

IRM PROCEDURAL UPDATE

DATE: 09/22/2015

NUMBER: SBSE-05-0915-1429

SUBJECT: Increase to CSCO Authority; Agreements Involving Post-Petition Liabilities

AFFECTED IRM(s)/SUBSECTION(s): 5.19.1

IRM 5.19.1.1.6 Case Processing Authority Levels, updated paragraphs (3), (4), (8) and (9) to reflect increased authority levels for CSCO.

3. **Full Pay Agreements:** See below for Accounts Management (AM), CSCO, ACS/ACSS and Field Assistance (FA) employee dollar authority levels and duration of the full pay agreements.

Type of Full Pay Agreement	Duration of Agreement	Dollar Criteria	BOD/Function
IMF & BMF Out of Business Sole Proprietors IRM 5.19.1.5.3	No more than 120 days total (including previous full pay agreements, if previously granted)	<ul style="list-style-type: none">○ All balance due modules in Notice Statusand○ # \$ [REDACTED] and less AAB (CC SUMRY)	AM & FA
IMF & BMF Out of Business Sole Proprietors IRM 5.19.1.5.3	No more than 120 days total (including previous full pay agreements, if previously granted)	<ul style="list-style-type: none">○ All balance due modules in Notice Statusand○ # \$ [REDACTED] and less AAB (CC SUMRY)	ACS, ACSS & CSCO only
BMF In-Business No Trust Fund	No more than 120 days total (including previous full	<ul style="list-style-type: none">○ All balance due modules in Notice Statusand	SB/SE ACS, ACSS & CSCO only

IRM 5.19.1.5.3	pay agreements, if previously granted)	<ul style="list-style-type: none"> ○ # \$ [REDACTED] and less AAB (CC SUMRY) 	
IMF & BMF Out of Business Sole Proprietors IRM 5.19.1.5.3	No more than 60 days total (including previous full pay agreements, if previously granted)	<ul style="list-style-type: none"> ○ At least one balance due module in ST 22 or ST 24 (other modules can be in Notice Status) <p>and</p> <ul style="list-style-type: none"> ○ # \$ [REDACTED] and less AAB (CC SUMRY) 	FA
IMF & BMF Out of Business Sole Proprietors IRM 5.19.1.5.3	No more than 60 days total (including previous full pay agreements, if previously granted)	<ul style="list-style-type: none"> ○ At least one balance due module in ST 22 or ST 24 (other modules can be in Notice Status) <p>and</p> <ul style="list-style-type: none"> ○ # \$ [REDACTED] and less AAB (CC SUMRY) 	ACS, ACSS & CSCO only
BMF In-Business No Trust Fund IRM 5.19.1.5.3	No more than 60 days total (including previous full pay agreements, if previously granted)	<ul style="list-style-type: none"> ○ At least one balance due module in ST 22 or ST 24 (other modules can be in Notice Status) <p>and</p> <ul style="list-style-type: none"> ○ # \$ [REDACTED] and less AAB (CC SUMRY) 	SB/SE ACS, ACSS & CSCO only

REMINDER: If pre-assessed/unassessed taxes are included, the pre-assessed/unassessed liability plus unpaid balance of assessments (CC SUMRY) **must** be within the applicable dollar criteria shown above.

NOTE: For balances over these amounts, see IRM 5.19.1.3.1, *Account Actions on Referral/Redirect*.

NOTE: For In-Business Trust Fund accounts, see IRM 5.19.1.5.4.2, *IA Requirements IBTF Express Agreement*, and IRM 5.19.1.5.4.2.1, *Lump Sum Payment for IBTF Express ONLY*.

4. **IA's:** See below for AM, CSCO, ACS, ACSS and FA employee dollar authority levels and duration of the IA's.

Type of IA	Duration of IA	Dollar Criteria	BOD/Function
Guaranteed IMF Only IRM 5.19.1.5.4(8)	36 months (will full pay within CSED)	\$10,000 and less tax only (excludes P&I)	All
SIAs \$25,000 and under (Type of Entity): <ul style="list-style-type: none"> IMF Out of Business BMF BMF Income Tax ONLY (Form 1120, Form 1065 - Late Filing Penalty) 	<ul style="list-style-type: none"> The AAB (CC SUMRY balance) will be fully paid in 72 months, or The agreement will be fully paid prior to the CSED, <p>whichever comes first,</p>	\$25,000 and under AAB (CC SUMRY)	All
SIAs over \$25,000 IMF and OOB BMF Sole Proprietors IRM 5.19.1.5.4.25, IRM 5.19.1.5.4.15, and	<ul style="list-style-type: none"> The AAB (CC SUMRY balance) will be fully paid in 72 months, or The agreement will be 	\$25,001 - \$50,000 AAB (CC SUMRY)	All

IRM 5.19.1.5.4.14	fully paid prior to the CSED, whichever comes first,		
In-Business Trust Fund Express Agreement IRM 5.19.1.5.4.2	Earlier of 24 months or before CSED	\$25,000 and less AAB (CC SUMRY)	FA, SB/SE ACS, ACSS & CSCO only
In-Business Trust Fund Express Agreement IRM 5.19.1.5.4.2	Earlier of 24 months or before CSED	\$10,000 and less AAB (CC SUMRY)	W&I AM
NSIAs IMF & Out of Business Sole Proprietors IRM 5.19.1.5.4(10)	Will pay within the CSED	Under # \$----- -----# AAB (CC SUMRY)	AM (NSIA) & FA
NSIAs IMF Only IRM 5.19.1.5.4(10)	Will pay within the CSED	Under # \$----- -----# AAB (CC SUMRY)	ACS, ACSS & CSCO only
Partial Pay IAs IMF & Out of Business Sole Proprietors IRM 5.19.1.5.4(11)	Will not full pay within the CSED	Under # \$----- -----# AAB (CC SUMRY)	AM (NSIA) & FA
Partial Pay IAs IMF Only IRM 5.19.1.5.4(11)	Will not full pay within the CSED	Under # \$----- -----# AAB (CC	ACS, ACSS & CSCO only

ACS, ACSS & CSCO only			should use sound judgment to determine if the taxpayer's verbal justifications for income/expense discrepancies provide adequate substantiation.
<div> <div> <div>#</div> <div>\$</div> <div>-----</div> </div> <div> <div>-----</div> <div>#</div> <div>-</div> <div>#</div> </div> <div> <div>\$</div> <div>-----</div> <div>#</div> </div> </div> AAB (CC SUMRY) AM & FA	PPIA & CNC	Yes	Yes 1. Use internal sources to verify assets, income and expenses. Any discrepancies between the assets, income or expenses reported on the CIS and the internal sources used for verification, must be addressed with the taxpayer and documented on the AMS case history. 2. Paper substantiation is required: <ul style="list-style-type: none"> If the amount claimed for income or any expenses appears to be unreasonable (per employee judgment) or the expense amounts claimed exceed the ALE standards and allowing these other expenses will result in a PPIA or CNC

