorporated into affected IRMs within two years from the date of this memorandum.

Effective Date: This guidance is effective as of the date of this memorandum.

Contact: Appeals employees should follow existing procedures to elevate questions through their management chain and follow established procedures on How to Contact an Analyst.

Attachment

cc: www.irs.gov

MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

Effective Date
(MM-DD-YYYY)

Purpose

(1) This transmittal creates new IRM 8.20.16, Collection Closing Procedures.

Material Changes

(1) This new IRM provides guidance for closing Collection-based workstreams to Account and Processing Support (APS) employees.

Effect On Other Documents

This is a new IRM section, 8.20.16, Collection Closing Procedures. Parts of IRM 8.20.7, Closing Procedures, have been incorporated into this IRM.

Audience

IRS Independent Office of Appeals (Appeals) Employees

Steven M. Martin
Director, Operations Support

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Exhibit

- 8.20.16-1 - Automated Offer in Compromise (AOIC) Update Procedures

8.20.16.1 (MM-DD-YYYY)

Program Scope and Objectives

(1) *Purpose:* This IRM section describes the closing actions and procedures used by Account and Processing Support (APS). A closing action is required to process the applicable resolution for the IRS Independent Office of Appeals (Appeals) or the United States Tax Court (USTC) final determination for the respective taxpayer's case. APS uses the appropriate closing form(s) and documents provided by the technical employee to prepare the adjustment document(s) for all database and systems applicable to the taxpayer's account(s) being released and concluded under Appeals' or USTC's jurisdiction.

(2) *Audience:* APS employees.

(3) *Policy Owner:* Appeals Policy is under the Director, Operations Support (OS).

(4) *Program Owner:* Appeals Policy is the program office responsible for providing technical and procedural guidance to the Appeals organization and is under the Director, Policy, Planning, Quality & Analysis (PPQ&A).

(5) *Primary Stakeholders:* APS employees

(6) *Contact Information:* Appeals employees follow established procedures on How to Contact an Analyst. All other employees should contact the product content owner provided on the product catalog information page for this IRM.

8.20.16.1.1 (MM-DD-YYYY)**Background**

(1) Appeals' mission is to resolve Federal tax controversies without litigation on a basis which is fair and impartial to both the Government and the taxpayer, promote a consistent application and interpretation of, and voluntary compliance with, the Federal tax laws, and enhance public confidence in the integrity and efficiency of the IRS. See IRC 7803(e)(3), Purposes and Duties of Office. Appeals accomplishes this mission by considering protested and Tax Court cases, holding conferences, and negotiating settlements in a manner which ensures Appeals employees act in accord with the Taxpayer Bill of Rights (TBOR) in every interaction with taxpayers. See IRM 8.1.1.2, Accomplishing the Appeals Mission.

(2) The Director, APS Collection, reports to the Director, Case Support (CS).

(3) The APS-specific IRMs are in IRM 8.20, Account and Processing Support (APS)

(4) APS responsibilities are described in IRM 8.20.16.1.3, Roles and Responsibilities.

8.20.16.1.2 (MM-DD-YYYY)**Authority**

(1) IRM 8.20, Account and Processing Support (APS), establishes the APS program and policy framework for Appeals.

8.20.16.1.3 (MM-DD-YYYY)**Roles and Responsibilities**

(1) The Director, OS, is the executive responsible for designing, developing, delivering, and monitoring short- and long-range tax administration policies, programs, strategies, and objectives for the Appeals organization.

(2) The Director, PPQ&A, is responsible for providing technical and procedural guidance to Appeals employees and establishing and maintaining policies and standard procedures for Appeals workstreams.

(3) PPQ&A is comprised of two teams of analysts: Collection Policy and Examination Policy. The analyst(s) responsible for APS programs report to the manager for Collection Policy.

(4) For more information on Appeals Policy, see the PPQ&A SharePoint site.

(5) The Director, APS Collection, is the senior manager responsible for the control and

processing of all Appeals cases. The Director, APS Collection, reports to the Director, CS. For more information on APS, see the APS page on the Appeals website.

(6) APS has primary responsibility for the following:

- a. Receiving, controlling, and processing ACDS, Audit Information Management System (AIMS), Integrated Data Retrieval System (IDRS), and other system/account update requests from the Appeals technical employee (ATE) and Counsel Attorney.
- b. Mailing closing letters prepared by the ATE, when appropriate.
- c. Verifying and updating assessment statute expiration dates (ASED) for each taxpayer's account in Appeals' or Counsel's jurisdiction.
- d. Processing and monitoring final account adjustment based upon the disposition of the case to ensure the correct billing notice or refund is released to protect the taxpayer's right to finality for their respective case.
- e. Identifying account adjustment errors and/or unpostable conditions and expeditiously performing corrective actions to ensure the taxpayer's account is accurate and resolved.
- f. Adhering to the Appeals feedback loop requirements based upon the case type.

8.20.16.1.4 (MM-DD-YYYY) Program Management and Review

(1) APS uses a variety of reports from the following systems to verify, control, analyze, monitor, and close cases resolved under Appeals' and/or Counsel's jurisdiction:

- ACMS
- ACDS
- AIMS
- Automated Offer in Compromise System (AOIC)
- Innocent Spouse Tracking System (ISTS)
- IDRS

(2) The following IRMs provide specific information related to APS program reports:

- IRM 8.10.1, Internal Reports
- IRM 8.20.13, Appeals Case Management System

8.20.16.1.5 (MM-DD-YYYY) Program Controls

(1) APS program oversight includes participation in operational and evaluative reviews.

8.20.16.1.6 (MM-DD-YYYY) Terms and Acronyms

- (1) The APS processing IRM terms and acronyms are provided in the following exhibits:
- IRM 8.20.7-8, General Acronyms and Acronym Definitions Included in APS IRMs 8.20.5, 8.20.6, and 8.20.7
 - IRM 8.20.7-11, Integrated Data Retrieval System (IDRS) and Corporate Files Online (CFOL) Acronyms and Command Codes (CC) Included in APS IRMs 8.20.5, 8.20.6, and 8.20.7

8.20.16.1.7 (MM-DD-YYYY)

Related Resources

- (1) Additional APS program information and resources are available as provided below:
- APS SharePoint site
 - IRM 8.20.14, Carding New Collection Receipts
 - IRM 8.20.15, Collection Interim Actions

8.20.16.2 (MM-DD-YYYY)

Introduction to Closing Procedures

- (1) APS is responsible for the following actions:
- a. Processing Master File (MF) and Non-Master File (NMF) account updates and adjustments for all docketed and non-docketed cases in the Appeals workstreams.
 - b. Updating and closing ACMS records.
 - c. Updating and closing AIMS controls.
 - d. Updating AOIC.
 - e. Updating ISTS.
 - f. Updating taxpayer's entity (e.g., name, address, filing status).
 - g. Updating and closing ACMS records.
 - h. Updating taxpayer's IDRS account(s) via appropriate tax, credit, penalty, and interest adjustment(s).
 - i. Updating all relevant reference item adjustments (TXI, AGI, SE, etc.).
 - j. Updating taxpayer's IDRS account(s) via input of miscellaneous transaction codes (TC) and/or closing the TC 520 with the correct closing code (cc).
 - k. Using all applicable processing strategies to avoid an unpostable condition on the taxpayer's account.

(2) The term ATE is used throughout this IRM and is defined in exhibit IRM 8.1.1-1, Common Terms Used in Appeals.

(3) The Appeals Team Manager (ATM) approves the case for closure on ACMS prior to forwarding the case to APS for closing actions.

- The ACMS approval action is required for all closing submissions to APS for processing action(s).
- When a case is approved for closure, it is systemically transferred to APS on ACMS. The Processing Team Manager (PTM) assigns the case to an APS tax examiner (TE) for processing.

Note: Paper closures will direct the ATE to ship the file to a specific APS location.

(4) In addition to researching the Appeals-specific IRMs, APS TEs must also research the appropriate non-Appeals IRMs for general IDRS, AIMS, and account processing guidance. Non-Appeals IRM guidance is the primary source of policy and procedural instruction to staff, owned by the originating business unit, and must be referenced as the source information to ensure that all users adhere to the same policy and procedure throughout the IRS.

Reminder: Policy and procedural guidance owned by another business unit will not be duplicated within the APS IRMs but will be cross-referenced when appropriate.

(5) Closing procedure details vary based on the type of case being processed, the presence or absence of AIMS controls, the Master File Tax (MFT) code, and final disposition of the case.

(6) Closing actions that generally apply to cases closed by APS are listed below:

- Analyze IDRS transcript to identify account status and take all necessary adjustment/update actions.
- Confirm critical data fields (CDFs) during case validation.
- Date and mail closing letters (if applicable).
- Identify and resolve MF freeze codes and account conditions when release of the refund or notice is appropriate (see example below).
- Process and monitor adjustments until posted.
- Process Appeals/Counsel/Tax Court final decision on taxpayer's account(s).
- Recognize potential unpostable conditions and use the correct priority code (PC) and/or TC to avoid an unpostable condition.
- Submit cases selected for Appeals Quality Measurement System (AQMS) to the designated reviewer.
- Transmit administrative file and account adjustment source documents, as appropriate.
- Transmit the closing information ("printable view") and attachment(s) per ATE instruction to comply with Appeals feedback loop agreements (this action will be taken when ACMS is closed).
- Update and close ACMS.
- Update and close AIMS control(s).
- Update, suspense, and document case action records (CAR) on ACMS and close the appeal number when all processing and monitoring action(s) is/are completed.

- n. Update tracking systems (e.g., AOIC, ISTS).
- o. Verify the ATE included all interest-related notations, forms, and schedules (see reminder in (10) below).

(7) Upon receipt of the case, verify that the ASSED is correctly reflected on both ACMS and AIMS (when applicable) and ensure that the file contains all returns identified for the appeal number (if applicable) per ACMS and Form 3210/E3210, Document Transmittal. See IRM 8.21.2, Account and Processing Support (APS) Statute Responsibility, for guidance on APS TE statute verification responsibilities. If the correct ASSED is not reflected on both ACMS and AIMS, the ASSED must be corrected on ACMS within 24 hours of assignment of the case.

(8) The APS TE assigned to close a case must be aware of interest-related case features, recognize and analyze interest-related forms and documents, and must also recognize if any of the interest-related instructions are missing or incomplete.

(9) If an interest-related form, document, or notation is missing or incomplete, the APS TE will use a support request on ACMS to request the necessary form, document, or notation from the ATE (allow 10 business days).

(10) If no further action can be taken on the case, place the case in suspense. When the ATE timely provides the requested interest-related item(s), associate the item(s) with the respective case, remove the case from suspense, and prioritize the case, as appropriate, for processing and closing actions.

Note: See IRM 8.20.7.2, Introduction to Closing Procedures, for additional information related to interest related items.

- (11) Each administrative file may contain the following items:
- (12) Appeals-generated forms, letters, waivers, and notices
- (13) Form 3870, Request for Adjustment, prepared and signed by the ATE
- (14) Interest-related forms and worksheets
- (15) Compliance-generated forms, letters, waivers, notices, and work papers
- (16) IDRS and prints utilized by other IRS and Appeals personnel to perform their job duties throughout the casework cycle

Note: For all assigned cases submitted to APS for processing, the ATE is responsible for organizing the administrative file contents prior to submitting the case to their ATM for review and approval. Paper files will be organized in a logical and chronological order.

(12) When the APS TE completes a processing action and can take no further action on the case until adjustment verification is received, or the input transaction posts, they must notate the CAR and place the case in suspense for the appropriate timeframe based upon the reason they are placing the case in suspense.

- (13) Types of Appeals specialized case closings and account adjustments:
- (14) IRM 8.20.16.6, Collection Appeals Program (CAP) Case Closing Procedures
- (15) IRM 8.20.16.7, Collection Due Process (CDP) Overview of Back-End Processing
- (16) IRM 8.20.16.9, Offer in Compromise (OIC) Non-CDP Case Closing Procedures
- (17) IRM 8.20.16.10, Trust Fund Recovery Penalty (TFRP) Case Closing Procedures

8.20.16.2.1 (MM-DD-YYYY)

Common Account Adjustment and Research Command Codes Used by APS

(1) APS account adjustment work requires an understanding of multiple AIMS and IDRS Command Codes (CCs). The most common CCs used by APS are listed below and associated with a link to their respective IRMs. When an APS TE receives an error message based upon the data they've input, they must access the applicable IRM to locate the error message cause and cure. The IRM associated with the respective CC also provides detailed explanations for the various fields applicable to the CC.

(2) See IRM 8.20.7.2.2, Common Account Adjustment and Research Command Codes Used by APS, for a list of common CCs used by APS.

8.20.16.2.2 (MM-DD-YYYY)

Electronically Stored Documents in the Appeals Case Management System (ACMS)

(1) APS employees will not print documents for archiving if the documents are already uploaded to ACMS. The procedures for printing documents during the closing stage are described below:

- a. Electronic cases require uploading all case documents to the ACMS record.
- b. Paper cases may require APS to print the respective document(s) for association with the case file, as well as create a PDF record to upload as an ACMS attachment.
- c. Do not print paper copies of the document if the sole purpose is for storage and retention in the administrative file.
- d. Mail a paper copy of the documents to another business unit, if required.
- e. See (2) below for additional information about documents which APS must print and associate with the paper case file.

(2) Account and adjustment source documents must still be completed and affixed to the paper case file or adjustment authorization document(s) by APS when submitting the completed paper case to campus files.

Note: When a paper copy of the various document(s), form(s), and/or interest computation is required to be associated with the paper case file, the APS TE will also upload the item as an ACMS attachment. This practice facilitates post-closure access to

an item that would otherwise require an ESTAB request for the paper case file from campus files or another function.

(3) All manual interest computations must be printed and associated with the respective source document(s) for paper case files:

- Form 2859, Request for Quick or Prompt Assessment
- Form 3753, Manual Refund Posting Voucher
- Form 3870, Request for Adjustment
- Form 5403, Appeals Closing Record
- Form 5792, Request for IDRS Generated Refund (IGR)
- Form 8485, Assessment Adjustment Case Record
- IRM 20.2.1.4.2.1, Manual Calculation of Interest - Documentation, provides details for the interest computation documentation requirements.
- IRM 8.20.15.2.4, ACMS File Attachments, provides details for uploading an item as an ACDS attachment as well as a recommended attachment description process.

8.20.16.2.3 (MM-DD-YYYY) Electronic Case Closures (ECC)

(1) Electronic case closures (ECC) allows for a flexible closure process which enables the closure of select Collection Appeals (CA) cases without the shipment of the paper case file to APS. ECC is limited to the case types listed in the table below.

(2) The ATE will add a note in the closing remarks if the case is an ECC.

(3) The ATM will confirm that all documents required for APS processing are uploaded into ACMS. The ATE or ATM, as appropriate, will electronically sign closing letters. The ATM will sign, and date, other forms requiring the ATM's signature and approve the case for closure in ACMS. The ATE/ATM will retain possession of the closed case file until shipping instructions are provided by APS. APS will perform the normal case closing actions, including any feedback loop processes. After APS has completed all closing actions:

1. APS will prepare a Form 3210 and a Form 9856, Attachment Alert, as appropriate, and upload to ACMS; and
2. Notify ATE/ATM, via email, that the closing actions are complete, attaching a copy of the Form 3210 and Form 9856 (if applicable), as well as the date to be used on the closing letter (to match the ACMS closing date).
3. The ATE/ATM will mail the signed and dated closing letter(s) to the taxpayer/Power of Attorney (POA), placing a copy in the administrative file; and
4. The ATE will attach Form 3210 and Form 9856 (if applicable) to the front of the closed case file and provide the file to a case processor for shipping. If no case processor is available at the ATE's location, the ATE/ATM will ensure the case file is shipped.

Case Eligibility and Required Documentation

Case Type	Disposition	Required Documents
Collection Due Process (CDP) Equivalent Hearing (EH)	ALL	Closing information (“printable view”), Appeals Case Memorandum (ACM), Form 433-D, Installment Agreement, Form 3870, Form 12256, Withdrawal of Request for Collection Due Process or Equivalent Hearing, appropriate closing letter
CDP	Waiver	Closing information (“printable view”), Form 433-D, Form 3870, Form 12257, Summary Notice of Determination and Waiver of Judicial Review
CDP	Withdrawal	Closing information (“printable view”), ACM*, Form 12256
CDP	Premature Referral	Closing information (“printable view”) only
CDP	Frivolous	Closing information (“printable view”), ACM*
Offer in Compromise (OIC)	Acceptance	Closing information (“printable view”), ACM, Form 656, Offer in Compromise, Amended Form 656 (if applicable), signed acceptance letter, Form 7249, Offer Acceptance Report
OIC	Rejection	Closing information (“printable view”), ACM*, Letter 5197, Offer in Compromise Rejection Letter, Form 3040*, Authorization to Apply Offer in Compromise Deposit to Liability
OIC	Withdrawal	Closing information (“printable view”), ACM*, Letter 241, Offer in Compromise Withdrawal, Form 3040*
Trust Fund Recovery Penalty (TFRP) / TBOR2	All	Closing information (“printable view”)/Form 866, Agreement as to Final Determination of Tax Liability, ACM, and appropriate closing letter (Letter 1536, Unagreed Employment Tax and Trust Fund Recovery Penalty – Closing, Letter 5123, TFRP Agreement Secured Closing, or Letter 5124, TFRP Non-Assertion - Closing)

* If necessary

8.20.16.3 (MM-DD-YYYY)

Appeals Quality Measurement System (AQMS) Review

(1) AQMS relies on a statistically valid sample of closed cases in completing the quality review of the Appeals process. AQMS selects cases for review by setting a unique skip interval of closed cases for each area on ACMS. These individual skip intervals are monitored throughout the year and are adjusted accordingly by AQMS.

(2) The validity of the statistical sample is critical to AQMS, and the receipt of selected cases directly impacts the ability to achieve a statistically valid sample. To ensure the validity of the reviews, the AQMS manager periodically sends a report of cases selected but not received to the Director, APS, for appropriate follow-up.

