INDEPENDENT OFFICE OF APPEALS

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

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Affected IRM: 8.19.12

MEMORANDUM FOR ALL IRS INDEPENDENT OFFICE OF APPEALS EMPLOYEES

FROM: Margaret K. Harris */s/ Margaret K. Harris*
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SUBJECT: Appeals Case Management System (ACMS) procedure updates for IRM 8.19.12, Final Partnership Administrative Adjustment

This guidance incorporates ACMS procedures into IRM 8.19.12, *Final Partnership Administrative Adjustment*, and updates the section to reflect current procedures. 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 and Specialized Examination Programs and Referrals (SEPR) case 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 updates have been made to align IRM 8.19.12 with current procedures.

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(s):

Updated Guidance

Distribution: FOIA Library on IRS.gov

Attachment, AP-08-0826-0074, Appeals Case Management System (ACMS) procedure updates for IRM 8.19.12, Final Partnership Administrative Adjustment

Throughout 8.19.12

- 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 formerly found on Form 5402 and is referred to as the E-5402.
- References to Appeals TEFRA Team (ATT) will be changed to Appeals TEFRA/BBA Team (ATT)
- References to Laguna APS will be changed to Ogden APS
- References to local APS will be changed to Ogden APS
- References to work request will be changed to Support Request
- References to Appeals TEFRA website will be changed to Appeals TEFRA/BBA website
- Removed links for IRM sections that have been superseded by this or another Interim Guidance Memorandum

8.19.12.2.1 (MM-DD-YYYY)
Appeals TEFRA Team (ATT)
Revise paragraph (1) as follows:

(1) Appeals employees must submit a Support Request in ACMS to request Appeals TEFRA/BBA Team (ATT) assistance. Use of the ATT is mandatory for agreement package, closing package, and Final Partnership Administrative Adjustment (FPAA) preparation. Follow the work request procedures in IRM 8.19.1.2.1, *Appeals TEFRA/BBA Team (ATT)*. Also see detailed procedures for using the ATT on their ATT SharePoint site. A link to the site is found on the Appeals TEFRA/BBA website.

8.19.12.2.2 (MM-DD-YYYY)
Partnership Tax years Ending Before August 6, 1997
Revise paragraph (1) as follows:

(1) These procedures are written for partnership tax years ending after August 5, 1997. If you have a partnership whose tax year ends before August 6, 1997, please contact the assigned ATT Appeals Officer (AO) for guidance.

8.19.12.4 (MM-DD-YYYY)
Request For Audit Work
Revise paragraphs (1) and (6) as follows:

(1) The AO should submit a Support Request in ACMS to the Appeals TEFRA/BBA Team (ATT) who will work with a Tax Computation Specialist (TCS) in the preparation of an FPAA package.

(6) The request for audit work should also:

a. Advise if there are any penalties or affected items.

b. Advise if any partial agreements were secured from any of the partners as this will need to be noted in the Schedule of Adjustments page and the Explanation of Adjustments in the FPAA.

c. Provide any name or address changes for the Tax Matters Partner (TMP) or any address changes for the partnership; also, if there is no longer a named TMP, this should be noted.

d. Provide the language for the explanatory paragraphs if the language from one of the sample paragraphs located on the TCS website for Notices of Deficiency will not be used; the AO is responsible for reviewing and revising these paragraphs, as necessary.

e. If the TCS is expected to prepare the explanatory paragraphs, then the AO must provide the ACM. See IRM 8.17.4.2, *Information to Know Before Preparing Notices of Deficiency*.

8.19.12.6 (MM-DD-YYYY)
Closing Package to the Campus TEFRA Function (CTF)
Delete paragraphs (3), (5), (6), (7), and (8). Revise paragraphs (1), (2), and renumber (4) to (3) and revise as follows:

(1) A TEFRA closing package is a group of documents that is prepared and assembled after a TEFRA key case is completed by the field ATE. The ATT AO will electronically transmit the closing package to the CTF using the secure server.

> **Note:** Instructions for determining which Campus TEFRA Function (CTF) is the key case CTF may be found on the Appeals TEFRA/BBA website.

(2) The ATT AO will submit a Support Request to TCS to prepare the closing package to the CTF.

(3) The AO is responsible for reviewing the FPAA package and is ultimately responsible for the accuracy and completeness of the documents.

8.19.12.7 (MM-DD-YYYY)
Campus TEFRA Function (CTF) Mails All FPAAs
Revise paragraphs (3) and (4) as follows. Delete paragraphs (6) and renumber paragraph (7) as (6). Renumber paragraph (8) as (7) and revise as follows. Delete paragraph (9). Renumber paragraph (10) as (8) and revise as follows. Renumber paragraph (11) as (9).