			<p>hardship.</p> <p>REMINDER: Paper substantiation should also be secured in cases where the taxpayer's explanation does not correspond to the internal sources verified.</p>
<p># \$ - - - - - - - - - - # - # \$ - - - - - #</p> <p>AAB (CC SUMRY)</p> <p>ACS, ACSS & CSCO only</p>	PPIA & CNC	Yes	<p>Yes</p> <ol style="list-style-type: none"> 1. Use internal sources to verify assets, income and expenses. Any discrepancies between the assets, income or expenses reported on the CIS and the internal sources used for verification, must be addressed with the taxpayer and documented on the AMS case history. 2. Paper substantiation is required: <ul style="list-style-type: none"> ▪ If the amount claimed for income or any expenses appears to be unreasonable (per employee judgment) or the expense

			<p>amounts claimed exceed the ALE standards and allowing these other expenses will result in a PPIA or CNC hardship.</p> <p>REMINDER: Paper substantiation should also be secured in cases where the taxpayer's explanation does not correspond to the internal sources verified.</p>
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9. **Currently Not Collectable:** The following CCs are to be used for CNC IMF and/or BMF out of business accounts:

Closing Codes	Definition	Dollar Criteria & IRM References
03	Inability to locate the taxpayer or assets	<p>IMF: Less than # \$-----# AAB (CC SUMRY)</p> <p>BMF OOB: Less than # \$-----# -----# AAB (CC SUMRY)</p> <p>BMF In Business:</p> <ul style="list-style-type: none"> Less than # \$-----# AAB (CC SUMRY) - if trust funds are involved Less than # \$-----# AAB (CC SUMRY) - if

		<p>non trust funds are involved</p> <p>See IRM 5.19.5.6.3.6, <i>I4 - Closing the Case</i>.</p>
08	Death of an individual with no collection potential from the decedent estate or no collection potential for estate taxes	<p>No dollar criteria.</p> <p>IRM 5.19.1.4.3, <i>Deceased Taxpayers</i>.</p> <p>REMINDER: Decedent procedures apply to IMF, BMF sole proprietorship and BMF partnership accounts (only if all liable partners are deceased).</p>
09	Accounts Below Tolerance	<p>Accounts may be closed as currently not collectible, tolerance, where the aggregate unpaid balance, including accruals, is less than #\$-----#:</p> <ul style="list-style-type: none"> ○ IMF (except MFT 55 - #\$-----#) ○ BMF (except MFT 13 - #\$-----#) ○ NMF ○ IRAF <p>See IRM 5.19.17.1.1.2, <i>CNC Exception Processing</i>.</p>
10	Corporations, certain limited liability partnerships, exempt organizations, or LLCs, where the LLC is identified as the liable	<p>Less than #\$-----# AAB (CC SUMRY)</p>

	taxpayer, which are inactive and defunct with no assets	See IRM 5.19.17.1.1.4, <i>Defunct Corporations, Exempt Organizations, Limited Partnerships, and Limited Liability Companies CC10</i>
12	Inability to contact a taxpayer although the address is known and there is no means to enforce collection	<p>IMF: Less than #\$-----# AAB (CC SUMRY)</p> <p>BMF OOB: Less than #\$-----# -----# AAB (CC SUMRY)</p> <p>BMF In Business:</p> <ul style="list-style-type: none"> ○ Less than #\$-----# AAB (CC SUMRY) - if trust funds are involved ○ Less than #\$-----# AAB (CC SUMRY) - if non trust funds are involved <p>See IRM 5.19.5.6.3.6, <i>I4 - Closing the Case.</i></p>
17	Inability to locate the Single Member Owner (SMO) or assets of the SMO who is liable for taxes assessed under an LLC EIN.	Intentionally left blank
18	Inability to contact a SMO who is liable for taxes assessed under an LLC EIN when the SMO address is known, and there are no means to enforce collection.	Intentionally left blank
19	Accounts below tolerance that are assessed under an LLC EIN, but owed by SMO.	See IRM 5.16.1.2.5, <i>Tolerance</i> , for additional information.
24 - 32	Collection of the liability	All employees: Up to #\$-----#

	<p>would create a hardship for taxpayers by leaving them unable to meet necessary living expenses.</p>	<p>-----# AAB (CC SUMRY) (IMF)</p> <p>ACS, ACSS & CSCO employees only: Up to # \$----- -----# AAB (CC SUMRY) (IMF)</p> <p>See IRM 5.19.17.1.1.3, <i>CNC Unable to Pay - Hardship</i>.</p> <p>REMINDER: Hardship codes can only be used for individual or joint IMF assessments, sole proprietors, general partnerships, and LLCs, where an individual owner is identified as the liable taxpayer.</p> <p>NOTE: If the taxpayer meets criteria for CNC Hardship but has unfiled returns, follow procedures in IRM 5.19.17.1.1.3 <i>CNC Unable to Pay - Hardship</i>.</p>
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REMINDER: If pre-assessed/unassessed taxes are included, the pre-assessed/unassessed liability plus unpaid balance of assessments (CC SUMRY) **must** be within the applicable dollar criteria shown above.

IRM 5.19.1.2.1 For All Employees, inserted new paragraph (12).

12. For reports of preparer misconduct, see IRM 21.1.3.14, *Preparer Issues and Complaints/Form 14157*.

IRM 5.19.1.3.1 Account Actions on Referrals/Redirect, updated paragraph (4). Split paragraph (5) into three paragraphs. Updated paragraph (5) to reflect increased authority levels for CSCO. New paragraphs (6) and (7) provide guidance for FA and AM. Renumbered remaining paragraphs accordingly.

4. **ACS & ACSS Employees:** Follow the procedures below when handling an account exceeding **#\$-----#** AAB (CC SUMRY) (BMF) or **#\$-----#** AAB (CC SUMRY) (IMF):

NOTE: Ensure FCC is completed per IRM 5.19.1.3.4.1, *Full Compliance Check*.

CAUTION: Any ACS or ACSS employee can work cases using the increased authority. The former large dollar units are **no longer in existence**. **Do not** transfer anything to any of the former large dollar units.

NOTE: Jeopardy - Cases where collection is in jeopardy (at risk) should be assigned to Field Collection. Follow instructions in paragraph (8) below.

- a. The account is in Notice Status or ST 24:

If ...	And ...	Then ...
ACS & ACSS	ST 24 and/or Notice Status and request for an IA NOTE: This includes ST 64 accounts.	a. Input TC 971 AC 043 if the request meets pending IA criteria. IRM 5.19.1.5.4.7, <i>Pending IA Criteria</i> . b. You must document the terms of the proposed IA on AMS. Encourage the taxpayer to make voluntary payments until the Revenue Officer contacts them. c. If contact is over the phone, inform the taxpayer verbally of the referral to the field. If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i> , to inform them of the referral to the field. Advise the taxpayer it could take up to 90 days before the RO contacts them. d. Notice Status Accounts Only: Input CC STAUP 2200 to IDRS for all Notice Status modules. e. Transfer the case to the field.