(3) Standard 8 measures the following actions taken by APS employees on Collection cases:

- Compliance with processing procedures for CDP/EH, OIC, Collection Appeals Program (CAP), and TFRP cases
- Accuracy of adjustments
- Appropriateness of timespans

(4) Standard 8 Collection cases are rated at the maximum allowable score when the following occurs:

- Front- and back-end processing procedures for Collection cases are correctly applied.
- Adjustments are accurately processed and posted prior to sending the case to AQMS.
- APS employees' actions are timely and appropriate.

8.20.16.3.1 (MM-DD-YYYY)

Cases Selected for AQMS Review

(1) Collection cases will be identified for AQMS review.

(2) The table below identifies specific types of cases, some of which APS processes an adjustment as an interim action but for which an adjustment is not processed at closing:

Type of Case	Action
<ul style="list-style-type: none"> • CAP • CDP • CDP and EH • CDP with OIC • CDP with liability issue or penalty appeal 	<ul style="list-style-type: none"> a. ACMS will assign the case to the AQMS queue. Note: For paper cases, print, complete, and attach the closing information (“printable view”) to the front of the file. b. Process all required Appeals account updates (suspense and monitor the case until all account updates are posted (e.g., credit transfers, TC 481,

Type of Case	Action
<ul style="list-style-type: none"> • EH • OIC • TFRP (also see additional instructions below) • TFRP Claim 	<p>521, and 571) before submitting a paper case to AQMS).</p> <p>Note: For paper EH cases with related CDP cases selected for review, attach the EH closing information (“printable view”) on the AQMS selected case to the CDP case and note "EH selected for AQMS review - forward to AQMS upon final closure of the related CDP case."</p>
TFRP TBOR2 cases	<p>a. See IRM 8.20.16.10.1.1, TFRP TBOR2 Cases for Appeals Quality Measurement System (AQMS) Review, for procedures.</p>

(3) When the APS TE closes a case type identified above for AQMS review, the following Form 3210/E3210 procedures apply (to paper cases):

- a. Complete Form 3210/E3210 for the AQMS reviewer to use when shipping to the recipient. Ensure the proper address, return information, and your return address are notated with your name, phone, and fax numbers as the releasing official.
- b. Prepare a separate Form 3210/E3210 for each recipient, if the case requires multiple recipients.
- c. Sign and address the Form 3210/E3210 as the releasing official. Send all four parts of the Form 3210, or three prints of the E3210, to the AQMS reviewer.
- d. Ship the case to the AQMS reviewer with all Form 3210/E3210s in an envelope/ file folder notated **Form 3210/E3210** and the reviewer's name.
- e. See Table #1, Form 3210 Part and Purpose, below if you generate Form 3210 from the product catalog and are not actively using the Transmittal Database to generate E3210s.
- f. See Table #2, E3210 Print and Purpose, below if you are actively using the Transmittal Database to generate E3210s.

Note: If there are any potential errors, the AQMS reviewer may return the case to the originating APS office for corrective action.

Table #1 Form 3210 Part and Purpose

Form 3210 Part	Purpose
Part 1	For the recipient(s) records.
Part 2	For the AQMS reviewer to retain for his/her records.
Part 3	For the recipient(s) to acknowledge receipt of the case and return to the originator.

Table #1 Form 3210 Part and Purpose

Form 3210 Part	Purpose
Part 4	<p>For the AQMS reviewer to return to the APS TE upon shipment of the case to the recipient(s). In addition, the AQMS reviewer will provide a copy of the UPS shipping receipt which lists the UPS tracking numbers or submit Form 12634, OIRSC Campus Document Transmittal, when tracking is not applicable.</p> <p>Note: The return of part 4 of Form 3210 along with a copy of the UPS shipping receipt from the AQMS reviewer will provide notification of the date the AQMS reviewer shipped the case to the recipient(s). Perform Form 3210 follow-up as needed after receipt of those documents.</p>

(4) When the APS TE has access to the CCS Transmittal Database and initiates E3210s instead of Form 3210s, only one print of the E3210 is needed to transmit the paper case to the AQMS reviewer. The AQMS reviewer will verify the item(s) listed on the E3210 as received, then sign and date the E3210 as acknowledged, and return the acknowledged E3210 to the EEFax number or email identified by the initiator. Upon receipt of the acknowledged E3210, the initiator will acknowledge the E3210 in the mailbox folder by **(Month, YYYY)**, and also **self-acknowledge** the E3210 in the Transmittal Database. This closes the E3210 process with only one paper print needed to transmit the paper case to AQMS.

Exception: As the E3210 process is expanded to additional Appeals functions, the extra printing for the AQMS reviewer's "3210 package" will become obsolete because of the E3210 forward transmittal functionality.

(5) When both the E3210 initiator and the E3210 recipient have access to the CCS Transmittal Database, then the receipt and acknowledgement process is performed within the Transmittal Database and the EEFax acknowledgement process is not necessary.

(6) See Table #2 below for the E3210 print requirements for the AQMS E3210 envelope/folder package:

Table #2 E3210 Print and Purpose for AQMS Cases ONLY

E3210 Envelope/Folder	E3210 Details	Purpose
Three prints	<ul style="list-style-type: none"> Addressed to campus files using 	<ul style="list-style-type: none"> One print of E3210 is for the campus files EEFax acknowledgement upon

Table #2 E3210 Print and Purpose for AQMS Cases ONLY

E3210 Envelope/Folder	E3210 Details	Purpose
	<p>the applicable distribution ID</p> <ul style="list-style-type: none"> • APS TE information entered as the initiator • Request acknowledgement via email or EEFax 	<p>receipt of the case after the AQMS review is completed.</p> <ul style="list-style-type: none"> • One print is for the AQMS reviewer to retain for their records after they EEFax it to the APS TE once they've shipped the case to campus files. • In addition, the AQMS reviewer will email or EEFax a copy of the UPS shipping receipt which lists the UPS tracking numbers or email or EEFax the Form 12634 when tracking is not applicable.

(7) Upon completion of the AQMS review, the AQMS reviewer will use the Form 3210/E3210 prepared by APS to transmit the case to campus files and/or field function, as appropriate. If APS did not provide the Form 3210/E3210 for AQMS to transmit the reviewed file to campus files, AQMS will return those files to the originating APS office.

(8) Update "APS Notes" to document receipt of the Form 3210/E3210 acknowledgement from the campus files and/or field function

8.20.16.3.1.1 (MM-DD-YYYY)

AQMS Cases Closed on ACMS and Processed by APS

(1) When identified as an AQMS selected review case, the following actions will be taken:

- a. Process all required Appeals adjustments. APS must suspense the case until all required Appeals adjustments, credit transfers, etc., are posted on the account transcript before sending the case to AQMS.
- b. Make the required copies for the applicable AQMS TE/Tax Computation Specialist (TCS) packages (see IRM 8.20.7-3, ACDS Attachments Required for the AQMS TE/TCS Reviewers, for a listing of required documentation when a manual interest computation is prepared).
- c. If applicable, recharge the file to the AQMS reviewer assigned to the case at the time of closing. Use Integrated Automation Technologies (IAT) tool **Fill Forms** to

prepare Form 2275, Records Request, Charge and Recharge, including the AQMS reviewer's name and office address in Part C section 15 E on the Form 2275, for case tracking purposes. In addition, enter in remarks, "Please enter new DLN from CF5147 in Item #6". Attach Form 2275 to the APS adjustment document (Form 5403/3870/8485/IAT Tag, etc.) and ship to the appropriate campus files.

Reminder: When campus files returns the receipted Form 3210/E3210 acknowledging receipt of the refile package for association with the CF5147, a system generated transaction record from IDRS, the APS TE will document this in "APS Notes" and will upload the Form 3210/E3210 to the appeal number.

Exception: Form 2275 is not required for a Field Collection-sourced case on which no account adjustment was processed. Whenever a TC 290 for 0.00 or any dollar amount is processed, then Form 2275 is necessary for proper handling by campus files.

8.20.16.3.1.2 (MM-DD-YYYY)

Controlling Cases Shipped to AQMS Reviewers

(1) Prepare Form 3210/E3210 when sending the paper case to the AQMS reviewer and monitor the Form 3210/E3210 suspense copy to verify receipt of the acknowledgement copy returned by AQMS.

(2) Update the "APS Notes" section by documenting the following:

- a. AQMS reviewer's post of duty (POD) initials: QXXX, with XXX equal to the AQMS reviewer's POD.
- b. Date case sent to the AQMS reviewer: Enter the date.
- c. Received date of Form 3210/E3210 acknowledgment from AQMS reviewer: Enter the date
- d. Received date of Form 3210/E3210 acknowledgment from campus files: Enter the date.

8.20.16.3.1.3 (MM-DD-YYYY)

Related Cases with a Different Appeal Number

(1) Send related paper cases with a different appeal number to the AQMS reviewer. The reviewer will determine if the case file forwarded to AQMS contains sufficient information for conducting a review. In general, the AQMS reviewer needs all items that were produced by the ATE for the AQMS selected case, as well as what was received from the originating business unit (e.g., tax returns, administrative/workpaper files obtained from the revenue agent (RA), revenue officer (RO), or Service Center). Complete case file information also includes the Appeals case files for any cases related to the case selected for AQMS review.

Note: If you have any questions as to which specific related case(s) must be sent with the AQMS selected case, contact the AQMS ATE reviewer for clarification.

(2) Examples of related Collection cases include:

- OICs filed during CDP cases and the related CDP case
- Related CDP lien and levy cases
- Timely CDP and related EH cases
- Related officer files for TFRP cases
- Related OIC files (e.g., if husband and wife have separate offers, AQMS needs the related file)

8.20.16.3.1.4 (MM-DD-YYYY)

Shipping Paper Cases to the AQMS Reviewer

(1) Each area office has specific AQMS reviewers assigned based on the type and grade of the case. The AQMS reviewer's name and POD are found on ACMS.

(2) Use the following instructions for the shipment of cases to the AQMS reviewer:

- a. Forward the AQMS selected case along with all related cases to the attention of the AQMS reviewer listed on ACMS.
- b. Enter the AQMS reviewer's name and office location on the Form 3210/E3210 and note "**AQMS REVIEW - NOT FOR CARDING BY APS.**"
- c. List the AQMS selected case along with the related cases (if applicable) on the Form 3210/E3210.
- d. Add the AQMS reviewer's name on the shipping envelope/boxes to facilitate easy identification of the work.

8.20.16.3.2 (MM-DD-YYYY)

AQMS Reviewed Cases Returned to APS for Correction

(1) AQMS reviewed cases requiring account correction(s) will be returned to APS.

(2) AQMS will:

- a. Email the Potential Error Report (PER) to the APS Director.
- b. If a paper case, ship the administrative file to the APS office to the attention of the PTM or TE.
- c. Notify the PTM, if the PTM is not co-located with the TE, and transmit the paper file to the TE.

(3) APS will:

- a. Verify the ASED for each tax period requiring correction.
- b. Ensure the correct ASED is reflected for each tax period to be corrected, as required, by the AQMS PER.
- c. Identify the case as a post closure case by adding "Post Closure" to the "APS Notes".
- d. Process the correction(s) to the taxpayer account as identified by AQMS.
- e. Document the CAR to reflect actions taken and apply direct time.
- f. Place case in suspense and monitor adjustments until fully posted.
- g. Notify PTM when account corrections have posted.
- h. Close case on ACMS and send to campus files or refile, as appropriate.

8.20.16.3.3 (MM-DD-YYYY)

Errors That Require Correction but Do Not Require a Potential Error Report (PER)

(1) The following list provides an explanation of errors that result in AQMS-selected cases being returned to APS but do not require issuance of a PER:

- a. Form 3210/E3210 prepared incorrectly or incomplete.
- b. Errors that must be corrected by APS but are not caused by APS (e.g., incorrect Item Reference Number (IRN) adjustment amount).

(2) Upon returning the case to APS for their action, an email is also sent to the APS Area Manager, PTM, and APS TE. AQMS has no provision for informally returning or referring cases with errors to the TCS, Examination Appeals (EA), CA, or Specialty Examination Program and Referrals (SEPR).

(3) The APS TE who processes the account correction is also responsible for suspense and monitoring actions until the adjustment/correction is fully posted.

(4) When AQMS returns a case to an ATE or TCS for correction(s), APS is responsible for processing any account corrections based upon the ATE/TCS-corrected forms/schedules/documentation, as necessary.

8.20.16.4 (MM-DD-YYYY)

Form 3210, Document Transmittal, Follow-up Requirement and Shipping Personally Identifiable Information (PII)

(1) See IRM 3.13.62.8.2, Suspense Copies, Form 3210, for procedures on Form 3210 monitoring and acknowledgement follow-up requirements.

(2) See IRM 8.20.7.8.1, E3210 Awareness, for additional information on the use of the CCS Transmittal Database.

(3) See IRM 8.20.7.9, Procedures for Shipping Personally Identifiable Information (PII), for information on shipping PII.

8.20.16.5 (MM-DD-YYYY) ACMS Inventory

(1) When the ATM approves the case, the approval date populates on ACMS, and the case is systemically sent to the APS queue for assignment.

Note: For paper case files, the ATE/ATM will ship the file to the APS location indicated on ACMS.

Exception: Administrative files will not be sent to APS for ECC closures (see IRM 8.20.16.2.3, Electronic Case Closures (ECC)).

(2) A case is in APS inventory when it is approved for closure by the ATM.

8.20.16.5.1 (MM-DD-YYYY) Unassigned and Assigned Inventory

(1) Unassigned: Until a case is assigned to an APS TE, the APS PTM has statute responsibility.

(2) Assigned: The APS PTM assigns inventory to the APS employee. The APS PTM may delegate responsibility for assigning inventory to an acting APS PTM or lead TE. At least one APS employee in each POD is delegated responsibility to assign inventory.

8.20.16.6 (MM-DD-YYYY) Collection Appeals Program (CAP) Case Closing Procedures

(1) When the ATM approves the CAP case for closure, the case is electronically transmitted to the APS queue for assignment on ACMS.

(2) The critical CAP time restraints require a CAP case be closed in APS by the end of the business day following the date the case was received in APS.

(3) APS closes the case on ACMS using closing information provided by the ATE.

(4) See IRM 8.20.16.3.1, Cases Selected for AQMS Review, for instructions on CAP cases selected for AQMS review.

(5) The ACMS case type codes used to track this program are identified in the table below:

ACMS TYPE Code	Is used for
CAP Levy	<ul style="list-style-type: none"> • Levies • Third party claims to property under IRC 6343(b) • Taxpayer requests for return of property under IRC 6343(d)
CAP Lien	<ul style="list-style-type: none"> • Liens • Lien issues • Denials of requests to issue lien certificates, such as subordination, withdrawal, discharge, or non-attachment
CAP Seizure	<ul style="list-style-type: none"> • Seizures
CAP Installment Agreement (IA)	<ul style="list-style-type: none"> • Rejected IA(s) • Modified IA(s) • Proposed IA modification(s) • Terminated IA(s) • Proposed IA termination(s)

(6) ACMS cc's are identified and explained in the table below:

If the Collection Action is	Use Closing Code	When
Fully sustained	14	The collection action is supported with no change.
Not sustained	15	The collection action is completely overturned. For example, cc 15 would be used when a levy is released.
Partially sustained	16	Only minor changes are made in the collection action. For example, if filing of a Notice of Federal Tax Lien (NFTL) is proposed, a minor change would be to give the taxpayer 10 more days to come up with the funds before the lien is filed.

(7) APS will forward the following items via encrypted email to the originating business unit:

- Closing information ("printable view")
- ACM (if provided)
- Closing letter

8.20.16.6.1 (MM-DD-YYYY)**Collection Appeal Program (CAP) Field Case Closing**

(1) CAP cases are transmitted via encrypted email to the originating RO with a “cc” to the RO group manager identified by the ATE on the closing information (“printable view”).

(2) APS is responsible for entering the date on the closing letter.

(3) APS will include the following attachments in the email:

- Closing information (“printable view”)
- "Dated" closing letter
- ACM, if one is prepared by the ATE

(4) APS will transmit the closing letter to the taxpayer and/or their POA via fax or mail (if a fax number is not provided) on the same day as the email is sent. Enter a CAR (use “Closing Letters and Agreement Forms Mailed (LT)”) to indicate the date the closing letter was to the taxpayer and/or their POA.

(5) See IRM 8.24.1, Collection Appeals Program (CAP), for additional information.

8.20.16.6.2 (MM-DD-YYYY)**Automated Collection System (ACS) CAP Case Closing**

(1) Upon closing an Automated Collection System (ACS) CAP case, the Form 4442, Inquiry Referral, if used, is returned via encrypted email to the sending ACS CAP case coordinator together with the closing information (“printable view”) and a copy of the closing letter.

8.20.16.6.3 (MM-DD-YYYY)**Accounts Management CAP Case Closing**

(1) Upon closing an Accounts Management CAP case, the Form 4442 is returned via encrypted email to the initiating CAP coordinator together with the closing information (“printable view”) and a copy of the closing letter.

8.20.16.7 (MM-DD-YYYY)**Collection Due Process (CDP) Overview of Back-End Processing**

(1) To properly close a CDP case, the APS TE takes the following actions, when applicable:

- a. Issue notice(s) of determination (NOD) by certified mail.

- b. Monitor the case during the suspense period, and if the taxpayer files a Tax Court petition, until the Tax Court decision becomes final and the file is returned from Counsel.
- c. Input TC 971 Action Code (AC) 277 to indicate that Appeals completed their consideration and issued a determination letter.

Caution: If the CDP taxpayer has an open bankruptcy TC 520 freeze (-V) on MF, reject the closure by creating a **Returned to ATM - rejected and closed out of APS** CAR. See IRM 8.20.7-16, TC 520 Closing Codes (cc) and Master File (MF) Freezes.

- d. Accurately input TC 521 cc 76 and/or cc 77 to end the suspension of the collection statute on each CDP tax period.
- e. Input of any collection alternatives or adjustments to IDRS (e.g., IA, currently not collectible (CNC), Form 3870).
- f. Close a CDP OIC off the AOIC system.
- g. Forward the Form 433-D to Compliance Service Collection Operations (CSCO), when appropriate.
- h. Forward the closing information ("printable view") to the address specified by the ATE.
- i. Forward the case(s) to the Florence APS office, or other APS office, as directed by management, where an innocent spouse (INNSP) issue was raised by the same taxpayer who filed the CDP.
- j. Input closing information on ACMS and close the appeal number.
- k. Close the IDRS control base on CDP or EH cases originating from ACS.