(3) After reviewing the documents prepared by the TCS from ATT AO (including the FPAA package), the AO will generate an E-5402 and submit the case with the FPAA package to the ATM for approval, before the FPAA package is electronically transmitted to the CTF by ATT AO.

(4) The ATT AO will ensure that all documents listed on Form 14298, Appeals Notice Package Check Sheet, are included in the FPAA package.

Example: If there is an allocation issue, any agreement forms that are signed by the partner should not be signed on behalf of the IRS unless all partners agree to the allocation and all partners sign agreement forms.

(7) Ogden Aps updates ACMS. See IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, for APS' Processing procedures.

(8) The ATT AO will electronically upload the FPAA package, including the signed "undated" TMP FPAAs (and any prepared for Powers of Attorney), to the campus server. ATT will ensure that the documents listed on Form 14298 are included in the FPAA package.

8.19.12.7.1 (MM-DD-YYYY)
Monitoring The FPAA
Revise paragraph (1) as follows. Delete paragraph (2).

(1) Ogden APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, to monitor the FPAA.

8.19.12.7.2 (MM-DD-YYYY)
Updating ACMS Controls
Revise paragraph (1) as follows:

(1) When APS receives verification (copies of the TMP FPAAs and copy of the Certified Mailing List) from the key case CTF that the FPAAs have been mailed to the TMP, APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, to update ACMS control.

8.19.12.8 (MM-DD-YYYY)
Appeals Office Mails TMP FPAAs and CTF Mails Notice Partner FPAAs
Revise paragraphs (2), (3), (4), (5), (6) as follows. Delete paragraphs (7), (8), and (9). Renumber paragraph (10) as (7).

(2) After receiving and reviewing the documents prepared by the TCS from the ATT AO (including the closing package), the AO will generate an E-5402 and submit the case

and the FPAA package to the ATM for approval before the TMP FPAAs are mailed by ATT and upload electronically to the CTF secured server.

(3) The ATT AO will ensure that all documents listed on Form 14298 are included in the FPAA package.

(4) The ATT AO should ensure that any special instructions for the key case CTF are included on Form 14298.

Example: If there is an allocation issue, any agreement forms that are signed by the partners should not be signed on behalf of the IRS unless all partners agree to the allocation and all partners sign agreement forms. See IRM 8.19.10.4.8.4.

(5) After the TMP FPAAs are approved and signed by the ATM, the administrative file, the TMP FPAAs, and the FPAA package will be routed to Ogden APS.

(6) Ogden APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, for APS' Processing procedures to update ACMS.

8.19.12.8.1 (MM-DD-YYYY)
Monitoring The FPAA
Revise paragraph (1) as follows. Delete paragraph (2).

(1) Ogden APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, to monitor the FPAA.

8.19.12.8.2 (MM-DD-YYYY)
Updating ACMS Controls
Revise paragraph (1) as follows:

(1) After ATT AO issues the FPAAs to the TMP, APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, for APS' Processing procedures to update ACMS controls.

8.19.12.9 (10-30-2013)
Appeals Mails All FPAAs
Revise paragraphs (1), (3) (4), (5), (6) as follows. Delete paragraphs (7), (8) and (10). Renumber (9) to (7) and revise as follows:

(1) When Appeals mails the FPAAs to the notice partners, the ATT AO may request that the TCS prepare an entire FPAA for the notice partners in addition to those for the TMP.

a. In this situation, dialogue will be required between the ATM of both the AO and the ATT AO as to specifically what the TCS will prepare. Form 3608-A, Request

for TEFRA/BBA Service, should specify that Appeals will be mailing the FPAAs to the notice partners.

b. The AO should identify any special circumstances on Form 3608-A, including parent-subsidiary relationships. The AO is ultimately responsible for the accuracy and completeness of the FPAAs.

   Note: As noted in IRM 8.19.12.4, the preferred method of mailing the FPAAs is by the CTF and Appeals should generally be mailing FPAAs only when there is a short statute or there are a small number of partners.

(3) After receiving and reviewing the documents prepared by the TCS from the ATT AO (including the FPAA package), the AO will prepare an E- 5402 and submit the case and the FPAA package to the ATM for approval before the ATT AO mailed the FPAAs to the TMP and to the notice partners and the FPAA package is upload electronically to the CTF server.

(4) The ATT AO will ensure that all documents listed on Form 14298 are included in the FPAA package.