		<ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>f. Do not request documentation. However, if documentation is received, forward it to the field group. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
ACS & ACSS	ST 24 and/or Notice Status and taxpayer states Unable to Pay (Possible CNC).	<p>a. Document AMS.</p> <p>b. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary</p>

		<p>payments (if possible) in the meantime.</p> <p>c. Notice Status Accounts Only: Input CC STAUP 2200 to IDRS for all Notice Status modules.</p> <p>d. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>e. Do not request documentation. However, if documentation is received, forward it to the field group. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
ACS & ACSS	<p>Request for a Release of Levy Only:</p> <p>Account is in ST 24 and an immediate hardship exists (shut-off notice, eviction notice etc). See IRM 5.19.4.4.10, <i>Levy Release</i>:</p>	<p>a. If a hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, release levy upon receipt of verification.</p> <p>NOTE: If levy was issued through the Federal Levy Payment Program (FPLP),</p>

	<p><i>General Information.</i></p>	<p>State Income Tax Levy Program (SITLP) or Alaska Permanent AKPFD, follow instructions in IRM 5.19.9, <i>Automated Levy Programs</i>.</p> <p>b. Document AMS.</p> <p>c. If contact is over the phone, inform the taxpayer verbally of the referral to the field and of the levy release.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field and the levy release.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>d. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>e. If documentation is received, forward it to the field group.</p> <p>Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate
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		field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/ST ATE site.
ACS & ACSS	<p>Request for a Release of Levy Only:</p> <p>Account is in ST 24 and either:</p> <ul style="list-style-type: none"> ▪ No levy was issued, or ▪ A levy was issued, but is not causing an immediate hardship. 	<p>a. If any levies were issued, but no hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, do not release them. If no levy was issued, proceed to paragraph (c) below.</p> <p>NOTE: If a levy was issued through FPLP, SITLP or AKPFD, follow instructions in IRM 5.19.9, <i>Automated Levy Programs</i>.</p> <p>b. Notify the taxpayer the levy release is denied and inform them of their right to speak to a manager to appeal the denial. If the manager sustains the decision to not release the levy, taxpayers have the right to appeal the decision. See IRM 5.19.8, <i>Collection Appeal Rights</i>. Also, see IRM 5.19.1.2.1(10), <i>For All Employees</i>.</p> <p>c. Document AMS.</p> <p>d. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field and that</p>

		<p>the levy was not released.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>e. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>f. If documentation is received, forward it to the field group. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
ACS & ACSS	ST 60 and the taxpayer requests to revise the terms of the IA or the taxpayer is now unable to maintain the IA (possible CNC).	<p>a. Default IA. Input CC IADFL on IDRS. Follow instructions in IRM 5.19.1.5.4.22.1, <i>Withdrawal of IA Requests</i>.</p> <p>NOTE: The defaulting of an existing IA is based on the taxpayer request to revise</p>

		<p>the terms of the IA or the taxpayer is now unable to maintain the IA (possible CNC).</p> <p>b. Document AMS to show that the IA was defaulted and why.</p> <p>c. Input TC 971 AC 043 only if the taxpayer wants to revise their IA and the request meets pending IA criteria. You must document the terms of the proposed IA on AMS. See IRM 5.19.1.5.4.7, <i>Pending IA Criteria</i>. Encourage the taxpayer to make voluntary payments until the Revenue Officer contacts them.</p> <p>d. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>e. Input CC STAUP 2200 to IDRS for all Notice Status modules.</p> <p>f. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence.
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		<p>g. Do not request documentation. However, if documentation is received, forward it to the field group. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site. <p>NOTE: Include Form 14425, <i>Withdrawal of Installment Agreement Requests</i>, (or equivalent), with any documentation forwarded to the field group.</p>
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b. The account has modules in ST 22:

If ...	And ...	Then ...
ACS & ACSS	The taxpayer requests an IA	<p>a. Input TC 971 AC 043 if the request meets pending IA criteria. See IRM 5.19.1.5.4.7, <i>Pending IA Criteria</i>.</p> <p>b. You must document the terms of the proposed IA on AMS. Encourage the taxpayer to make voluntary payments until the Revenue Officer contacts them.</p> <p>c. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C,</p>

		<p><i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>d. If any modules are in Notice Status, input CC STAUP 2200 to IDRS for all Notice Status modules.</p> <p>e. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>f. ACS employees: Input TOC0,21,TFRO.</p> <p>ACSS employees: Input TOS0,21,TFRO.</p> <p>g. Do not request documentation. However, if documentation is received, forward it to the field group. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
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ACS & ACSS	Taxpayer states Unable to Pay (Possible CNC).	<p>a. Document AMS.</p> <p>b. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>c. If any modules are in Notice Status, input CC STAUP 2200 to IDRS for all Notice Status modules.</p> <p>d. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>e. ACS employees: Input "TOC0,21,TFRO".</p> <p>ACSS employees: Input "TOS0,21,TFRO".</p> <p>f. Do not request documentation. However, if documentation is received, forward it to the field group.</p> <p>Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward
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		correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
ACS & ACSS	<p>Request for a Release of Levy Only:</p> <p>An immediate hardship exists (shut-off notice, eviction notice etc). See IRM 5.19.4.4.10, <i>Levy Release: General Information</i>.</p>	<p>a. If a hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, release levy upon receipt of verification.</p> <p>b. Document AMS.</p> <p>c. If contact is over the phone, inform the taxpayer verbally of the referral to the field and of the levy release.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field and the levy release.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>d. If any modules are in Notice Status, input CC STAUP 2200 to IDRS for all Notice Status modules.</p> <p>e. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account

		<p>to 6541 on IDRS (Follow instructions in paragraph (8) below).</p> <ul style="list-style-type: none"> ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>f. ACS employees: Input "TOC0,21,TFRO".</p> <p>ACSS employees: Input "TOS0,21,TFRO".</p> <p>g. If documentation is received, forward it to the field group. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP , Who/Where tab to the RO by TSIGN/ZIP/STATE site.
ACS & ACSS	<p>Request for a Release of Levy Only:</p> <p>Either:</p> <ul style="list-style-type: none"> ▪ No levy was issued or ▪ A levy was issued, but is not causing an immediate hardship. 	<p>a. If any levies were issued, but no hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, do not release them. If no levy was issued, proceed to paragraph (c) below.</p> <p>b. Notify the taxpayer the levy release is denied and inform them of their right to speak to a manager to appeal the denial. If the manager sustains the decision to not release the levy, taxpayers have the right to appeal the</p>

		<p>decision. See IRM 5.19.8, <i>Collection Appeal Rights</i>. Also, see IRM 5.19.1.2.1(10), <i>For All Employees</i>.</p> <p>c. Document AMS.</p> <p>d. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field and that the levy was not released.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>e. If any modules are in Notice Status, input CC STAUP 2200 to IDRS for all Notice Status modules.</p> <p>f. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>g. ACS employees: Input "TOC0,21,TFRO".</p> <p>ACSS employees: Input "TOS0,21,TFRO".</p> <p>h. If documentation is received, forward it to ACSS or the</p>
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		<p>field group. Do not destroy these documents.</p> <ul style="list-style-type: none"> Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
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5. **CSCO Employees:** Follow the procedures below when handling an account exceeding **#\$[REDACTED]#** AAB (CC SUMRY) (BMF) or **#\$[REDACTED]#** AAB (CC SUMRY) (IMF):

NOTE: Ensure FCC is completed per IRM 5.19.1.3.4.1, *Full Compliance Check*.

CAUTION: The former large dollar units are **no longer in existence**. **Do not** transfer a call to any of the former large dollar units.

NOTE: Jeopardy - Cases where collection is in jeopardy (at risk) should be assigned to Field Collection. Follow instructions in paragraph (8) below.

