



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

December 12, 2018

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Expiration Date: 12/12/2020
Affected IRMs: Listed below

MEMORANDUM FOR APPEALS EMPLOYEES

FROM: Anita M. Hill /s/ *Anita M. Hill*
Director, Case and Operations Support

SUBJECT: Docketed EZ Answer Test

This memorandum updates guidance in AP-08-1017-0018, *Docketed EZ Answer Test*, issued on October 20, 2017, for testing a streamlined process of answering small (“S”) docketed cases. Please ensure this information is distributed to all affected employees within your organization.

Purpose: This memorandum serves to provide updated guidance to Appeals and the Office of Chief Counsel in processing and considering cases that are part of the EZ Answer Test.

Background: The Office of Appeals, in partnership with the Office of Chief Counsel, developed an easier, more streamlined approach (EZ answer) to the process of answering S docketed cases, and will continue to test it to determine resource savings.

Counsel can often gather sufficient information about the IRS’s position to file an answer in a Tax Court case without the examination administrative file. Counsel, at its discretion, will determine if a test case can be answered without the administrative file. If so, Appeals will not send the administrative file to Counsel prior to Counsel’s filing the answer. Instead, Counsel will prepare and file the answer with the Tax Court using the petition and other materials Counsel secures. Consequently, Counsel will not have an administrative file to return to Appeals for consideration after the answer is filed. Additionally, Counsel will not transmit a paper or electronic copy of the answer to Appeals, but one will be uploaded to the Appeals Centralized Database System (ACDS) if Counsel raises affirmative issues or concedes issues.

The filing of an EZ answer in an S docketed case transfers jurisdiction of the case from Counsel to Appeals. The attachment provides more information and step-by-step procedures.

Affected Appeals Employees:

- **Account and Processing Support (APS)** employees who handle any process for a test case, e.g., Docket Information Management System (DIMS), carding, receipt, and interim processes; and
- **Examination Appeals** employees who assign or work test cases.

Procedural Change: As described more fully in the attachment to this memorandum, the following procedural changes are being made to the EZ Answer Test:

- Counsel will enter Aspect Code “Merge” on the Tax Litigation Counsel Automated Tracking System (TLCATS) to identify cases where the administrative file is not needed to prepare and file the answer.
- Counsel will upload an electronic copy of the answer into ACDS only when the answer: concedes or raises issues, makes affirmative allegations, or includes other information of which Counsel believes Appeals should be aware.
- APS will check for the presence of the “Merge” Aspect Code to assist them in determining whether an administrative file needs to be shipped to Counsel to prepare the answer.
- APS will decrease the default time that it waits before shipping an administrative file to Counsel for answer from 30 days to 21 days.
- Appeals Technical Employees will generally not receive a copy of the answer on a case that is part of the EZ Answer Test. However, answers will now be uploaded for cases in which Counsel has raised or conceded issues, made affirmative allegations, or included other information that the assigned attorney believed to be relevant to Appeals.

EZ Answer Test Case Criteria and Counsel Offices:

To be included in the test, a case must meet the test case criteria and be assigned on TLCATS, Counsel’s database system, to a test Counsel office.

| Test Case Criteria: | Test Counsel Offices: |
|---|--|
| <ol style="list-style-type: none">1. S Case (and not a CDP case); and2. Included in the test, at Counsel’s discretion. | <ul style="list-style-type: none">• Atlanta, GA• Honolulu, HI• Jacksonville, FL• Las Vegas, NV• Philadelphia, PA• Portland, OR• Sacramento, CA• San Diego, CA• Seattle, WA• St. Louis, MO• Thousand Oaks, CA |

Additional Counsel offices may be added to the test. Appeals will maintain a list of [EZ Answer Test Participating Offices](#) on the intranet. A link to this list is on the Appeals website on the **Guidance, Policy, Research** page under the heading **Guidance/IRM**.

