




DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

August 08, 2023

Control Number: SBSE-04-0823-0046
Expiration Date: August 08, 2025
Impacted IRM: 4.26.17

MEMORANDUM FOR: ALL SB/SE FIELD AND SPECIALTY EXAMINATION;
DIRECTOR, WITHHOLDING, EXCHANGE AND
INTERNATIONAL INDIVIDUAL COMPLIANCE, LB&I;
DIRECTOR, WESTERN COMPLIANCE, LB&I;
DIRECTOR, PASS-THROUGH ENTITIES, LB&I;
DIRECTOR, ENTERPRISE ACTIVITIES, LB&I;
DIRECTOR, CROSS BORDER ACTIVITIES, LB&I;
DIRECTOR, EASTERN COMPLIANCE, LB&I;
DIRECTOR, TREATY & TRANSFER PRICING OPS, LB&I;
DIRECTOR, NORTHEASTERN COMPLIANCE, LB&I;
DIRECTOR, EMPLOYEE PLANS, TE/GE; AND
DIRECTOR, EXEMPT ORGANIZATIONS/GOVERNMENT
ENTITIES, TE/GE

FROM: Daniel R. Lauer  Daniel R. Lauer Digitally signed by Daniel R. Lauer
Date: 2023.08.08 09:46:54 -04'00'
Director, Examination Headquarters, SB/SE

SUBJECT: Rescind IGM SBSE-04-1222-0018, Updated Deviation for FBAR
Compliance Activity, to Modify Procedures for CTR Operations'
Building Closure

This memorandum supersedes and rescinds SBSE-04-1222-0018, Updated Deviation for FBAR Compliance Activity, dated December 12, 2022, and issues Report of Foreign Bank and Financial Accounts (FBAR) guidance modified from SBSE-04-1222-0018 for the unexpected closure of CTR Operations' office location until [IRM 4.26.17](#) is updated. Please ensure this information is distributed to all affected employees within your organization.

Purpose: CTR Operations' office (985 Michigan Ave, Detroit, MI) suddenly closed on or around June 5, 2023, due to a facility issue. CTR Operations is housed in SB/SE, BSA Examination, and provides, among other things, centralized FBAR case processing and storage for the Servicewide FBAR program. Though not initially identified as an extended closure, it has become clear re-opening is not imminent; therefore, certain FBAR case procedures must be modified to accommodate this office closure. Specifically, modification (from SBSE-04-1222-0018) is to payment processing ([Attachment 2](#)) and shipping cases to CTR Operations ([Attachment 3](#)). Attachment 3 also integrates relevant references to [SBSE-04-0723-0034, Interim Guidance on FBAR Examination Case Procedures Due to Supreme Court Decision \(Bittner v. US\)](#).

Background/Source(s) of Authority: We will continue to monitor operations and provide updated guidance as needed.

Procedural Change: Do not ship FBAR cases to CTR Operations at this time. Hold the physical case file until instructed to mail by BSA Policy or its leadership via email and/or on the [Servicewide FBAR Knowledge Base](#)¹. Additionally, this memorandum provides specific guidance regarding:

- Resuming FBAR Compliance Activity ([Attachment 1](#))
- Processing FBAR Payments ([Attachment 2](#))
- Electronic Processing and FBAR Case Closing ([Attachment 3](#))

Effect on Other Documents: Guidance in this memorandum, with the exception of the temporary pause on shipping cases to CTR Operations, will be incorporated into the IRM within 2 years. This memorandum supersedes SBSE-04-1222-0018, Updated Deviation for FBAR Compliance Activity.

Effective Date: This guidance is effective immediately.

Note: Guidance regarding ERCS procedures does not apply to TE/GE.

Contact: Email BSA Policy at # [REDACTED] #.

Attachments (3)

Resuming FBAR Compliance Activity (Attachment 1)

Mailing FBAR Payments to CTR Operations (Attachment 2)

Electronic Processing and FBAR Case Closing (Attachment 3)

Distribution: FOIA Library on IRS.gov

¹ Knowledge Base migration is in process. The current Servicewide FBAR Knowledge Base website is <https://portal.ds.irsnet.gov/sites/VL101/Pages/default.aspx>. After migration is complete, the new Servicewide FBAR Knowledge Base website will be <https://irsgov.sharepoint.com/sites/ETD-KMT-KB101>.

Statute Review

Statutes must be reviewed on all cases where FBAR compliance activity was postponed and is now being resumed.