If ...	And ...	Then ...
CSCO	<p>Notice Status and request for an IA</p> <p>NOTE: This includes ST 64 accounts.</p>	<ol style="list-style-type: none"> Input TC 971 AC 043 if the request meets pending IA criteria. See IRM 5.19.1.5.4.7, <i>Pending IA Criteria</i>. You must document the terms of the proposed IA on AMS. Encourage the taxpayer to make voluntary payments until the Revenue Officer contacts them. If contact is over the phone, inform the taxpayer verbally of the referral to the field. <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field.</p>

		<p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>d. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>e. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSign/ZIP/STATE site.
CSCO	Taxpayer states Unable to Pay (Possible CNC).	<p>a. Document AMS.</p> <p>b. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p>

		<p>c. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>d. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSign/ZIP/STATE site.
CSCO	<p>Request for a Release of Levy Only:</p> <p>Account is in ST 22 or 24 and an immediate hardship exists (shut-off notice, eviction notice etc). See IRM 5.19.4.4.10, <i>Levy Release: General Information</i>.</p>	<p>a. If a hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, release the levy upon receipt of verification.</p> <p>EXCEPTION: Immediately forward ST 22 accounts to ACSS. Fax the request to the applicable ACSS Liaison based on state mapping using the SERP, Who/Where tab to the ACS Support Liaison.</p> <p>b. If contact is over the phone, inform the taxpayer verbally of the referral to the field and the levy release.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them</p>

		<p>of the referral to the field and the levy release.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>c. Document AMS.</p> <p>d. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>e. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
CSCO	<p>Request for a Release of Levy Only:</p> <p>Account is in ST 22 or 24 and either:</p> <ul style="list-style-type: none"> ○ No levy was issued, or ○ A levy was 	<p>a. If any levies were issued, but no hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, do not release them. If no levy was issued, proceed to paragraph (c) below.</p> <p>EXCEPTION: Immediately forward ST 22 accounts to ACSS. Fax the request to the applicable ACSS Liaison based on state</p>

	<p>issued, but is not causing an immediate hardship.</p>	<p>mapping using the SERP, Who/Where tab to the ACS Support Liaison.</p> <p>b. Notify the taxpayer the levy release is denied and inform them of their right to speak to a manager to appeal the denial. If the manager sustains the decision to not release the levy, taxpayers have the right to appeal the decision. See IRM 5.19.8, <i>Collection Appeal Rights</i>. Also, see IRM 5.19.1.2.1(10), <i>For All Employees</i>.</p> <p>c. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field and that the levy was not released.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>d. Document AMS.</p> <p>e. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ If any modules are in Notice Status, input CC STAUP 2200 to IDRS for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for
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		<p>correspondence.</p> <p>f. If documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
CSCO	<p>ST 60 and the taxpayer requests to revise the terms of the IA or the taxpayer is now unable to maintain the IA (possible CNC).</p>	<p>a. Default IA. Input CC IADFL on IDRS. Follow instructions in IRM 5.19.1.5.4.22.1, <i>Withdrawal of IA Requests</i>.</p> <p>NOTE: The defaulting of an existing IA is based on the taxpayer request to revise the terms of the IA or the taxpayer is now unable to maintain the IA (possible CNC).</p> <p>b. Document AMS to show that the IA was defaulted and why. If a new IA was proposed, you must input TC 971 AC 043 if the request meets pending IA criteria and document the terms of the proposed IA on AMS. See IRM 5.19.1.5.4.7, <i>Pending IA Criteria</i>. Encourage the taxpayer to make voluntary payments until the Revenue Officer contacts them.</p> <p>c. If contact is over the phone, inform the taxpayer verbally of the referral to the field.</p> <p>If you do not speak with the taxpayer, issue Letter 86C, <i>Referring Taxpayer Inquiry/Forms to Another Office</i>, to inform them of the referral to the field.</p> <p>Advise the taxpayer it could take up to 90 days before the RO contacts them.</p>

		<p>d. Transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>e. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSign/ZIP/STATE site. <p>NOTE: Include Form 14425, <i>Withdrawal of Request for Installment Agreement</i> (or equivalent), with any documentation forwarded to ACSS or the field group.</p>
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6. **FA Employees:** Follow the procedures below when handling an account exceeding **#**\$**-----****#** AAB (CC SUMRY) (IMF & BMF):

NOTE: Ensure FCC is completed per IRM 5.19.1.3.4.1, *Full Compliance Check*.

CAUTION: The former large dollar units are **no longer in existence**. **Do not** transfer a call to any of the former large dollar units.

NOTE: Jeopardy - Cases where collection is in jeopardy (at risk) should be assigned to Field Collection. Follow instructions in paragraph (8) below.

If ...	And ...	Then ...
FA	Notice Status and request for an IA	a. Input TC 971 AC 043 if the request meets pending IA criteria. See IRM

	<p>NOTE: This includes ST 64 accounts.</p>	<p>5.19.1.5.4.7, <i>Pending IA Criteria.</i></p> <p>b. You must document the terms of the proposed IA on AMS. Encourage the taxpayer to make voluntary payments until the Revenue Officer contacts them.</p> <ul style="list-style-type: none"> ▪ If the case will be referred to the field, encourage the taxpayer to make voluntary payments until the Revenue Officer contacts them. ▪ If the case will be referred to ACS, encourage the taxpayer to call ACS as soon as possible to make arrangements. <p>c. Inform the taxpayer verbally of the referral.</p> <p>If the case is being transferred to the field, advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>d. If the account balance is between # \$-----# and # \$-----# AAB (CC SUMRY) (IMF), transfer the case to ACS.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Input CC ASGNI 0120. ▪ Provide the taxpayer or representative with the ACS toll-free number. <p>e. If the account balance is more than # \$-----# AAB (CC SUMRY) (BMF) or # \$-----# AAB (CC SUMRY) (IMF), transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for
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		<p>correspondence.</p> <p>f. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ ACS: Forward correspondence received to ACSS based on state mapping using the SERP, Who/Where tab to the Campus Program Locator Guide. ▪ Field: Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
FA	Taxpayer states Unable to Pay (Possible CNC).	<p>a. Document AMS.</p> <p>b. Inform the taxpayer verbally of the referral.</p> <p>If the case is being transferred to the field, advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>c. If the account balance is between # \$-----# and # \$-----# AAB (CC SUMRY) (IMF), transfer the case to ACS.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Input CC ASGNI 0120. ▪ Provide the taxpayer or representative with the ACS toll-free number. <p>d. If the account balance is more than # \$-----# AAB (CC SUMRY) (BMF) or # \$-----# AAB (CC SUMRY) (IMF), transfer the case to</p>

		<p>the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>e. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ ACS: Forward correspondence received to ACSS based on state mapping using the SERP, Who/Where tab to the Campus Program Locator Guide. ▪ Field: Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
FA	<p>Request for a Release of Levy Only:</p> <p>Account is in ST 22 or 24 and an immediate hardship exists (shut-off notice, eviction notice etc). See IRM 5.19.4.4.10, <i>Levy Release: General Information</i>.</p>	<p>a. If a hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, release the levy upon receipt of verification.</p> <p>b. Inform the taxpayer verbally of the referral and the levy release.</p> <p>If the case is being transferred to the field, advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p>

