



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

February 12, 2021

Control No. AP-08-0221-0005  
Expiration Date: 02/21/2022  
Affected IRMs: 8.4.1, 8.4.2, 8.20.6

MEMORANDUM FOR APPEALS EMPLOYEES

FROM: Steven M. Martin /s/ *Steven M. Martin*  
Director, Case and Operations Support

SUBJECT: Reissuance of Docketed EZ Close Expansion II

This memorandum reissues Interim Guidance (IG) AP-08-0219-0001, Docketed EZ Close Expansion II, expanding EZ Close to all Appeals employees in both Field and Campus locations. The use of this streamlined approach is mandatory and must be used in closing all Appeals-settled docketed cases for which the Appeals office mails decision documents to the petitioner or counsel of record. The petitioner or counsel of record then returns the signed decision documents directly to respondent's counsel instead of Appeals. Upon the Tax Court's entry of the decision, Office of Chief Counsel personnel will upload the required closing documents directly to the Appeals Centralized Database System (ACDS) instead of mailing them. Please ensure that this information is distributed to all affected employees within your organization.

**Purpose:** This memorandum provides guidance to Appeals and the Office of Chief Counsel regarding the expansion of the EZ Close process to all docketed cases that are settled by Field and Campus Appeals offices, and for which Appeals mails the decision documents to the petitioner or the counsel of record.

**Background/Source(s) of Authority:** The Independent Office of Appeals, in partnership with the Office of Chief Counsel, developed the EZ Close process to streamline closing Appeals-settled docketed cases, both "S" and Regular, by transmitting electronic documents instead of case files for qualifying cases. Appeals tested this process in the Ogden Campus Appeals office and determined it delivered resource savings. This guidance expands EZ Close to increase resource savings. The attachments provide step-by-step EZ Close procedures.

**Procedural Change:** On all Appeals-settled docketed cases where the Appeals office mails decision documents to the petitioner or counsel of record, all Appeals offices will now send Letter 5534, Decision Transmittal, to transmit those decision

documents. This letter provides instructions to forward signed decision documents directly to the Office of Chief Counsel.

Appeals' Account and Processing Support (APS) group will retain the administrative file in suspense (ACDS Action Code STIPFF) pending entry of the Tax Court decision. After the Tax Court enters its decision and when the case is ready to close, Office of Chief Counsel personnel will convert the necessary closing documents into an electronic file, upload the file to ACDS, and add a tracking indicator to the Tax Litigation Counsel Automated Tracking System (TLCATS).

All post-decision processing by Appeals will be done using the documents in the electronic file. The process is illustrated in the Docketed EZ Close Chart (Attachment 1) and Step-by-Step Instructions (Attachment 2).

### **Affected Case Requirements:**

EZ Close will be the mandatory closing process in Appeals for cases that meet each of the following criteria:

- a. the case is docketed before the U.S. Tax Court;
- b. the case is assigned on ACDS to an Appeals office, and is assigned on TLCATS to a Counsel office;
- c. Appeals reaches a settlement with the petitioner or counsel of record to resolve the case; and
- d. the Appeals office mails decision documents to the petitioner or counsel of record to memorialize the settlement reached.

If a case does not meet all of these criteria, it cannot be closed via EZ Close.

### **Affected Appeals Employees:**

- APS Employees
- APS Processing Team Managers (PTM)
- Appeals Technical Employees (ATE)
- Appeals Team Managers (ATM)
- Case Processors

**Effect on Other Documents:** This guidance supersedes IG AP-08-0219-0001, Docketed EZ Close Expansion II, dated February 21, 2019. Appeals will incorporate this guidance into the following IRMs by the expiration date of this memorandum:

- IRM 8.4.1, Appeals Docketed Cases, Procedures for Processing and Settling Docketed Cases
- IRM 8.4.2, Appeals Docketed Cases, Campus Appeals Docketed Cases
- IRM 8.20.6, Account and Processing Support (APS), Interim Actions

