



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

SMALL BUSINESS/SELF-EMPLOYED DIVISION

November 4, 2015

Control No: SBSE 04-1115-0073  
Expires: November 4, 2016  
Impacted IRM: 4.23.12.3.3(3)

MEMORANDUM FOR SB/SE DIRECTOR, SPECIALTY EXAMINATION;  
EMPLOYMENT TAX TERRITORY MANAGERS; GROUP  
MANAGERS; AND EMPLOYMENT TAX EXAMINERS

FROM: Barbara J. Fiebich */s/ Barbara J. Fiebich*  
SB/SE Director, Specialty Examination Policy

SUBJECT: IRC 6020(b) Procedures for SFR Employment Tax Cases –  
Form 13496-A, *IRC Section 6020(b) Certifications for  
Employment Tax Returns*

The purpose of this interim guidance memorandum (IGM) is to introduce new Form 13496-A, *IRC Section 6020(b) Certifications for Employment Tax Returns*, and provide updated procedures for examiners working non-filed returns where a signed return has not been received prior to the conclusion of the examination. Please ensure this information is distributed to all affected employees within your organization.

**Background**

IRC 6020(b) procedures apply when case files involving non-filed returns are closed without receipt of a signed return from the taxpayer. When signed returns are not received by the conclusion of the examination, the examiner must certify in accordance with IRC 6020(b) that the adjustments are to be treated as the return filed by the taxpayer for purposes of determining the Failure to File (FTP) penalty (IRM 20.1.2.2.10, *Substitute for Return – IRC 6651(g)*). Form 13496, *IRC 6020(b) Certification*, was developed to provide examiners the means to certify the Substitute-For-Return (SFR) and assessment. The original form, however, did not differentiate between income and employment tax returns, causing employment tax examiners to make multiple copies of the same report package for each return period (whether quarterly or annual) included in the file. To meet the unique needs of employment tax examiners, a new form (Form 13496-A) was created.

## **Procedural Change**

The recently developed Form 13496-A will help streamline closures for all employment tax examinations. The following procedures to create an SFR package will now be used in all Employment Tax cases requiring 6020(b) procedures:

1. Prepare one Form 13496-A for each examined tax period where a signed return has not been received. Each quarterly Form 941 (or annual Form 943, Form 944, Form 940), constitutes a separate tax period. For example, if there are three years of employment taxes for which SFRs for Forms 940 and 941 must be prepared, 15 Forms 13496-A must be prepared (12 Forms 941 and three Forms 940).
  - a. Complete the top four boxes (tax periods, SSN/EIN, name and address) on each Form 13496-A.
  - b. Check the box for the appropriate form (Form 4667 or Form 4668) that supports that SFR on each Form 13496-A. For example, if an SFR is being prepared for a Form 940, the box for Form 4667 will be checked.
  - c. The examiner must sign and date each Form 13496 and record the other IRS Authorization Data fields. The date must be on or after the date of the 30-day letter or agreed report.
2. Behind all Forms 13496-A, place **ONE** copy of either Form 4667 or Form 4668 (or both) covering all examined tax periods for which a Form 13496-A has been prepared. **Do Not** place the Form 4667 or 4668 behind **each** Form 13496-A. This becomes the SFR package. For example, the SFR package for a one year exam that includes four Forms 941 and one Form 940 would have 7 documents and be assembled in the following order (listed top to bottom):

Form 13496-A for Form 941 20XX03  
Form 13496-A for Form 941 20XX06  
Form 13496-A for Form 941 20XX09  
Form 13496-A for Form 941 20XX12  
Form 13496-A for Form 940 20XX12  
Form 4668 covering the four Forms 941 quarters  
Form 4667 covering the one Form 940
3. Staple, clip, or rubber-band the SFR package together.
4. The entire SFR package will be placed on top of the remaining workpapers and documents.

It is no longer necessary to include a copy of the Form 886-A, *Explanation of Items*, when using the Form 13496-A, *IRC Section 6020(b) Certification for Employment Tax Returns*. Nor is it necessary to make multiple copies of the supporting Forms 4667 and 4668.

Also note, the Form(s) 5344 and attachments used by Centralized Case Processing (CCP) are no longer part of the SFR package. They are, however, still completed for use in final closing and will be the first document(s) behind the SFR package in the file.

IRC 6020(b) procedures apply in all cases where no signed return was received, regardless of case disposition. IRC 6020(b) procedures will never apply when a return, signed under penalties of perjury, is received from the taxpayer. This applies even if SFR procedures have already been initiated or if the signed return does not fully report tax due.

### **Effect on Other Documents**

The guidance provided above obsoletes Policy Alert 2012-003, *6020(b) SFR Case Closing Procedures*, issued December 6, 2011 and will be incorporated into IRM 4.23.12.3.3 (3), *IRC 6020(b) Procedures for SFR Employment Tax Cases*, by November 4, 2016.

### **Effective Date:**

This interim guidance is effective upon issuance.

If you have any questions concerning the guidance in this IGM, please contact Lynne McCoy, Senior Policy Analyst, SB/SE Employment Tax Policy.

### **Distribution:**

IRS.gov (<http://www.IRS.gov>)

Attachment: [Form 13496-A](#)

---

## IRC Section 6020(b) Certification for Employment Tax Returns

---

Tax period ended (MM-DD-YYYY) or calendar year (YYYY)

SSN/EIN

---

Name of taxpayer

---

Address of taxpayer (number, street, city or town, state, ZIP code)

---

### Certification

---

The officer of the IRS identified below, authorized by Delegation order 5-2, certifies that this Form 13496-A, *IRC Section 6020(b) Certification for Employment Tax Returns*, and the following identified form constitute a valid return for the taxpayer and tax period identified above, and for the type of the tax as identified and computed in the corresponding form identified below (check box for the form that applies):

- Form 4667, *Examination Changes - Federal Unemployment Tax*  
or  
 Form 4668, *Employment Tax Examination Changes Report*

Pursuant to Section 6651(g), this certification, with the identified forms, shall be treated as the return filed by the taxpayer for purposes of determining the amount of the additions to tax under paragraphs (2) and (3) of Section 6651(a).

---

### IRS Authorization Data

---

Employee name	Title	Office	ID number
Signature			Date (MMDDYYYY)