



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

January 30, 2026

Control Number: SBSE-05-0126-0008
Expiration Date: January 30, 2028
Affected IRM: 5.14.1; 5.14.5; 5.14.7;
5.14.10; 5.4.11

MEMORANDUM FOR DIRECTORS, ALL COLLECTION FIELD AREAS

FROM: Thomas Kramer
Director, Collection Policy

Thomas D. Kramer
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Date: 2026.01.30 13:05:16 -08'00'
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SUBJECT: Revised Interim Guidance for Field Collection on new Simple Payment Plans for Business Master File (BMF) Taxpayers

This memorandum supersedes guidance from SB/SE-05-1225-0065, Interim Guidance for Field Collection on new Simple Payment Plans for Business Master File (BMF) Taxpayers, dated December 3, 2025, and addresses changes to the ICS closing procedures, including clarification of non-trust fund cases. The guidance outlined in this memorandum will remain in effect until updates to the Internal Revenue Manuals (IRMs) 5.14.1, 5.14.5, 5.14.7, 5.14.10, 5.4.11 are published.

Please ensure this information is distributed to all impacted employees within your organization.

Purpose:

This memorandum introduces simplified procedures for securing and processing payment plans (installment agreements) for BMF taxpayers. These changes will make criteria more flexible and accessible for BMF accounts. Revenue officers (ROs) must follow these updated procedures, in addition to existing IRM requirements, when accepting and closing payment plans.

Procedural Change:

Under these new changes, the Streamlined Installment Agreement is now referred to as the Simple Payment Plan, and the In-Business Trust Fund Express is now called the Simple Payment Plan (Business Trust Fund). The installment agreements that do not qualify under the Simple Payment Plan or Simple Payment Plan (Business Trust Fund)

criteria remain unchanged, as do the criteria for the Simple Payment Plan for Individual Master File (IMF) accounts.

Summary of Changes

- **Removal of Direct Debit Installment Agreement (DDIA) requirement.**
- **Removal of 72 month or 24 month payment requirement:** It must now be paid in full by the Collection Statute Expiration Date (CSED).
- **Establish Simple Payment Plans for non-trust fund tax cases with a UBA of \$50,000 or less.**

Note: Non-trust fund tax cases include any liability that does **not** involve unpaid trust fund taxes subject to the Trust Fund Recovery Penalty (TFRP) under IRC 6672. Examples include income taxes, civil penalties, and employment tax liabilities where the trust fund amount is full paid and only the non-trust fund portion remains due.

- **Establish Simple Payment Plans for trust fund tax cases with a UBA of \$25,000 or less.**
- **TFRP determination not required:** No Trust Fund Recovery Penalty (TFRP) determination is required before the Assessment Statute Expiration Date (ASED) expires for Simple Payment Plans (Business Trust Fund) with an unpaid balance of assessment (UBA) of \$25,000 or less.
- **Simple Payment Plan criteria does not apply for business taxpayers when any of the following conditions apply:**
 - The payment plan request is made in conjunction with a request for levy release.
 - The case meets “Solely to Delay” criteria under IRM 5.14.3.3, Installment Agreement Requests Made to Delay Collection Action. This includes situations where there is an indication the business may be using pyramiding or successor entities to avoid tax responsibilities.
 - In these situations, ROs should proceed with financial analysis and TFRP determinations, as required.
- **All Simple Payment Plans must now be calculated using the IAT Compliance Suite Payment Calculator.** This tool validates the minimum payment required to resolve all balances, including accrued penalties and interest, by the Collection Statute Expiration Date (CSED).

The chart below summarizes the criteria for Simple Payment Plan and Simple Payment Plan (Business Trust Fund) until IRM 5.14 is updated.