(2) CDP and EH cases received with a waiver or withdrawal (formerly **WOW** cases) will be treated as priority case closings. These are cases in which an IA has been reached, or the taxpayer has withdrawn their appeal. Identify these cases in the assignment queue when assigning. These cases use the following cc's:

- 04 - Waiver signed as part of a CDP hearing
- 15 - Agreement reached as part of an EH
- 16 - Withdrawal of the hearing request

(3) When there is a timely CDP offer case, or an EH case associated with the CDP case, the related cases may be closed on ACMS at the time the NOD is issued. However, any paper case files should be kept together with the CDP case during the monitoring period.

(4) All CDP NODs are issued and suspended for 60 days by the designated APS team. The date of the NOD and the postmark must be the same. If the taxpayer does not petition Tax Court for a review of the Appeals determination within 30 days after the day the CDP NOD is issued, APS will commence back-end processing on or after the 60th day from the CDP NOD issuance date.

Note: Additional suspense time is required for the following NOD combination letters as identified below:

- Letter 4390, Notice of Determination - Request for Relief from Joint and Several Liability, for INNSP cases (suspended for **90** days) + 30 days
- Letter 4389, Notice of Determination - Abatement of Interest, for abatement of interest (ABINT) cases (suspended for **180** days) + 30 days
- Letter 4439, Decision - Equivalent Hearing & Innocent Spouse, for EH INNSP cases (suspended for **90** days) + 30 days
- Letter 4440, Equivalent Hearing & Interest Abatement, for EH ABINT cases (suspended for **180** days) + 30 days

8.20.16.7.1 (MM-DD-YYYY) CDP Case Closing Actions

(1) APS completes back-end closing actions on all CDP and EH cases regardless of the originating source function (e.g., Field Collection or ACS).

(2) When the ATM approves the case for closure, ACMS assigns the closure to the APS queue.

8.20.16.7.1.1 (MM-DD-YYYY) Verifying and Correcting CDP Tax Period Discrepancies

(1) APS TEs are responsible for identifying and resolving any discrepancy between the tax periods included on ACMS and the tax periods reflected on IDRS with collection activity suspended in status 72.

APS TE Closing Actions for a CDP Appeal Number
<p>A. Research IDRS CC: SUMRY to identify the Appeals' taxpayer accounts (tax periods) with collection activity currently suspended in IDRS and MF collection status 72 with a "-W" freeze.</p> <p>Note: Status 72 and TC 520s are not solely for CDP cases. Verify the TC 520 76/77 before continuing. If there is an open bankruptcy, see CDP bankruptcy information in IRM 8.20.16.7.10, CDP and EH Bankruptcy Case Closing Procedures.</p>
<p>B. Compare the status 72 tax periods with the tax periods reflected on the ACMS closing information.</p>
<p>C. Steps to resolve discrepancies:</p> <ol style="list-style-type: none"> 1. If the CC: SUMRY tax periods in status 72 match the tax periods listed on the ACMS closing summary, then no discrepancy exists - comparison complete. 2. If the CC: SUMRY tax periods listed in status 72 include additional tax periods without an MF "-L" AIMS freeze, then use the ACMS search feature

APS TE Closing Actions for a CDP Appeal Number

- to verify if another CDP appeal number is open for the taxpayer identification number (TIN) and includes all the additional tax periods - **go to step 3.**
3. If the separate CDP appeal number includes all additional tax periods in status 72, then no discrepancy exists - **comparison complete. If not go to step 4.**
 4. Send a support request to alert the ATE about the discrepant tax period(s) and place the case in suspense until the discrepancy is resolved and additional actions can be taken.
 - Provide the ATE with the tax period(s) in status 72 but not on the ACMS closing summary **and the TC 520 76/77 date.** The discrepant tax period(s) may be the result of a new CDP case in transit to Appeals for which **a TC 522 should not be input.**
 - If the ATE verifies that the discrepant tax period(s) should be closed, **go to step 5.**
 - If the ATE verifies that the discrepant tax period(s) should not be closed, **close only the periods included on ACMS.**
 5. To close a period in status 72 per ATE instructions received in step 4, input a TC 522 cc 76/77 with the same date as the TC 520 being reversed. Also close the open control base.

Caution: Always compare the TC 520 cc 76/77 date with the other CDP tax period's TC 520 cc 76/77 date to verify that the tax period not already on ACMS is not a new CDP case in transit to Appeals. Do not input a TC 522 on a new CDP case in transit/not yet received and carded into ACMS.

Exception: Each CDP appeal number, whether related to another CDP appeal number or not, is treated separately based upon the final resolution of the respective appeal number. For example, if a liability on an MFT 30 Individual Master File (IMF) appeal number and a liability on the taxpayer's limited liability corporation (LLC) appeal number are each closed unagreed, thus requiring an NOD be issued, then the TC 520s for each of the respective tax periods cannot be reversed until the NOD default date when the ACMS records for each appeal number will be closed cc 05. If the LLC appeal number is closed agreed (cc 04), but the IMF appeal number is unagreed, then the tax periods for the LLC appeal number must have the TC 520s reversed accordingly, and an NOD is issued for the MFT 30 tax periods. The MFT 30 tax periods' TC 520s are not reversed until the NOD default date at which time the ACMS record is closed cc 05.

8.20.16.7.2 (MM-DD-YYYY)

APS TE CDP Closing Responsibilities Overview

(1) APS employees will:

- a. Close cases on ACMS.
- b. Determine and input the TC 521 date for all CDP tax periods.

- c. Input adjustments to accounts.
- d. Input collection alternatives (when possible).
- e. Close the AOIC database whenever applicable (see Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions).

(2) The case will not be closed out of the TE's inventory until all actions have been completed and all IDRS transactions have fully posted. ACMS will auto-populate follow-up dates based on the type of closure (if the case cannot be closed immediately).

(3) If the record has multiple periods, each period may be closed as action has been completed. The entire case must not be closed until all closing and processing actions have been completed and all account updates have fully posted.

8.20.16.7.3 (MM-DD-YYYY)

ACMS Entries: CDP, EH, and Retained Jurisdiction (RJ)

(1) This section provides guidance for ACMS entries for closing CDP, EH, and retained jurisdiction (RJ) cases.

8.20.16.7.3.1 (MM-DD-YYYY)

ACMS Closing Codes (cc)

(1) CDP cases are closed with the following cc's:

CLOSINGCD	Action
04	Agreed with waiver (Form 12257)
05	Defaulted determination letter
10	Docketed agreement secured - Used for a case settled with a secured agreement, whether it was secured by Appeals or Counsel
11	Dismissed - lack of jurisdiction (LOJ)
12	Dismissed - lack of prosecution (LOP)
13	Disregarded hearing request
16	Withdrawn (Form 12256 or other written withdrawal)
17	Tried case - Used for any cases tried by Counsel which resulted in a court rendered decision
20	Premature referrals or rescinded CDP cases

CLOSINGCD	Action
42	Remanded cases (interim)
43	Petitioned cases (interim)

(2) EH cases are closed with the following cc's:

CLOSINGCD	Action
13	Disregarded hearing request
14	Fully sustained
15	Partially or not sustained
16	Withdrawal
20	Premature referral

(3) RJ cases are closed with the following cc's:

CLOSINGCD	Action
14	Collection is following Appeals' CDP determination
15	Collection is not following Appeals' determination
16	Appeals' CDP determination is revised in cases involving change in circumstances

8.20.16.7.3.2 (MM-DD-YYYY)

Closing CDP Cases

(1) This section provides guidance on closing CDP cases that do not include a Tax Court petition. For information on closing CDP cases after a Tax Court decision, see IRM 8.20.16.7.14, CDP Case Tax Court Decision Closing Procedures.

8.20.16.7.3.2.1 (MM-DD-YYYY)

CDP Default: Closing Code = 05

(1) When the taxpayer is sent an NOD on a timely filed CDP, and they do not petition Tax Court, the appeal number is closed using cc 05. Update the cc on ACMS to cc 05.

(2) Create a "Case closed on ACMS by APS (CL)" action record the date the TC 521 request is submitted.

(3) Submit a request to input the TC 521 (see IRM 8.20.16.7.4, IDRS Closing Actions for CDP and EH Cases, for details). Additionally, process any other IDRS actions requested on the closing information ("printable view"). Create a "Non-AIMS IDRS Adjustment input (ADJ)" action record to document the specific actions taken. Enter the date of the TC 521 in the "Enter Action Comments" box.

Note: ACMS will generate a follow-up date directing the APS TE to verify the adjustment(s).

(4) After verifying that IDRS adjustments have been processed, create an "Adjustments verified on IDRS for posting (AV)" action record to confirm these items were accurately input.

(5) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.3.2.2 (MM-DD-YYYY) CDP Waiver Form 12257: Closing Code = 04

(1) When a taxpayer signs Form 12257, the appeal number is closed using cc 04.

(2) Mail the closing letter (see IRM 8.20.16.7.3.2.2.1, Form 12257 Waiver Closing Letter). Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(3) Create a "Case closed on ACMS by APS (CL)" action record the date the TC 521 request is submitted.

(4) Submit a request to input the TC 521 (see IRM 8.20.16.7.4, IDRS Closing Actions for CDP and EH Cases, for details). Additionally, process any other IDRS actions requested on the closing information ("printable view") (e.g., Form 3870, Form 433-D). Create a "Non-AIMS IDRS Adjustment input (ADJ)" action record to document the specific actions taken. Enter the date of the TC 521 in the "Enter Action Comments" box.

Note: ACMS will generate a follow-up date directing the APS TE to verify the adjustment(s).

(5) After verifying that IDRS adjustments have been processed, create an "Adjustments verified on IDRS for posting (AV)" action record to confirm these items were accurately input.

(6) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

**8.20.16.7.3.2.2.1 (MM-DD-YYYY)
Form 12257 Waiver Closing Letter**

- (1) The ATE will prepare closing Letter 4382, Form 12257 Closing, if a Form 12257 is secured.
- (2) The closing letter requires the ATM or ATE's signature.
- (3) Send the taxpayer the original closing letter and the original waiver with a copy to the authorized representative, if applicable.
- (4) Attach a copy of the dated letter to ACMS.
- (5) If joint taxpayers are living at the same address, send a single letter addressed to both taxpayers at that address.
- (6) Send separate letters to joint taxpayers who are not living at the same address and enclose Form 12257 with each.

**8.20.16.7.3.2.3 (MM-DD-YYYY)
CDP or EH Closed With Form 12256 Withdrawal: Closing Code = 16**

- (1) When a taxpayer signs Form 12256, the appeal number is closed using cc 16.
- (2) Mail the closing letter (see IRM 8.20.16.7.3.2.3.1, CDP/EH Withdrawal Acknowledgement Letter). Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.
- (3) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.
- (4) For CDP cases only, submit a request to input the TC 521 (see IRM 8.20.16.7.4, IDRS Closing Actions for CDP and EH Cases, for details). Create a "Non-AIMS IDRS Adjustment input (ADJ)" action record to document the specific actions taken. Enter the date of the TC 521 in the "Enter Action Comments" box.
- (5) For CDP cases only, after verifying the TC 521 has been processed, create an "Adjustments verified on IDRS for posting (AV)" action record to confirm it was accurately input.
- (6) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

**8.20.16.7.3.2.3.1 (MM-DD-YYYY)
CDP/EH Withdrawal Acknowledgement Letter**

(1) In all cases where Appeals has previously sent the taxpayer the substantive contact uniform acknowledgement letter (UAL), the ATE will prepare a Letter 4383, Collection Due Process/Equivalent Hearing Withdrawal Acknowledgement, if a Form 12256 is secured.

Note: Appeals will not send the taxpayer Letter 4383 if the withdrawal was received before Appeals acknowledged receipt of the case with the UAL.

(2) The Letter 4383:

- a. Provides the taxpayer with the date Appeals received the withdrawal.
- b. Provides APS with the date Appeals received the withdrawal. The received date of the withdrawal is used for input of the TC 521 cc 76/77.
- c. Is signed by either the ATE or the ATM.
- d. If joint taxpayers are living at the same address, send a single letter addressed to both taxpayers.
- e. If joint taxpayers are not living at the same address, send separate letters.

(3) Do not enclose a copy of Form 12256.

(4) Send the taxpayer the original closing letter with a copy to their authorized representative, if applicable.

(5) Attach a copy of the dated letter to ACMS.

**8.20.16.7.3.2.4 (MM-DD-YYYY)
CDP or EH Closed as a Disregarded Hearing Request: Closing Code = 13**

(1) When the ATE determines the CDP or EH request will be treated as a disregarded hearing request, the appeal number is closed using cc 13.

(2) Mail the closing letter (see IRM 8.20.16.7.3.2.4.1, CDP/Equivalent Hearing (EH) Disregarded Hearing Letter). Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(3) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

(4) For a timely CDP only, or where TC 520 cc 76/77 was input, submit a request to input TC 522 (see IRM 8.20.16.7.4, IDRS Closing Actions for CDP and EH Cases, for

details). Create a "Non-AIMS IDRS Adjustment input (ADJ)" action record to document the specific actions taken. Enter the date of the TC 521 in the "Enter Action Comments" box.

(5) For CDP cases only, after verifying the TC 522 has been processed, create an "Adjustments verified on IDRS for posting (AV)" action record to confirm it was accurately input.

(6) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.3.2.4.1 (MM-DD-YYYY) CDP/Equivalent Hearing (EH) Disregarded Hearing Letter

(1) When issuing a Letter 4381, Disregard CDP/EH Request, follow established procedures for issuing a NOD or a decision letter.

(2) The Letter 4381 will be sent by first class mail. Certified or registered mailing is not required.

(3) If the hearing request is signed by both joint taxpayers who are living at the same address, send a single letter addressed to both taxpayers.

(4) Send separate letters to joint taxpayers that are not living at the same address.

(5) Send a copy of the letter(s) to the authorized representative, as appropriate.

(6) Verify addresses using ENMOD, INOLES, or SPARQ.

(7) Attach a copy of the dated letter and all attachments to the appeal number.

8.20.16.7.3.2.5 (MM-DD-YYYY) CDP or EH Closed as a Premature Referral: Closing Code = 20

(1) A CDP hearing request may be classified as a premature referral and returned to Collection if the ATE determines that a CDP notice was issued in error. These cases are closed on ACMS using cc 20.

(2) The ATE will no longer rescind CDP notices they determine were issued in error. Instead, they will send the case back as a premature referral.

(3) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

(4) For CDP cases only, submit a request to input the TC 522 (see IRM 8.20.16.7.4, IDRS Closing Actions for CDP and EH Cases, for details). Create a "Non-AIMS IDRS Adjustment input (ADJ)" action record to document the specific actions taken.

(5) For CDP cases only, after verifying the TC 522 has been processed, create an "Adjustments verified on IDRS for posting (AV)" action record to confirm it was accurately input.

(6) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.3.3 (MM-DD-YYYY)

EH Closure: Closing Code = 14 (Sustained) or 15 (Not Sustained)

(1) EH cases with a decision are closed using cc 14 (sustained) or cc 15 (not sustained).

(2) Mail the closing letter. Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

Note: If the taxpayer raised INNSP or ABINT, the case must be suspended after mailing the closing letter due to the ability of the taxpayer to petition Tax Court. See IRM 8.20.15.6.2, CDP Notices of Determination (NOD), for information on mailing these letters and placing the case into suspense.

(3) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

(4) If the closing information ("printable view") directs APS to make adjustments to the taxpayer's account, submit the adjustment(s) and create a "Non-AIMS IDRS Adjustment input (ADJ)" action record to document the specific action requested.

(5) After verifying that any IDRS adjustments have been processed, create an "Adjustments verified on IDRS for posting (AV)" action record to confirm these items were accurately input (if applicable).

(6) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.3.3.1 (MM-DD-YYYY)

CDP Equivalent Hearing (EH): Decision Letters

(1) Stand-alone EH cases (Letter 3210, Decision Letter Concerning Equivalent Hearing Under Section 6320 and/or 6330 / Letter 5145, Agreed Equivalent Hearing Closing Letter) are closed and processed by APS.

(2) Combination EH and INNRP or EH and ABINT claims are processed by APS after the suspense period for the NODs. An EH appeal number must be suspended when ABINT or INNRP is raised during the appeal. The EH cannot be closed until the suspense period ends for the ABINT or INNRP.

- Letter 4439: 90-day suspense period
- Letter 4440: 180-day suspense period

(3) Attach a copy of the dated closing letter to ACMS.

(4) If a taxpayer has both EH and CDP work units, close the EH appeal number. Do not hold the EH appeal number pending the resolution of the CDP appeal number unless it has been chosen for AQMS review.

Caution: For paper files, if the EH appeal number is closed separate from the CDP appeal number, copy a complete set of documents and place it with the CDP appeal number.

8.20.16.7.3.4 (MM-DD-YYYY)

Retained Jurisdiction: Closing Code = 14, 15, or 16

(1) An RJ case will be closed with cc 14 (Collection is following Appeals' CDP determination), cc 15 (Collection is not following Appeals' determination), or cc 16 (Appeals' CDP determination is revised in cases involving change in circumstances).

(2) Mail the closing letter (see IRM 8.20.16.7.3.4.1, Retained Jurisdiction Closing Letter). Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(3) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

(4) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.3.4.1 (MM-DD-YYYY)

Retained Jurisdiction Closing Letter

(1) The ATE will prepare an ACM and a CAP type closing letter for an RJ case.

(2) The closing information ("printable view") may suffice as the ACM.

(3) Attach a copy of the dated closing letter to ACMS.

8.20.16.7.4 (MM-DD-YYYY)**IDRS Closing Actions for CDP and EH Cases**

(1) APS must accurately input TC 52X and TC 97X on the taxpayer's account when closing a CDP and EH case from ACS or from Field Collection.

(2) The TC 521 cc used are determined by the CDP subcategory:

- Timely CDP Lien = 76
- Timely CDP Levy = 77
- Timely CDP Lien & Levy = 76

(3) The TC 521 date is determined by APS per guidance provided in IRM 8.20.16.7.5, Determine the TC 521 Date for CDP Cases.

