



INDEPENDENT OFFICE
OF APPEALS

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

April 4, 2024

Control No. AP-08-0424-0005
Expiration Date: 4/4/2026
Affected IRM: 8.6.2, 8.20.7

MEMORANDUM FOR: IRS Independent Office of Appeals (Appeals) Employees

FROM: Patrick E. McGuire /s/ *Patrick E. McGuire*
Acting Director, Case and Operations Support

SUBJECT: Appeals procedures for Large Business & International (LB&I) Issue Management System (IMS) electronic cases returned to LB&I as premature or improper referrals

This memorandum issues interim guidance (IG) on Appeals procedures for Large Business and International (LB&I) Issue Management System (IMS) electronic cases returned to LB&I as premature or improper referrals. This IG is in accordance with [IRM 4.46.5.11.2.6](#), General Procedures for Paperless Case Closing to Appeals through Technical Services. Please ensure that this information is distributed to all affected employees within your organization.

Purpose: This memorandum provides interim guidance for Appeals employees who return electronic IMS cases to LB&I as premature or improper referrals.

Background/Source(s) of Authority: LB&I issued guidance for closing certain unagreed IMS electronic cases to Appeals. Because the LB&I guidance contains procedures that are a deviation from current Appeals procedures, this interim guidance is being issued.

Procedural Change: See attachment.

Effective Date/Effect on Other Documents: This guidance is effective as of the date of this memorandum and will be incorporated into the affected IRMs within two years 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(s):
Updated Guidance
cc: www.irs.gov

Attachment AP-08-0424-0005, Appeals procedures for returning LB&I electronic IMS cases to LB&I as premature or improper referrals

Returning LB&I IMS electronic cases to LB&I Examination

- Electronic case files received by Account and Processing Support (APS) with less than 365 days remaining on the assessment statute will not be accepted by APS unless an exception applies (See [IRM 8.20.5.3.1.2\(2\)](#), Verifying Administrative File Contents). Electronic case files not meeting this criteria will be returned by APS via encrypted email to the Technical Services (TS) group manager and alternate. See [Technical Services Codes \(TSC\) and Status 21 Addresses](#). State "Short Statute Case – Returned to Technical Services" in the subject line and body of the email.

For all electronic case files returned to Technical Services as a premature referral or improper referral where controls are returned to LB&I Examination, APS will complete the following steps:

- Do not attach the entire electronic case file to the encrypted email.
- State "Case returned to Technical Services from Appeals" in the subject line.
- List electronic case file identifying information (name, TIN, MFT, tax year(s), etc.)
- Follow normal case procedures per [IRM 8.20.7.52.1](#), Jurisdiction Released on Premature or Improper Referrals. Specifically:
 - Return Audit Information Management System (AIMS) controls to Technical Services, status 21
 - Attach [Form 3210](#), Document Transmittal, identifying the earliest Assessment Statute Expiration Date (ASED) for each tax period being returned to originating function
- Request that the TS group manager, or alternate, sign, date and return the Form 3210 to APS
- Refer to [Document 12990](#), IRS Records Control Schedules (RCS)10 for Form 3210 retention and disposition requirements, to prevent inadvertent/unlawful destruction of records.

Note: Follow [IRM 10.5.1.6.8.3](#), Emails to IRS Accounts, policy for encrypting all internal email messages that contain Sensitive But Unclassified (SBU) data (including Personally Identifiable Information (PII) and tax information) with IT-approved encryption.

If an Appeals Technical Employee (ATE) closes an electronic case as a premature referral, a [Form 5402](#), Appeals Transmittal and Case Memo, will be prepared by the ATE following normal procedures. The ATE may also complete [Form 10467](#), Independent Office of Appeals Feedback Report and Transmittal Memorandum, in addition to the required [Form 5402](#). Upon receipt and processing of the Form 5402, and the Form 10467 if applicable, APS will send the form(s) via encrypted email to the TS group manager and alternate. See [Technical Services Codes \(TSC\) and Status 21 Addresses](#). The form(s) includes all the information needed to identify the case and understand the reason(s) it was determined to be a premature referral.

- If the taxpayer provided electronic records, as uploaded to the Appeals Centralized Database System (ACDS) by the ATE, the ATE will include a note in the Remarks block of the Form 5402 to alert APS of these records and the names of the specific files. APS will return these by encrypted email with the Form 5402 to the TS group manager, and alternate. See [Technical Services Codes \(TSC\) and Status 21 Addresses](#).
- Refer to [Document 12990](#), IRS Records Control Schedules (RCS)10 for Form 5402 retention and disposition requirements, to prevent inadvertent/unlawful destruction of records.
- If the taxpayer provided paper records that were not uploaded to ACDS, the ATE will include a note in the Remarks section of the Form 5402 instructing the LB&I field examiner to contact the ATE by encrypted email with the shipping address so that the paper records can be forwarded directly to them. Upon receipt of these paper records, the LB&I field examiner will review and digitize the relevant documents.
- A listing of Technical Service Codes (TSCs) and the corresponding managers can be found [here](#).