		<p>c. Document AMS.</p> <p>d. If the account balance is between # \$-----# and # \$-----# AAB (CC SUMRY) (IMF), transfer the case to ACS.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Provide the taxpayer or representative with the ACS toll-free number. <p>e. If the account balance is more than # \$-----# AAB (CC SUMRY) (BMF) or # \$-----# AAB (CC SUMRY) (IMF), transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>f. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ ACS: Forward correspondence received to ACSS based on state mapping using the SERP, Who/Where tab to the Campus Program Locator Guide. ▪ Field: Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
FA	Request for a	a. If any levies were issued, but no

	<p>Release of Levy Only:</p> <p>Account is in ST 22 or 24 and either:</p> <ul style="list-style-type: none"> ○ No levy was issued, or ○ A levy was issued, but is not causing an immediate hardship. 	<p>hardship exists, as determined by IRM 5.19.4.4.10, <i>Levy Release: General Information</i>, do not release them. If no levy was issued, proceed to paragraph (c) below.</p> <p>b. Notify the taxpayer the levy release is denied and inform them of their right to speak to a manager to appeal the denial. If the manager sustains the decision to not release the levy, taxpayers have the right to appeal the decision. See IRM 5.19.8, <i>Collection Appeal Rights</i>. Also, see IRM 5.19.1.2.1(10), <i>For All Employees</i>.</p> <p>c. Inform the taxpayer verbally of the referral.</p> <p>If the case is being transferred to the field, advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>NOTE: Encourage the taxpayer to make voluntary payments (if possible) in the meantime.</p> <p>d. Document AMS.</p> <p>e. If the account balance is between # \$-----# and # \$-----# AAB (CC SUMRY) (IMF), transfer the case to ACS.</p> <ul style="list-style-type: none"> ▪ If any modules are in Notice Status, input CC STAUP 2200 to IDRS for all Notice Status modules. ▪ Provide the taxpayer or representative with the ACS toll-free number. <p>f. If the account balance is more than # \$-----# AAB (CC SUMRY) (BMF) or # \$-----# AAB (CC SUMRY) (IMF), transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ If any modules are in Notice Status, input CC STAUP 2200 to IDRS for all Notice Status modules.
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		<ul style="list-style-type: none"> ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>g. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ ACS: Forward correspondence received to ACSS based on state mapping using the SERP , Who/Where tab to the Campus Program Locator Guide . ▪ Field: Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site.
FA	ST 60 and the taxpayer requests to revise the terms of the IA or the taxpayer is now unable to maintain the IA (possible CNC).	<p>a. Default IA. Input CC IADFL on IDRS. Follow instructions in IRM 5.19.1.5.4.22.1, <i>Withdrawal of IA Requests</i>.</p> <p>NOTE: The defaulting of an existing IA is based on the taxpayer request to revise the terms of the IA or the taxpayer is now unable to maintain the IA (possible CNC).</p> <p>b. Document AMS to show that the IA was defaulted and why. If a new IA was proposed, you must input TC 971 AC 043 if the request meets pending IA criteria and document the terms of the proposed IA on AMS. See IRM 5.19.1.5.4.7,</p>

		<p>Pending IA Criteria. Encourage the taxpayer to make voluntary payments (if possible) until the Revenue Officer contacts them.</p> <p>c. Inform the taxpayer verbally of the referral.</p> <p>If the case is being transferred to the field, advise the taxpayer it could take up to 90 days before the RO contacts them.</p> <p>d. If the account balance is between # \$-----# and # \$-----# AAB (CC SUMRY) (IMF), transfer the case to ACS.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Input CC ASGNI 0120. ▪ Provide the taxpayer or representative with the ACS toll-free number. <p>e. If the account balance is more than # \$-----# AAB (CC SUMRY) (BMF) or # \$-----# AAB (CC SUMRY) (IMF), transfer the case to the field.</p> <ul style="list-style-type: none"> ▪ Input CC STAUP 2200 for all Notice Status modules. ▪ Reassign the account to 6541 on IDRS (Follow instructions in paragraph (8) below). ▪ Provide the taxpayer or representative with the group contact number and address or fax number for correspondence. <p>f. Do not request documentation. However, if documentation is received, forward it to the appropriate function. Do not destroy these documents.</p> <ul style="list-style-type: none"> ▪ ACS: Forward correspondence received to ACSS based on state mapping using the SERP, Who/Where tab to the Campus Program Locator
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		<p>Guide.</p> <ul style="list-style-type: none"> Field: Forward correspondence received to the appropriate field group based on state mapping using the SERP, Who/Where tab to the RO by TSIGN/ZIP/STATE site. <p>NOTE: Include Form 14425, <i>Withdrawal of Request for Installment Agreement</i> (or equivalent), with any documentation forwarded to ACSS or the field group.</p>
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7. **AM Employees:** When handling an account exceeding ~~#\$~~ AAB (CC SUMRY) (IMF & BMF), transfer the call to ACS (Notice Status and ST 22):
- W&I: 92080
 - SB/SE: 92085

IRM 5.19.1.4.2.2 Insolvency - Full Pay Within 60 Days/IA Requests on Post-Petition Periods, updated paragraphs (2) and (3) and inserted new paragraph (10) in accordance with Interim Guidance Memorandum SBSE-05-0315-0033.

1. A Post-petition period(s) is a tax period that **ends** after the date of filing of the bankruptcy petition. The exception is employment taxes which are divisible by payroll date. The Bankruptcy Reform Act of 1994 (BRA94) granted permission to assess pre-petition tax periods while the debtor is under the protection of the automatic stay. Therefore, a pre-petition tax can be assessed after the petition date.
2. Effective 03-23-2015, a request for an IA (or Full Pay Agreement) on post-petition liabilities is non-processable when a taxpayer is in bankruptcy (*unless* the IA request meets Guaranteed IA criteria. See IRM 5.19.1.5.4(8), *IAs*). Employees should contact CIO to determine the current status of the bankruptcy and what collection actions, if any, are appropriate to each specific case with post-petition liabilities and follow CIO guidance. Procedures for allowing IAs vary among bankruptcy court jurisdictions. Insolvency must approve full pay within 60 days and an IA on post-petition periods. To determine if an account qualifies, see IRM 5.19.1.4.2.1(1), *Contacts Regarding Insolvency Issues*. Employees should not establish installment

agreements on post-petition liabilities when there are open modules in bankruptcy, unless directed to by CIO.

NOTE: In this situation, before referring an account to CIO, ensure the taxpayer is in bankruptcy.

EXAMPLE: If there is a TC 520 CC 76 or cc 77 on the ST 72 modules, the account is in Collection Due Process (CDP); these cases are referred to the ACS CDP Coordinator.

REMINDER: **Always** follow CIO's direction on whether or not a full pay request or an IA can be granted on the post-petition periods; local law and practices in each state may vary.