(4) See the table below for the TC 52X and TC 97X requirements for each type of closing:

Type	Transaction Code Requirement
CDP	<ul style="list-style-type: none"> • TC 521 with applicable cc and date. • TC 971 AC 277 with the date of APS closing action. • Verify that the TC 971 AC 277 has posted to each tax period for which a CDP NOD has been issued. If the TC 971 AC 277 was not input at the time the CDP NOD was issued, input the TC 971 AC 277 on all applicable accounts and monitor until fully posted.
EH	<ul style="list-style-type: none"> • TC 971 AC 280 with the date of APS closing action. • Verify that the TC 971 AC 280 has been posted to each tax period for which a CDP EH decision letter has been issued. If the TC 971 AC 280 was not input at the time the CDP EH decision letter was issued, input the TC 971 AC 280 on all applicable accounts and monitor until fully posted. • Verify there is not an open TC 520 76/77 on each period when there is no open timely CDP. If there is an unreversed TC 520 76/77, determine if a TC 522 76/77 should be input.
CDP Disregarded Hearing (ACMS cc 13)	<ul style="list-style-type: none"> • TC 522 with the applicable cc and the same date as the TC 520 being reversed. • TC 972 AC 275 and the same date as the TC 971 being reversed.
CDP Premature Referral (ACMS cc 20)	<ul style="list-style-type: none"> • TC 522 with the applicable cc and the same date as the TC 520 being reversed.

Type	Transaction Code Requirement
	<ul style="list-style-type: none"> TC 972 AC 275 and the same date as the TC 971 being reversed.
EH Disregarded Hearing (ACMS cc 13)	TC 972 AC 278 and the same date as the TC 971 being reversed.
EH Premature Referral (ACMS cc 20)	TC 972 AC 278 and the same date as the TC 971 being reversed.

(5) APS must close the IDRS control base for all CDP or EH cases referred to Appeals by ACS.

8.20.16.7.5 (MM-DD-YYYY)

Determine the TC 521 Date for CDP Cases

(1) The TC 521 date is the date the determination becomes final. APS must input the TC 521 date and monitor IDRS to verify it posted to the taxpayer's account.

Note: ACMS will establish a follow-up date for the APS TE to verify.

(2) If the taxpayer does not file for a judicial review, compute the TC 521 as follows:

If	Then
Letter 3193, Notice of Determination Concerning Collection Actions Under Sections 6320 and 6330, is issued and CDP case is closed cc 05	TC 521 = 30 days after the letter is issued.
Form 12257 is secured and CDP case is closed using cc 04	TC 521 = date ATM or ATE signed Form 12257.
Form 12256, or a withdrawal, is received and CDP case is closed cc 16	TC 521 = the date Appeals received the withdrawal as shown on Letter 4383.
CDP/INNSP Combo Letters Letter 4390 is issued as closing letter because the CDP taxpayer raised a spousal issue	TC 521 = NOD letter date + 90 days if the taxpayer does not petition Tax Court.
CDP/ABINT Combo Letter 4389 is issued as closing letter because the CDP taxpayer raised an ABINT issue	TC 521 = NOD letter date + 180 days if the taxpayer does not petition Tax Court.

If	Then
The CDP case is closed as a premature referral (cc 20)	Do not input TC 521, input TC 522 with same date as TC 520.
The CDP case is closed as a disregarded hearing request (cc 13)	Do not input TC 521, input TC 522 with same date as TC 520.

(3) If the taxpayer requested judicial review, the TC 521 date will be computed as follows:

If the Determination Document	Then
States "Pursuant to the agreement of the parties without " an IRC 6330(e) waiver paragraph and the taxpayer does not petition a higher court (cc 10)	TC 521 = Date decision entered + 90 days.
States "Pursuant to the agreement of the parties with " an IRC 6330(e) waiver paragraph (cc 10)	TC 521 = Date decision entered.
States "Pursuant to the determination of the court" and is only signed by the judge (cc 17)	TC 521 = Date decision entered + 90 days.
Is an order to dismiss and the taxpayer does not petition a higher court (cc 11)	TC 521 = Date decision entered + 90 days.

Note: If a taxpayer appeals a Tax Court decision to a U.S. Court of Appeals and/or U.S. Supreme Court, the above time periods will be extended. A chart referencing the various situations that may arise can be found in Chief Counsel Directives Manual (CCDM) 36.2.5.3, Finality of Tax Court Decisions and Mandamus. Use this chart to assist in the determination of the TC 521 date. Counsel will generally hold cases until the decision of the Tax Court is final. The TC 521 date should be determined after Counsel returns the case. If there is a question in determining the TC 521 date, consult with APS management or contact the Counsel Attorney directly for assistance in determining the correct date.

(4) The Collection Statute Expiration Date (CSED) is systemically computed by IDRS with the input of the TC 521.

(5) A manual computation of the CSED is required **ONLY** when the account is joint and only one of the joint taxpayers (primary (P) or secondary (S)) requested the hearing. See (6) and (7) below for additional information.

Note: Use CC: REQ77 TC 550 to input a manually computed CSED.

- (6) The new CSED can be manually computed using the following tools:
- ACDS Utilities **Number of Days** calculator. This tool calculates the number of days between the TC 520 and TC 521 dates.
 - ACDS Utilities **Target Date** calculator. This tool calculates the new CSED date when the number of days the CSED is suspended (see (a) above) is added to the current CSED.

(7) If the CSED was suspended for only **P** or **S**, a new CSED is input via REQ77 with TC 550.

Note: The CSED date on the joint IMF module will only reflect the earliest of the spouse's CSED dates. When only one spouse requests a CDP hearing, input a TC 550 with the CSED extension date and a CSED TIN Indicator of either "P" or "S" to the MFT 30 CDP module to show the later of the two CSED dates for either the primary or secondary spouses. A TC 550 is not necessary when the joint MFT 30 CDP module(s) have been mirrored to MFT 31 modules for each spouse. In that case, the TC 521 input will systemically update the CSED.

8.20.16.7.6 (MM-DD-YYYY)

How to Input TC 521 and 971 Transaction Codes

- (1) APS will use the IAT IDRS CC: REQ77 tool to input TC 52X and TC 97X transactions.
- (2) APS will suspend a CDP or EH case on ACMS and monitor the account(s) until the transaction(s) post(s).
- (3) If the TC 521 or TC 971 input goes unpostable, the CDP or EH case will remain in suspense until APS resolves the unpostable condition.
- (4) When working MFT 31 accounts, verify all TC 520s have been addressed:
- a. Research MFT 30 and both MFT 31 accounts.
 - b. If only one spouse was requesting the hearing, input TC 522 on the non-requesting spouse (NRS) and MFT 30 account and input the appropriate TC 521 on the requesting spouse (RS).
- (5) When the TC 521 and TC 971 have posted to all the tax periods for the appeal number, APS will close the case on ACMS.

8.20.16.7.7 (MM-DD-YYYY)

Input of TC 522 for Disregarded and Non-Processable Hearing Requests

- (1) APS will input a TC 522 with the appropriate TC 52X cc to the periods on any CDP case where the ATE closes the case as a disregarded hearing request using ACMS cc

13. A disregarded hearing request is one submitted by a taxpayer where all the taxpayer's issues are considered frivolous or raised with a desire to impede collection. The net result of TC 522 input is that there is no suspension of the collection statute for the period of time begun with a disregarded or non-processable CDP hearing request.

(2) APS will input a TC 522 to the periods on any CDP case where the ATE closes the case as a premature referral using cc 20.

(3) TC 522 is input using the same date as the TC 520 being reversed, via the IAT IDRS CC: FRM77 tool.

8.20.16.7.8 (MM-DD-YYYY) Closing ACS-originated Control Bases

(1) ACS establishes and assigns an IDRS control base (6619500001) to the Holtsville APS team when they forward a CDP or EH case to Appeals following IRM 5.19.8.4.9, Forwarding Cases to Appeals.

(2) APS uses IDRS CC ACTON to close the IDRS control base at the conclusion of CDP back-end processing on **all** ACS originated cases.

Example: ACTON, C##, C

(3) See IRM 2.3.12, IDRS Terminal Responses, Command Code ACTON, Exhibit 2.3.12–2 for ACTON format.

8.20.16.7.9 (MM-DD-YYYY) Closing SB/SE Field Originated Cases

(1) When the ATM approves the appeal number for closure, the approved case is electronically transmitted to the APS queue on ACMS. Take the following actions:

Step	Issue	Action
1.	The electronic file resides on ACMS	When the CDP case is entirely electronic, there will not be any administrative paper file to send to campus files. These administrative files are housed on ACMS and purged at a later time.
2.	APS applies the date of mailing and certified mail receipt number	APS applies dates to the closing letter(s) and ACMS. The closing letter(s) is sent certified or regular mail, as required, by the hearing type. Add the certified mailing information to ACMS (if applicable).

Step	Issue	Action
3.	APS includes a PDF of the closing letter with the date and certified mail receipt number and attaches it to ACMS	APS includes a final PDF of the dated closing letter(s) issued to the taxpayer and/or the POA and attaches the letter(s) to ACMS.
4.	Retain related paper files	<p>When an NOD is issued, or when an EH decision letter is issued (where the timeliness of the appeal is in dispute), retain with the case any related appeal number paper files or other administrative paper files that were secured from closed files, and which were used in making the determination or decision.</p> <p>Note: This typically is for when a liability issue is considered for a TFRP assessment or Examination assessment but may include other paper administrative records.</p> <p>The documents are forwarded to APS by the ATM or ATE after approval is entered following the case routing instructions in ACMS. APS will suspend these related paper files along with the electronic CDP or EH administrative file by following current guidance in IRM 8.20.13.6.2, CDP Notices of Determination.</p>
5.	Cases closed with ECC procedures	For closures of field-originated CDP cases where an agreement has been reached, and a waiver or withdrawal has been secured, the CA ATM will retain these files until such time that APS informs them closing actions have been processed in accordance with ECC procedures. CDP cases where an NOD is issued do not qualify for closure via ECC procedures in IRM 8.20.16.2.3, Electronic Case Closures.
6.	Certain paper case closures returned via email	<p>Certain closures should be sent by the Appeals Officer (AO)/ATM to APS via the support request SharePoint site. These cases are closed using ECC procedures and include:</p> <ul style="list-style-type: none"> • Withdrawals • Premature referrals • Frivolous/Disregarded cases closed with Letter 4381 <p>Include the original PDF file, closing documents, and</p>

Step	Issue	Action
		<p>digital copies of any other documents submitted to Appeals. APS will forward the documents to the originator of the case in Collection*.</p> <p>*RO and group manager contact information can be found on Form 14461, Transmittal of CDP/Equivalent Hearing Request, located within the original PDF upload received from Collection.</p>
7.	Cases not closed with ECC procedures	For CDP Field cases where an NOD must be issued, CA sends any ride-along paper file (if there is one) to APS to issue the NOD, monitor the Tax Court filing, or default and close.
8.	At the appropriate time, APS closes the case on ACMS. When applicable, upload the certified mailing receipt to ACMS	After any applicable case suspense period, APS closes the case on ACMS and performs all established closing procedures following IRM 8.20.16.7.13.2, Revenue Officer Notification of CDP and EH Closures, including inputting TC 290 for 0.00 and NSD (no source document).
9.	APS forwards to Collection the digital attachments from ACMS	<p>Except for the PDF file Collection sent with the initial referral to Appeals, upon closing the CDP case, APS will send all other ACMS digital attachments to the RO via encrypted email with a "cc" to the RO group manager. Contact information can be found on the Form 14461 that was in the PDF file sent to Appeals.</p> <p>If neither Collection recipient is available via email, APS will take no further action. If the digital attachments are later needed by Collection, they will contact the Appeals Account Resolution Specialist (AARS) Customer Service Team via its Customer Service Request Site and choose "Submit Customer Service Request Form".</p>

Note: For a glossary of Appeals' document naming conventions, see IRM 8.22.4-4, CDP Naming Conventions for Electronic Attachments to ACDS.

8.20.16.7.10 (MM-DD-YYYY) CDP and EH Bankruptcy Case Closing Procedures

(1) APS will not receive requests for abatements from the ATE based upon bankruptcy dischargeability determinations. If an ATE believes that a particular tax year was dischargeable and should be abated, the abatement must be completed by the

Insolvency function. If APS receives such a request from the ATE, the case should be sent back to the ATE to resolve the dischargeability issue with Insolvency.

(2) Dischargeability issues may arise on a CDP case if the taxpayer petitions the Tax Court. If APS receives a stipulated decision, or directives from Counsel that a tax year was dischargeable and should be abated, APS will contact the Centralized Insolvency Organization (CIO) to coordinate with the appropriate Insolvency office to have the liability abated. APS will provide the following documentation to CIO:

- Name of the Counsel Attorney for the case
- Closing instruction from Counsel
- Stipulated decision

(3) The Insolvency function will contact APS once the requested abatements are completed. The Insolvency function will only make adjustments based upon dischargeability determinations and will not make any adjustments based upon tax recomputations. Adjustments based upon tax recomputations will be processed by APS. To contact CIO by phone, access the CIO site.

(4) The Insolvency function is the only function that can input bankruptcy transactions onto IDRS. APS must not input requests for TC 520/521 with bankruptcy cc's, nor should APS input any TC 971 with abatement or partial abatement ACs.

Note: See IRM 21.5.6, Freeze Codes, for -V freeze and -W freeze guidance provided to prevent action on a case that has been referred to the DOJ.

(5) See IRM 8.20.7-16, TC 520 Closing Code (cc) and MF Freezes, for more details.

8.20.16.7.11 (MM-DD-YYYY)

CDP Rapid Response Appeals Process (RRAP) APS Closing Procedures

(1) When the ATM approves a Rapid Response Appeals Process (RRAP) case for closure, the case will be assigned to the APS queue for closure.

(2) Upon receipt of the RRAP case from the ATM, APS takes the following actions:

- a. Issue the appropriate letter within 10 calendar days of the ATM approval date.
- b. If an NOD is issued, suspend the case for a total of 60 days.
- c. If the taxpayer petitions the USTC, take no action until the Tax Court case is closed and Counsel has returned the case to Appeals.

(3) APS will close the case after the decision is final and will email the closing documents listed below to the originating RO:

- Closing information ("printable view")
- Letter 3193 with ACM, or
- Form 12257 with cover letter, or

- Form 12256 with cover letter
- Other documents obtained by Appeals during the CDP hearing process

Note: The first four bullet point items above must always be emailed to the RO. If the "other documents" exceed 15 pages, they may be mailed to the RO.

8.20.16.7.12 (MM-DD-YYYY)

CDP Docketed Cases with Restitution-Based Assessment (RBA) MFT 31 Adjustment Components

(1) When APS receives a docketed CDP case for final closure and the decision document includes language to abate IRC 6201(a)(4) interest and/or penalty, APS will follow the process steps below:

1. Convert the Tax Court decision document into a PDF (if needed).
2. Attach the PDF to ACMS.
3. Close ACMS following current CDP closing instructions.
4. Use secure email to transmit the Tax Court decision document to *SBSE TECH SVS Criminal Restitution.
5. Place the case in suspense (SU PI) with suspense reason **Waiting on Compliance for information/response**. Create a follow-up task for 15 business days.

(2) Within 15 business days, the Restitution-Based Assessment (RBA) team will respond to the originator via secure email that the RBA adjustment document has been prepared and submitted for the RBA adjustments. A copy of Form 3870 should be attached. APS will follow the process steps below to close the case:

1. Verify the MFT 31 RBA account adjustment(s) is/are either adjustment pending (AP) or pending (PN) (may take up to 30 days to post).
2. Convert the email to a PDF.
3. Attach the PDF and Form 3870 to the ACMS record.
4. Close ACMS following current CDP closing instructions:
 - Input TC 521, and any other applicable IDRS actions.
 - Monitor actions until posted.
 - Close the appeal on ACMS.
 - Prepare the CDP case file for transmission to the appropriate location using current CDP and Form 3210/E3210 procedures.
 - For field CDP cases, update "APS Notes" with the date of receipt of the "Acknowledged" Form 3210/E3210 and upload a copy of the form to ACMS.

Note: Report unpostable transactions via secure email to *SBSE TECH SVS Criminal Restitution.

8.20.16.7.13 (MM-DD-YYYY) CDP and EH Closing Actions for the Case File

(1) Whenever there is judicial review of a CDP or an EH with a related case that has judicial review, the paper case files (if applicable) should be kept together until the suspense period expires or the matter is resolved in the courts.

(2) For cases originated by ACS, on IDRS, input TC 290 for .00 with hold code (HC) 3 and blocking series (BS) 18X on the most recent CDP tax period.

Example: If CDP periods are 2017, 2018, and 2019, only input TC 290 .00 with HC 3 and BC 18X on 2019.

Exception: If the ATE provides written instruction that no HC should be entered, APS will not use HC 3 but, instead, leave the HC field blank which defaults to zero.

(3) All non-AIMS adjustments (TC 29X), and account updates (TC 52X, TC 971), must be placed in suspense and monitored until all input transactions have fully posted.

(4) APS will establish an appropriate follow-up date to access the taxpayer's account and verify all transactions have been posted.

(5) Close the case on ACMS once suspense and monitoring actions are completed.

- a. Use cc 03.
- b. The "Appeals Closed Date" is the date APS closes the case on ACMS.

8.20.16.7.13.1 (MM-DD-YYYY) ACS Notification of CDP and EH Closures

(1) ACS case files will not be returned to ACS. ACS cases with a physical file will be sent to campus files. Related OIC cases will also be sent to campus files if the offer was not accepted. CDP OIC files are not sent back to Centralized OIC (COIC). If the CDP OIC was accepted, only the OIC file is sent to Monitoring Offers in Compromise (MOIC), and the CDP file is sent to campus files.