Note: Postponement for time-sensitive IRS actions in Notice 2020-23 does not apply to FBAR. FBAR penalties do not arise under the internal revenue laws and therefore are not a tax that can be postponed pursuant to Treas. Reg. 301.7508A-1(c)(2). Whether an approved [Form 13535](#), Related Statute Memorandum (RSM), has been secured is irrelevant to this issue.

If ASED expires in less than 180 days

Solicit an FBAR statute extension ([Consent to Extend the Time to Assess Civil Penalties Provided by 31 U.S.C. § 5321 for FBAR Violations](#)) following [IRM 4.26.17.3.1.3](#), Extending the FBAR Statute of Limitations. Generally, at least 10 calendar days from the date the consent is issued should be allowed for the filer to respond.

If...	Then...
The filer extends the statute	Continue with appropriate compliance activity
The filer does not extend the statute	Follow guidance in this attachment to issue appropriate letters and/or reports pursuant to IRM 4.26.17.4 , Closing the FBAR Case, and to prepare the case for closure (see Attachment 3).

Document Receipt/Transmission and Signatures

Continue to follow [NHQ-01-1121-0004](#), Approval to Accept Images of Signatures and Digital Signatures, Approval to Receive Documents and Transmit Encrypted Documents by Email.

FBAR-related documents approved for digital signature *by the filer, authorized power-of-attorney (POA) and IRS personnel* are shown in the following table:

Document	Title	IRS Digital Signature Display Requirements in (3) below
FBAR consent	Consent to Extend the Time to Assess Civil Penalties Provided By 31 U.S.C. § 5321 for FBAR Violations (also follow IRM 25.6.22.5.11 and IRM 25.6.22.5.12 for IRS personnel digital signature guidance)	3(a)
Form 13449	Agreement to Assessment and Collection of Penalties Under 31 USC 5321(a)(5) and 5321(a)(6)	3(a)

Attachment 1, SBSE-04-0823-0046: Resuming FBAR Compliance Activity

FBAR-related documents approved for digital signature *by IRS personnel* are shown in the following table:

Document	Title	IRS Digital Signature Display Requirements in (3) below
Letter 937	Transmittal for Power of Attorney	3(a)
Letter 3800	Warning for Report of Foreign Bank and Financial Accounts (FBAR) Apparent Violations	3(a)
Letter 3708	Notice and Demand for Payment of FBAR Penalty	3(a)
Letter 3708-A	Notice for Demand and Payment of FBAR Penalty after Appeal Denial	3(a)
Letter 3709	FBAR 30 Day Letter	3(a)
Letter 4265	FBAR Appointment Letter	3(a)
Form 3753	Manual Refund Posting Voucher	3(a) or (b)
Form 4477	Civil Suit Recommendation	3(a) or (b)
Form 13448 ²	Penalty Assessments Certification Summary (Title 31 “FBAR”)	3(a) or (b)
Form 13535	Report of Foreign Bank and Financial Accounts (FBAR) Related Statute Memorandum (RSM)	3(a) or (b)

IRS personnel signing these documents digitally must:

- 1) Use Adobe Acrobat to create digital signatures that meet the requirements of [IRM 10.10.1.3.1, Requirements for Legally Binding Electronic Signatures](#).
- 2) Use Department of the Treasury digital certificates when digitally signing per [IRM 10.8.52.4, Certificate Usage](#). See the IT4U guide, [How to Identify, Personalize and Use Adobe Acrobat Department of the Treasury Certificates to Sign Documents in Adobe Acrobat DC and Reader DC](#).
- 3) Ensure the digital signature displays the signer’s name and date signed, AND
 - a. For digital signatures on letters, forms and other documents issued to the filer and representative, following [IRM 4.10.1.4.4\(4\)](#), “an image of the signer’s handwritten signature in the signature block.”
 - b. For digital signatures on internal use documents, following [IRM 4.10.1.4.4\(5\)](#), “the signer’s SEID or typewritten name.”
- 4) See [Adobe Acrobat - Digital Signature with Image of Handwritten Signature \(Job Aid\)](#) on the Exam Procedures Knowledge Base for instructions to add an image of the signer's handwritten signature to a digital signature in Adobe Acrobat.

² Intentionally unlinked because the [Product Catalog](#) version is not currently in use.

