



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

October 8, 2026

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Expiration Date: 10-08-2028
Affected IRM: 4.31.13

MEMORANDUM FOR: LB&I BBA OPERATIONS EMPLOYEES

FROM: Ronald H. Hodge II /s/ *Ronald H. Hodge II*
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SUBJECT: Interim Guidance for Mandatory Area Counsel Reviews

Purpose: This memorandum issues guidance for mandatory Area Counsel reviews prior to the issuance of a Final Partnership Adjustment (FPA) until IRM 4.31.13, Centralized Partnership Audit Regime (BBA) Post Field Examination Procedures, is published. Please ensure that this information is distributed to all affected employees within your organization.

Background/Source(s) of Authority: BBA Operations employees are required to contact Area Counsel for review of FPAs before issuance. IRM 4.31.13.10.2.4, Counsel Review, provides criteria for cases containing certain issues that require mandatory FPA review by Area Counsel. Cases not meeting these criteria should no longer be forwarded to Area Counsel for review.

Procedural Change: The procedural change can be found in Attachment 1.

Effect on Other Documents: This guidance will be incorporated into IRM 4.31.13, Centralized Partnership Audit Regime (BBA) Post Field Examination Procedures, within two years from the date of this memorandum.

Contact: Employees should ask their management chain for guidance on issues not specifically addressed in this memo. Questions may be directed to the LB&I Policy Office through the LB&I Policy Gateway and Create a Request.

Distribution: www.irs.gov

Attachment

Interim Guidance Attachment 1: LB&I-04-1026-0008

The following changes are hereby effective October 8, 2026, for IRM 4.31.13.10.2.4.

4.31.13.10.2.4 (10-08-2026) Counsel Review

(1) Notice of Final Partnership Adjustment (FPA) packages, as described in IRM 4.31.13.10, are not subject to mandatory review by Counsel unless a modification request has been submitted or the case meets another requirement listed in IRM 4.8.9.10.2.1, Mandatory Area Counsel Review.

(2) If the case is not subject to mandatory Counsel Review as described above, the revenue agent must send the FPA review package to the senior revenue agent (SRA) for approval. If the SRA provides corrections, the revenue agent must:

- 1) Review the corrections and revise the FPA package as directed, if in agreement.
- 2) If the revenue agent disagrees with the corrections, the revenue agent must discuss the issue with the SRA.
- 3) If the revenue agent and SRA do not agree, elevate the issue to the team manager.

(3) If the case is subject to mandatory review by Counsel, the revenue agent must send the review package to Counsel before the earlier of the following:

- 30 days after the case is assigned for FPA preparation,
- 30 days after no response is received to the modification determination (but no sooner than 30 days before the IRC 6225(c)(7) date), or
- No later than 90 days before the FPA deadline.

(4) Upon Counsel approval of the FPA, the revenue agent will continue with FPA issuance steps outlined in IRM 4.31.13.10.2.5, Other FPA Procedures.