



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

February 12, 2021

Control No. AP-08-0221-0006
Expiration Date: 2/12/2023
Affected IRM: 8.17.2

MEMORANDUM FOR APPEALS EMPLOYEES

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

SUBJECT: Uploading all Final Tax Computations on ACDS is
Mandatory for all Cases

This memorandum issues interim guidance during the COVID-19 emergency on electronic storage of Form 5278, Statement - Income Tax Changes, and related tax computational exhibits, schedules and letters for **all** cases. This interim guidance makes it mandatory for all Appeals Technical Employees (ATEs), Tax Computation Specialists and Tax Specialists who prepare final tax computations, to upload Form 5278 and all related documents prepared by these employees into the Appeals Centralized Database System (ACDS).

Please ensure that this information is distributed to all affected employees within your organization.

Purpose: This guidance advances paperless processing and:

- Makes ACDS the official repository for Appeals and ensures all final tax computations and related documents are maintained for the required retention period.
- Allows electronic storage on ACDS for all cases of all final Forms 5278 and related schedules, forms, exhibits and letters prepared by ATEs, Tax Computation Specialists and Tax Specialists.

Source of Authority: The following supports electronic storage of Form 5278 and all related tax computational schedules, forms, exhibits and letters prepared by ATEs, Tax Computation Specialists and Tax Specialists:

- IRM 8.6.4.10, Electronic Signature Use on Appeals Letters and Documents.
- IRM 8.20.6.3.6, ACDS Attachments.
- IRM 8.20.7.2.4.1, Electronically Stored Documents in the Appeals Centralized Database System (ACDS).

Procedural Change:

IRM 8.17.2.13

Electronic Storage Procedures for Form 5278 and Final Tax Computations

- (1) Appeals Technical Employees (ATEs), Tax Computation Specialists and Tax Specialists who prepare final tax computations, will upload Form 5278 and all related schedules, forms, exhibits, letters, penalty and interest computations prepared by these employees into the Appeals Centralized Database System (ACDS) for all cases.
- (2) ATEs, Tax Computation Specialists and Tax Specialists who work cases in other systems, for example, Report Generation Software (RGS) and Issue Management System (IMS), will also upload their final tax computations in ACDS.
- (3) If the completed Form 5278 or required schedule, form, exhibit, or tax computational letter is a revision or correction of prior work, then all prior versions must be deleted from ACDS, and the final revision or correction uploaded to ACDS.

Effective/Implementation Date: This interim guidance becomes effective for cases closed on or after February 26, 2021. Prior to the expiration of this interim guidance, a determination will be made whether to incorporate the guidance into the affected IRM.

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

cc: www.irs.gov