INDEPENDENT OFFICE OF APPEALS

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

July 27, 2026

Control No. AP-08-0726-0026
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Affected IRM: 8.17.4

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 update for IRM 8.17.4, Notices of Deficiency

This guidance provides general information for ACMS detailed in IRM 8.17.4, Notices of Deficiency. Please distribute this information to all impacted employees within your organization.

Purpose: This guidance provides changes in terminology and new processing functionality for the IRS Independent Office of Appeals (Appeals) new 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, with other IRS business units.

Procedural Change: Release 1 of ACMS focused on Collection Appeals work. Release 2 of ACMS will focus on Examination Appeals and Specialized Examination Programs and Referrals (SEPR) work. Future releases will incorporate concepts introduced in this guidance and will be reinforced via training and applicable user guides. Procedural changes pertaining to this guidance are included in the attachment.

Additional Information: Additional information on ACMS can be found on the Appeals Exchange (ApEx) ACMS Home Page. This site contains links for helpful information with ACMS, training documents, etc.

Effect on Other Documents: Portions of this guidance may be extended, modified, or made permanent, and incorporated into the affected IRM section(s) 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: FOIA library www.irs.gov

Attachment AP-08-0726-0026, Appeals Case Management System (ACMS) procedure update for IRM 8.17.4, Notices of Deficiency

Throughout 8.17.4

- References to Appeals Centralized Database System (ACDS) will be changed to Appeals Case Management System (ACMS).
- Form 5402, Appeals Transmittal and Case Memo, has been replaced. The 'Printable View' feature now captures the information previously found on Form 5402, and customized Form 5402, and is referred to as the E-5402.
- References to Case Activity Record (CAR) will be changed to Case Action Record (CAR).
- Appeals Technical Employees (ATEs) can make edits to various fields in ACMS. If a field cannot be edited, submit an account processing support request to Account and Processing Support (APS).

8.17.4.4, How the ATE Requests Preparation of a Notice of Deficiency
Revise (1), (5), (8), (10), and note in (7)c, and obsolete (2) as follows:

(1) Requests for preparation of a notice of deficiency should be made by submitting a technical support request for tax computation assistance. In the support request description field, include priority date and any other special instructions.

(5) Immediately upon Tax Computation Specialist (TCS) assignment, the assigned TCS will receive a system generated notification bell on ACMS.

(7) c.

> **Note:** The TCS will generally use the Power of Attorney (POA) information shown in ACMS when preparing the notice of deficiency. However, since the ATE will be aware of the most current POA information for the taxpayers, it is the responsibility of the ATE to provide this information to the TCS, and to ensure that the POA information on the notice of deficiency prepared by TCS is accurate.

(8) If the TCS does not receive the documents needed to prepare the notice of deficiency within five business days from the date of assignment, the Appeals Tax Computation Team Manager (ATCTM) and TCS have the discretion to return the support request to the ATE. The ATCTM or TCS should provide a reason when returning the support request in ACMS.

(10) The ATE can locate the TCS to whom a case is assigned by clicking on the support request and locating the owner.

8.17.4.11.8, Claims for Refund When Notice of Deficiency is Issued
Revise (2) as follows:

(2) When submitting the support request in ACMS, the ATE must inform the TCS when a refund claim is filed and what action to take with respect to the claim. Special

language may be required on the face sheet. See IRM 8.7.7.5.3.1, Unagreed Deficiency Cases Involving Claims - Language Required in Notice of Deficiency, for more information.

a. It is the responsibility of the TCS to insert the proper paragraph in the statement.
b. However, the ATE must provide the TCS with the claim filing date, whether the issue was allowed or disallowed, and the reason for any disallowance, so that the complete and correct paragraph(s) can be included in the attachment to the notice of deficiency.

8.17.4.30, TCS Returns Notice to the ATE
Revise (1) and (2) as follows:

(1) TCSs must upload all final tax computations into ACMS. Include document type and subtype when uploading documents.

> **Note:** When the support request is closed in ACMS, the ATE will receive a notification bell in ACMS.

(2) TCSs have been encouraged to use the RGS-generated paragraph schedules for statutory notices of deficiency when appropriate. Since these files are in a Portable Document Format (PDF), if the ATE needs to make a change to the language for those cases, a new support request will need to be submitted to the designated ATCTM for the TCS to make the revision/correction.

8.17.4.31, Counsel Review of Notices
Obsolete (3)

8.17.4.31.1, Cases Returned by Counsel – Concurrence Approved
Obsolete (2)

8.17.4.31.2, Cases Returned by Counsel – Without Concurrence
Revise (2) as follows:

(2) When the Appeals Area Director and the Associate Area Counsel cannot agree on the actions recommended in Counsel's advice, the Appeals Functional Director (e.g., Director, Examination Appeals) resolves the matter after consideration of the advice and consultation with the Deputy Area Counsel.

8.17.4.33, Payments Received After the Notice is Issued
Revise (4) as follows:

(4) When an advance payment is received after agreement is tentatively reached, but before review and approval of the determination, a new agreement form reflecting receipt of the payment is not necessary. For IRC 6603 deposits, refer to IRM

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8.20.6.2.1, IRC 6603 Deposits, Undesignated Remittances and Conversion of Cash Bonds Under Revenue Procedure 2005-18.