Types of Payment Plans	Simple Payment Plan	Simple Payment Plan (Business Trust Fund)
Amount	\$50,000 or less	\$25,000 or less
Type of Tax Liability	IMF, Out of Business (OOB) Sole Proprietor, BMF Non-Trust Fund	BMF Trust Fund
Payment Terms	Pay in full by the CSED	Pay in full by the CSED
CIS Required	No	No
NFTL Determination Required	No	No
TFRP Determination	No	No
DDIA or PDIA Required	No	No
Extend CSED?	No	No
Must View Assets	No	No
Managerial Approval	No	No

ICS Procedures

Until ICS is updated, a Simple Payment Plan or Simple Payment Plan (Business Trust Fund) may be closed on ICS by selecting Streamlined Installment Agreement or IBTF Express. However, due to ICS system limitations, the following temporary procedures should be taken:

For OOB accounts

IF closing the...	AND the balance is...	THEN take the following action:
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Simple Payment Plan (non-DDIA)	\$25,001 to \$50,000	<ul style="list-style-type: none"> In the ICS Installment Agreement menu, select 'Option A-IA' and choose Routine, Not PPIA under IA type.
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For In-Business Accounts

IF closing the...	AND the balance is...	THEN take the following action:
Simple Payment Plan (non-DDIA)	\$25,001 to \$50,000	<ul style="list-style-type: none"> In the ICS Installment Agreement menu, select 'Option A-IA' and choose CCP (PSC)-IBTF-IA (NF ITEM in CCP), Not PPIA under IA type. Select 'Yes' for TFRP has been addressed. For TFRP requirements, select 'No Trust Fund Owed/TFRP NA'.
Simple Payment Plan (DDIA)	\$25,001 to \$50,000	<ul style="list-style-type: none"> For BMF accounts that are not Trust Fund accounts, go to the ICS Installment Agreement menu, select 'Option A-IA' and choose IBTF Direct Debit IA. Select 'Yes' for TFRP has been addressed. For TFRP requirements, select 'No Trust Fund Owed/TFRP NA'.
Simple Payment Plan (Business Trust Fund) (non-DDIA)	\$10,001 to \$25,000	<ul style="list-style-type: none"> In the ICS Installment Agreement menu, select 'Option A-IA' and choose CCP

		<p>(PSC)-IBTF-IA (NF ITEM in CCP), Not PPIA under IA type.</p> <ul style="list-style-type: none"> • Select 'Yes' for TFRP has been addressed. • For TFRP requirements, select 'No Trust Fund Owed/TFRP NA'.
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Note: Manager approval is not required for Simple Payment Plans. If ICS requires GM approval, document the bolded history below in the ICS case history with justification for the closure type before submitting the payment plan for approval:

This is a Simple Payment Plan based on the new Simple Payment Plans criteria outlined in IGM SBSE-05-0126-0008. Managerial approval is not required.

Send the closed case file using the ICS generated Form 3210 to:

**Internal Revenue Service
2970 Market Street
Mail Stop 5-E04.115
Philadelphia, PA., 19104**

Do not send closed case files to CCP using the ICS generated Form 3210 with mail stop 5.E04.117 when an NF-OI control is created. Closed case files must be sent to mail stop 5-E04.115 using an ICS generated Form 3210.

Note: CCP must follow the temporary procedures below for handling Simple Payment Plans where there is an open NF-OI control.

CCP Procedures

For Simple Payment Plans (Business Trust Fund) with balances between \$10,001 and \$25,000 and Simple Payment Plans for BMF accounts that are **not** Trust Fund accounts with balances between \$25,000 and \$50,000:

- ICS will close the balance due modules and create a non-field OI (NF-OI) control reassigned to CCP.
- CCP must not follow standard monitoring procedures. Instead, CCP should take the following actions:
 - Review the ICS case closing history and confirm the account was closed as a Simple Payment Plan or Simple Payment Plan (Business Trust Fund).
 - Close the open NF-OI control in ICS.

Effect on Other Documents:

This guidance will be incorporated into IRM 5.14.1, Installment Agreements, Securing Installment Agreements, IRM 5.14.5, Installment Agreements – Streamlined, Guaranteed and In-Business Trust Fund Express, IRM 5.14.7, Installment Agreements, BMF Installment Agreements, IRM 5.14.10, Installment Agreements, Payroll Deduction Agreements and Direct Debit Installment Agreements, IRM 5.4.11, Case Processing, CCP Installment Agreements, within two years from the date of this memorandum.

Effective Date:

This guidance is effective January 30, 2026.

Contact:

If you have any questions regarding the guidance in this memorandum, you may contact Case Resolution Alternatives Program Manager, Eric Slayback.

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