



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE

May 21, 2020

Control No: AP-08-0520-0007
Expiration Date: 5/24/2021
Affected IRM: 8.7.6

MEMORANDUM FOR APPEALS EMPLOYEES

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

SUBJECT: Reissuance of Interim Guidance on Issuing Closing Letters on Collection Due Process and Equivalent Hearing Cases with an Open Bankruptcy Petition

This memorandum reissues interim guidance AP-08-0518-0010, Issuing Closing Letters on Collection Due Process and Equivalent Hearing Cases with an Open Bankruptcy Petition, dated May 24, 2018, providing guidance on working Collection Due Process and Equivalent Hearing (CDP/EH) cases with an open bankruptcy petition. Please ensure that this information is distributed to all affected Appeals employees.

Purpose: The purpose of this interim guidance is to discontinue the process of issuing closing letters for CDP/EH cases when the bankruptcy automatic stay is in effect.

Background/Source(s) of Authority: Current Appeals guidance on this subject is outdated and the associated procedures shall be removed from Internal Revenue Manuals.

Procedural Change: Appeals will no longer attempt to resolve CDP/EH cases when the bankruptcy automatic stay is in effect. Procedures found in IRM 8.7.6.2.6 *Concluding the CDP/EH Process Before the Automatic Stay Has Lifted*, will be removed and Appeals Technical Employees (ATE) will instead place these cases in suspense and follow procedures in 8.7.6.2.2 *Suspending the CDP Proceeding*. All associated forms, letters and checklists will be deactivated and made obsolete.

Affected IRM: IRM 8.7.6; the guidance has already been incorporated into IRMs 8.20.6, 8.20.7, 8.22.4 and 8.22.9.

Effective Date/Effect on Other Documents: This guidance is effective as of the date of this memorandum and supersedes AP-08-0518-0010, Issuing Closing Letters on Collection Due Process and Equivalent Hearing Cases with an Open Bankruptcy

Petition. Appeals will incorporate this guidance into the affected IRM by the expiration date of this memorandum.

Contact: If you have any questions, please follow established procedures on [How to Contact an Analyst](#).

Attachment: Affected Changes

Distribution:
www.irs.gov

8.7.6.2.6

Concluding the CDP/EH Process Before the Automatic Stay Has Lifted

Removing IRM 8.7.6.2.6 in its entirety and removing all references to it throughout IRM 8.7.6.