(2) APS, or the Shared Team of Administrative and Redaction Support (STARS), will use email to provide the ACS Support (ACSS) CDP coordinator with the closing information ("printable view"). For IAs:

- **Direct Debit IAs (DDIA)** requiring special processing or mirroring are transmitted to ACS by APS via email
- These DDIAs must be identified on Form 3210/E3210
- These DDIAs are input by ACS
- **Manually Monitored IAs (MMIA)** and mirrored CNC requests are transmitted to ACS by APS via email

- Form 433-D and mirrored CNC requests must be identified on the Form 3210/E3210
- ACSS submits these requests to Compliance Case Processing (CCP) for input on IDRS

Note: APS will input all DDIAAs not requiring special processing or mirroring. IAs requiring special processing (including mirroring) and mirrored CNC requests secured by the ATE are not input by APS and must be identified on the Form 3210/E3210 and emailed to the ACSS CDP coordinator.

(3) The ACSS CDP coordinator's contact information is accessible via the SERP ACS CDP Coordinators site.

(4) For CDP cases where the taxpayer has raised frivolous or hybrid issues, the ATE will indicate such on the closing information ("printable view"), and the following documents must be transmitted to ACS in addition to the closing information ("printable view"):

- Copy of the taxpayer's frivolous CDP hearing request
- Copy of Letter 4380, Appeals Received Your Request for a Collection Due Process and/or Equivalent Hearing, and Letter 3846, Appeals Received Your Request for a Collection Due Process Hearing, if issued
- Copy of the NOD
- Copy of the case history
- Copy of any written communications received from the taxpayer as a result of the withdrawal solicitation in either Letter 4380 or Letter 3846

8.20.16.7.13.2 (MM-DD-YYYY)

Revenue Officer Notification of CDP and EH Closures

(1) RO case files will be returned to the originating RO group manager after the case is closed on ACMS. Related OIC case files will be sent to MOIC if the offer is accepted or be sent with the CDP case file to the RO group manager if the OIC is rejected.

(2) Prepare Form 3210/E3210 with the address of the originating RO group manager provided on the closing information ("printable view") to transmit the original administrative file to the RO group manager.

Exception: If a paper case is selected for AQMS review, the administrative file should be sent to the requesting reviewer prior to being returned to the RO.

8.20.16.7.14 (MM-DD-YYYY)

CDP Case Tax Court Decision Closing Procedures

(1) IRC 7481 governs the finality of a Tax Court decision. Counsel will hold cases pending the filing of an appeal, or if no appeal is filed, until the decision becomes final, which is 90 days after the decision is entered in Tax Court, plus 10 days to allow for mailing. "The appeal period may be extended by a motion to vacate or revise the decision or by a motion for litigation costs." For additional information, see:

- CCDM 36.2.5.3, Finality of Tax Court Decisions and Mandamus
- CCDM 36.2.5.6.4, Time for Filing Notice of Appeal

(2) When the Tax Court decision is final, Counsel will return the case to Appeals on Form 1734, Transmittal Memorandum.

(3) Review Form 1734 and input the appropriate ACMS cc:

- A "Docketed Case" requiring cc 10 is one that was docketed but was settled with an agreement. Docketed cases are generally settled with a decision document beginning with the words "**Pursuant to the agreement of the parties in this case...**", or similar wording and are signed by the judge, the taxpayer, and Counsel.
- A "Tried Case " requiring cc 17 is one that was docketed and **not** settled but then was tried and received a court rendered decision. Cases requiring cc 17 are those with a decision document from the court beginning with the words "**Pursuant to the determination of the Court...**", or similar wording, and are signed only by the judge and do not first refer to an agreement.

(4) Input TC 521 with a cc 76 or 77, as appropriate. The date of TC 521 will be the date the Tax Court decision became final. Consult with APS management or contact the Counsel Attorney if assistance is needed in determining the correct TC 521 date.

Caution: If the case does not contain a waiver paragraph, and Counsel submits the case to APS prior to the date on which the decision becomes final, APS must suspend the case for the remainder of the 90 days plus 10 days, because the TC 521 cannot be input with a future date. Exception - delinquent original return that settles the case.

(5) If a decision document contains a waiver of the restrictions on collection in accordance with IRC 6330(e), which would be placed below the judge's signature, the collection statute resumes on the date the decision is entered.

(6) Tax Court may grant litigation fees and costs to a petitioner (taxpayer) in a CDP case. The field attorney who handled the case is responsible for handling litigation fees and costs.

(7) The taxpayer's petition may be dismissed if the taxpayer moves to withdraw the CDP petition for LOJ or LOP.

- If the petition filing fee was not paid, and the requirement to pay the filing fee was not waived, an order to dismiss for LOJ is issued.
- If the petitioner did not appear, and the failure to appear is determined to be an unexcused absence by the Court, an order to dismiss for LOP is issued.

(8) APS will take the following actions to close ACMS and update IDRS, as appropriate:

- a. Dismissed LOJ - cc = 11
- b. Dismissed LOP - cc = 12
- c. Input TC 521 with the applicable cc to close the TC 520 and resume collection activity.
- d. Place the case in suspense and monitor the IDRS account until the TC 521 is posted.

(9) APS will forward the CDP case to the location identified by the ATE on closing information (“printable view”) using Form 3210/E3210, as appropriate.

8.20.16.7.14.1 (MM-DD-YYYY)

CDP Appealed Tax Court Decision Closing Procedures

(1) A Tax Court decision can be appealed by either the petitioner or the government.

Note: "S" cases cannot be appealed.

(2) Counsel retains case files for at least 90 days + 10 days (100 days total) after the Tax Court decision is entered.

(3) Counsel will notify Appeals when the decision becomes final (after the case is finished in the U.S. Court of Appeals and/or Supreme Court). At this point, the TC 521 date must be determined. If there is a question in determining the TC 521 date, consult with APS management or contact the Counsel Attorney directly for assistance in determining the correct date.

8.20.16.7.14.2 (MM-DD-YYYY)

CDP Assessment of Civil Penalties under IRC 6673 Closing Procedures

(1) The Tax Court may impose a penalty against a taxpayer not exceeding \$25,000 under IRC 6673 (a)(1) if:

- A taxpayer institutes or maintains a proceeding primarily for delay,
- A taxpayer takes a position that is frivolous or groundless, or
- A taxpayer unreasonably fails to pursue available administrative remedies.

Note: A penalty award under section IRC 6673 (a)(1) is not asserted against the taxpayer in any notice issued by the IRS. The government can request the penalty in its pleadings, or the penalty can be imposed by the Tax Court on its own.

(2) For identification of the IRC 6673 civil penalty amount imposed, refer to the entered Tax Court decision.

(3) If a court other than the Tax Court, including appellate courts, determines that the taxpayer is proposing a frivolous or groundless suit, the court may award sanctions, penalties, or costs not exceeding \$10,000 under its rules. IRC 6673 (b)(2) and (3) allows the "award" to be assessed and collected like a tax.

(4) The TE will prepare a Form 8485 as the civil penalty assessment source document. In this instance, a Form 8278, Assessment and Abatement of Miscellaneous Civil Penalties, will not be prepared by the ATE.

(5) APS will assess civil penalties asserted under IRC 6673 (a)(1) (PRN 643) and IRC 6673 (b)(2) and (3) (PRN 644).

(6) The IRC 6673 penalty is assessed on a civil penalty (CVPN) module:

- MFT 13 (Business Master File (BMF))
- MFT 55 (IMF)

(7) Since the IRC 6673 penalty is not associated with a particular tax year before the court, but instead is a sanction imposed by the court for groundless delay, the penalty is assessed using the month and the year of the Court's order imposing the IRC 6673 penalty.

- IMF Entities (MFT 55) - Any month can be used to identify the CVPN 55 Tax Period. Refer to the IRC 6673 CVPN IMF table below.
- BMF Entities (MFT 13) - Calendar year month end is used to identify the CVPN 13 Tax Period. Refer to the IRC 6673 CVPN BMF table below.

IRC 6673 CVPN IMF Table

IF Ordered Entered by the Court on	THEN Use Period
June 6, 2023	202306
December 7, 2022	202212
February 22, 2024	202402

IRC 6673 CVPN BMF Table

IF Ordered Entered by the Court on	THEN Use Period
April 14, 2024	202412
August 6, 2023	202312
November 22, 2022	202212

(8) If the CVPN account is not yet established, reference the following IRMs and take the appropriate action(s) to establish the CVPN account for assessment of the IRC 6673 penalty:

- IRM 20.1.7.7, Creating Entities or Name Lines for Non-Return Civil Penalty Cases
- IRM 20.1.7.7.1, BMF Entities
- IRM 20.1.7.7.2, IMF Entities
- IRM 20.1.10.8.1, IRC 6673(a) - Tax Court Proceedings
- IRM 20.1.10.8.1.2, Assertion/Assessment
- IRM 20.1.10.8.2, IRC 6673(b) - Proceedings in Other Courts
- IRM 20.1.10.8.2.2, Assertion/Assessment

(9) Process the CVPN assessment:

1. Research IDRS CCs BMFOL, IMFOL, INOLE, NAMES/E to ensure the penalty is being assessed on the correct filer's account.
2. Use IDRS CC: ADJ54 to input a TC 290 0.00*.
3. Input the appropriate Penalty Reference Number (PRN):
 - PRN 643 for Tax Court (6673(a))
 - PRN 644 for other than Tax Court (6673(b))
4. Input the dollar amount of the penalty, as identified on the entered Tax Court decision.
5. Use BS 52X (required for the first assessment). Use BS 53X if this is not the first CVPN assessment to the MFT 13 (BMF) or MFT 55 (IMF) for the respective taxpayer and tax period.
6. Use a posting delay code (PDC) if the CVPN entity is pending or input the ADJ54 adjustment in the cycle immediately following the cycle in which the CVPN entity is fully established.
7. Do not use an HC (see caution below) because the IRC 6673 CVPN is immediately assessable under the authority of the Court imposing the CVPN and is immediately collectable as of the assessment's 23C date.

Caution: If you are processing a credit transfer or offsetting an available overpayment from the same taxpayer's IDRS account(s), then use the appropriate HC to suspend the notice until the credit transfer(s) post(s). Always monitor the account to confirm all transactions post, and once the account correctly reflects all transactions, post a TC 290 0.00 BS 96X without an HC to release the balance due notice and freeze the CVPN from subsequent abatement action by non-Appeals personnel.

Reminder: Use suspense procedures to ensure the CVPN account condition is timely and accurately adjusted and finalized.

8. Take all necessary steps to avoid an unpostable condition.

Note: The TC 290 0.00 will serve as the carrier TC for the TC 240 IRC 6673 penalty amount.

(10) The IRC 6673 penalty imposed by the Court cannot be mitigated by a subsequent claim or penalty abatement request filed by the taxpayer. For this reason, APS must also post a second TC 290 for 0.00 with a BS 96X to free the CVPN from subsequent abatement action by non-Appeals personnel.

8.20.16.7.14.2.1 (MM-DD-YYYY)

CDP Statute of Limitations for Assessing Costs Under Section 6673(b)(2)

(1) There is no return of tax to trigger the running of the statute of limitations prescribed by IRC 6501. The costs to be assessed under the authority of IRC 6673(b)(2) are not reported on any document filed by a taxpayer. Additionally, the costs are neither related to, nor based on, a tax return filed by taxpayer.

(2) APS will assess the IRC 6673(b)(2) penalty promptly upon receipt of the judgment (i.e., order of the court).

8.20.16.7.15 (MM-DD-YYYY)

CDP or EH Collection Alternatives and Reporting an Account Currently Not Collectible (CNC)

(1) Collection alternatives or back-end processing that may be requested on CDP or EH cases include:

- CNC
- Credit transfers
- INNSP
- IA
- ABINT
- OIC
- Penalty Abatement
- Tax Abatement

8.20.16.7.15.1 (MM-DD-YYYY)

Currently Not Collectible (CNC)

(1) The ATE will include a CNC cc on the closing information ("printable view"). The ATE will also indicate in the "Remarks" section of the closing information ("printable view") whether any non-CDP periods should also be placed into CNC status.

(2) If the APS TE notices CDP or non-CDP balance due tax period(s), which are not also identified by the ATE for closure as CNC with a TC 530, review the decision portion of the ACM or Form 12257 to see if the omitted balance due tax period(s) is/are indicated and should have been identified for closure with a TC 530. If the omitted

balance due tax period is **not identified in the ACM, nor identified on the Form 12257**, notify the ATE using a support request, and request written confirmation that the balance due tax period(s) should or should not also have a TC 530 posted to place them in CNC status. This collaborative verification process supports the taxpayer's right to quality service and the taxpayer's right to finality.

(3) Use IAT REQ77 tool to input TC 530 with the cc provided by the ATE (01-39) to place an account in CNC status.

Note: For additional information on CC: REQ77, refer to IRM 2.4.19, IDRS Terminal Input, Command Codes REQ77, FRM77 and FRM7A, or the IDRS Command Code Job Aid.

(4) The ATE must prepare a paper Form 53, Report of Currently Not Collectible Taxes, if they request a mandatory follow-up. Send the Form 53 to ACS, or the originating RO, to forward to CCP for input.

(5) When CNC requests are made for one taxpayer on a joint liability, the account must be mirrored. APS will not mirror these accounts and will process these requests through the Compliance RO and ACS.

8.20.16.7.15.2 (MM-DD-YYYY) CDP or EH Adjustments

(1) An account adjustment on a CDP or EH may involve tax, penalty, and/or interest.

(2) IRM 21.5, Account Resolution, contains the guidelines for processing adjustments.

(3) Additional IRM references are provided below:

- IRM 3.8, Deposit Activity
- IRM 5.19, Liability Collection
- IRM 20.1, Penalty Handbook
- IRM 20.2, Interest
- IRM 21.1.2, Reference Materials Overview
- IRM 21.1.3, Accounts Management and Compliance Services Operations - Operational Guidelines Overview
- IRM 21.5.3, General Claims Procedures
- IRM 21.5.4, General Math Error Procedures
- IRM 21.5.6, Freeze Codes
- IRM 21.6, Individual Tax Returns
- IRM 21.6.2.2, What Are TIN-Related Problems?
- IRM 21.7, Business Tax Returns and Non Master File Accounts
- IRM 25.6, Statute of Limitations
- IRM 25.23.4, IDTVA Paper Process

8.20.16.7.15.2.1 (MM-DD-YYYY)**CDP With a Liability Issue**

- (1) Liability issues raised within a CDP hearing will be considered as part of the CDP appeal number.
- (2) Documents relating to the liability issue raised as part of a CDP will be attached to the CDP appeal number.
- (3) APS will process tax abatements and other adjustments to the account as directed by the ATE.
- (4) The following documents are used to request adjustments:
 - Form 2424, Account Adjustment Voucher
 - Form 3870, Request for Adjustment
 - Form 4549, Report of Income Tax Examination Changes
 - Form 5278, Statement - Income Tax Changes

8.20.16.7.15.2.1.1 (MM-DD-YYYY)**Automated Substitute for Return (ASFR)/Substitute for Return (SFR) in CDP**

- (1) The Automated Substitute for Return (ASFR) program is a non-filer or return delinquency program Compliance uses to assess tax against taxpayers who have not filed, or refuse to file, individual income tax returns.
- (2) If the ATE receives a valid delinquent return from the taxpayer, the return will be sent by the ATE to the ASFR recon team for processing. The ASFR recon team will make all the necessary adjustments to the account. See SERP for a list of ASFR Contacts.
- (3) Once the delinquent return from the taxpayer is processed, if the ATE determines additional adjustments are necessary to accurately resolve the taxpayer's case, APS will make additional tax abatements or other adjustments to the account as directed by the ATE via Form 3870.

Reminder: An assessment for a tax deficiency on a substitute for return (SFR) TC 150 0.00 account, which is legally authorized by a signed agreement, an agreed Statutory Notice of Deficiency (SND) waiver, or an entered Tax Court decision with a waiver paragraph, must have the agreement date associated with the assessment transaction(s).

Caution: Original tax assessment authorized by the taxpayer's signature on a filed return is not a tax deficiency and does not have an agreement date associated with the original tax assessment transaction(s).

Exception: If a taxpayer files a valid return after the SFR assessment, the SFR assessment is not abated but will be raised or lowered by the difference between the amount of tax assessed on the SFR compared to the amount accepted on the taxpayer's return.

Note: APS must always ensure there is written authority to process a tax abatement or process a tax assessment. If a tax abatement is authorized by the ATE after the ASER has expired, the abatement can be processed; however, it cannot be reversed by a later tax assessment once the ASER has expired.

(4) Close the case on ACMS according to the closing information ("printable view") prepared by the ATE.

(5) APS must monitor the account adjustment(s), and when **all** actions are completed and all account adjustments are fully posted, APS will close the case on ACMS.

8.20.16.7.15.2.2 (MM-DD-YYYY) CDP With Penalty Appeal

(1) The ATE will prepare Form 3870 with the abatement information.

(2) The ATE will request BS 96X (penalty abatement refusal) for the TC 290 (-0-) transaction if they deny a penalty abatement.

Note: This will prevent a later abatement of a penalty sustained by Appeals.

(3) If Appeals determines later to abate a penalty previously sustained by Appeals, the ATE will prepare Form 3870 with the abatement information. APS will use IDRS CC: REQ54 to input a TC 290 0.00, enter the penalty abatement TCs and amounts as determined by the ATE, and use BS 97X (reversal of penalty abatement refusal) on the adjustment document.

Note: Only Appeals personnel can use BS 96X, penalty abatement refusal indicator, and BS 97X, reversal of penalty abatement refusal indicator.

8.20.16.7.15.2.3 (MM-DD-YYYY) CDP With Related Trust Fund Recovery Penalty (TFRP)

(1) APS does not process TFRP adjustments. Instead, APS will email the ACM and Form 3870 (if Form 3870 was prepared by the ATE) to *CEASO ADVISORY CPM.

Note: The ATE is not required to prepare a Form 3870 if the adjustment details are in the ACM.

8.20.16.7.15.2.4 (MM-DD-YYYY) CDP With Abatement of Interest (ABINT) Request

(1) The ATE will resolve an ABINT case via one of the following determinations:

- Fully Sustained
- Fully Abated
- Partially Abated

(2) Request for abatements are made on Form 3870 or Form 8485.

Note: The amount of interest to be abated may have been previously computed on some of the cases Appeals will handle. In those cases in which it has not, the ATE will determine the "from" and "to" dates for the interest abatement and the amount of tax on which to compute the interest. In some settled cases, the ATE may obtain a Form 906, Closing Agreement on Final Determination Covering Specific Matters.

