



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

SMALL BUSINESS/SELF-EMPLOYED DIVISION

Date: 12/9/2023

Control Number: SBSE-05-1223-0064
Expiration Date: 12-09-2024
Affected IRM(s): IRM 5.7.2

MEMORANDUM FOR DIRECTOR, FIELD COLLECTION

FROM: Rocco A. Steco
Acting Director, Collection Policy

Rocco A Steco

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Date: 2023.12.08 09:21:44 -05'00'

SUBJECT: Interim Guidance on Letter 903 Procedures

This memorandum issues guidance on Letter 903, Letter to Employer - You Haven't Deposited Federal Employment Taxes, until [IRM 5.7.2](#), Letter 903 Process, is updated. Please distribute this information immediately to all affected employees within your organization.

Purpose: This memorandum provides updated guidance regarding the impact of the new Collection field safety procedures on cases requiring the issuance of Letter 903.

Effective Date: This guidance is effective 12/9/2023 through 12/9/2024.

Background/Source(s) of Authority: Interim guidance (IG) memorandum, [SBSE-05-0723-0045, Field Collection Safety During Field Contact](#), issued on 07/24/2023, involved changes that impact cases requiring Letter 903. Field safety remains a top priority for the Collection organization and requires a continuous and responsive approach to mitigate emerging threats on employees. As a result of these changes, revenue officers (RO) should experience an increased level of safety, more cooperative taxpayer engagement, be more prepared for scheduled taxpayer meetings, and experience amicable resolutions of the taxpayer's matters. These changes should improve the overall experience for taxpayers and employees alike.

Procedural Change:

Effective immediately, ROs must hand-deliver Letter 903 during a scheduled appointment with the taxpayer unless there is an exception noted below.

Generally, the RO has had contact with the taxpayer and has made a safety determination prior to issuing the Letter 903. If there are no safety concerns, then the RO should proceed with a scheduled field visit to hand-deliver Letter 903. If the RO is not comfortable meeting with the taxpayer at their home or business, then the RO should schedule an appointment in their post of duty (POD) to hand-deliver the Letter 903 to the taxpayer. If at any time the RO feels the environment is not safe when conducting the interview or meeting, the RO should remove

themselves from the situation and notify their group manager (GM). The RO should discuss all safety concerns with their GM.

Exceptions to Hand-Delivery Requirement:

If the RO cannot hand-deliver the Letter 903 during the scheduled appointment because:

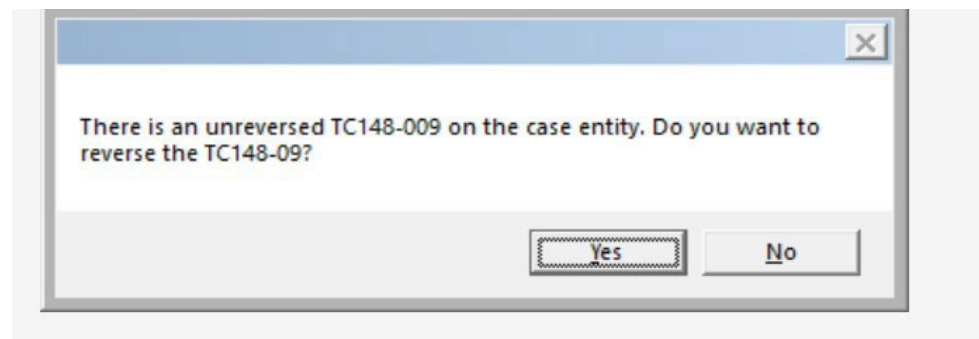
- Office space is not available,
- There are safety concerns, **or**
- The taxpayer fails to appear for the scheduled appointment,

Then, the RO will send the letter to the taxpayer's last known address by certified mail. The RO should document the ICS history to explain the circumstances supporting the decision to send the Letter 903 via certified mail.

ICS Change:

Effective January 2024, when attempting to close a case where a Letter 903 was previously issued, ICS will display a pop-up message asking if the TC 148-09 should be reversed on the account. The TC 148-09 will cause any subsequent delinquencies by the taxpayer to be accelerated to Field Collection for prompt enforcement action.

The RO must answer the question to close the case. In the event the closure requires managerial approval, the TC 148-09 pop-up message appears when the GM approves the closure.



The RO should consider the taxpayer's current compliance when determining if the TC 148-09 should be reversed. By selecting "Yes", the TC 149 will be uploaded to IDRS. By selecting "No", the TC 148-09 will remain on the account and any subsequent delinquencies by the taxpayer will be accelerated to Field Collection for prompt enforcement action.

For questions regarding the guidance in this memorandum, you may contact Kerri Hansen, Employment Tax Program Manager, or a member of your staff may contact Rochelle Folquet, Senior Program Analyst.

cc: Taxpayer Advocate Service
Assistant Division Counsel, SB/SE
www.irs.gov