The following changes are effective immediately for [IRM 4.26.17 \(11-22-2021\), Report of Foreign Bank and Financial Accounts \(FBAR\) Procedures](#):

[IRM 4.26.17.4.4, Closing the FBAR Case - Payment and Collection](#):

Revise paragraph (5) to read as follows:

When an FBAR payment is received, the employee will process the payment as follows:

- Write the TIN and FBAR year(s) on the check/money order, if not already done.
- Copy the check or money order.
- Prepare one [Form 3244-A](#) per check/money order to be fully applied to FBAR³, regardless of the number of FBAR periods to which that check/money order may apply. Prepare Form 3244-A as instructed below.
- Complete [Form 3210](#), Document Transmittal including 1) filer name, 2) TIN, 3) "FBAR/MFT Y0", 4) Period(s) to which the payment will be applied, 5) the dollar amount of the check/money order, 6) the shipment tracking number, and 7) a valid e-Fax number for the Campus to return the acknowledgement copy as required in [IRM 3.8.47.5.1.2](#), Submission Processing, Acknowledging a Field Office Remittance.
- Within 24 hours of receipt of payment, send payment, Form 3244-A (page 1), and Form 3210, using overnight mail to Ogden Campus payment processing at the address in IRM Exhibit 4.26.17-2, noting that payments less than \$100,000 go to one mailstop and payments \$100,000 and above go to a different mailstop.
Note: Tracking and double wrapping are required as with all IRS mailings. For payments, the outside envelope should not include references to "teller unit" or other information identifying that a payment is enclosed. Use the address exactly as shown in Exhibit 4.26.17-2.
- If payment is \$100,000 or more, also notify the Teller Unit via email at ctr.odn.ogden.tellers@irs.gov with "Large Remittance" in the subject line, of the date the remittance was mailed, the amount of the payment, and the shipment tracking number. **Do not include Personally Identifiable Information (PII) or Sensitive but Unclassified (SBU) information in the email.**
- If critical errors are made, the employee's manager will be informed per [IRM 3.8.47.7.1](#), Critical Errors. The manager will access [Form 5919](#), Teller's Error Advice through e-Trak 809 Database System and contact the employee for necessary corrective actions and respond in e-Trak.
- Retain a copy of the check or money order, Form 3244-A (page 2), and Form 3210 in the case file.
- **CRITICAL:** Within 24 hours of shipping the payment package to Ogden for processing, email a copy of all documents sent (check/money order, Form(s) 3244-A, Form 3210) to CTR Operations at [# \[REDACTED\] #](#) (CC to BSA Policy at

³ If a check/money order applies to both Title 26 and FBAR, apply the full payment to Title 26. Then, if not refunded, follow [IRM 4.26.17.4.4.1](#), Instructions for Mispasted FBAR Payments, to move the appropriate portion of the payment to the FBAR account. See [Servicewide FBAR Knowledge Base](#) for [updates to IRM Exhibit # \[REDACTED\] #](#).

[REDACTED] #) with an email subject line, “FBAR Payment Sent to Ogden – Record in Database.”

IMPORTANT: This step is the only way for FBAR payments to be recorded in the FBAR Database, thru which FBAR liabilities are monitored for collection enforcement action. FBAR transactions are not recorded on Masterfile, so this email is the only notification CTR Operations will have to record the payment in the FBAR Database.

- If [Form 3210](#) is not acknowledged by Ogden within 10 business days, the sender will immediately contact the Campus processing site. See [IRM 1.4.40.4.2.6, Shipping Personally Identifiable Information \(PII\)](#).
- If the payment is erroneously posted to a non-FBAR module, the employee is responsible for tracing the payment to ensure it is refunded from the tax module. See [IRM 4.26.17.4.4.1, Instructions for Mispasted FBAR Payments](#), for instructions on preparing [Form 2424](#), Account Adjustment Voucher.
- Complete the Form 3244-A as follows:

Field	Input
DLN	Leave blank
Status	Leave blank
SSN/EIN	Only 1 individual or entity TIN
Form number/MFT	“FBAR/Y0”
Tax Period	“XXXX-YYYY” where XXXX is the first year and YYYY is the last year for which this payment applies. Unless otherwise noted in “Remarks”, payment will be allocated to the earliest year(s) first ⁴ .
Plan/Report Number	“N/A”
Transaction/Received Date	Date the check/money order was received by IRS. This date is used to post the payment, ensuring accurate interest and failure-to-pay penalty calculations.
Taxpayer name/address/zip code	Only 1 individual or entity name. Enter full name, street address, city, state, and zip code.
Remarks	“FBAR Penalty - Title 31, General Ledger Account 6400, Appropriation 20-3220” Check number
Trace ID Number	Leave blank
Prepared by	Name, telephone number and, if in Exam, also Primary Business Code, Secondary Business Code, Employee Group Code.
Transaction Data section for debits	Leave blank
Transaction Data section, Other Credit	Check/money order amount. (Must equal the amount in “Total Payment”.) Leave Code and DPC fields blank.
Transaction Data section, Total Payment	Check/money order amount. (Must equal the amount in “Other Credit”.)