Effect on Other Documents: This guidance supersedes AP-08-1017-0018, *Docketed EZ Answer Test*. This guidance supersedes existing IRM guidance only for affected employees working test cases during the test period. This guidance will not be incorporated and does not otherwise affect the following IRMs:

- IRM 8.4, *Appeals Docketed Cases*
- IRM 8.20, *Account and Processing Support (APS)*

Effective Date: December 17, 2018

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

Attachment:
EZ Answer Procedures

cc: www.irs.gov

Step-by-Step Instructions by Responsible Function:**1) Test Counsel Offices will:**

| Step | Action |
|-------------|--|
| 1. | Determine whether an EZ answer can be filed. If: <ul style="list-style-type: none"> • Yes - Answer the case without the administrative file, using only the petition and other materials secured by Counsel. • No - Answer the case with the administrative file (or dummyfile), when received, using existing answer procedures. |
| 2. | Add Aspect Code "Merge" to TLCATS to identify cases where the administrative file is not needed. |
| 3. | After filing the EZ answer, do not include a paper copy of the answer in the administrative file, and do not upload an electronic copy of the answer to ACDS. However, an electronic copy of the answer will be uploaded to ACDS in the event that Counsel concedes or raises issues, includes affirmative allegations, or otherwise provides information of which Appeals should be made aware. |

Note: Counsel's detailed procedures are in Counsel's separate guidance.

2) APS DIMS will:

| Step | Action |
|-------------|--|
| 1. | Follow normal procedures to: <ul style="list-style-type: none"> • Establish the docketed case on ACDS from the Docket List • Upload the petition to ACDS as a case file attachment • Monitor case • Perform follow-up actions |
| 2. | Day 41 (from petition served): If the administrative file is not received by Day 41: <ul style="list-style-type: none"> • Research TLCATS (or the Tax Court website) to determine if the case was answered. If: <ul style="list-style-type: none"> ○ Yes - Send dummy file and ACDS database to APS for update and forwarding for assignment and consideration via encrypted email. ○ No - Send dummy file to Counsel for answer following normal dummy file procedures. |
| 3. | Continue normal efforts to obtain the administrative file. |

3) APS will:

| Step | Action |
|------|--|
| 1. | Receive the docketed S case administrative file and perform normal docketed update actions per IRM requirements. |
| 2. | <p>Research TLCATS (or the Tax Court website) to determine the current status and the next action to take.</p> <p>Was the case already Answered and the status shows Appeals Jurisdiction?</p> <ul style="list-style-type: none"> • If yes, immediately forward the case to the ATM for assignment. • If no, research the CPRIS screen to identify if Aspect code "MERGE" is present. If: <ul style="list-style-type: none"> * Yes – Immediately forward the case to the ATM for assignment. * No – Determine if 21 days have elapsed since the petition filed date. If: <ul style="list-style-type: none"> ○ Yes – Forward the case to Counsel following normal answer procedures. ○ No – Hold for 21 days following steps 3 through 5, below. <p>Note: For docketed cases, the REQAPPL (Request Appeal) date is the petition filed date. You can also find the petition filed date on TLCATS and the Tax Court website.</p> |
| 3. | <p>Update ACDS. Enter:</p> <ul style="list-style-type: none"> • LACTION = FILERCV D • TODATE = Today's date <p>Note: This step aids in case research when working follow-up reports. Use the LACTION follow-up report in ACDS.</p> |
| 4. | <p>Place case in PEAS suspense. Enter:</p> <ul style="list-style-type: none"> • PEAS type OTH • Suspense reason S02-Waiting on Counsel Attorney for information/response • Suspense follow-up date equal to the date petition filed plus 21 days <p>Note: To determine the suspense follow-up date, add 21 days to the REQAPPL date (the petition filed date). Or, you can use the number of days calculator in ACDS Utilities to add 21 days to the REQAPPL date.</p> |

| | |
|----|---|
| 5. | <p>Pull the case on the 21-day suspense follow-up date. Recheck TLCATS (or the Tax Court website) to determine if the case was answered. If:</p> <ul style="list-style-type: none"> • Yes - Forward the case for assignment following normal procedures. Remove ACTION FILERCVL. • No - Forward the case to Counsel following normal answer procedures. |
| 6. | <p>Day 41 or later:</p> <ul style="list-style-type: none"> • Receive dummy file from DIMS and the database from the ACDS INBOX. Update ACDS as needed based on information in the dummy file and forward the dummy file for assignment following normal procedures. |

4) Examination Appeals will:

| Step | Action |
|-------------|--|
| 1. | <p>After Counsel files an EZ answer, Examination Appeals will assign the following types of cases for consideration without a copy of the answer in the administrative file:</p> <ul style="list-style-type: none"> • Administrative files received from APS • Dummy files (after day 41) received from APS <p>Note: The filing of an EZ answer in an S docketed case transfers jurisdiction of the case from Counsel to Appeals.</p> |