



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

October 1, 2015

Control No. AP-08-1015-0008
Expiration Date: 09/30/2017
Affected IRMs: IRM 8.6.2
IRM 8.20.7

MEMORANDUM FOR APPEALS EMPLOYEES

FROM: John V. Cardone */s/ John V. Cardone*
DIRECTOR, POLICY, QUALITY AND CASE SUPPORT

SUBJECT: Electronic Storage and Transmittal of Forms 5402 and Appeals
Case Memos for Small Business/Self-Employed (SB/SE) Field and
Specialty Examination (Exam) Cases

This memorandum serves as guidance regarding electronic storage and electronic transmittal of Forms 5402, *Appeals Transmittal and Case Memo*, and Appeals Case Memos (ACMs) for SB/SE Field and Specialty Exam cases. Please distribute this information to all affected employees within your organization.

Purpose: This guidance advances paperless processing by providing:

- Electronic storage of Forms 5402 and ACMs on the Appeals Centralized Database System (ACDS) for SB/SE Field Exam cases with Primary Business Codes 201 through 207 and SB/SE Specialty Exam cases with Primary Business Codes 212 through 214
- Electronic transmittal of the above-referenced documents to the originating functions for feedback on their work

Source of Authority: Internal Revenue Manual 8.6.4.8, *Electronic Signature Use on Appeals Letters and Documents*, supports electronic storage and transmittal of Forms 5402 and ACMs.¹

This process is in accordance with the Government Records Directive, as noted in [OMB's \(Office of Management and Budget's\) memorandum](#), dated August 24, 2012, requiring agencies to eliminate paper and use electronic recordkeeping to the fullest extent possible.

¹ Desk guides for assistance with electronic signatures and uploading documents are available on the Appeals website under the Guidance, Policy and Research tab.

Procedural Changes: During the case closing stage:

- Appeals Technical Employees (ATEs) will upload the Form 5402 and ACM, if an ACM or attachment is prepared, to the Appeals Centralized Database System (ACDS) for each SB/SE Field Exam and SB/SE Specialty Exam case with Primary Business Codes (PBCs) 201 through 207 and 212 through 214, respectively. When uploading the ACM, ATEs will name the file using the format “WUNO-XXXXXXXXXX-ACM” (substituting the case’s actual work unit number for the Xs). This format will ensure proper association with the case file and make clear that the work unit number (WUNO) originated with Appeals. Only the final version of the ACM will be maintained on ACDS. Prior versions of the ACM, if previously uploaded, must be removed.

When an ATE uploads an electronic signed Form 5402 and/or final ACM to ACDS, the ATE is no longer required to include paper copies of these documents in the case file.

Note: In the event that an ACM addresses more than one WUNO, the ATE must upload the final ACM to each case record using the naming convention described above.

- Account and Processing Support (APS) will electronically transmit Forms 5402 and ACMs to the originating functions and otherwise follow the current guidance specified in Appeals IRM 8.20.7, *Closing Procedures*.

Effect on Other Documents: Appeals will incorporate this guidance into IRM 8.6.2, *Appeals Case Memo Procedures*, and IRM 8.20.7, *Closing Procedures*. Should the guidance pertain to other Appeals IRM subsections, authors may cite IRMs 8.6.2 and 8.20.7 as cross references.

Effective/Implementation Date: This Interim Guidance becomes effective for cases closed on or after October 1, 2015. For cases in process, where the Form 5402 or ACM may not have been loaded into ACDS, follow existing paper processes.

Reminder: The provisions of IRM 10.5.5, *IRS Unauthorized Access, Attempted Access or Inspection of Taxpayer Records (UNAX) Program Policy, Guidance and Requirements*, apply to ACDS information and files uploaded and stored on ACDS. Only access such information when it is required to complete official IRS duties.

Contact: If you have any questions, please follow existing procedures to contact an analyst by sending an email to [*AP Tax Policy & Procedure](#).

Attachment: Step Chart for Account and Processing Support (APS) Employees

cc: www.irs.gov

Step Chart for Account and Processing Support (APS) Employees

Step No.	Action
1	Perform closing data entry and validation. Use existing procedures.
2	Save ACM to computer for emailing. Only when the Form 5402 instructions require APS to provide the ACM to Examination, open the ACM file attached to ACDS and save it to a temporary working folder on your computer. The ATE will use the format "WUNO-XXXXXXXXXX-ACM" to name the ACM (substituting the case's actual WUNO for the Xs).
3	Generate email to Examination function. If more than one Form 5402 is attached to ACDS, select the file with the most recent date and time indicated in the file name. Open the Form 5402 and select the email option from the PDF. This will cause a new email message to open with the Form 5402 as an attachment.
4	Attach saved ACM file from Step 2. When applicable, attach the ACM file to the email created in Step 3.
5	Send encrypted email. Send the Form 5402 and any ACM via encrypted email to the feedback loop recipient identified on the Form 5402. For the subject line of the email, enter: "WUNO-XXXXXXXXXX" (substituting the case's actual WUNO for the Xs).
6	Delete saved ACM from temporary working folder on your computer.

Note: The November 4, 2014 memorandum from the Director, Policy, Quality and Case Support, entitled "SB/SE Sourced Case Feedback Loop Document Routing Instructions" provides specific routing instructions for SB/SE cases with Primary Business Codes 201 through 207 (see below). For SB/SE-sourced cases (no change from existing procedures; email address substituted for U.S. mail address):

If the Primary Business Code (PBC) is...	And the Form 5402 Instructions to APS...	Then...
201 through 207	Say "Send the Form 5402. Do not send the ACM."	APS will send both Form 5402 and the ACM to the email address printed on Form 5402.

Note: If no address is printed on Form 5402, do not send feedback loop documents. In some cases, Form 5402 serves as a brief ACM. In those cases, send only Form 5402.