⁴ Following [31 CFR 901.9\(f\)](#), Interest, penalties, and administrative costs.

[Exhibit 4.26.17-2, Contact Information for BSA Exam CTR Operations](#)

- Change Exhibit title to: Contact Information for FBAR Payment Processing, Case Shipping, and Emailing BSA Exam CTR Operations
- Change the table for “Where to Send” information for “Checks to Pay FBAR Penalties” and “Case Files Closed to CTR Operations” to read as follows:

ITEM	WHERE TO SEND
Checks to Pay FBAR Penalties	<p>Remittance less than \$100,000.00 (outside envelope label): IRS # [REDACTED] # 1973 N. Rulon White Blvd. Ogden, UT 84404</p> <p>Single remittance \$100,000.00 and greater (outside envelope label): IRS # [REDACTED] # 1973 N. Rulon White Blvd. Ogden, UT 84404</p> <p>On the required inside envelope label for ALL remittances, add to the outside envelope label address above: “Attn: Ops Manager, Receipt and Control”.</p>
Case Files Closed to CTR Operations	<p>Follow IRM 1.22.5.10, Acceptable Mail/Shipping Services to determine the appropriate shipping method.</p> <p>If shipping USPS: Internal Revenue Service Attention: FBAR Coordinator P.O. Box 33115 Detroit, MI 48232-0115</p> <p>If shipping via a small package carrier, such as UPS: Internal Revenue Service Attention: FBAR Coordinator 985 Michigan Ave, 8th floor Detroit, MI 48226</p>

Note: Case file shipping to CTR Operations is subject to the hold on page 2 of this memorandum: Do not ship FBAR cases to CTR Operations at this time. Hold the physical case file until instructed to mail by BSA Policy or its leadership via email and/or on the [Servicewide FBAR Knowledge Base](#)⁵.

⁵ Knowledge Base migration is in process. The current Servicewide FBAR Knowledge Base website is <https://portal.ds.irsnet.gov/sites/VL101/Pages/default.aspx>. After migration is complete, the new Servicewide FBAR Knowledge Base website will be <https://irs.gov.sharepoint.com/sites/ETD-KMT-KB101>.

Electronic case processing procedures were found to be effective and efficient for FBAR operations. These procedures allow closed case processing to be completed before CTR Operations' receipt of the physical case file. They do not, however, close the FBAR case.

Preparing an FBAR Case for Closure

Electronic closure is not an option for FBAR cases at this time; a physical case file remains a requirement for all FBAR cases. Follow [IRM 4.26.17.4](#), Closing the FBAR Case, to prepare all FBAR cases for closure. [Attachment 1](#) lists documents approved for digital signature.

When Electronic Processing is Required

When the FBAR case is ready to close from Exam, complete the following electronic processing procedures for ALL FBAR years.

Exception: Do NOT complete electronic processing procedures for protested years with 395 or more days remaining on the assessment statute expiration date (ASED)⁶. Instead, email CTR Operations [Form 13536](#), FBAR Monitoring Document (FMD), per [IRM 4.26.17.4.3.4.1](#), Closing the FBAR Case - Pre-Assessment Appeal, and ship the physical case file following guidelines below for [protested cases](#).

Submitting an Electronic Processing Package to CTR Operations

If electronic processing is required, exam Group Managers must email # [REDACTED] # (CC to # [REDACTED] #) when the case is ready to close. Use email subject line, "Electronic Processing Package", and include the following:

- In the body of the email:
 - Case name(s) and Taxpayer Identified Number(s) (TINs),
 - FBAR period(s) ready for closure and the statute date of each, and
 - Comment if IRM-required approvals were secured from the group manager, Operating Division FBAR coordinator, and for willful violations, Counsel⁷.
 - For each year in the package with only non-willful reporting violations: The 14-digit BSA ID of each legally non-compliant FBAR being penalized (or identify as "not filed") so Form 13448 can be prepared in accordance with [SBSE-04-0723-0034, Interim Guidance on FBAR Examination Case Procedures Due to Supreme Court Decision \(Bittner v. US\)](#).
- Attached to the email:
 - Closing [Form 13536](#) (FMD). In "Date Closed from Group" field, record "IGM: Emailed CTR Ops MM/DD/YY" where MM/DD/YY is the date of this email submission, and

⁶ To retain an opportunity for a hearing prior to assessment. [IRM 4.26.17.3.1.3\(4\)](#), Extending the FBAR Statute of Limitations. Pre-assessment and post-assessment Appeals hearings differ substantially. [IRM 4.26.17.4.3.4](#), Closing the FBAR Case Appealed.