3. Upon receipt of Form 9465, *Installment Agreement Request*, or any IA (or Full Pay Agreement) request on post-petition liabilities while the taxpayer is in bankruptcy, CIO will:
 - a. Issue Letter 2272C, *Installment Agreement Cannot Be Considered*, to the taxpayer.
 - b. If there is documentation about receipt of the request, on AMS, document the AMS history stating that the IA request is non-processable due to bankruptcy and that Letter 2272C, *Installment Agreement Cannot Be Considered*, was sent to the taxpayer.
 - c. Input a TC 520 cc 84 on the post-petition modules on IDRS using the bankruptcy petition date as the TC 520 date.
 - d. Add all TC 520 cc 84s added to modules on IDRS to the Automated Insolvency System (AIS) Freeze Screen. This will allow systemic reversal of the TC 520 during case closure.
 - e. If the aggregate Unpaid Balance of Assessment (UBA) on all post-petition periods is \$2,500 or more, CIO will determine if the liability was addressed when a New Assessment Litigation Transcript System (LTS) transcript generated.
 - If the post-petition liability was addressed by Field Insolvency (FI) when a LTS transcript generated, CIO will go to Step g.
 - If the post-petition liability was not addressed previously, CIO will reassign the case to FI. CIO and FI will follow guidance in IRM 5.9.16.3.2(2), *New Assessment Reports*.
 - f. If the post-petition module is in ST 22, CIO will check the ACS system.
 - If a levy was issued on the debtor's wages, CIO will release the levy and move the case to R4, which is a protected inventory.
 - If no levy was issued, then CIO will move the case to R4.
 - g. Notate all actions in the AIS case history.

NOTE: Post-petition IA requests submitted by taxpayers who had a pre-petition IA are also considered non-processable. The taxpayer may not be granted a post-petition IA, nor is the taxpayer eligible to have the pre-petition IA reinstated. In addition to issuing Letter 2272C, *Installment Agreement Cannot Be Considered*, CIO will follow the steps in Exhibit 5.9.17-5, *Installment Agreement Cannot Be Reinstated*.

4. When contacting CIO for approval, tell the taxpayer you will contact them within 30 days. Open a control base on IDRS and follow up with the appropriate interim letter or phone call if resolution is not completed within the 30 days. Update AMS comments actions taken.
5. After attempting contact with the Insolvency Unit by fax, if you do not receive a response within 21 days, contact them to follow up on the initial request. If you do not receive a response within 14 days after the follow up, refer the case to your manager for contact with the Insolvency Unit manager. Follow up with the taxpayer by sending the appropriate interim letter or by phone call.
6. If an IA is granted, and the TC 520 cc is 60, 62, 64 or 66, it can be included in the IA and input on IDRS using CC IAGRE. For all other codes, refer to related procedures. IRM 5.19.1.5.4.19, *MMIAs*.
7. If a full pay is granted, refer to applicable procedures. IRM 5.19.1.5, *Methods of Payment*.
8. When receiving an IA request by correspondence, and modules are in ST 72, and the Bankruptcy Chapter is not available route to:

Centralized Insolvency Operation
PO Box 7346
Philadelphia, PA 19101-7346

9. Notify the taxpayer of the referral by sending Letter 86C, *Referring Taxpayer Inquiry/Forms to Another Office*.
10. Previously, Chapter 13 taxpayers in certain jurisdictions may have been granted an IA for post-petition liabilities. This practice will not be continued, as there is potential for a stay violation. For those cases where a post-petition IA has already been granted and the taxpayer had a pre-petition IA for liabilities not discharged by the bankruptcy, CIO will send Letter 2975C, *Notice of Intent to Levy - Intent to Terminate Your Installment Agreement*, to the taxpayer at case closure.

IRM 5.19.1.4.9.1 Military Deferment Balance Due Procedures, updated paragraph (2)(b) to remove CSED Indicator value that is no longer valid.

2. Take the following actions if the taxpayer meets the requirements for military deferment as outlined above:
 - a. Generate Acceptance Letter 289C, *Approval of Military Deferment*; this letter explains the terms of the deferment.

- b. Input TC 500 cc 51 using CC REQ77 /CC FRM77 on each module with a balance due; input of TC 500 cc 51 requires the CSED Indicator present, identifying which taxpayer is entitled to the military deferment.

NOTE: The values for this field are:

"P" = Primary taxpayer;

"S" = Secondary taxpayer;

- c. Forward the incoming correspondence, a copy of Letter 289C, *Approval of Military Deferment*, and a CC TXMOD print reflecting the updated status "44" via Form 3210, *Document Transmittal*, to the Field Office Resource Team (FORT) at the following address:

IRS-FORT
M/S 5-E04.116
2970 Market St.
Philadelphia, PA 19104-5002

IRM 5.19.1.4.11 Killed in Terrorist Action (KITA), Killed in Action (KIA), and Astronauts Killed in the Line of Duty, updated paragraph (2).

2. The literal "KITA" will appear on CC ENMOD , CC IMFOL E , , CC TXMOD and CC SUMRY as an indicator. It does not cause a freeze or prevent the issuance of enforcement-related notices.

IRM 5.19.1.5.3 Full Pay Within 60 or 120 Day Agreement, added Exception under paragraph (1) to reflect guidance in Interim Guidance Memorandum SBSE-05-0315-0033.

1. IMF, BMF out of business only or BMF in business non trust fund agreements may be granted to full pay within:
 - o 60 days: If **all** or **any one** module is in ST 22 and no prior full pay agreement has been granted.
 - o Up to 120 days: If there are no modules in ST 22 and no prior Full Pay agreement has been granted.

EXCEPTION: If the taxpayer is in an IA that is currently in ST 6X, see paragraph (14) below.

EXCEPTION: A request for a Full Pay Agreement on post-petition liabilities is non-processable when a taxpayer is in bankruptcy. See IRM 5.19.1.4.2.2, *Insolvency - Full Pay Within 60 Days/IA Requests on Post-Petition Periods*.

If ...	And ...	Then ...
AM receives a call,	A module is in ST 22 ACS,	Transfer to ACS for processing.
AM receives a call,	Modules are in ST 6X,	Based on a Full Pay request being granted by AM or through On-line Payment Agreement or a TRIS application, determine how many days were previously granted and if any module was in a prior ST 22.

NOTE: Only allow up to the maximum days based on the ST of the case, described in paragraph (1) above, when the Full Pay request was granted.

NOTE: If a 60 day full pay is approved on an account in ST 22, move the case to the appropriate ACS inventory for the payment to post. If a full pay agreement is approved on an account in Notice Status, input the agreement using CC IAGRE to place the account in ST 60.

EXAMPLE: The taxpayer states they can full pay within 30 days and there are balance due modules in ST 22 or 24 and there have been no prior Full Pay requests given; grant the taxpayer's request. Inform the taxpayer payment must be received by IRS by the promised date. If the final notice was issued and there are levy sources present, move the case to E3 inventory; if the final notice was not issued and there are levy sources present, move to the case to E2 inventory. If there are no levy sources move to I7 inventory, with a follow up of 21 days past the promise date for payment receipt and processing. The taxpayer calls on the 30th day requesting an additional 30 days to full pay; you may extend for 30 additional days. Do not allow more than the maximum of 60 days, this does not include the additional seven days for internal processing of the payment. If any of the modules were in ST 22 or 24 and 60 days was not previously allowed only allow up to 60 days. If the taxpayer was given 60 days or more while in Notice Status, deny the request, the maximum days were previously allowed. The taxpayer already exceeded the full pay within 60 days period allowed for ST 22 modules.

IRM 5.19.1.5.4.6.3 User Fee Payment Transfer/User Fee Abatements, updated paragraph (5)(c). Updated paragraph (6).

5. Take the following actions to transfer a payment to the user fee module using CC ADD24 :
 - a. If the user fee module is not present, establish the user fee module. IRM 5.19.1.5.4.6.2, *Manual Establishment of a User Fee Module*.
 - b. Use debit TC 672 for the fee amount using the same date the TC 670 payment displays.

