INDEPENDENT OFFICE OF APPEALS

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

July 31, 2026

Control No. AP-08-0726-0030
Expiration Date: 07/31/2028
Affected IRM: 8.1.8 and 8.20.6

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 8.1.8, Employee Tax Compliance cases

This guidance provides general information for working employee tax compliance cases in ACMS. 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.

**Distribution:** FOIA Library on IRS.gov (https://www.irs.gov/privacy-disclosure/foia-library)

Attachment

cc: www.irs.gov

Attachment AP-08-0726-0030, Appeals Case Management System (ACMS) procedure updates for IRM 8.1.8, Employee Tax Compliance cases

**Throughout 8.1.8 & 8.20.6.25**

- 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 found on Form 5402, and is referred to as the E-5402.
- ACAPDATE is now ATM approved date.
- 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).
- References to Case Activity Record and Automated Timekeeping System (CARATS) are not applicable for cases within ACMS.

**8.1.8.1.5 (MM-DD-YYYY)**
**Terms and Acronyms**
Delete table from paragraph (1) and revise paragraphs (1) and (2)

(1) See IRM Exhibit 8.1.1-1, Common Terms Used in Appeals, for common terms and definitions used in IRM Part 8, Appeals.

(2) Refer to AP-08-1225-0047, New IRM 8.20.13, Appeals Case Management System (ACMS), for common ACMS terms.

**8.1.8.2 (MM-DD-YYYY)**
**Receiving ETC Cases**
Deleted. Relevant information can be found in IRM 8.20.5.20, Employee Tax Compliance (ETC) Case Carding.

**8.1.8.3 (MM-DD-YYYY)**
**Working ETC Cases**
Revise paragraphs (2) through (5)

(2) Only designated ATEs, ATMs, and TCSs are assigned these highly sensitive cases. The ATE works the ETC case following the tax law and procedural guidance to the same extent that applies to other taxpayers, based on the workstream and case type. See IRM 8.1.8.5, Installment Agreements, for information applicable to IRS employees. Priority treatment is given to the extent possible.

> **Note:** Due to the sensitive nature of these cases, Appeals employees are prohibited from identifying the case in the "Notes" or “Remarks” section of ACMS or in any other way as an employee audit case.

(3) The ATE/ATM will take the following steps to send the case to a designated ATM reviewer:

- The ATE submits a support request for ETC Closure Review.
- The ATM approves the support request and changes the owner to a designated ATM reviewer.
- After the ATM reviewer closes the support request, the Appeals Officer can submit the case to their ATM for closure.

(4) There are designated ATM reviewers for the examination and collection workstreams. The ATM reviewer will:

a. Review and approve the case
b. Close the support request

(5) If APS assistance is needed to reverse a premature assessment for a docketed case, upload the appropriate documents to ACMS, and submit a support request to APS to abate the premature assessment.

**8.1.8.4 (MM-DD-YYYY)**
**Requesting Computations**
Revise paragraph (1)

(1) If tax computations are needed, the ATE submits an account processing support request.

**8.1.8.6 (MM-DD-YYYY)**
**Closing ETC Cases**
Revise paragraph (1)

(1) The approved case will be sent to **Atlanta APS** for **Collection Appeals cases** or **Lake Forest APS** for **Examination Appeals cases**. The receiving APS office will process, suspend, or route the case following normal procedures based on the workstream and case type. See exception in paragraph (2).

**8.20.6.25.1 (MM-DD-YYYY)**
**Employee Tax Compliance (ETC) Exam Unagreed Non-Docketed Cases**
Revise paragraphs (2) and (3)

(2) The case is sent to the designated ATM reviewer, who will:

a. Review and approve the case
b. Close the support request

(3) Lake Forest APS mails the letter by certified mail and suspends the case for the 90-day period. If petitioned, Lake Forest APS forwards the case to Counsel for answer. Appeals statute guidelines apply throughout this process.

**8.20.6.25.4 (MM-DD-YYYY)**
**Employee Tax Compliance (ETC) Docketed Cases**

Attachment AP-08-MMYY-000N, Appeals Case Management System (ACMS) procedure updates for IRM 8.1.8, Employee Tax Compliance cases

Revise paragraph (1)

(1) If the taxpayer files a petition, Lake Forest APS forwards the case to Counsel. After the court makes a determination, the case returns to Lake Forest APS for ACMS closing action(s).