MEMORANDUM FOR DIRECTOR, SPECIALTY EXAMINATION; CHIEF, ESTATE & GIFT AND EXCISE TAX EXAM; AND TERRITORY/GROUP MANAGERS, EXCISE TAX EXAMINATION

FROM: Daniel R. Lauer

SUBJECT: Unpaid Claim Allowed in Full – Report Writing

This memorandum re-issues guidance in SBSE-04-0918-0028, *Unpaid Claims Allowed in Full – Report Writing*, issued 09/19/2018, for report writing procedures for unpaid excise tax claims allowed in full without additional tax proposed. Please ensure this information is distributed to all affected employees within your organization.

Currently, IRM 4.24.8.9.4(1) and (2), *Report Writing Regular Agreed Cases – Unpaid Claim Allowed in Full*, states the taxpayer’s signature is required for regular agreed report forms when the taxpayer agrees with the examiner’s proposal to allow the claim in full and to secure agreement on Form 5384, *Excise Tax Examination Changes and Consent to Assessment & Collection*. IRM 4.24.8.9.4 (4) states Letter 4121, *Letter to Transmit Expected Agreed Examination Report*, can be used to transmit the agreed report to the taxpayer.

Effective immediately, the taxpayer is not required to sign Form 5384 if an examined unpaid claim is allowed in full without additional tax proposed. Letter 3401-E, *Excise No Change Report Transmittal*, should be used to transmit the report to the taxpayer.

This guidance is effective immediately and will be incorporated into IRM 4.24.8, *Excise Tax, Examination Guidance for Excise Claims for Refund or Abatement*, within one year of re-issuance.

If you have questions concerning this guidance please contact Kellie McCann, Program Manager, Excise Tax Policy, 412-404-9607.

Attachment

Distribution: www.IRS.gov
The following changes are hereby effective 09/21/2018 for IRM 4.24.2 Excise Tax, Examination Guidance for Excise Claims for Refund or Abatement

4.24.8.9.4 (09-XX-2019)
Report Writing Regular Agreed Cases - Unpaid Claim Allowed In Full

(1) This section contains instructions for the preparation of reports when the taxpayer agrees with the examiner’s proposal to allow the claim in full. The taxpayer is not required to sign Form 5384 if an examined unpaid claim is allowed in full without additional tax proposed. However, if there are additional proposed adjustments, a signature is required.

(2) Complete Form 5384 as follows:

(4) Letter 3401-E, Excise No Change Report Transmittal, can be used to transmit the report to the taxpayer.