NOTE: There is no penalty reason code and no DPC with TC 672.

- c. Use credit TC 694 for fee amount with the appropriate DPC (47-51).

NOTE: This credit transaction code (TC 694) is applied to the User Fee/Civil Penalty module MFT 13/55 with the appropriate tax year and month.

EXAMPLE: "201312" or "201301"

- d. A secondary TC 360 for the same amount of the TC 694 is required input with the credit transactions (TC 694).

NOTE: If no MFT 13 or 55 on CFOL originally, and a TC 971 AC 082 or 083 was input to establish it, put a two cycle posting delay on the payment transfer.

6. Correct duplicate user fees in the following manner:

CAUTION: Do not use CC ADD34 when transferring user fee payments; if CC ADD34 is used, it causes an unpostable condition. **You must use CC ADD24.**

If ...	Then ...
ADD24,	Use debit TC 695 and the appropriate DPC, money amount, and date of the TC 694. NOTE: MFT 13/55 is the debited module.
ADD24,	<ol style="list-style-type: none"> Input credit TC 670, applying the payment to one of the tax modules in IA or balance due status. If none of the modules are in a balance due status, apply the money to a full paid module and allow it to refund to the taxpayer. Use the same money amount and date of the TC 694; use DPC code of "99". There is no TC 360 and no penalty reason code associated with the credit TC 670. <p>NOTE: MFT 30, MFT 01, etc. are the credit modules.</p>
ADJ54,	Input TC 361 to MFT 13/55 with blocking series "52" or "05" to prevent notice issuance.
ADJ54,	Use Penalty Reason Code "47"-"51", matching the DPC Code of the TC 694; begin in position "4" on the command code screen. CAUTION: If the Penalty Reason Code is not input, the TC 361 goes unpostable.
The user fee is incorrect,	<ol style="list-style-type: none"> Update the user fee field appropriately using CC IAGRE. For additional information: Exhibit 5.19.1-13, IA

	<i>User Fee Codes.</i>
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IRM 5.19.1.5.4.7 Pending IA Criteria, added Exception under paragraph (2)(d) to reflect guidance in Interim Guidance Memorandum SBSE-05-0315-0033. Added Note under paragraph (2)(d).

2. To qualify for a pending IA, including independent review with appeal rights, a taxpayer must meet the following criteria:
 - a. Provide information sufficient to identify the taxpayer, generally the taxpayer's name and TIN.

NOTE: If a taxpayer furnishes their name, but no TIN, and the taxpayer's identity can be determined, identify as a pending IA if all other information is made available and the taxpayer is current in filing.

CAUTION: If the taxpayer account is assigned to a field revenue officer (ST 26), follow procedures for forwarding case to the revenue officer in IRM 5.19.1.2.1(9), *For All Employees*. **DO NOT** take any other actions on the account.

- b. Identify or determine the tax liability to be covered by the IA.
 - c. Propose a monthly or other periodic payment of a specific amount.

EXCEPTION: If a Form 9465, *Installment Agreement Request* (revision 12-2012 or later), (or Form 9465-FS, *Installment Agreement Request*), is submitted with no dollar amount specified (and all other criteria met), then a SIA \$25,000 and under can be established.

- d. Is in compliance with all filing requirements, both individual and business. For research procedures for full compliance check: IRM 5.19.1.3.4.1, *Full Compliance Check*.

EXCEPTION: A request for an installment agreement on post-petition liabilities is non-processable when a taxpayer is in bankruptcy, (*unless* the IA request meets Guaranteed IA criteria. See IRM 5.19.1.5.4(8), *IAs*). If an IA request is not processable, it is not a "pending" IA request. See IRM 5.19.1.4.2.2, *Insolvency - Full Pay Within 60 Days/IA Requests on Post-Petition Periods*.

NOTE: Requests that meet the above criteria will be identified as pending installment agreements even if taxpayers are not in compliance with estimated (ES) payment requirements or Federal Tax Deposit (FTD) requirements, unless the procedures in IRM 5.19.1.5.4.9(3), *IA Rejection Criteria*, apply.

IRM 5.19.1.5.4.7.1 Requests Not Meeting Pending IA Criteria, updated paragraph (1)(a) to reflect guidance in Interim Guidance Memorandum SBSE-05-0315-0033.

1. Whenever an IA request is received that does not meet pending IA criteria:
 - a. If speaking with the taxpayer, inform them what is required to meet pending IA criteria.

NOTE: A request for an installment agreement on post-petition liabilities is non-processable when a taxpayer is in bankruptcy (*unless* the IA request meets Guaranteed IA criteria. See IRM 5.19.1.5.4(8), *IA*s). See IRM 5.19.1.4.2.2, *Insolvency - Full Pay Within 60 Days/IA Requests on Post-Petition Periods*.

- If the taxpayer is not in compliance, advise them to file the required returns.
 - b. Send Letter 2272C, *Installment Agreement Cannot be Considered/Extension of time to pay Cannot be Considered* (or other appropriate letter), informing the taxpayer we need additional information to process their request to make monthly payments. Advise them what actions are needed for us to consider their IA proposal (see above) and enclose the following, as applicable:
File any required return(s).
Form 433-A, *Collection Information Statement for Wage Earners and Self-Employed Individuals*.
Form 433-B, *Collection Information Statement for Businesses*.
Form 433-D, *Installment Agreement*.
Form 433-F, *Collection/Information Statement*.
Form 9465, *Installment Agreement Request*.
Form 2159, *Payroll Deduction Agreement*.

EXCEPTION: If the balance **is less than** deferral levels per IRM 5.19.1.1.6(2), *Case Processing Authority Levels*, then follow instructions in IRM 5.19.1.5.4.1(2), *Determining Appropriate IA*.

- c. In addition, advise the taxpayer we will stop further balance due notices and levies for 30 days from the date of the letter to allow them to resubmit a processable IA request. However, if we do not receive one timely, they may receive additional balance due notices or be subject to enforced collection.
 - d. **Do not** include the paragraphs regarding rejection and appeal rights.
 - e. **Do not** input a TC 971 AC 043 on the modules or open a control base.
 - f. Instruct the taxpayer to submit a new request for an IA when they file required return(s) and/or submit required information.

If ...	Then ...
Notice Status Accounts,	<ul style="list-style-type: none"> Input CC STAUP 2209 unless the request is solely to delay collection.
ACS Accounts	<ul style="list-style-type: none"> Assign ACS: "TOC0,45,RESUBIA" ACSS: "TOS0,45,RESUBIA".

NOTE: For requests received on Form 9465, *Installment Agreement Request*, (revision 12-2012 or later) (or Form 9465-FS, *Installment Agreement*) to make payments on balance due accounts \$25,000 or less, without a specific monthly payment offer, and have no missing returns, see IRM 5.19.1.5.4.1(2), *Determining Appropriate IA*.

CAUTION: For requests solely to delay collection, follow instructions in IRM 5.19.1.5.4.9(3) & (4), *IA Rejection Criteria*.

IRM 5.19.1.5.4.9 IA Rejection Criteria, updated paragraph (2).

