



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

SMALL BUSINESS/SELF-EMPLOYED DIVISION

June 5, 2020

Control Number: SBSE-25-0620-0034
Expiration Date: 06-05-2022
Affected IRM: 25.21.4

MEMORANDUM FOR SMALL BUSINESS/SELF EMPLOYED (SB/SE) EMPLOYEES
DEALING WITH IRC 6056 NON-FILER

FROM: **Wanda R. Griffin** Digitally signed by Wanda R. Griffin
Date: 2020.06.05 16:38:30 -04'00'
Director, SB/SE Specialty Examination Policy

SUBJECT: Interim Guidance on Establishing Examination Returns Control System (ERCS) Controls on Information Return Penalties under IRC 6056

Purpose: To instruct employees to provide an activity code and statute date when establishing ERCS controls on an IRC 6056 penalty case for failure to file correct information returns under IRC 6721 and/or failure to furnish correct payee statements under IRC 6722 for Forms 1094-C or 1095-C. Please ensure that this information is distributed to all affected employees within your organization.

Background/Source(s) of Authority: ERCS controls require an activity code and statute date when the penalty for failure to file correct information returns under IRC 6721 and/or the penalty for failure to furnish correct payee statements under IRC 6722 are being assessed.

Procedural Change: IRM 25.21.4.5.1, *Establishing a Penalty Case File*, paragraph (2), will be updated to read as follows:

(2) Establish ERCS Controls for non-filed Forms 1094-C or 1095-C using:

- MFT: P9
- Project Code: Use the same project code as the Y1 case
- Tracking Code: Use the same tracking code as the Y1 case
- Activity Code: 506
- Statute Date: 01/EE/YYYY for non-filed Forms 1094-C or 1095-C

Effect on Other Documents: This guidance will be incorporated into revised IRM 25.21.4, *Affordable Care Act - IRC 6056 Non-Filer and IRC 4980H Compliance Process*, by June 5, 2022.

Effective Date: This interim guidance is effective June 5, 2020.

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