



INDEPENDENT OFFICE
OF APPEALS

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

September 27, 2022

Control No. AP-08-0922-0016

Expiration Date: 09/27/2024

Affected IRMs: 8.20.5, 8.20.7 and 8.22.6

MEMORANDUM FOR: Director, Collection Appeals
Director, Account & Processing Support (East)
Director, Account & Processing Support (West)

FROM: Steven M. Martin /s/ *Steven M. Martin*
Director, Case and Operations Support

SUBJECT: Interim Guidance for Collection Due Process (CDP)
Requests in the Rapid Response Appeals Process (RRAP)
FY23-24

This memorandum supersedes interim guidance [AP-08-0921-0020, Interim Guidance for Collection Due Process \(CDP\) Requests in the Rapid Response Appeals \(RRAP\) Process \(FY22\)](#), which provided for an expansion test of the CDP Rapid Response Appeals Process procedures. This memorandum and guidance make certain refinements to the test process, to later be incorporated into the IRM. Please distribute this information to all affected employees within your organization.

Purpose: This memorandum expands the criteria for CDP cases that qualify for RRAP processing under [IRM 8.22.6.2](#) and other related subsections.

Background/Source(s) of Authority: RRAP provides certain taxpayers with an early opportunity to resolve their liability. Prior to the test that began in FY 21, RRAP applied only to certain trust fund cases for businesses in current operation.

Beginning January 11, 2021, and continuing through September 30, 2021, IRS Collection and the Independent Office of Appeals implemented a joint test which expanded the RRAP criteria for certain large dollar business and individual tax liabilities. During the test period, approximately 100 CDP cases were managed under the expanded RRAP process. Cases received by Appeals during this test expansion were assigned only in Area 3, and will continue to be, as determined by Collection Appeals management.

Procedural Change: See the attachment to this memorandum for impact to IRM 8.20.5 Carding New Receipts, 8.20.7 Closing Procedures, and 8.22.6 Cases Requiring Special Handling.

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

Attachment AP-08-0922-0016, Interim Guidance for Collection Due Process (CDP) Requests in the Rapid Response Appeals Process (RRAP) FY23-24

(1) CDP cases meeting all of the following criteria qualify for RRAP and qualify for priority case handling:

- a) In-business taxpayers owing employment taxes.
- b) Taxpayer is not making Federal Tax Deposits (FTD) in the current quarter.
- c) Unpaid tax due is \$10,000 or more, including accruals.
- d) Receipt of a *timely* request for an IRC 6330 hearing or a combination IRC 6320 and IRC 6330 hearing.
- e) There are no existing tax periods for which levy action may be taken, such as those subject to an equivalent hearing, those for which an IRC 6330 hearing has already been held, or where the one-year period to request an equivalent hearing has expired. If levy action can be taken for another tax period, the IRC 6330 hearing does not qualify for RRAP, except as provided in “f” below.

(2) Field Collection CDP cases meeting all of the following criteria also qualify for RRAP:

- a) Receipt of a *timely* request for an IRC 6330 hearing or a combination IRC 6320 and IRC 6330 hearing.
- b) The taxpayer is in-business and owes more than \$250,000, including accruals (on any BMF return type), or is an IMF taxpayer owing more than \$500,000, including accruals, or is an individual taxpayer (IMF) who owes more than \$100,000 in TFRP (MFT 55).

Note: These total amounts are minimums owed on the CDP tax periods for which the CDP request was made and are not total account balances owed.

- c) The taxpayer has two or more tax periods of liability in collection status **and** meets one of the following:
 - o The taxpayer does not qualify for the requested alternative (i.e., Offer in Compromise or Installment Agreement) because the taxpayer has not met the IRM requirements due to unfiled tax returns, lacking current FTDs or estimated tax payments, after having the opportunity to come into compliance.
 - o The taxpayer has provided necessary information but Collection and the taxpayer did not reach resolution due to one or more disputed issues.
 - o The taxpayer has not provided the necessary financial or other information needed to make an ability to pay determination, even after extended deadlines.

(3) In those extremely rare cases where Collection believes that expedited consideration under RRAP is warranted, but not all criteria in 5.1.9.3.3.2.1(1) or (2) are met, the Collection group manager should contact the Appeals RRAP Technical Coordinator for the area prior to forwarding the case to Appeals. Only with prior approval from the Technical Coordinator can the case be submitted under RRAP contrary to the criteria listed above. Locate the RRAP Technical Coordinator on the [Pages - Case Routing](#) intranet page under “Internal (Appeals-Appeals) Transfers.”

Example: Taxpayers attempting to avoid collection actions through alter-egos, nominees, successor-in-interests, etc. **should** be considered for RRAP.