**Effective Date:** This guidance is effective as of the date of this memorandum.

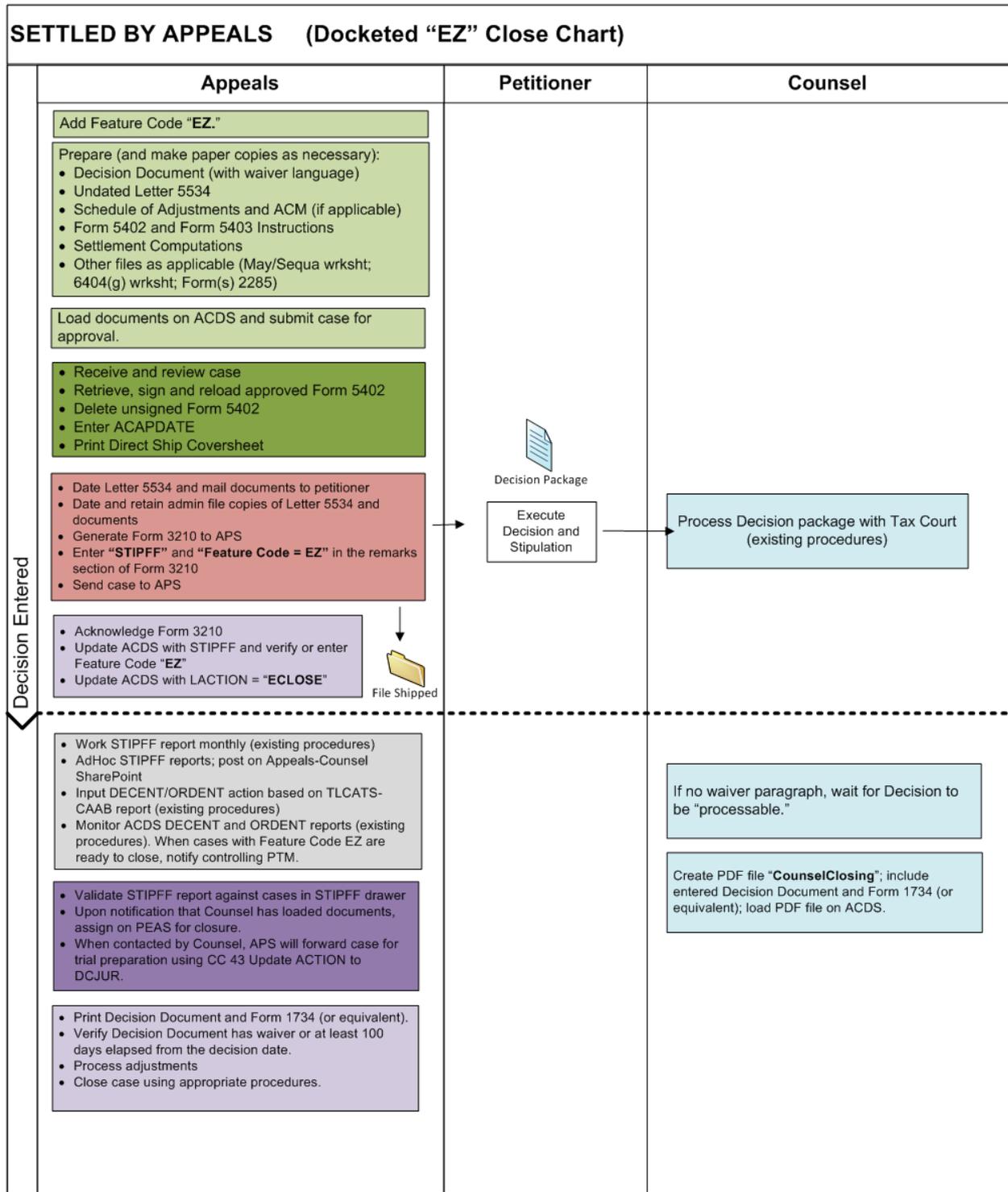
**Contact:** Appeals employees should follow existing procedures to elevate questions through their management chain and follow established procedures on [How to Contact an Analyst](#).