⁷ [IRM 4.26.17.4](#) and [IRM 4.26.16.5.6](#), Managerial Involvement and Approval of FBAR Penalties. Find [contact information](#) on [Servicewide FBAR Knowledge Base](#).

Attachment 3, SBSE-04-0823-0046: Electronic Processing and FBAR Case Closing

- If penalties are proposed, [Form 13449](#) signed by the filer/authorized POA if agreed; if unagreed, submit a copy of the issued Form 13449.
 - For each year in the package with non-willful reporting violations, follow SBSE-04-0723-0034, Attachment 2, to prepare the Form 13449. Do not add the BSA ID/"not filed" information to Form 13449. It is omitted intentionally.

Print the above-referenced email and form 13536 for the physical case file.

Remember to CC BSA Policy at # [REDACTED] # on ALL electronic processing package submissions!

CTR Operations: Processing the Electronic Packages

Use the information received in the [electronic processing package](#) to record the disposition and case shipment status in the FBAR Database. In the database field "Date Closed from Group", enter "IGM: Awaiting Shipment as of MM/DD/YYYY" where MM/DD/YYYY is from the closing [Form 13536](#), "Date Closed from Group" field.

If penalties are proposed, complete Form 13448, Penalty Assessments Certification Summary (Title 31 "FBAR"), and if applicable, issue [Letter 3708](#), Notice and Demand for Payment of FBAR Penalty, as normal. For each year in the package with only non-willful reporting violations, follow SBSE-04-0723-0034, Attachment 2, to prepare Form 13448.

Within 10 business days of receiving the [electronic processing package](#), email the Exam Group Manager the signed Form 13448, confirming the amount and date of the FBAR penalty assessment.

After Submitting the Electronic Processing Package to CTR Operations

If penalties are proposed, the frontline exam group must wait for the signed Form 13448 from CTR Operations to proceed with closure. This form should be emailed to the exam group manager within 10 business days of [electronic package submission](#). Upon receipt of the signed Form 13448, print it, write in red in the top margin "Exam Copy" and attach it to the front of [Form 13449](#) in the physical case file. Immediately review for accuracy and report any discrepancies⁸ to # [REDACTED] #, CC to # [REDACTED] # with an email subject line, "Assessment Discrepancy". If penalties are not proposed, no confirmation of electronic processing is provided; proceed with closure.

Prepare the physical case file per [IRM 4.26.17.2.4](#), FBAR Case File Assembly. If a Related Statute Memorandum exists for the filer, staple a recent INOLES print to the inside, left page of the physical case file folder. In addition, in the Special Instructions section, Other Instructions line of [Form 3198](#), Special Handling Notice for Examination Case Processing, or [Form 3198-A](#), TE/GE Special Handling Notice, make and highlight

⁸ Note that "Proposed Penalty" on Form 13448 must match Form 13449 in regards to non-willful, willful, negligence or pattern of negligence classifications, but a mismatch in reporting or recordkeeping classification, if it occurs, does not require correction.

the following comment to identify that electronic processing was completed: “IGM: Emailed CTR Ops MM/DD/YY” where MM/DD/YY is the date the electronic processing package was submitted. If penalties, also comment: “FBAR penalty assessed MM/DD/YY” where MM/DD/YY is the date Form 13448 was signed.

Final Case Preparation When the Physical Case File is Ready to Ship

When applicable steps above are completed and the physical case file is ready and authorized to ship pursuant to [non-protected](#) or [protected](#) case guidance below, finalize the closing Form 13536 ([previously printed](#)) by changing the “Date Closed from Group” field to “IGM: Shipped MM/DD/YYYY” where MM/DD/YYY is the date the case will ship. Pen-and-ink update is acceptable. Attach this updated Form 13536 to the front of the electronic processing submission email [previously printed](#).

Exam Group Managers must email # [REDACTED] #, CC to # [REDACTED] # about case shipment. Use email subject line, “Electronically Processed Case Now Shipping”, and in the email body include the case name, TIN, period(s), when and where the case is shipping. Insert this email in the physical case file before shipping.

