



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, DC 20224

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Affected IRM(s): 4.31.9

MEMORANDUM FOR ALL LB&I AND SB/SE EMPLOYEES ASSIGNED TO  
SYNDICATED CONSERVATION EASEMENT (SCE) COMPLIANCE INITIATIVE  
PROJECT (CIP) AND CAMPAIGN CASES

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SUBJECT: Deviation from Established Time Frames Described in IRM 4.31.9  
Regarding 2018, 2019, 2020, 2021 and 2022 Syndicated  
Conservation Easement (SCE) Compliance Initiative (CIP) and  
Campaign Cases Audited Under the Centralized Partnership Audit  
Regime of the Bipartisan Budget Act of 2015 (BBA).

This memorandum issues guidance to allow a deviation from established time frames described in IRM 4.31.9.8.4 regarding 2018, 2019, 2020, 2021 and 2022 SCE CIP and campaign cases audited under the Centralized Partnership Audit Regime of the Bipartisan Budget Act of 2015 (BBA). Please ensure this information is distributed to all affected employees within your organization.

**Purpose:** This interim guidance memorandum allows 2018, 2019, 2020, 2021 and 2022 SCE CIP and campaign cases with adjustments (no Appeals) to be closed to Technical Services (TS) with a minimum of 6 months on the statute as a deviation from the 12 months as stated in [IRM 4.31.9.8.4](#).

**Background/Source(s) of Authority:** On November 17, 2022, [Interim Guidance Memo LB&I-04-1122-0024](#) was issued to allow 2018, 2019 and 2020 syndicated conservation easement (SCE) BBA returns to be closed to TS with a minimum of 6 months on the statute as a deviation from the 12 months as stated in IRM 4.31.9.8.4, Centralized Partnership Audit Regime (BBA) Field Examination Procedures. This memorandum supersedes LB&I-04-1122-0024 by extending the deviation already in place for the 2018, 2019 and 2020 tax years as well as applying the same deviation to the 2021 and 2022 tax years. This deviation only applies to SCE CIP and campaign cases audited under the BBA.

**Procedural Change:** See Attachments 1 and 2 for allowed deviation procedures and examples.

**Effect on Other Documents:** This memorandum supersedes interim guidance memorandum [LB&I-04-1122-0024](#). This deviation should not be incorporated into IRM 4.31.9, other BBA documents or other campaigns.

**Contact:** LB&I and SB/SE revenue agents should contact their assigned TS pass-through coordinator. Questions may be sent to the LB&I Policy Office through the [LB&I Policy Gateway](#) and [Create a Request](#).

**Distribution:** irs.gov  
Attachments (2)

**Attachment 1:** Deviation allowed from IRM 4.31.9.8.4(2) procedures

**Attachment Interim Guidance:** LB&I-04-0224-0001

A deviation is allowed for 2018, 2019, 2020, 2021 and 2022 SCE CIP and campaign cases with adjustments (no Appeals) audited under the BBA. The time remaining on the statute when received by TS is 6 months instead of 12 months for these types of cases only.

**4.31.9.8.4  
(10-29-2021)**

**Statute of Limitations (SOL) on Making Adjustments**

(2) Under the centralized partnership audit regime, the statute is controlled at the partnership level. Ensure that cases transferred from the team/group to Technical Services will be received with the following periods of time remaining on the statute; otherwise, the examiner must follow IRM 4.31.9.11.5, BBA Imminent Statute Procedures:

<b>Types of Cases</b>	<b>Time Remaining on Statute When Received by Technical Services</b>
No-change (no adjustment)	6 months
With adjustments (no Appeals)	<b>6 months</b>
With adjustments (to Appeals)	18 months

## **Attachment 2: 2021 SCE case with adjustments (no Appeals) used as an example**

**Attachment Interim Guidance:** LB&I-04-0224-0001

### **Procedures in IRM 4.31.9.8.4 as published:**

With respect to a timely filed 2021 SCE partnership return subject to the BBA (absent any extensions or special rules):

- 03/17/2025 is the earliest 6235(a)(1) expiration date. Therefore,
- 03/18/2024 is the date TS needs to receive the closed case from field examination.

Note: 03/17/2025 is the IRC 6235(a)(1) expiration date for a timely filed 2021 SCE partnership return because 03/15/2025 falls on a Saturday. Also, 03/17/2024 (one year from 03/17/2025) falls on a Sunday therefore, the next business day is 03/18/2024.

### **Allowed deviation for closing 2021 SCE/BBA imminent statute cases to TS:**

For explanation purposes, time frames are based on a timely filed 2021 partnership return with the earliest IRC 6235(a)(1) expiration date of 03/17/2025.

The SCE BBA case must have six (6) months or more remaining on the 6235(a)(1) date when it is received by TS. The case must be in TS status 27, assigned to a TS passthrough coordinator (TSPC) by 09/17/2024 (six (6) months remaining on the 6235(a)(1) date). The case cannot be in the mail or in-transit status 21 after that date.

If the SCE BBA case has less than six (6) months remaining on the 6235(a)(1) date, imminent statute procedures are applicable, including the requirement that case controls will remain in the assigned revenue agent's group, until TS authorizes the transfer. The assigned revenue agent will work closely with TS to finalize the NOPPA package.