Attachment(s):

- (1) Docketed "EZ" Close Chart
- (2) Step-by-Step Instructions

cc: [www.irs.gov](http://www.irs.gov)

Docketed "EZ" Close Chart (Attachment 1)



- Appeals Technical Employee
- Appeals Team Manager (ATM)
- Case Processor
- Tax Examiner
- Processing Team Manager (PTM)
- Reports Section

Office of Chief Counsel

Rev. 2018 0619

## Step-by-Step Instructions:

### 1. Appeals Technical Employee (ATE)

Step	Action										
1.	Add Feature Code "EZ".										
2.	Prepare settlement documents.										
3.	<p>Include a sufficient number of copies of the settlement documents in the administrative file.</p> <table border="1"> <thead> <tr> <th>Document</th> <th>Number of Copies</th> </tr> </thead> <tbody> <tr> <td><b>Undated Letter 5534, Decision Transmittal</b></td> <td> <ul style="list-style-type: none"> <li>• One copy to each signatory (petitioner, if <i>pro se</i>, or counsel of record, if applicable)</li> <li>• One copy to attach to Letter 937 to the Power of Attorney (POA), if any</li> <li>• Copies of all letters for the administrative file</li> </ul> </td> </tr> <tr> <td><b>Undated Letter 937, Transmittal for Power of Attorney, if needed</b></td> <td> <p>For each POA:</p> <ul style="list-style-type: none"> <li>• One copy to use as a cover letter to transmit a copy of the Letter 5534, decision document, and settlement computation, if any</li> <li>• One copy to retain in the administrative file</li> </ul> </td> </tr> <tr> <td><b>Decision document</b> – include the waiver paragraph</td> <td> <ul style="list-style-type: none"> <li>• Three copies to include with each Letter 5534 to a signatory               <ul style="list-style-type: none"> <li>○ Two to return signed to Area Counsel</li> <li>○ One to retain for their records</li> </ul> </li> <li>• One copy to include with each Letter 937 to a POA, if applicable</li> <li>• One copy for the administrative file</li> </ul> </td> </tr> <tr> <td><b>Settlement Computation</b></td> <td> <ul style="list-style-type: none"> <li>• One copy for each signatory to retain</li> <li>• One copy for each POA, if applicable</li> <li>• One copy for the administrative file</li> </ul> </td> </tr> </tbody> </table> <p><b>Reminder:</b> Follow existing guidelines for married petitioners living at separate addresses.</p>	Document	Number of Copies	<b>Undated Letter 5534, Decision Transmittal</b>	<ul style="list-style-type: none"> <li>• One copy to each signatory (petitioner, if <i>pro se</i>, or counsel of record, if applicable)</li> <li>• One copy to attach to Letter 937 to the Power of Attorney (POA), if any</li> <li>• Copies of all letters for the administrative file</li> </ul>	<b>Undated Letter 937, Transmittal for Power of Attorney, if needed</b>	<p>For each POA:</p> <ul style="list-style-type: none"> <li>• One copy to use as a cover letter to transmit a copy of the Letter 5534, decision document, and settlement computation, if any</li> <li>• One copy to retain in the administrative file</li> </ul>	<b>Decision document</b> – include the waiver paragraph	<ul style="list-style-type: none"> <li>• Three copies to include with each Letter 5534 to a signatory               <ul style="list-style-type: none"> <li>○ Two to return signed to Area Counsel</li> <li>○ One to retain for their records</li> </ul> </li> <li>• One copy to include with each Letter 937 to a POA, if applicable</li> <li>• One copy for the administrative file</li> </ul>	<b>Settlement Computation</b>	<ul style="list-style-type: none"> <li>• One copy for each signatory to retain</li> <li>• One copy for each POA, if applicable</li> <li>• One copy for the administrative file</li> </ul>
Document	Number of Copies										
<b>Undated Letter 5534, Decision Transmittal</b>	<ul style="list-style-type: none"> <li>• One copy to each signatory (petitioner, if <i>pro se</i>, or counsel of record, if applicable)</li> <li>• One copy to attach to Letter 937 to the Power of Attorney (POA), if any</li> <li>• Copies of all letters for the administrative file</li> </ul>										
<b>Undated Letter 937, Transmittal for Power of Attorney, if needed</b>	<p>For each POA:</p> <ul style="list-style-type: none"> <li>• One copy to use as a cover letter to transmit a copy of the Letter 5534, decision document, and settlement computation, if any</li> <li>• One copy to retain in the administrative file</li> </ul>										
<b>Decision document</b> – include the waiver paragraph	<ul style="list-style-type: none"> <li>• Three copies to include with each Letter 5534 to a signatory               <ul style="list-style-type: none"> <li>○ Two to return signed to Area Counsel</li> <li>○ One to retain for their records</li> </ul> </li> <li>• One copy to include with each Letter 937 to a POA, if applicable</li> <li>• One copy for the administrative file</li> </ul>										
<b>Settlement Computation</b>	<ul style="list-style-type: none"> <li>• One copy for each signatory to retain</li> <li>• One copy for each POA, if applicable</li> <li>• One copy for the administrative file</li> </ul>										
4.	Prepare appropriately sized envelopes to mail the letters and attachments.										

