



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

Small Business/Self-Employed Division

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Impacted: IRM 5.8.2; 5.8.3; 5.8.4;
5.8.7; and 5.8.8

MEMORANDUM FOR DIRECTOR, SPECIALTY
COLLECTION OFFER IN COMPROMISE

FROM: Kristen E. Bailey
Director, Collection Policy

Kristen E. Bailey

Digitally signed by Kristen E. Bailey
DN: c=US, o=U.S. Government, ou=Department
of the Treasury, ou=Internal Revenue Service,
ou=People, serialNumber=368089, cn=Kristen
E. Bailey
Date: 2018.01.05 12:51:42 -0500

SUBJECT: Interim Guidance Memorandum –Actions for Offer in Compromise
Accounts Requiring Mirroring; or the Input of Manual Closing Codes

Programming changes to the AOIC main screen were implemented on December 16, 2017. When a case is closed on AOIC, AOIC requires a yes or no answer regarding the need for mirroring or the need for manual code reversal by requiring responses to: (1) MFT30 to 31 Required; (2) MFT35 to 65 Required; and (3) Manual TC Input Required. The results will appear on the AOIC Summary Screen. This is a stop-gap change until programming can continue to automate the MFT 31 split process. Certain actions are required when the need for mirroring or manual closing codes are identified; and again, at the point of closure. This Interim Guidance (IG) supplements the procedures found in **Internal Revenue Manual (IRM) 5.8.2; 5.8.3; 5.8.4; 5.8.7; and 5.8.8** and will be incorporated into the next revisions of those sections.

Mirroring

Mirroring is required at case closure if the offer processing resulted in differing Collection Statute Expiration Dates (CSEDs) for spouses in a joint assessment (MFT 30 or 35). This could be caused by one spouse submitting an offer separately; one spouse appealing an offer rejection; or submission of separate offers by the spouses with different waiver dates for joint period(s). [IRM 5.19.7.2.14](#), Separate OICs on Joint Liabilities contains information regarding mirroring. When the need for mirroring is identified, place a prominent red “M” directly after the OIC number on the casefile. When the case is closed, AOIC will prompt the user to indicate if the case needs mirroring.

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| If mirroring is required and the offer is being: | Then the Offer Examiner (OE) and Offer Specialist (OS) will: |
| Closed as Rejection (no appeal), Return, Withdrawal | Initiate a request for mirroring when submitting the case for closure. COIC |

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| | requests should be routed following local procedures. OS should complete the <i>Request for Mirroring</i> , Exhibit 5.8.7-2. Routing instructions are contained on OIC SharePoint. |
| Transferred to Appeals (rejection appeal or CDP) | Notate the closing history entry and ensure the case file contains the red "M" after the offer number so Appeals is aware of the need for mirroring. |
| Closed as an Acceptance | Notate the AOIC Remarks regarding the need for mirroring. MOIC is responsible for mirroring acceptances. |

Manual TC 480

If a manual TC 480 is input, it must be manually released when the case is closed. To identify the need for a manual reversal, document the manual TC 480 input in the AOIC Remarks and place a prominent red "TC" directly after the OIC number on the casefile. Before submitting the case for closure, the OE/OS will review the AOIC Remarks for input of a manual TC 480 and place a red "TC" on the case file if needed.

| If a manual TC 480 was input and the offer is being: | Then: |
|---|---|
| Closed as Rejection, Return, Withdrawal | <p>COIC: The closing employee will request the manual TC 481 / 482.</p> <p>Field: The OS will prepare a Form 4844, with the date of the TC 481 / 482 blank. The employee closing the offer on AOIC is responsible for completing the date field of the Form 4844 and routing the request for input. If sending to CCP, the request should be scanned and e-mailed for tracking of the request.</p> <p>When the case is closed, AOIC will prompt the user to indicate if the case requires reversal of a manual TC 480.</p> <p>Note: If the rejection is appealed, ensure the case file, closing history and (for OS) Form 4844 clearly identify the need for</p> |

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| | manual closing code input if the rejection is sustained. |
| Closed as an Acceptance | The OE/OS will notate the AOIC Remarks regarding the need for a manual TC 480. AOIC will prompt the closing employee to indicate if the case requires reversal of a manual TC 480. MOIC will input the manual TC 780. |

You may direct any questions regarding these procedures to Diana Estey, National Offer in Compromise Program Manager, or a member of your staff may contact OIC Analyst, Christine Matz.

Attachment:

Exhibit 5.8.7-2 Request for Mirroring

cc: Office of Chief Counsel
Chief, Appeals
www.irs.gov

REQUEST FOR MIRRORING

OIC Rejected/Returned/Withdrawn*

** not required for Accepted OIC*

Routing: [Mirroring Request from Field](#)

OIC #(s): _____

TIN(s): TPH: _____

TPW: _____

Include **Copy of Form(s) 656** (pages showing entity and signatures are required).

| Periods | OIC from Primary(P) or Secondary (S) |
|---------|---|
| | |

Notes / Special

Instructions: _____

REASON FOR MIRRORING:

- The offer was submitted separately by one spouse in a joint liability
- Separate offers were submitted by the spouses that resulted in different waiver dates for the joint periods
- Other _____

Requestor Name: _____