

IRM PROCEDURAL UPDATE

DATE: 03/31/2026

NUMBER: ts-21-0326-0375

SUBJECT: RC 965 Case Reassignment Number (BMF) and Added Additional Information for Referrals IMF/BMF; Corrected Reason Code for Adjustments on IRC 965 (i) Election Denials

AFFECTED IRM(s)/SUBSECTION(s): 21.5.13

CHANGE(s):

IRM 21.5.13.2.12(7) Corrected reason code for adjustment for IMF IRC 965. Corrected IRM for No Consideration Procedures.

(7) For Reasonable Cause or First Time Abatement requests, send the taxpayer a Letter 916C and input a TC 290 for 0.00 with No RC for BMF and RC 050 for IMF following IRM 21.5.3.4.6.3 , No Consideration Procedures. Insert the following text in an open paragraph depending on the type of abatement requested.

- For Reasonable Cause: There is no reasonable cause exception for this penalty. If the Form 965-A was filed reporting the liability, send documentation showing the Form 965-A was filed with your original tax return.
- For First Time Abatement: First Time Abatement is not applicable to this penalty. If the Form 965-A was filed reporting the liability, send documentation showing the Form 965-A was filed with your original tax return.

IRM 21.5.13.3(3) Added Brookhaven site to create CII cases. Added additional information on creating E-4442.

(3) After the Puerto Rico/Brookhaven IRC 965 Leads or AM P&A Analyst approves the e-4442, they are authorized to create the CII Case.

Reminder: If the E-4442 is for Brookhaven Accelerations, do not create a CII case, fax per the Form 4442 Referral Fax Numbers

- Create a CII case and use Work Type IMF, Doc Type 4442, Category 965C, and Function/Program Code 710-85371.
- Attach Form 4442 to the new CII case and reassign per the AM Site Specialization Temporary Holding Numbers.

- For sites that do not have access to CII, prepare e-4442 and e-fax directly to Brookhaven to the number shown in the Form 4442 Referral Fax Numbers.

IRM 21.5.13.4(1) Updated CII Assignment number to link. Added additional information on creating E-4442.

(1) The BMF IRC 965 transition tax program is centralized at the Ogden Accounts Management Campus (OAMC). For correspondence referencing IRC 965/Repatriation tax/loose transition tax statement (category code 965C), or an amended return referencing IRC 965/Repatriation tax/transition tax statement (category code 965X), reassign per AM Site Specialization Temporary Holding Numbers. If a Cincinnati IRC 965 employee trained for phone calls only receives an IRC 965 call that they are not able to resolve, research for an open control or open IRC 965 CII case. If an open control is located, follow paragraph (1)(c) of IRM 21.3.5.4.1. If the open control is not for a CII case or you do not have access to CII, prepare Form 4442/e-4442, Inquiry Referral, and if preparing Form e-4442 in AMS, select "IRM" referral type and category "Open Control". If an open IRC 965 CII Case is located then follow paragraph 2 of IRM 21.3.5.4.1, When to Prepare a Referral. Add the information and timeframe to the CII case as a Case Note (CN) and advise the taxpayer to allow 30 days for a response. If there is no open control or CII case, then prepare Form 4442, Inquiry Referral, to OAMC for all adjustment and credit transfer actions and provide a timeframe of 60 days. Include any relevant information the taxpayer provides such as a notice, payment information and any pertinent information to the issue. If preparing in AMS, select Referral Type: "IRM" and IRM Category "Other (write-in)" and write "OAMC IRC 965 Team adjustment and/or credit transfer action request" and provide a timeframe of 60 days. The lead will approve all Form E-4442's and fax the Form 4442 to the number shown in the Form 4442 Referral Fax Numbers. For further information on preparing an E-4442, please see IRM 21.3.5.4.2.1.1, Preparing an e-4442/4442, paragraph 5 or IRM 21.3.5.4.1, When to Prepare a Referral.

After the Cincinnati/Ogden IRC 965 Leads or AM P&A Analyst approves the e-4442, they are authorized to create the CII Case:

Reminder: If the E-4442 is for Brookhaven Accelerations, do not create a CII case, fax per the Form 4442 Referral Fax Numbers

- Create a CII case with Doc Type 4442, Category 965C, and Function/Program Code 710-85376.
- Attach Form 4442 to the new CII case and reassign per AM Site Specialization Temporary Holding Numbers.
- For sites that do not have access to CII, prepare e-4442 and e-fax directly to Ogden at # [REDACTED] #. The IRC 965 team will create the CII case.