(5) After the FPAAs are approved and signed by the ATM, the administrative file will be given to Ogden APS.

(6) Ogden APS updates ACMS. See IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, for APS' Processing procedures.

(7) Within 5 working days after the ATT AO mails the FPAAs to the partners, the ATT AO will electronically upload the FPAA package onto the campus server. The FPAA package will include:

a. Three dated copies of each FPAA mailed to the TMP
b. One copy of each FPAA mailed to the notice partners
c. One copy of any FPAA mailed to Powers of Attorney
d. A copy of the Certified Mailing List

8.19.12.9.1 (MM-DD-YYYY)
Monitoring The FPAA
Revise paragraph (1) as follows. Delete paragraph (2).

(1) Ogden APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, to monitor the FPAA.

8.19.12.9.2 (MM-DD-YYYY)
Updating ACMS Controls
Revise paragraph (1) as follows. Delete paragraph (2)

(1) After ATT AO issues the FPAAs to the TMP, APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, for APS' Processing procedures to update ACMS controls.

8.19.12.12 (MM-DD-YYYY)
Defaulted Cases (No Petition Filed)
Revise paragraphs (1) and (3) as follows:

(1) APS will monitor the docket lists referred to in IRM 8.19.12.7.1, IRM 8.19.12.8.1, and IRM 8.19.12.9.1. If a petition has not been identified within 180 days, ATT AO will default the case following procedures in this subsection.

(3) ATT AO will electronically transmit the default closing package to the key case CTF by 195 days after the FPAA is mailed to the TMP, unless the FPAA is petitioned.

8.19.12.12.1 (MM-DD-YYYY)
Preparing Administrative File and Closing Package for Default
Revise paragraphs (1), (2), (3), and (4) as follows:

(1) The ATT AO prepares Form 14298 to electronically transmit the default closing package to the CTF. The documents required for the default closing package (the FPAA package) are saved on the shared server used for electronic transmission.

> **Caution:** The ATT should ensure that any instructions to the key case CTF for issuing affected-item reports or affected-item notices of deficiency are included on Form 14298 used to transmit the FPAA package. APS should ensure the instructions are on Form 14298 used to transmit the default closing package.

(2) The ATT will submit a Support Request to APS will enter the one-year statute date on ACMS. In computing the one-year statute date, one day should be subtracted from the date that the FPAA defaulted.

> **Example:** If the FPAA was mailed to the TMP on August 31, 2009, the one-year statute date should be computed as follows: August 31, 2009 + 150 days = January 28, 2010 + 1 year = January 28, 2011 - 1 day = January 27, 2011.

(3) The ATT will electronically transmit the default closing package to the key case CTF.

(4) It is not necessary to generate a new E- 5402. The E-5402 that was previously generated is sufficient to close the case.

8.19.12.12.2 (MM-DD-YYYY)
Closing the Case after the FPAA defaults
Revise paragraph (2) as follows:

(2) Ogden APS will follow the instructions from the ATT AO on Form 14642, Appeals TEFRA/BBA Team (ATT) TEFRA Key Case Transmittal, for processing the case.

> **Caution:** The revised tax is not actually assessed against the partnership and should not be entered on Form 5403. See IRM 8.20.7, Account and Processing Support
> (APS) Closing Procedures, for instructions in completing Form 5403; in addition, enter *"TEFRA Key Case Closing"* in the Special Handling section

8.19.12.13 (MM-DD-YYYY)
Petitions to the Tax Court
Revise paragraph (3) as follows. Delete paragraph (4). Renumber remaining paragraphs.

(3) If only one petition is filed, Ogden APS will follow IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, for APS' Processing procedures.

8.19.12.13.1 (MM-DD-YYYY)
Notifying the Campus TEFRA Function (CTF)
Revise paragraph (1) and (4) as follows:

(1) ATT AO will notify the key case CTF that the TEFRA key case is docketed.

> **Note:** Instructions for determining which CTF is the key case CTF may be found on the Appeals TEFRA/BBA website.

(4) The ATT AO will upload an electronic package with Form 14298 to the key case CTF server.

8.19.12.14.3 (MM-DD-YYYY)
Closing the Case
Revise paragraph (1) as follows:

(1) After the "H" freeze is released, APS will forward the administrative file to Associate Area Counsel via Form 2828, Transmittal Memorandum. Associate Area Counsel will forward the file to the Department of Justice. Ogden APS may then close the case from ACMS. See IRM 8.20.7, Account and Processing Support (APS) Closing Procedures, for APS' Processing procedures.