(4) The following cases do **not** qualify for RRAP:

- a) Equivalent hearings.
- b) Hearings solely under IRC 6320.
- c) Where the taxpayer qualifies for Disqualified Employment Tax Levy (DETL) processing.
- d) Where levy action can be taken against other tax periods and either the total assessed balance on the non-RRAP tax periods is \$25,000 or greater or exceeds 20 percent of the total assessed balance owed on all outstanding tax periods.
- e) Where the case is not forwarded to Appeals within 45 calendar days of Collection's receipt of the taxpayer's request for a CDP hearing.
- f) Cases not submitted to Appeals using the Electronic Case Receipts (ECR) SharePoint site.

(5) The following electronic documents will be included with the referral:

- a) Form 14461, Transmittal of CDP/Equivalent Hearing Request,
- b) Form 12153, Request for a Collection Due Process or Equivalent Hearing, or other qualified written request,
- c) Copy of the CDP Notice (Letter 1058 and, if applicable, Letter 3172 and Notice of Federal Tax Lien)
- d) Copy of the envelope,
- e) Form 433-A, Form 433-B, or other financial documentation, if available,
- f) Additional documentation/correspondence sent by the taxpayer with the Form 12153,
- g) Any additional documentation/information in the case file pertinent to the issue(s) raised by the taxpayer.

(6) Collection uploads the case to APS via the ECR. APS cards the case into Area 03-AOC 50 and applies feature codes "PY" and "PL". "RRAP" is entered in the **LOC9** field. APS checks "RRAP Technical Coordinators" located on the [Pages - Case Routing](#) intranet page under "Internal (Appeals-Appeals) Transfers" and emails the appropriate Area RRAP Contact with the WUNO to advise them of the RRAP case immediately.

(7) Once the case is assigned to an Appeals Officer (AO), after completing the initial case review, the AO:

- a) Makes a substantive contact with the taxpayer within 10 business days of assignment using either Letter 4837 - Substantive Contact Uniform. Acknowledgement, or through telephone contact. If telephone contact is made, the AO ensures all the key items of the Letter 4837 are discussed, and documented in the case activity record, following [IRM 8.22.5.8\(3\)](#).

b) Holds a conference within 14 calendar days after the date of the substantive contact letter or the telephone contact.

Note: Any substantive delays should, generally, not be allowed other than for unique situations. However, where warranted, the conference can and should be scheduled for a time later than the period of 14 calendar days. Document the reason for any conference scheduled later than 14 calendar days, as well as for the rescheduling of any conference.

Note: Initial timeframes may be delayed if the taxpayer requests access to the case file under the Taxpayer First Act. See Appeals interim guidance memorandum [AP-08-0622-0006, Revision to Taxpayer First Act \(TFA\) Access to Case Files](#), or its successor guidance.

(8) During review of the case, if it is determined that RRAP criteria is no longer met or the case was erroneously determined to have met RRAP criteria by Collection, remove the RRAP designation from ACDS and manage the case under normal CDP procedures. If a taxpayer takes actions that will delay resolution, such as submitting an offer-in-compromise or filing bankruptcy, the case should also be removed from RRAP. See [IRM 8.22.6.2.1\(3\)](#).

(9) If requesting an Appeals Referral Investigation (ARI) to verify information secured during the hearing, take the following actions:

a) Issue the ARI to the RO GM. Include a deadline of 45 calendar days.

b) Expedite handling of the ARI by sending it via encrypted e-mail to the RO GM.

c) All efforts should be made to manage the case electronically, however, if paper documents need to be mailed, note in the e-mail to the RO GM that documents will be sent via overnight mail to the originating RO unless notified by (specify date) that another mailing address should be used.

(10) Due to the expedited processing of RRAP cases, the RO completes the ARI within 45 calendar days, and returns it to the AO via encrypted e-mail or overnight mail delivery.

Exception: The RO GM can approve an RO's request for an extension, as warranted. Appeals should promptly be notified of any extensions, via an encrypted e-mail to the AO. Use caution not to discuss any details of the ARI.

(11) When a case is to be closed due to a non-response by the taxpayer or representative, a follow-up contact is **required** first. Following [IRM 8.22.5.8.2](#), Letter 4000 – Collection Due Process Last Chance, is the preferred method of contact. Document such contact in the CAR.

(12) When ready for closure, the AO includes the following on Form 5402:

- a) The return address of the RO in the "Route Case to" box.
- b) The e-fax number of the RO (found on the Form 14461) in the "Remarks" section.

(13) After final approval, the ATM or AO will upload final closing documents to ACDS.

(14) **Within 10 days** of the decision being final, APS will E-fax copies of the Appeals closing documents to the originating RO following procedures in IRM [8.20.7.20.9](#). Closing documents should include:

- A fax cover sheet
- Form 5402, Appeals Transmittal and Case Memo
- Letter 3193, Notice of Determination Concerning Collection Actions Under Sections 6320 and 6330
- Appeals Case Memorandum (ACM)
- Other documents obtained by Appeals during the CDP hearing process.

Note: If the "other documents" exceed 15 pages and are **not** in a digital format, **all** documents may be mailed to the RO via overnight mail.