Step	Action
5.	Upload each settlement package document to ACDS as a case file attachment: <ul style="list-style-type: none"> <li>• Form 5402, signed by ATE</li> <li>• Form 5403 Instructions</li> <li>• Schedule of Adjustments and ACM (if prepared)</li> <li>• Settlement Computation</li> <li>• Decision Document (with waiver language) (Word format)</li> <li>• Other files (as applicable) <ul style="list-style-type: none"> <li>○ May/Sequa Worksheet</li> <li>○ 6404(g) Worksheet</li> <li>○ Form 2285</li> </ul> </li> </ul>
6.	Submit case to ATM for approval.

## 2. Appeals Team Manager (ATM)

Step	Action
1.	Receive and review the case.
2.	Retrieve, sign and reload the approved Form 5402.
3.	Delete the unsigned Form 5402.
4.	Enter ACAPDATE.
5.	Print Direct Ship Coversheet and attach it to the front of the case file.

## 3. Case Processor

Note: If an Appeals office does not have a case processor, the ATM and ATE will work collaboratively to ensure that all Case Processor duties described in the chart below are completed promptly. The ATM will have final authority to delegate any required tasks in the chart below to the ATE.

Step	Action
1.	Date and mail the Letters 5534 (and Letter 937, if any), decision documents, and attachments using the envelopes provided by the ATE.
2.	Date and retain the administrative file copies of Letters 5534 (and Letter 937, if any), decision documents, and attachments.
3.	Generate Form 3210 for transmission of the case file to APS.
4.	Enter "STIPFF" and "Feature Code = EZ" in the Remarks section of the Form 3210.
5.	Send the case file to APS for STIPFF suspense, until the decision is entered.

#### 4. Account and Processing Support (APS)

Step	Action
1.	Receive case and acknowledge Form 3210.
2.	Update ACDS with "STIPFF" action and verify that the ATE entered Feature Code "EZ".  <b>Note:</b> If the Feature Code "EZ" is not already entered, update the Feature Code to "EZ" using the validation tracking system (VTS) and identify the update as an Error Correction.
3.	Update ACDS with LACTION = "ECLOSE".

