DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

INDEPENDENT OFFICE
OF APPEALS

November 24, 2025

MEMORANDUM FOR APPEALS TEAM MANAGERS

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

SUBJECT: Systemic case grading in Appeals Case Management System
                (ACMS)

This guidance is issued to update systemic case grading procedures in the IRS Independent Office of Appeals (Appeals) new case management system, ACMS. Please distribute this information to all impacted employees within your organization.

Purpose: This guidance is issued to alert Appeals Team Managers (ATMs) of the functionality of ACMS to systemically grade appeals cases during creation and the necessary associated actions.

Background/Source(s) of Authority: Appeals Centralized Database System (ACDS), Appeals' aging legacy system, is being replaced by ACMS, a more modernized system. Appeals contracted Salesforce to create ACMS, which will provide Appeals with a new level of automation and analytics. These updates will allow for more effective collaboration within Appeals and, in the future, with other IRS business units.

Procedural Change: ACMS has the built-in functionality to systemically grade cases based on differing factors. This enhancement will create efficiencies for ATMs when selecting cases for assignment and when balancing inventories. ATMs must perform a thorough review of each case to ensure the systemically selected grade is correct. Procedural changes pertaining to this guidance are included in the attachment.

Additional Information: Additional information on ACMS can be found on the Appeals Intranet page – Appeals Case Management System (ACMS). This site will contain links for helpful information with ACMS, training documents, etc.

Effect on Other Documents: This guidance may be incorporated into affected IRMs within two years from the date of this memorandum.

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 cc:

www.irs.gov

1.4.28.9 (MM-DD-YYYY)
Guidelines for Determining the Grade Levels of an Appeals Case
New paragraph
(1) The grading of an Appeals case is based on the complexity and difficulty of the case. Appeals Case Management System (ACMS) has the built-in functionality to systemically pre-grade cases based on differing factors. Prior to assignment in ACMS, the manager must always consider the additional factors identified in the case grading matrixes. The manager must always review this grade for accuracy and update the case grade when necessary. See 1.4.28.9.1(6) for the steps to follow if the ATM decides that a systemically assigned grade level should be lowered.

    Note: Some Appeal Numbers (formerly WUNOS) may not be pre-graded.
Renumbered & revised
(2) The manager considers criteria such as the degree of factual complexity and legal complexity of the issues, the impact/sensitivity of the case and the conference/negotiating skills required by the case. For case grading factors based on ATEs' position descriptions, see the following:

- Exhibit 1.4.28-1, Case Grading Factors to Consider for Examination Sourced Cases
- Exhibit 1.4.28-2, Upgrading Examination Sourced Cases - Considerations
- Exhibit 1.4.28-3, Downgrading Examination Sourced Cases - Considerations
- Exhibit 1.4.28-4, Case Grading Matrix for Collection Sourced Cases
- Exhibit 1.4.28-5, Case Grading Matrix for Art Appraisal Services Cases

Renumbered
(3) Appeals has developed specific case grading guidance for penalty appeals and innocent spouse cases. The information is accessible under the **Guidelines** section of Appeals' Manager Resources intranet page.

    Note: These guidelines do not apply to cases assigned to AARS team members.