(3) Refer to the following for guidance on interest abatement:

- IRM 1.2.2.14.1, Delegation Order 20-1, (Rev. 2, formerly DO-228, Rev. 3), Abatement of Interest
- IRM 20.2, Interest Handbook
- IRM 20.2.7, Abatement and Suspension of Debit Interest
- IRM 8.7.7, Claim and Over Assessment Cases
- IRM 8.20.7-7, APS Instructions - Method and Example For Computing Interest Abatement

(4) Issue the determination letter. See IRM 8.20.15.6.2, CDP Notices of Determination (NOD), for additional details on issuing the determination letter.

(5) After the suspense period, follow IRM 8.20.16.7.3.2.1, CDP Default: Closing Code = 05, and IRM 8.20.16.7.3.3, EH Closure: Closing Code = 14 (Sustained) or 15 (Not Sustained), for closing actions.

8.20.16.7.15.2.5 (MM-DD-YYYY) CDP With an Innocent Spouse Claim

(1) The APS teams designated to process CDP cases will send all CDP/INNISP cases where the CDP is for the RS to the Florence Campus Appeals APS unit for final closure.

(2) These cases will be identified with the feature code Spousal Defense (SD).

(3) The Florence APS unit will:

- a. Control the CDP/INNSP (RS) case on ACMS.
- b. Update the ISTS.
- c. Update IDRS.
- d. Verify Cincinnati Centralized Innocent Spouse Operations (CCISO) account mirroring status and suspense the case until closing actions can be completed.
- e. Input CDP/INNSP (RS) adjustments, as needed.
- f. Close the CDP/INNSP (RS) case on ACMS.
- g. Suspend the CDP/INNSP (RS) case on ACMS.
- h. Add a follow-up date equal to the expected posting date.
- i. Close the CDP/INNSP (RS) case on ACMS after all adjustments/account transfers post.
- j. File the CDP/INNSP (RS) administrative file according to standard procedures.
- k. Perform all back-end closing actions for CDP/INNSP (RS) cases.

8.20.16.7.15.3 (MM-DD-YYYY)

CDP/EH With an Installment Agreement

(1) APS inputs IDRS-monitored IMF and BMF IAs. The source IRM guidance for IA CCs and input content is provided below:

- IRM 2.4.30.4, History Items, for an overview of IA history item content.
- Exhibit IRM 2.4.30-1, Command Code IAGRE Input Request
- Exhibit IRM 2.4.30-2, Command Code IAGRE Response - IAORG or IAPND or IAREV
- Exhibit IRM 2.4.30-3, Command Code IAORG
- Exhibit IRM 2.4.30-4, Command Code IAPND
- Exhibit IRM 2.4.30-5, Command Code IAREV
- Exhibit IRM 2.4.30-6, Command Code IADFL
- Exhibit IRM 2.4.30-7, Command Code IADIS Input Request
- Exhibit IRM 2.4.30-8, Command Code IADIS Output Request for Active or Defaulted Modules
- Exhibit IRM 2.4.30-9, Command Code IADIS Output Request for Deferred Modules
- IDRS Command Code Job Aid

(2) All IAs secured by Appeals require a paper document, either a Form 433-D or Form 2159, Payroll Deduction Agreement.

(3) Both the DDIA and payroll deduction IA (PDIA) require the taxpayer's signature. The IRS accepts the following as legal signatures:

- Original signature
- Electronic signature
- Faxed signature

(4) DDIA's allow the IRS to debit a taxpayer's checking account for the agreed upon installment amount. DDIA's from both Field Collection and ACS-sourced cases are input by APS.

(5) The IA CCs (IAGRE, IAORG, IAREV, etc.) include a field to record the ability of qualifying low-income taxpayers to make electronic payments through a debit instrument by entering into a DDIA. The field shows whether the taxpayer is unable to make electronic payments (UTMEP). Complete the UTMEP field as follows:

- a. "Y" if the closing information ("printable view") remarks note "Unable to enter a DDIA."
- b. "N" if the closing information ("printable view") remarks note "Able to enter a DDIA."
- c. Leave blank if closing information ("printable view") remarks do not have a notation.

(6) DDIA's requiring special processing or mirroring for Field Collection-sourced cases are processed in the CSCO sites. Fax the signed DDIA along with the routing and account number (usually provided via a voided check) to the DDIA coordinator for input. See the DDIA Liaison website and input the business unit and state where the taxpayer resides to identify the appropriate fax number.

(7) DDIA's requiring special processing or mirroring for ACS-sourced cases are input by ACSS. Include the original DDIA signed documents and the closing information ("printable view") and forward to ACSS via EEFax. If these documents are not faxed individually, but instead are batched in high volume APS offices, they must be submitted via EEFax within five business days using Form 3210/E3210. Identify on Form 3210/E3210 which Appeal Numbers have DDIA's associated for input.

(8) MMIA's are not compatible with IDRS monitoring. The ATE identifies an MMIA on the closing information ("printable view") by selecting the MMIA from the IA drop down menu.

Note: IA requests for only one spouse on a joint liability are categorized as an MMIA and must be mirrored. APS is not responsible for the mirroring process on these accounts.

(9) APS will not update an MMIA account to status 60. Instead, APS will send a copy of the closing information ("printable view") along with the administrative file to the designated RO for them to submit to CCP. APS will also forward a copy of the closing information ("printable view") and Form 433-D to ACS for processing.

(10) For (6) - (9) above, APS will always verify that the TC 971 AC 043 is posted to the respective account(s).

(11) The following list identifies the four types of status codes for IAs:

- Status 60 - Active agreement
- Status 61 - Suspended agreement
- Status 63 - Deferred agreement (used to cross-reference TINs where collection activity has been deferred until modules under related accounts have been satisfied. These IAs are common on business taxpayers where the officer has a related TFRP assessment.)
- Status 64 - Defaulted agreement

(12) When Appeals denies the taxpayer's IA, also known as a "rejected IA", the TC 971 AC 043 must be reversed with TC 972 AC 043. The TC 971 and TC 972 dates must be the same if the TC 971 043 was entered in error. The TC 972/043 date will either be the same as the TC 521 date, or for an EH case, the date the letter was mailed.

Note: The closing information ("printable view") remarks prepared by the ATE will include any non-CDP periods requiring input of the TC 972 AC 043 by APS.

8.20.16.7.15.3.1 (MM-DD-YYYY) Installment Agreement - APS Processing Information

(1) Use the following procedures when closing a CDP case with an IA:

- a. Close the case on ACMS.
- b. Suspend the case on ACMS with suspense reason "Monitoring On-Line Adjustment".
- c. Add a follow-up date equal to the expected TC 521 posting date.
- d. Once the TC 521 posts, input CC IAGRE with the terms of the Form 433-D (posting issues may arise if the IA is input prior to the TC 521).

Note: The TC 971 AC 063 will post systemically as a result of input of CC IAGRE.

- e. Input the IA CC IAGRE.

Note: Entities with an "-A" MF freeze code on the tax module will now update to status 60 without the reversal of the "-A" freeze code.

(2) If an OIC was also submitted through CDP and rejected, then the TC 480 must also be reversed via TC 481 and must also post before an IA can be input.

(3) If both a CDP TC 520 and an OIC TC 480 reversal is required:

- a. Input both reversals.
- b. Suspend the case and monitor the account for posting of the reversals.
- c. Input the IA CC IAGRE.
- d. Suspend the case and monitor the account for posting of the IA input.

8.20.16.7.16 (MM-DD-YYYY)**CDP and EH Offer in Compromise (OIC) Processing: Overview**

(1) An OIC (also referred to as an "offer") is an agreement between a taxpayer and the IRS that settles their tax liability for less than full payment. Taxpayers may submit an OIC as an alternative to collection in a CDP or EH hearing.

(2) The COIC unit will, with few exceptions, investigate all CDP or EH OICs which meet COIC criteria to determine if the OIC is accepted, returned, terminated, considered withdrawn, or rejected.

(3) After COIC completes the investigation and makes their determination to accept or reject the OIC, or if the offer is considered withdrawn, COIC will forward all returned or rejected offers to Appeals for consideration.

Note: COIC will notify the Settlement Officer (SO) via email if the OIC is returned.

(4) In cases where COIC accepts the offer, COIC will complete all back-end processing and return a copy of the accepted OIC document(s) to the ATE for association with the CDP case.

(5) In cases where COIC returns or rejects the offer, the ATE will make the final determination, which will be one of the following:

- **Accept** the OIC
- **Return** the OIC
- **Reject** the OIC
- **Withdraw** the OIC

(6) CDP OICs that were rejected by COIC, and have not already been processed, must be processed by the APS TE assigned to close the CDP case.

Note: The ATE will not separate the OIC from the CDP case when submitting to APS for processing of their determination on the CDP.

(7) The CDP and OIC are controlled under separate appeal numbers.

Note: Any TFRP assessment determined as a result of a filing of an OIC in a CDP case must be emailed to *CEASO ADVISORY CPM.

(8) APS is responsible for closing CDP OICs that have been loaded onto the AOIC database by Collection. See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

(9) All OIC cases are worked only at the APS campus locations. Any OIC case received in a field APS location should be forwarded to the appropriate campus location immediately upon receipt using established shipping protocols.

8.20.16.7.16.1 (MM-DD-YYYY)
CDP OIC Processing: Accepted OIC

(1) Back-end processing on OIC cases accepted by Compliance is completed by Compliance.

(2) Back-end processing on OIC cases rejected by Compliance and accepted by Appeals is completed by APS.

(3) Back-end processing of the CDP and EH portion of the case will not change regardless of which function processes the accepted OIC.

8.20.16.7.16.1.1 (MM-DD-YYYY)
Accepted OIC - Collection Investigated

(1) An accepted CDP OIC appeal number is closed with cc 15.

(2) The Appeals CDP or EH OIC file where Collection accepted the OIC should contain the following copies of OIC documents:

Note: The following copies will stay with the CDP or EH case file. APS is not required to send any documents on Collection-accepted OICs to MOIC.

- Form 656 and amended Form 656 (if applicable)
- Form 7249
- Letter 5490, Appeals Offer in Compromise Acceptance, signed by the authorized party
- Financial statements
- Asset, income, and equity tables

(3) The Appeals CDP or EH file where Collection accepted the OIC should contain the following CDP/EH documents:

- Closing letter (i.e., Form 12257)
- Closing information (“printable view”)
- Amended Form 656 (if applicable)
- Separate ACM, if applicable
- CAR
- Original correspondence between the IRS and the taxpayer
- Form 12153, Request for a Collection Due Process or Equivalent Hearing (or other written request)

- Form 12153-B, Referral Request for CDP Hearing from ACS Support (with instructions), or Form 14461

(4) APS will issue the CDP NOD, EH decision letter, or Form 12257 following established procedures on CDP or EH cases where Collection investigates and accepts the OIC.

(5) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record in the OIC CAR to indicate the closing letter was sent to the taxpayer/POA.

Note: Since Collection issues the acceptance letter, APS will issue only the applicable CDP or EH closing letter. Collection is solely responsible for AOIC closing actions on offers they accept.

(6) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

Note: Immediately close the CDP OIC appeal number on ACMS when the CDP is closed with a Form 12257 waiver. Suspend the OIC documentation with the CDP appeal number where the CDP is closed with an NOD.

(7) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.16.1.2 (MM-DD-YYYY)

Accepted OIC - Appeals Considered

(1) An accepted CDP OIC appeal number is closed with cc 15.

(2) When Appeals accepts an OIC associated with a CDP and EH case, the following original documents will be included in the file by the ATE:

- Form 656 and amended Form 656 (if applicable)
- Form 7249
- OIC closing information ("printable view")
- Form 14559, Appeals Offer in Compromise Memorandum
- Letter 5490 signed by the approving official
- Financial statements
- Form 14561, Income and Expense/Asset Equity Calculation Table

(3) When a CDP NOD is issued, the CDP file is suspended for 60 days (30 days for the NOD plus another 30 days to allow for timely filing of a Tax Court petition by the taxpayer). The OIC acceptance file must be processed to MOIC as of the date the CDP NOD is issued. In this instance, the OIC acceptance is considered closed, but the OIC file remains with the CDP NOD file suspended for 60 days.

- AOIC is closed at the time of the OIC acceptance letter issuance (see Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions).
- TC 520 is not reversed with a TC 521 until the date the NOD defaults.

(4) If the CDP case is petitioned and the offer is at issue, the offer can be reopened on AOIC when the CDP is remanded when Appeals decides to accept it. If the decision is to accept a remanded offer that was previously closed and is now going to be accepted, email *SBSE Coll Policy OIC. In the email, include the taxpayer's name, TIN, offer number, and state that the rejected CDP OIC was remanded by Tax Court and is now being accepted, and it needs to be reopened on AOIC so the acceptance can be processed.

(5) APS will ensure the case is ready and complete for closing by verifying inclusion of:

- Closing information ("printable view") for both CDP and OIC
- Letter 5490
- Form 7249, including Counsel signature, when applicable
- Form 14559
- Unsanitized Transcript Delivery System (TDS) or AOIC transcript
- ATM's approval

(6) APS will date and issue the OIC acceptance letter to the taxpayer as an attachment to the CDP NOD or EH decision letter or Form 12257.

Reminder: The CDP letters and the OIC acceptance letter must have the same date.

(7) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record in the OIC CAR to indicate the closing letter was sent to the taxpayer/POA.

(8) The APS CDP TE will process three (3) separate files:

- OIC acceptance file
- CDP case file
- OIC public inspection file (Form 7249)

(9) OIC acceptance file - Forward the following documents on Form 3210/E3210 to the Holtsville or Memphis Campus MOIC unit. The documents listed below are original documents unless indicated otherwise:

- Form 656 and amended Form 656 (if applicable)
- Form 7249
- OIC closing information ("printable view")
- Form 14559 (copy)
- Letter 5490, signed by the ATM. The letter may also be signed by the Area Director, Director, CA, Director, EA, or the Director, SEPR (copy)
- CDP determination or decision letter and attachment or Form 12257 waiver (copy)
- Unsanitized TDS or AOIC transcript

- Financial statements
- Form 14561 (copy)
- ACMS history (copy)

Note: APS will update and close AOIC for all Appeals-accepted CDP-related offers. See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

(10) CDP or EH administrative file - OIC documents for the CDP or EH administrative case file are as follows. These are copies of the original documents:

- (11) Form 656 and amended Form 656 (if applicable)
- (12) Closing information ("printable view") for OIC appeal number
- (13) Form 7249
- (14) TDS or AOIC transcript
- (15) Signed Letter 5490
- (16) Collateral agreements, if applicable

(11) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

(12) In the "APS Notes" field, indicate that the accepted OIC file was sent to MOIC (Memphis or Brookhaven).

(13) Process any OIC payments to the campus OIC unit noted on the acceptance letter.

(14) Input STAUP 71 on all CDP periods to prevent levy action.

Caution: The TC 521 input on the CDP periods will return the periods to their pre-CDP status until MOIC inputs TC 780. The taxpayer may receive a notice to pay or be subject to erroneous levy action if STAUPs are not in place. Also, verify STAUP 71 and TC 480 inputs on all non-CDP periods.

(15) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

(16) For information on AOIC closing procedures and validating procedures for an accepted offer, see Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures.

8.20.16.7.16.1.3 (MM-DD-YYYY)

Automated Offer in Compromise (AOIC) - Accepted CDP OIC

(1) APS is responsible for closing actions on AOIC for any CDP offer accepted by Appeals.

(2) This section provides general information for closing an accepted OIC case on the AOIC system.

(3) Accepted CDP OICs must be closed, validated, and released on AOIC and the OIC case file sent to the appropriate MOIC campus for monitoring. It is critical that the actions are promptly taken to close the case on AOIC, and the case immediately sent to MOIC because:

- a. IRS releases a tax lien once the taxpayer pays the accepted offer amount in full.
- b. MOIC is responsible for monitoring the taxpayer's compliance with the terms and conditions of the offer, so the closing information and case file are needed for this purpose.
- c. Aged case inventory must be closed as soon as possible.

(4) See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

(5) As soon as possible after closing the closed accepted offer on AOIC, validate and release it to the appropriate MOIC campus for monitoring.

(6) Once the case is validated, control of the offer goes to MOIC, and the file must be sent to them as soon as possible. Use the destination list from the drop-down menu to determine where the file must be sent.

Note: If there are related cases with different business unit codes (Taxpayer Services (TS) and SB/SE), the SB/SE campus will monitor both offers.

(7) Prepare Form 3210/E3210 and mail to the appropriate MOIC campus. Be sure the file contains the original copies of:

- Initial Form 656
- Amended Form 656, if applicable
- Signed Letter 5490 (may be a signed copy)
- Form 7249
- Collateral agreement, if applicable

8.20.16.7.16.2 (MM-DD-YYYY) Rejected CDP OIC Processing

(1) A rejected CDP OIC appeal number is closed with cc 14.

(2) The back-end processing instructions are the same for CDP or EH OICs investigated by COIC and returned with a rejection recommendation and CDP or EH OICs considered and rejected by Appeals because Appeals makes the final determination on all OICs.

(3) A rejected CDP or EH OIC will have a separate file, but the file is not returned to COIC. The rejection file remains with the CDP or EH file.

(4) The rejected OIC will not have a rejection letter separate from the determination or decision letter. The ATE discusses the rejection in the attachment to the decision or determination letter.

Note: If the expiration of the Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) statute is imminent, the ATE may choose to issue a Letter 5197, rejecting the offer directly to the taxpayer so that the TIPRA statute is protected. Upon resolution of the CDP, the ATE will still close the cases as discussed in (2) above and the date of the TC 481 should be the date the Letter 5197 was issued. If the taxpayer has filed for bankruptcy protection, the ATE will close the CDP OIC appeal number, retain pertinent documents in the CDP file, and forward the CDP OIC appeal number to APS for all closing actions.

(5) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record in the OIC CAR when the CDP closing letter is sent to indicate the closing letter was sent to the taxpayer/POA.

(6) All OIC documents remain with the CDP or EH file.