#### 5. Chief Counsel (CC)

Step	Action
1.	Use the STIPFF report on the SharePoint site to identify cases where Appeals sent decision documents to the petitioner/counsel of record.
2.	Follow-up with the petitioner/counsel of record as needed to secure signed decision documents.
3.	Receive the signed decision documents from the petitioner and send them to the Tax Court for entry.
4.	Create PDF file containing: (i) entered Decision Document, and (ii) Form 1734 (or equivalent). Name PDF file "CounselClosing". Upload CounselClosing PDF file to ACDS to "Green Light" closing.  <b>Note:</b> If the decision document does not include the waiver paragraph, do not upload the documents to ACDS until the decision is legally processable. See <a href="#">CCDM 35.9.3.3</a> , <i>Closing Tax Court Cases – Ready Reference</i> .
5.	Update TLCATS with "ACD", indicating documents are loaded to ACDS.
	<b>Note:</b> Counsel may determine at any time that the case is no longer classified as EZ close and will request the administrative file from APS via the APS Support Request Intake Site.

#### 6. APS Reports Team

Step	Action
1.	Work STIPFF report monthly using existing procedures. <ul style="list-style-type: none"> <li>If a case is overage, contact Counsel to advise that if they want the administrative file for Trial Preparation, they should send their request to the APS Support Request Intake Site.</li> </ul>
2.	Generate AdHoc BOE STIPFF Report and upload to the Appeals-Counsel SharePoint.
3.	Receive the TLCATS-CAAB report (a list of entered decisions) from Counsel weekly and input DECENT/ORDENT action.
4.	Monitor ACDS DECENT/ORDENT reports (worked according to existing procedures).

Step	Action
5.	Work DECENT/ORDENT reports monthly to identify cases with Feature Code "EZ" that are ready for closure. Notify controlling APS Processing Team Manager (PTM) that the closing information is uploaded to ACDS and the case should be pulled and assigned on PEAS for final closure.

### 7. APS Processing Team Manager (PTM)

Step	Action
1.	Work STIPFF Report monthly to validate against cases in the STIPFF drawer. <ul style="list-style-type: none"> <li>If notified to send the administrative file to Counsel for trial preparation, go to Steps 9 and 10, below.</li> </ul>
2.	Upon notification that case is ready for closure, and after Counsel uploads the entered Decision Document and Form 1734 (or equivalent) to ACDS, pull the case from STIPFF drawer. <p><b>Note:</b> Counsel will not upload entered decisions without a waiver paragraph until the 100th day after the Decision Entered Date. The decision document can be viewed by accessing the United States Tax Court's website and searching for the Docket Number.</p>
3.	Assign on PEAS for closure.

### 8. APS Tax Examiner (TE)

Step	Action
1.	Print entered decision document and Form 1734 (or equivalent) from ACDS.
2.	Verify that the entered decision includes the waiver paragraph. If not, verify that at least 100 days have elapsed from the decision entered date.
3.	Process account adjustments in accordance with the entered decision.
4.	Close the case using appropriate closing procedures. See <a href="#">IRM 8.20.7.24, Docketed Cases</a> .

## Case Status Changes from Appeals Settled to Trial Preparation

### 9. APS Processing Team Manager (PTM)

Step	Action
1.	If contacted by Counsel and requested to send the docketed administrative file and any related reference WUNOs for trial preparation, then pull the case from the STIPFF drawer.
2.	Assign on PEAS to a tax examiner as INT DCJUR.

**10. APS Tax Examiner (TE)**

<b>Step</b>	<b>Action</b>
<b>1.</b>	When assigned a docketed "EZ" case for trial preparation
<b>2.</b>	Using the Closing Code 43 update screen, update case to part 3, DCJUR <ul style="list-style-type: none"><li>• Update related reference WUNOs to DCOTHER</li><li>• Leave Feature Code "EZ" on ACDS</li></ul>
<b>3.</b>	Transmit the case to Counsel following normal DCJUR procedures. <ul style="list-style-type: none"><li>• Notate on Form 3210, "Docketed EZ Case Requested by Counsel for Trial Preparation".</li></ul>

Note: Counsel will return the case to Appeals for final closure after settlement following normal closing procedures.