CTR Operations: Upon receipt of this email, update “Date Closed from Group” field in the FBAR Database to “IGM: Shipped MM/DD/YYYY” where “MM/DD/YYY” is the shipment date in the email.

Shipping Non-Protected FBAR Cases

Do not ship FBAR cases to CTR Operations at this time. Hold the physical case file until instructed to mail by BSA Policy or its leadership via email and/or on the [Servicewide FBAR Knowledge Base](#)⁹.

When shipping is authorized to resume, ship non-protected cases (No Action, Warning Letter, Agreed, Unagreed-Not Protested) to CTR Operations at its [current address](#) (also reflected in Exhibit 4.26.17-2 revisions in [Attachment 2](#)). Use a red folder for cases with ASEds expiring with 180 days. ALL non-protected years MUST be [electronically processed](#) prior to shipping.

When frontline exam groups ship the case to CTR Operations, the group MUST update ERCS to status code 90¹⁰ following [IRM 4.26.17.4.5](#), Closing ERCS Controls, because ERCS controls cannot transfer to CTR Operations. **Do not update to status code 41 or 51**; FBAR cases never close to PSP or CCP.

⁹ Knowledge Base migration is in process. The current Servicewide FBAR Knowledge Base website is <https://portal.ds.irsnet.gov/sites/VL101/Pages/default.aspx>. After migration is complete, the new Servicewide FBAR Knowledge Base website will be <https://irsgov.sharepoint.com/sites/ETD-KMT-KB101>.

¹⁰ ERCS programming allows frontline exam groups to update MFT Y0 to status code 90.

Shipping Protested FBAR Cases

If at least one protested year exists with less than 395 days remaining on the ASED, all years included in a multi-year examination MUST be [electronically processed](#) prior to shipping. Do NOT complete [electronic processing](#) procedures for protested years so long as all years, in a multi-year examination, have 395 or more days remaining on the ASED. If a filer refuses to extend the assessment statute for years with a short statute, they will not be afforded the benefit of deferring the application of failure-to-pay penalties and interest on any year. Upon soliciting a statute extension, it is important to make this clarification to the filer.

Reminder: Appeals will return the FBAR case to exam if, when Appeals receives the case, 1) any year in a multi-year exam has less than 365 days on the ASED and 2) electronic processing is not completed.

If electronic processing procedures are *not* required, for each year in the package with only non-willful reporting violations, record the 14-digit BSA ID of each legally non-compliant FBAR being penalized (or identify as “not filed”) on Form 3198 in the Forward to Technical Services/Other section (even if the case is not shipping to Technical Services). This is so Form 13448 can be prepared in accordance with [SBSE-04-0723-0034, Interim Guidance on FBAR Examination Case Procedures Due to Supreme Court Decision \(Bittner v. US\)](#).

Frontline exam groups will ship the protested FBAR case directly to Appeals at the address per [Appeals' case routing information](#)¹¹. Thus, business units that ordinarily ship cases to Appeals via Technical Services per [IRM 4.26.17.4.5\(3\)](#) will be bypassing Technical Services. When frontline exam groups ship the FBAR case directly to Appeals, the group MUST update ERCS to status code 90 upon (not before¹²) Appeals' acknowledgement of case receipt¹³. **Do not update to status code 81**; Appeals does not use ERCS for FBAR cases and will not update the status.

Exception: If the frontline exam group is closing an FBAR case (MFT Y0) AND unagreed related non-FBAR case(s) simultaneously, then the FBAR case must be closed through Technical Services, as normal. When frontline exam groups ship an FBAR case to Technical Services, the group MUST update ERCS to status code 21 following [IRM 4.26.17.4.5](#). Technical Services will ship the cases to Appeals at the address per [Appeals' case routing information](#).

Appeals Team Managers may, upon receipt of an electronically processed post-assessment case, email # [REDACTED] #, CC to # [REDACTED] #, to request a copy of [Letter 3708](#) issued by CTR Operations. Use email subject line “Demand Letter Request”, and in the email body include the case name, TIN and year(s) for which the letter is requested.

¹¹ Pursuant to Appeals' centralized carding initiative effective 10/1/2021.

¹² Updating to 90 *prior* to Appeals' acknowledgement of case receipt leaves the in-transit case without a systemic record.

¹³ ERCS programming allows frontline exam groups to update MFT Y0 to status code 90. Requiring Appeals' acknowledgement to update to 90 mimics Technical Services' procedure. [IRM 4.26.17.4.5](#), Closing ERCS Controls.