(7) See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

8.20.16.7.16.2.1 (MM-DD-YYYY) ACMS and IDRS Inputs for Rejected CDP OIC

(1) Close the CDP or EH OIC on ACMS when issuing the NOD or decision letter.

(2) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

(3) IDRS inputs for a rejected OIC are completed after the suspense period expires and, if the taxpayer petitions Tax Court, after the Tax Court decision becomes final.

a. The AOIC database will input the TC 481 systemically upon closure.

Caution: Sometimes COIC will input a TC 480 manually. TC 480s that were input manually to IDRS will not systemically reverse when closing AOIC. In these instances, the correct reversal code must be input manually on IDRS. If the TC 480 was manually input, there should be a notation in the AOIC remarks.

b. The date of the NOD or decision letter = date of TC 481 and closing date of OIC appeal number.

(4) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.16.3 (MM-DD-YYYY) Withdrawn OIC

(1) A withdrawn CDP or EH OIC will have a separate file, but the file is not returned to COIC. The withdrawn OIC file will remain with the CDP file.

(2) The withdrawn OIC will not have a withdrawal letter separate from the NOD or decision letter. The ATE discusses the withdrawal in the attachment to the NOD or decision letter.

Note: If the expiration of the TIPRA statute is imminent on an Appeals-considered CDP/EH offer, the ATE may choose to issue a Letter 241 to the taxpayer to protect the statute. Upon resolution of the CDP, the ATE will close the case, and the date of the TC 482 is the date the Letter 241 is issued unless the withdrawal was sent via certified mail or hand delivered, in which case the TC 482 is the IRS received date.

(3) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record in the OIC CAR when the CDP closing letter is sent to indicate the closing letter was sent to the taxpayer/POA.

(4) See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

8.20.16.7.16.3.1 (MM-DD-YYYY) ACMS and IDRS Inputs for Withdrawn CDP OIC

(1) A withdrawn CDP OIC appeal number is closed with cc 16.

(2) The CDP or EH OIC should be closed both on IDRS and ACMS when issuing the NOD or decision letter.

(3) IDRS inputs for withdrawn OIC:

- a. The AOIC database will input the TC 482 systemically upon closure.

Caution: Sometimes, COIC will input a TC 480 manually. TC 480s that were input manually to IDRS will not systemically reverse when closing AOIC. In these instances, the correct reversal code must be input manually on IDRS. If the TC 480 was manually input, there should be a notation in the AOIC remarks.

- b. Where the OIC withdrawal was sent via certified mail or hand delivered, the date of the TC 482 is the IRS received date.
- c. Where the request for withdrawal was received via fax, phone, or regular mail, the TC 482 date is the same as the date of the NOD or decision letter and the closing date of the OIC appeal number.

(4) Create a "Case closed on ACMS by APS (CL)" action record to indicate APS is closing the case.

(5) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.7.16.4 (MM-DD-YYYY) TIPRA Statute Considerations

(1) TIPRA created IRC 7122(f), which provides that if the IRS does not reject the OIC within 24 months from the date it is received by the IRS, it will be statutorily accepted. It is effective for all OICs received on or after July 16, 2006. Once the IRS issues an OIC rejection letter, the 24-month TIPRA statute closes.

(2) If a liability included in the offer is disputed in any court proceeding, that time period is omitted from the calculation of the two-year period. In the event the taxpayer disputes in court a tax liability included in the OIC, the 24-month period will be suspended during the time the case is under any court jurisdiction.

(3) Cases received with an open TIPRA statute are subject to special consideration when in Appeals.

(4) Cases with an open TIPRA statute are subject to the same back-end processing timeframes as are listed in IRM 8.21.3, Appeals Technical Employees Statute Responsibility, and IRM 8.21.4, Appeals Management Statute Responsibility, which means:

- a. The written concurrence of the ATM is required to keep the OIC case open beyond 120 days remaining on the 24-month TIPRA statute period.
- b. The ATE is responsible for ensuring the OIC case is presented to APS for closing with at least 90 days remaining prior to the expiration of the 24-month TIPRA statute period.
- c. If less than 90 days remain on a TIPRA statute, the PTM must be notified via encrypted email when the case is to be submitted to APS. To verify receipt of the case, APS should ensure a Form 3210/E3210 is receipted and returned to the ATM or ATE.
- d. APS should ensure timely closing actions are taken on the case.
- e. Responsibility for such statutes is jointly held by the PTM and the ATM.

8.20.16.8 (MM-DD-YYYY)**Fast Track Mediation - Collection (FTMC) Case Closing Procedure**

(1) APS will update and close ACMS according to the instructions provided by the ATE on the closing information ("printable view").

(2) For Fast Track Mediation - Collection (FTMC) OIC appeal numbers, use one of the following cc's:

- 14 - Case fully resolved
- 15 - Case not resolved
- 16 - Case partially resolved
- 20 - Withdrawal

(3) For FTMC TFRP appeal numbers, use one of the following cc's:

- 14 - Case fully resolved
- 15 - Case not resolved
- 16 - Case partially resolved
- 20 - Withdrawal

Note: Collection already received a copy of the Form 13370, Fast Track Mediator's Report, at the conclusion of the FTMC session, so APS does not need to send anything to Collection as part of closing an FTMC appeal number.

8.20.16.9 (MM-DD-YYYY)**Offer in Compromise (OIC) Non-CDP Case Closing Procedures**

(1) This section provides procedures for closing out completed OIC cases. OICs worked as part of a CDP or EH case closing procedures are in IRM 8.20.16.7.16, CDP and EH Offer in Compromise (OIC) Processing Overview.

Caution: TC 480s that were input manually to IDRS will not systemically reverse when closing AOIC. The correct reversal code must be input manually.

(2) The following types of offers originate in the Collection function and are controlled on the AOIC system:

- Doubt as to Collectibility (DATC)
- Effective Tax Administration (ETA) based upon both economic hardship and public policy/equity considerations
- Doubt as to Liability (DATL) offers involving TFRP or Personal Liability for Excise Tax (PLET) assessments

Note: DATL offers involving liabilities other than TFRP and PLET assessments originate in the Compliance function and are controlled on AOIC.

(3) APS is responsible for verifying and monitoring the statute date on all tax periods and returns under their jurisdiction in accordance with IRM 8.21.2, Account and Processing Support (APS) Statute Responsibility.

8.20.16.9.1 (MM-DD-YYYY)

Collection Originated OIC Acceptance Procedures

(1) The following actions apply to an accepted OIC case:

- a. The ATE completes the case and submits it to the ATM for approval.
- b. The ATM signs the Form 7249, Letter 5490, or Letter 5521, Offer in Compromise Acceptance - Doubt as to Liability, and approves the case for closure on ACMS.
- c. ACMS routes the case to the APS queue for final closing.

(2) The PTM will assign the appeal number to the TE for closing.

(3) The OIC case file contains the following documents:

- Form 656
- Amended Form 656, if applicable
- Form 7249
- Letter 5490
- Collection rejection letter
- Taxpayer's written request for appeal
- Envelope used for mailing the taxpayer's request for appeal, if applicable
- Closing information (“printable view”)
- ACM, if applicable
- Financial information, including Form 433-A (OIC), Collection Information Statement for Wage Earners and Self-Employed Individuals, and/or Form 433-B (OIC), Collection Information Statement For Businesses, bank statements, property records, and other information used to make the acceptability determination

(4) Date the Letter 5490 and mail to the taxpayer and/or POA, as appropriate. Include the following documents as attachments:

- a. A copy of the Form 656 or amended Form 656
- b. A copy of the collateral agreement, which may include Form 2261, Collateral Agreement - Future Income (Individual), Form 2261-A, Collateral Agreement - Future Income Corporation, Form 2261-B, Collateral Agreement - Adjusted Basis of Specific Assets, Form 2261-C, Collateral Agreement - Waiver of Net Operating Losses, Capital Losses, and Unused Business Credits, or a special-use collateral agreement, if applicable (collateral agreements are not common)

(5) Attach the following dated documents to the ACMS record:

- Letter 5490
- Form 7249

(6) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(7) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.

(8) If an offer is received from one spouse on a joint liability, the MOIC site is responsible for creating mirror assessments on the accepted OIC.

(9) Verify the accepted offer information in the closing information on ACMS is correct.

(10) All offers will be established by the Collection function on the AOIC database. APS is responsible for closing the AOIC database for offers worked to conclusion in Appeals. See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

Reminder: APS AOIC closing action generates a TC 780 with the current date. The acceptance letter must be dated with the same date as the TC 780.

(11) From the MOIC portfolio attached to ACMS, APS will:

1. Date the Letter 5490 or Letter 5521 acceptance letter.
2. Print and mail to taxpayer, and POA, if applicable, with copy of accepted Form 656 or amended Form 656, and any collateral agreement.
3. Save the dated acceptance letter to the MOIC portfolio.
4. Save the MOIC portfolio to ACMS.

(12) From the MOIC portfolio attached to ACMS, APS will:

1. Date the AOIC Form 7249.
2. Save the Form 7249 to the MOIC Portfolio.
3. Save the MOIC portfolio to ACMS.

Note: MOIC locations for accepted offers are located on SERP: Monitoring Accepted Offers.

(13) APS will upload the following electronic documents to the SB/SE SharePoint site in a single PDF portfolio with the naming convention: name control, OIC #, and acceptance date (for example, BART 1001000000 03252024).

(14) Form 656 or amended Form 656, if applicable

(15) Form 7249 dated with acceptance date

(16) Acceptance Letter 5490 or Letter 5521 dated with acceptance date

(17) ACM or Form 14559

- Form 14561
- Collateral agreement, if any

(14) APS will send the case file to the appropriate campus MOIC unit based on the state where the taxpayer resides: Monitoring Accepted Offers.

(15) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.9.1.1 (MM-DD-YYYY)

AOIC Closing Procedures for Accepted Offer

(1) This section provides general information for closing an accepted OIC case on the AOIC system.

(2) The non-CDP OIC case is comprised of two files:

- Administrative OIC file
- Public Inspection File (PIF)

(3) APS AOIC closing actions:

- a. Date and mail AOIC acceptance closing letter (Letter 5490 or Letter 5521).

(4) APS will create an electronic PIF:

- a. Scan PIF document (Form 7249) to create an electronic PIF.
- b. Upload OIC PIF to Appeals Library on the SB/SE SharePoint site.

(5) See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

Note: During the course of an offer investigation, if a TIPRA payment(s) (which includes the initial payment submitted with the offer, subsequent periodic installment payments, and/or the payment submitted with an amended offer) contributes to the full payment of a tax period, that period must remain part of the offer, and must be listed on any subsequent amended Form 656, or addendum, and the Form 7249. Even though the tax debt is fully paid, the payment, or payments, used to satisfy the tax debt are still part of the overall offer amount, so all satisfied periods must remain part of the offer.

(6) As soon as possible after closing the accepted offer on AOIC, validate and release it to the appropriate MOIC campus for monitoring. Validation and release on AOIC is required and may be performed by the APS employee or the PTM at the discretion of APS management. See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

(7) Once the case is validated, control of the offer goes to MOIC, and the file must be sent to them as soon as possible. Use the destination list from the drop-down menu to determine where the file must be sent.

Note: If there are related cases with different business unit codes (TS and SB/SE), the SB/SE campus will monitor both offers.

(8) If there is a paper file, prepare Form 3210/E3210 and mail to the appropriate MOIC campus. Be sure the file contains the original copies of:

- Initial Form 656
- Amended Form 656, if applicable
- Signed Letter 5490 or Letter 5521 (may be a signed copy)
- Form 7249
- Collateral agreement, if applicable
- Form 3040 or other written authorization if applicable

8.20.16.9.2 (MM-DD-YYYY)

Collection Originated Rejected OIC Procedures

(1) If an offer is received from one spouse on a joint liability, mirror assessment procedures apply. COIC or Field Collection is responsible for creating mirror assessments on a rejected OIC.

(2) Date, print, and mail the Appeals OIC rejection Letter 5197 to the taxpayer and POA (if applicable). Attach a copy of dated Letter 5197 to ACMS.

(3) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(4) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.

(5) All offers will be established by the Collection function on the AOIC database. APS is responsible for closing the AOIC database for offers worked to conclusion in Appeals. See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

(6) Field Collection-sourced cases resolved in any manner other than an acceptance are returned to the Collection function by using the Field Office Addresses for Appeals Cases listing located on the Appeals website under the APS tab and the section titled "APS Only Case Routing."

(7) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

(8) The Collection function also works DATL offers when the tax debt involves a TFRP or PLET assessments. These cases are also loaded on AOIC.

8.20.16.9.2.1 (MM-DD-YYYY)

AOIC Closing Procedures for Rejected Offers

(1) This section provides general information for closing a rejected OIC case on the AOIC system.

(2) See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

(3) TIPRA 20% down payments are not refundable. For offers submitted prior to the 4/2022 revision of Form 656, an amount paid in excess of the 20% that is designated as an offer deposit is normally refunded unless the taxpayer provided written authorization allowing the IRS to apply the deposit to the existing tax liability. A Form 3040 is typically used, but any written authorization satisfies the requirement. The APS TE closing the case must include Form 3040 (other written authorization) in the file. The TE must also route the Form 3040, or written authorization, to the appropriate MOIC campus that processed the payment via EEFax or to the MOIC organizational mailbox.

MOIC Campus	Organizational Mailbox
Brookhaven MOIC	*SBSE EEF BSC MOIC Deposit
Memphis MOIC	*SBSE EEF Memphis MOIC Deposit

8.20.16.9.3 (MM-DD-YYYY)

Collection Originated Withdrawn OIC Procedures

(1) If an offer is received from one spouse on a joint liability, mirror assessment procedures apply. COIC or Collection is responsible for mirror assessment actions on a withdrawn OIC.

(2) All offers will be established by the Collection function on the AOIC database. APS is responsible for closing the AOIC database for offers worked to conclusion in Appeals. See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

Note: Field Collection-sourced cases resolved in any manner other than an acceptance are returned to the Collection function by using the Field OIC Office Addresses listing located on the Appeals website under the APS tab and the section titled "APS Only Case Routing."

(3) Date, print, and mail the Letter 241 to the taxpayer, and POA, if applicable, at the same time the case is closed in ACMS. Attach a copy of dated Letter 241 to ACMS.

(4) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(5) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.

(6) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

(7) The Collection function also processes DATL offers when the tax debt involves a TFRP or PLET assessments. These cases are also loaded on AOIC.

8.20.16.9.3.1 (MM-DD-YYYY)

AOIC Closing Procedures for a Withdrawn Offer

(1) This section provides general information for closing a withdrawn OIC case on the AOIC system.

(2) See Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures, for step-by-step instructions.

Note: TIPRA 20% down payments are not refundable. For offers submitted prior to the 4/2022 revision of Form 656, an amount paid in excess of the 20% that is designated as an offer deposit is normally refunded unless the taxpayer provided written authorization allowing the IRS to apply the deposit to the existing tax liability. A Form 3040 is typically used, but any written authorization satisfies the requirement. The APS TE closing the case must include the file and the Form 3040 (or other written authorization). The TE must also route the form (or other written authorization) to either the appropriate MOIC campus that processed the payment via EEFax or to the MOIC organizational mailbox.

MOIC Campus	Organizational Mailbox
Brookhaven MOIC	*SBSE EEF BSC MOIC Deposit
Memphis MOIC	*SBSE EEF Memphis MOIC Deposit

(3) For paper files, print the first page of AOIC for the case and attach it to the front of the closed file. Route the case file back to the area office/COIC offer coordinators. They will maintain the closed offer and ship it to the Federal Records Center. Attaching the first page from AOIC will assist them in routing the case properly.

Note: Field Collection-sourced cases that have been withdrawn are returned to the Collection function by using the Field OIC Addresses for Appeals Cases listing located

on the Appeals website under the APS tab and the section titled "APS Only Case Routing."

8.20.16.9.3.2 (MM-DD-YYYY) OIC Premature Referrals

(1) Hearing officers may determine that an OIC case must be returned to the originating function as a premature referral. Some of the reasons for this can be:

- The request for an Appeals hearing was not timely.
- The taxpayer did not request Appeals consideration.
- The offer was never rejected by the IRS.

(2) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.

(3) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

(4) Take the following actions based on the source of the OIC:

If OIC is...	Then ...
Field Collection-sourced,	<ul style="list-style-type: none"> a. ATEs will indicate in the closing remarks the email address where APS is to send the electronic OIC file. b. APS will email closing documents to the email address of the originating Specialty Collection Offers in Compromise (SCOIC) office that the ATE stated in the remarks.
Campus Collection-sourced,	<ul style="list-style-type: none"> a. ATEs will indicate in closing remarks the Memphis or Brookhaven COIC email address where APS is to send the electronic OIC file. b. APS will email closing documents to the email address of the originating Memphis or Brookhaven COIC office that the ATE stated in the closing remarks.

8.20.16.9.3.2.1 (MM-DD-YYYY) AOIC Closing Procedures for Premature Referrals

(1) When returning an OIC as a premature referral, the AOIC database is not closed, but instead updated to reflect the area office assignment number for premature referrals. To return an offer to the originating area office on AOIC, see Exhibit 8.20.16-1, Automated Offer in Compromise (AOIC) Update Procedures - Premature Referrals.

(2) APS will note in AOIC remarks which email address the file was sent to and the date it was emailed.

8.20.16.9.4 (MM-DD-YYYY)

Trust Fund Recovery Penalty (TFRP) and Personal Liability Excise Tax (PLET) DATL OIC Cases

(1) The Collection function handles DATL offers involving TFRP and PLET liabilities.

(2) These DATL offers will be identified on ACMS by using feature code "Doubt as to Liability (LI)."

Note: For DATL offers, TFRP and PLET liabilities will be loaded onto AOIC. Follow the AOIC closing procedures for accepted (IRM 8.20.16.9.1.1), rejected (IRM 8.20.16.9.2.1), and withdrawn (IRM 8.20.16.9.3.1) cases.

8.20.16.9.4.1 (MM-DD-YYYY)

TFRP and PLET DATL Acceptance Procedures

(1) The OIC case file will contain the following documents:

- Original Form 656
- Amended Form 656, if applicable
- Original Form 7249

Note: Counsel review is required when the total unpaid liability (including all assessed and accrued penalties and interest) for all related offers on the same taxpayer is \$50,000 or more.

