



INDEPENDENT OFFICE  
OF APPEALS

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, DC 20224

April 4, 2024

Control No. AP-08-0424-0006  
Expiration Date: 4/4/2026  
Affected IRMs: 8.20.7, 8.22.9

MEMORANDUM FOR: Director, Collection Appeals  
Director, APS Collection

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

SUBJECT: Collection Due Process/Offer in Compromise closed case  
routing and AOIC processing timing

**Purpose:** This guidance is issued to ensure cases are routed to the appropriate APS area for processing. This guidance also changes the timing of the Automated Offer in Compromise (AOIC) closure procedures for accepted offers associated with Collection Due Process (CDP) cases.

**Background/Source(s) of Authority:** Under current procedures the OIC work unit (WUNO) is sent to the CDP case file processing location. However, all OIC cases are worked in the APS campus locations. Additionally, under current procedures APS does not close AOIC until the CDP WUNO has been closed.

**Procedural Change:** ATMs and ATEs will ship **all** CDP/OIC case files to the appropriate APS campus location, which can be found on the new [Collection Policy](#) home page under Resources, titled CDP Closed Case Routing with Related OIC. If a case file is erroneously shipped to a Field APS location it will be immediately forwarded to the correct location by the APS team who received it.

APS will close out AOIC at the time of acceptance, the OIC WUNO case file will remain with the CDP case file and if petitioned and subsequently remanded APS can contact SBSE Policy for reopening of the OIC on AOIC. The timing change will facilitate monitoring of the accepted OIC. This change **ONLY** impacts accepted offers.

**Effect on Other Documents:** This guidance will be incorporated into the 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(s):  
Updated Guidance  
cc: [www.irs.gov](http://www.irs.gov)

Attachment AP-08-0424-0006, Collection Due Process/Offer in Compromise closed case routing and AOIC processing timing

Revisions to the IRM:

#### **8.20.7.20.19 (MM-DD-YYYY)**

#### **CDP and EH Offer in Compromise (OIC) Processing: Overview**

(9) All Offer in Compromise 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.

#### **8.20.7.20.19.1.2 (MM-DD-YYYY)**

#### **Accepted OIC - Appeals Considered**

(2) When a CDP Notice of Determination (NOD) is issued, the CDP file is suspended for 30 + 30 = 60 days to allow for timely filing of a Tax Court Petition by the taxpayer. The OIC Acceptance file must be processed to AOIC 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 in suspense for 30 days + 30 days = 60 days.

- AOIC is closed at the time of OIC acceptance/letter issuance (See [8.20.7.2.4](#) Exhibit 8.20.7-17, Automated Offer in Compromise (AOIC) Update Procedures for step by step instructions).

**NOTE:** 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.

#### **8.22.9.4.3 (MM-DD-YYYY)**

#### **Closing a CDP with Offer in Compromise**

(3) ATMs and ATEs will ship case files to the appropriate APS location by following the shipment instructions on Appeals CDP intranet page. If a case is erroneously shipped to a Field APS location the case will be forwarded to the correct location as soon as possible.