2. The decision to uphold a rejection must be supported by one or more of the following factors:
 - The calculation of the financial statement per complete input of the AMS financial screens shows the taxpayer has the ability to full pay the balance.
 - The calculation of the financial statement per complete input of the AMS financial screens shows the taxpayer has the ability to pay more than they propose and the taxpayer refuses to pay the increased amount, unless the six (6) year rule or one year rule is met and additional expenses are accepted. For further information, see IRM 5.19.13.1.2.7, *Conditional Expenses*, IRM 5.19.13.1.5, *Full Payment in Six (6) Years (6 Year Rule)*, or IRM 5.19.13.1.6, *Eliminating Excessive Expenses Within One Year*.
 - The calculation using CC ICOMP, Decision IA (or IAT Compliance Suite Payment Calculator), or the financial statement supports the proposed rejection.
 - The taxpayer met pending IA criteria but failed to make their VLSP as promised. See IRM 5.19.1.5.4, *IAs*, IRM 5.19.1.5.4.24, *VLSP*, or IRM 5.19.1.5.4.25, *SIA's Over \$25,000*.

EXCEPTION: If the taxpayer has extraordinary circumstances, that may affect the decision to reject the request. Refer the request to your manager for a decision allowing or denying the request.

- Taxpayer failed to provide complete financial information when requested and the IA proposal does not meet SIA criteria.

- Taxpayer provided financial information, but failed to provide requested substantiation and the IA proposal does not meet SIA criteria.
- Taxpayer does not make ES payments as required.
- Taxpayer does not make FTD payments as required.

EXCEPTION: Taxpayers identified as pyramiding taxpayers may not immediately be granted installment agreements. See IRM 5.7.8.3, *Pyramiding Taxpayers*.

- Taxpayer does not meet or is not willing to meet conditions of IA.

EXAMPLE: Taxpayer owes more than \$25,000, but is unwilling or unable to enter into either a DDIA or PDIA to meet SIA over \$25,000 criteria, and fails to provide requested financial information.

**IRM 5.19.1.5.4.10 Rejected IA Independent Review, updated paragraph (5).
Inserted new paragraph (8).**

5. The case is reviewed by the Independent Reviewer and returned to the originating employee within five days. The decision to uphold a rejection must be supported by one or more of the following factors:
 - The calculation of the financial statement per complete input of the AMS financial screens shows the taxpayer has the ability to full pay the balance.
 - The calculation of the financial statement per complete input of the AMS financial screens shows the taxpayer has the ability to pay more than they propose and the taxpayer refuses to pay the increased amount, unless the six (6) year rule or one year rule is met and additional expenses are accepted. For further information, see IRM 5.19.13.1.2.7, *Conditional Expenses*, IRM 5.19.13.1.5, *Full Payment in Six (6) Years (6 Year Rule)*, or IRM 5.19.13.1.6, *Eliminating Excessive Expenses Within One Year*.
 - The calculation using CC ICOMP, Decision IA (or IAT Compliance Suite Payment Calculator), or the financial statement supports the proposed rejection.
 - The taxpayer met pending IA criteria but failed to make their VLSP as promised. See IRM 5.19.1.5.4, *IAs*, IRM 5.19.1.5.4.24, *VLSP*, or IRM 5.19.1.5.4.25, *SIA's Over \$25,000*.

EXCEPTION: If the taxpayer has extraordinary circumstances, that may affect the decision to reject the request. Refer the request to your manager for a decision allowing or denying the request.

- Taxpayer failed to provide complete financial information when requested and the IA proposal does not meet SIA criteria.

- Taxpayer provided financial information, but failed to provide requested substantiation and the IA proposal does not meet SIA criteria.
- Taxpayer does not make ES payments as required.
- Taxpayer does not make FTD payments as required.

EXCEPTION: Taxpayers identified as pyramiding taxpayers may not immediately be granted installment agreements. See IRM 5.7.8.3, *Pyramiding Taxpayers*.

- Taxpayer does not meet or is not willing to meet conditions of IA.

EXAMPLE: Taxpayer owes more than \$25,000, but is unwilling or unable to enter into either a DDIA or PDIA to meet SIA over \$25,000 criteria, and fails to provide requested financial information.

6. If the rejection is sustained, the reviewer does the following:
 - a. Complete Section II on Form 12233, *Request for Installment Agreement - Independent Review Prior to Rejection*, signifying concurrence with the rejection.
 - b. Provide a brief comment in Section IV on Form 12233, *Request for Installment Agreement - Independent Review Prior to Rejection*.
 - c. Return the case to the employee for immediate action.
 - d. Enter comments on AMS stating the reasons for concurrence.

If ...	Then ...
Rejecting an IA request for a ST 22 account,	Input history code "OADT,05,OK2REJ" on ACS.
Rejecting an IA request for a non-ACS account,	<ul style="list-style-type: none"> ▪ Update the activity on the open control on IDRS to "OK2REJ"; ▪ Change the status of the open control to Monitored (M).

7. If the rejection is not sustained:
 - a. Complete Section II on Form 12233, *Request for Installment Agreement - Independent Review Prior to Rejection*, ensuring to indicate why the rejection is not agreed
 - b. Enter comments on AMS stating the reasons why the rejection is not appropriate:

If ...	Then ...
If reviewing an IA request for a ST 22 account,	Input history code "OADT,05,NOREJ" on ACS.
If reviewing an IA request for a non-ACS account,	Update the activity on the open control on IDRS to "NOREJ".

- c. Return the case to the employee's manager for immediate action.
 - d. If the originating employee does not agree with the reviewer's opinion, resubmit the rejection proposal to the reviewer with additional comments for a second review.
 - e. If no resolution can be reached, the case is elevated to the second management level in the Operation submitting the IA rejection for a decision.
8. It is **not** appropriate for an Independent Reviewer to contact the taxpayer directly.

IRM 5.19.1.5.4.12.1 Front End Mirror Assessments Process for IA and CNC Closures, inserted new Note under paragraph (1).

1. After a jointly filed balance due tax return is processed, and a MFT 30 account is on IDRS, both taxpayers are responsible for the liability. If one of the taxpayers requests separate treatment from their spouse and meet the criteria for having their own IA and/or CNC, inform the taxpayer of this option and the benefits. Advise the taxpayer that once the account is "mirrored" for specified period(s) it will not be reversed. If the action is agreed upon, the IRS will start the "mirroring" process on the primary taxpayer's account. The MFT 30 account is "mirrored" into a MFT 31 account for each spouse.

NOTE: Document in AMS the taxpayer was advised of the mirroring option (and that it cannot be reversed). If speaking with the taxpayer, document the response.

NOTE: The "mirror" assessment process is not to be confused with the MMIA or split assessments.

NOTE: For IA accounts that do not meet "mirroring" criteria, see IRM 5.19.1.5.4.19, *MMIAs*.

See IRM 5.19.1.5.4.12.1.1, *Back End Mirror Assessments Process for IA Closures*, for back-end "mirroring" procedures for IAs.

See IRM 5.19.17.1.1.7.1, *Back End Mirror Assessments Process for CNC Closures*, for back-end "mirroring" procedures for CNCs.

IRM 5.19.1.5.4.17 IA Terms and Conditions, updated paragraph (5) and deleted Exception.

5. If the account is ST 22, you are granting and/or establishing an IA, and input of the IA is delayed, update ACS with all pertinent information. Update comments to reflect the IA terms and input History Code "TOR5,30,IAPND". Also, input TC 971 AC 043 on all related modules.