- Form 7249
- Closing information ("printable view")
- ACM, if applicable
- Compliance rejection letter
- Taxpayer's written request for appeal and envelope with postmark (if applicable)
- Letter 5521 signed by the ATM

(2) Date and mail the acceptance letter to the taxpayer and/or POA and include copies of the Form 656, or amended Form 656, and any collateral agreements as attachments.

(3) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(4) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.

- (5) Forward the closed file to MOIC in Memphis or Brookhaven.
- (6) Forward any OIC payments to the campus OIC unit. After the case is closed, the taxpayer should send payments directly to the campus OIC unit.
- (7) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.9.4.2 (MM-DD-YYYY)

TFRP and PLET DATL Withdrawal Procedures

- (1) When the ATE and the taxpayer reach an agreement on the correct tax liability, a "compromise" is not required, and the taxpayer will generally withdraw the OIC. The tax is adjusted to the correct amount via Form 3870.
- (2) The case file for a withdrawn OIC should contain:
 - Closing information ("printable view")
 - ACM, if information not already contained on the closing information ("printable view")
 - Letter 241 signed by the ATM
 - Form 3040, or other written authorization to apply the deposit, if applicable
 - Compliance rejection letter
 - Taxpayer's written request for appeal and envelope with postmark
 - Form 3870, if applicable
- (3) Date and mail the Letter 241 to the taxpayer and/or POA. Keep a copy in the administrative file.
- (4) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.
- (5) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.
- (6) If the administrative file contains Form 3870, forward it along with the closing information ("printable view") to *CEASO ADVISORY CPM.
- (7) Return the case to the originating Compliance office.

Note: When Compliance has worked the offer to conclusion before it was sent to Appeals, APS will return the case file to the originating Compliance function upon completion of all closing actions. If Appeals determined the liability, and is the first evaluator of the offer, APS will send the case file to campus files upon the completion of all closing actions.

(8) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.9.4.3 (MM-DD-YYYY) TFRP and PLET DATL Rejection Procedures

(1) A case is processed as Appeals sustaining rejection of the offer when the taxpayer does not agree with the conclusion of the ATE and does not otherwise withdraw the offer.

(2) The case file for a rejected OIC should contain:

- Closing information ("printable view")
- Letter 5197 signed by the ATM
- ACM
- Form 1271, Rejection Memorandum, if applicable
- Compliance rejection letter
- Taxpayer's written request for appeal and envelope with postmark
- Form 3870, if applicable

(3) Date, print, and mail Letter 5197 to the taxpayer and POA (if applicable). Attach a copy of dated Letter 5197 to ACMS.

(4) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(5) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.

(6) If the administrative file contains Form 3870, forward it along with the closing information ("printable view") to *CEASO ADVISORY CPM.

(7) Return the case to the originating Compliance office.

Note: When Compliance has worked the offer to conclusion before it was sent to Appeals, APS will return the case file to the originating Compliance function upon completion of all closing actions. If Appeals determined the liability, and is the first evaluator of the offer, APS will send the case file to campus files upon the completion of all closing actions.

(8) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

8.20.16.9.5 (MM-DD-YYYY) AOIC Closing Procedures for a Modification Request Case

(1) When an OIC case is returned to Appeals as a request for modification, take the following AOIC closing actions when the case is ready to be closed.

- a. Enter the Appeals action (e.g., "Offer to be defaulted") in the AOC remarks.
- b. Close ACMS following regular OIC closing procedures above.

8.20.16.10 (MM-DD-YYYY)

Trust Fund Recovery Penalty (TFRP) Case Closing Procedures

(1) The ATE/ATM will return the physical TFRP case file to the **Control Point Monitoring (CPM) Site Manager, 3211 S. Northpointe Drive Stop 22001, Fresno, CA 93725**, or to the AQMS reviewer when the case has been selected for review.

(2) The administrative file may contain reference files. These are returned by the ATE/ATM to either the CPM group in Fresno, CA, or AQMS. APS notifies the ATE/ATM by email with directions to mail the physical case file to AQMS or the CPM group in Fresno, CA.

Note: If applicable, the ATE will add a note in the closing information ("printable view") remarks indicating that reference files are associated with the administrative file.

(3) TFRP cases are subject to the guidance included in IRM 8.21.2, Account and Processing Support (APS) Statute Responsibility, and IRM 8.2.1.10.1, Expedite Processing for Certain Large Dollar Cases.

Reminder: Only Collection has the authority to make TFRP assessments or adjustments.

8.20.16.10.1 (MM-DD-YYYY)

TFRP Closing Actions -TBOR2 (pre-assessment) Appeals

(1) In closing TBOR2 (pre-assessment) appeals, the ATE completes the closing information ("printable view") for each potentially responsible individual. The ATE/ATM will hold onto the physical case file until APS provides shipping instructions. APS will notify the ATE/ATM by email when the Form 3210/E3210 has been uploaded to ACMS for the ATE/ATM to forward the case to either the CPM group (**CPM Site Manger 3211 S. Northpointe Drive Stop 22001, Fresno, CA 93725**) or AQMS.

(2) The "Tax Periods" information on the closing information ("printable view") will include the revised penalty amount, which reflects the exact dollars and cents of the TFRP to be assessed per tax period. **The revised penalty amount cannot be rounded.** Update ACMS following the closing instructions provided below:

ACMS cc 03, 13, or 20	Action
Statute Date	The closing information ("printable view") or Form 866 approval date plus 30 days or the normal statute, whichever is later
Statute Code	Update to "ASESD"

Note: The ATE or mediator (team member) closes out post-mediation TFRP TBOR2 cases before using normal closing procedures to close out the remaining non-mediated TFRP TBOR2 cases. APS employees follow the TBOR2 closing procedures described in this section.

(3) The following expedite closing procedures apply to TFRP TBOR2 cases in which the ASED will expire 30 days after the ATM's approval signature on ACMS or Form 866.

Note: ACMS is programmed to remove the TBOR2 statute code when the appeal number is approved by the ATM. ACMS adds 30 days to the ATM approval/signature date to set the ACMS statute date. This date is entered in the "Earliest Statute Date" field and covers all tax periods. The ATM will ensure that the approval signature date on ACMS matches Form 866 (if applicable).

(4) Processing steps for the TE are outlined below. If local agreement does not specify that the ATM will complete steps one or two, or the case arrives in APS for processing without these steps completed, then APS is responsible for ensuring these steps are taken.

1. Upon assignment of the case, or the assessment documents, immediately transmit the closing information ("printable view") and Form 2749, Request for Trust Fund Recovery Penalty Assessment(s), via secure email or EEFax to the CPM in Advisory at the fax number listed in the **Route Case To** box on the closing information ("printable view"). If the ATE/ATM is prevented from transmitting closing information ("printable view") to Civil Enforcement Advice and Support Operations (CEASO), the ATE/ATM will upload the approved closing information ("printable view") to ACMS and include APS instructions to transmit the closing information ("printable view") to *CEASO ADVISORY CPM. APS will upload a copy of the email used to transmit the closing information ("printable view") to ACMS.
2. If the ATE/ATM was prevented from mailing the closing letter to the taxpayer, the closing information ("printable view") remarks will include APS instructions to mail the closing letter. The ATE/ATM will have uploaded the signed closing letter to ACMS and, if applicable, any Letter 937, Transmittal for Power of Attorney, for the representative. APS will date and mail the closing letter to the taxpayer/representative. APS will upload a copy of the final closing letter to ACMS that is signed and dated.

3. If the ATE/ATM were unable to mail the closing letter to the taxpayer, create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.
4. Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.
5. Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

Note: Whenever possible, APS will transmit the complete collection file to Advisory. However, the expedited procedures may result in separation of the items being returned to Advisory.

8.20.16.10.1.1 (MM-DD-YYYY)

TFRP TBOR2 Cases for Appeals Quality Measurement System (AQMS) Review

(1) If the TFRP TBOR2 case is selected by AQMS for review:

- a. APS will include the following statement on a fax or email transmittal to CPM Advisory: "The TFRP case was systemically selected for review by AQMS. AQMS will complete its review expeditiously (normally within 30 days) and then mail the TFRP case to the attention of: **CPM Site Manager, 3211 S. Northpointe Drive Stop 22001, Fresno, CA 93725.**"
- b. The ATM or ATE will either transmit or request that APS immediately transmit the closing information ("printable view") by email to *CEASO ADVISORY CPM.
- c. At the conclusion of the review, AQMS will mail the TFRP TBOR2 case, via ground mail, to **CPM Site Manger, 3211 S. Northpointe Drive Stop 22001, Fresno, CA 93725.** AQMS will inform Advisory on the Form 3210/E3210 that, although Appeals had previously faxed the closing information ("printable view") to CPM, there was a delay in sending the case file due to the AQMS random selection process.
- d. APS will verify closing information ("printable view") receipt from CEASO Advisory CPM via email and the date confirmation is received will be entered in the "APS Notes" on ACMS.
- e. APS will maintain receipt of acknowledged [Form 3210/E3210s](#).

8.20.16.10.2 (MM-DD-YYYY)

TFRP Closing Actions - Jeopardy Assessment Reconsiderations

(1) TFRP cases are not controlled on AIMS.

(2) Appeals findings will result in one of the following actions:

- Compliance determination is sustained in full.
- Compliance determination is sustained in part.

- Jeopardy assessment not warranted (the collection of the tax was not in jeopardy).
- Taxpayer agrees with the action taken.

(3) If Appeals sustains the Compliance determination in full (taxpayer does not agree):

- a. Close ACMS following general closing instructions. **cc** = 20.
- b. Return the file to originating CPM Advisory office.

(4) If Appeals sustains the Compliance determination in part (taxpayer does not agree):

- a. On the closing information (“printable view”), the ATE will request that the Compliance function make the appropriate abatement.
- b. Close ACMS following general closing instructions. **cc** = 13.
- c. Return the file to CPM Advisory office.

(5) If Appeals finds that the jeopardy assessment was not warranted:

- a. On the closing information (“printable view”), the ATE will request that the CPM Advisory office abate the entire assessment, release liens and any levies, as appropriate, and effect appropriate refund or credit.
- b. Close ACMS following general closing instructions. **cc** = 03.
- c. Return the file to CPM Advisory office.

(6) If Appeals reaches agreement with the taxpayer:

- a. On the closing information (“printable view”), the ATE will request the CPM Advisory office abate any excessive tax assessed.
- b. Close ACMS following general closing instructions. **cc** = 03.
- c. Return the case to the CPM Advisory office.

8.20.16.10.3 (MM-DD-YYYY)

TFRP Closing Actions - Claims and Claim Reconsiderations

(1) Normal claim closing actions apply to TFRP claim cases.

(2) The case will be closed using one of the following cc’s:

- 14: Full disallowance
- 15: Full allowance
- 16: Partial allowance

(3) APS employees will date and mail the closing letter prepared by the ATE. Attach a copy of the dated closing letter to ACMS:

Type of Claim	Closing Letter Prepared by ATE and Sent Certified
Claim not previously considered	<ul style="list-style-type: none"> • Letter 1363, Appeals Partial Disallowance of Claim - Certified • Letter 1364, Appeals Full Disallowance of Claim - Certified • Letter 2682, Appeals Full Claim Allowance
Claim reconsideration	<ul style="list-style-type: none"> • Letter 2681, Appeals Full Disallowance After Previous Claim Disallowance • Letter 2682, Appeals Full Claim Allowance • Letter 2683, Appeals Partial Disallowance After Previous Claim Disallowance (can be sent by regular mail)

(4) Create a "Closing Letters and Agreement Forms Mailed (LT)" action record to indicate the closing letter was sent to the taxpayer/POA.

(5) Create a "Case closed on ACMS by APS (CL)" action record to indicate that APS is closing the case on ACMS.

(6) Create a "Final Closure out of APS (FC)" action record. This closes the case on ACMS.

Note: These cases are not held for suspense.

8.20.16.10.3.1 (MM-DD-YYYY)

TFRP Claim and Claim Reconsideration Cases for AQMS Review

(1) APS will follow procedures in IRM 8.20.16.10.1.1, TFRP TBOR2 Cases for Appeals Quality Measurement System (AQMS) Review, if a TFRP claim or claim reconsideration case is selected by AQMS for review.

(2) AQMS will complete its review expeditiously (normally within 30 days) and mail the TFRP case, via ground mail, to the attention of the CPM in the applicable Advisory office.

8.20.16.11 (MM-DD-YYYY)

Unpostables

(1) When actions input by APS result in unpostable transactions on IDRS, corrective action must be taken.

(2) See IRM 8.20.7.63, Unpostables, for guidance.

Exhibit 8.20.16-1 (MM-DD-YYYY)**Automated Offer in Compromise (AOIC) Update Procedures**

- Accepted OIC

Screen	Input Fields
Query	Enter TIN
AO Offer Query Results	Select case from list
AO Offer Update	<ul style="list-style-type: none"> • Select case from list • Reassign case to Appeals closures • Select "Submit" and move to "Input" screen
Update AO Offer	<ul style="list-style-type: none"> • Offer amount (if changed) • Select Original or Amended Offer • Verify "Offer Type" • Select Submit and return to "AO Offer" screen
AO Offer	Select MFT tab
MFT Summary	<ul style="list-style-type: none"> • Verify all periods listed on the AOIC match IDRS. Update periods, as appropriate. • Save inputs and return to "AO Offer" screen
AO Offer	<ul style="list-style-type: none"> • Select "Terms" • Select "Update Terms" • Verify "Terms Type" • Input payment terms (from Form 7249) • Input collateral agreement terms, if any. Include the form number of the collateral agreement (Form 2261, Form 2261–A, Form 2261–B, etc.). • Select "Submit"
AO Offer	<ul style="list-style-type: none"> • Select "Remarks" • Add remarks to state "Accepted in Appeals - Sending to the MOIC unit" (Brookhaven MOIC or Memphis MOIC) • Select "Save"
Remarks & Case History	<ul style="list-style-type: none"> • Select "Remarks and Case History" • Print one copy of "Remarks and Case History" screen (page 1 only) and include this print in the administrative file • Return to "AO Offer" screen
AO Offer	Select "Update Offer"
Update AO Offer	Select "Final Disposition"

Screen	Input Fields
Update Final Disposition	<ul style="list-style-type: none"> • Select "2 - Accepted by Appeals" • Input the mail date of the rejection with appeal rights letter. Enter the date that Collection issued the rejection letter. This date can be obtained by accessing the remarks or history information on AOIC. • Input the mail date of the Appeals acceptance letter • Was the offer accepted under ETA/DCSC criteria? Select answer from drop-down menu • MFT 30 to 31? Select answer from drop-down menu (Yes/No) • MFT 35 to 65? Select answer from drop-down menu (Yes/No) • Manual TC input Required? Select answer from drop-down menu (Yes/No) • Select "Submit" and return to "AO Offer" screen
AO Offer	<ul style="list-style-type: none"> • From this screen, verify the case is closed • Also from this screen, check for related offers. If applicable, take necessary closing actions for related offers. • Print one copy of the final ATE Offer screen and insert the print in the administrative file

- Rejected OIC

Screen	Input Actions
Query	Input TIN
AO Offer Query Results	Select case from list
AO Offer	<ul style="list-style-type: none"> • Select case from list • Reassign case to Appeals closures • Select "Submit" and return to "AO Offer" screen
Remarks and Case History	Select "Submit" and return to "AO Offer" screen
AO Offer	Select "Update Offer"
AO Offer	Select "Remarks" and indicate the offer was rejected
Update AO Offer	Final Disposition
Update Final Disposition	<ul style="list-style-type: none"> • Select "3 - Rejection Sustained" • Input the mail date of the rejection letter with appeal rights. Enter the date that Collection generated, but did not issue, the

Screen	Input Actions
	<p>rejection letter. This date can be obtained by accessing the remarks or history information on AOIC.</p> <ul style="list-style-type: none"> • Input the mail date of the Appeals rejection letter • Input the Reasonable Collection Potential (RCP) amount (from the closing information ("printable view"). If "0" or no amount is given in the closing information ("printable view"), use the IMFOLI/BMFOLI "total assessed balance" from IDRS). • MFT 30 to 31? Select answer from drop-down menu (Yes/No) • MFT 35 to 65? Select answer from drop-down menu (Yes/No) • Manual TC input Required? Select answer from drop-down menu (Yes/No) • Select "Submit" and return to AO Offer screen
AO Offer	Verify the case is closed

- Withdrawn OIC

Screen	Input Actions
Query	Input TIN
AO Offer Query Results	<ul style="list-style-type: none"> • Select case from list • Reassign case to Appeals closures • Select "Submit" and return to "AO Offer" screen
AO Offer	Select "Update Offer"
Update AO Offer	<ul style="list-style-type: none"> • Select "Update Offer" • Select "Final Disposition" • Select "9 - Withdrawal" • Input the mail date of the rejection letter with appeal rights • Input the mail date of the Appeals withdrawal letter • Input the legal date of the withdrawal (indicated on the withdrawal letter) • If a deposit was made, select the appropriate response from the drop-down menu • MFT 30 to 31? Select answer from drop-down menu (Yes/No) • MFT 35 to 65? Select answer from drop-down menu (Yes/No) • Manual TC input Required? Select answer from drop-down menu (Yes/No) • Select "Submit" and return to AO Offer screen
AO Offer	Verify the case is closed

- Potential Default

Screen	Input Actions
AO Offers Query	TIN
AO Offer	Select "Remarks"
Add Remark to Case History	<ul style="list-style-type: none"> • Select "Add Remark" and state: "Defaulted" or "Not Defaulted" • If applicable, state that a "compromise of a compromise was accepted" • State also that the case was returned to MOIC (Brookhaven or Memphis) • Save

- Premature Referral

Screen	Input Actions
Query	Input TIN
AO Offer Query Results	<ul style="list-style-type: none"> • Select case from list • Search for the area office assignment number for "Premature Appeals Referrals" in the drop-down menu. <p>Note: The number will begin with the area office number and be followed by several other numbers</p> <ul style="list-style-type: none"> • Select "Submit" and return to "AO Offer" screen
AO Offer	Verify the case is assigned to correct area