

## IRM PROCEDURAL UPDATE

**DATE: 10/05/2016**

**NUMBER: wi-25-1016-1485**

**SUBJECT: Chart of Expedited Statute Processing**

**AFFECTED IRM(s)/SUBSECTION(s): 25.6.1**

**CHANGE(s):**

**IRM 25.6.1.6.5 Chart of Expedited Statute Processing, Revised the dates for tax year 2013.**

1. The following tables provides a chart showing the statute expiration date of various types of tax returns and the day to begin expedited statute processing for the year 2013.

Type of Tax	Period	Statute Expiration Date	Begin Expedite Process
1040 (all)	201312	18 Apr. 2017	17 Jan. 2017
1040 (all)	201401	15 May 2017	15 Feb. 2017
1040 (all)	201402	15 Jun. 2017	15 Mar. 2017
1040 (all)	201403	17 Jul. 2017	18 Apr. 2017
1040 (all)	201404	15 Aug. 2017	15 May 2017
1040 (all)	201405	15 Sep. 2017	15 June 2017
1040 (all)	201406	16 Oct. 2017	17 Jul. 2017
1040 (all)	201407	15 Nov. 2017	15 Aug. 2017
1040 (all)	201408	15 Dec. 2017	15 Sep. 2017
1040 (all)	201409	16 Jan. 2018	16 Oct. 2017
1040 (all)	201410	15 Feb. 2018	15 Nov. 2017
1040 (all)	201411	15 Mar. 2018	15 Dec. 2017
1040 (all)	201412	17 Apr. 2018	16 Jan. 2018
1041, 1041A	Same as 1040	Same as Form 1040	
1120 (all except 1120-C)	201312	15 Mar. 2017	15 Dec. 2016
1120 (all except 1120-C)	201401	18 Apr. 2017	17 Jan. 2017
1120 (all except 1120-C)	201402	15 May 2017	15 Feb 2017
1120 (all except 1120-C)	201403	15 Jun. 2017	15 Mar. 2017

1120 (all except 1120-C)	201404	17 Jul. 2017	18 Apr. 2017
1120 (all except 1120-C)	201405	15 Aug. 2017	15 May 2017
1120 (all except 1120-C)	201406	15 Sep. 2017	15 Jun. 2017
1120 (all except 1120-C)	201407	16 Oct. 2017	17 Jul. 2017
1120 (all except 1120-C)	201408	15 Nov. 2017	15 Aug. 2017
1120 (all except 1120-C)	201409	15 Dec. 2017	15 Sep. 2017
1120 (all except 1120-C)	201410	16 Jan. 2018	16 Oct. 2017
1120 (all except 1120-C)	201411	15 Feb. 2018	15 Nov. 2017
1120 (all except 1120-C)	201412	15 Mar. 2018	15 Dec. 2017
<b>TYPE OF TAX</b>	<b>PERIOD</b>	<b>STATUTE EXP. DATE</b>	<b>BEGIN EXP. PROCESS</b>
940	201312	31 Jan. 2017	31 Oct. 2016
941 (All quarters)	201312	18 Apr. 2017	17 Jan. 2017
943, 945 (same as 941 above)	201312	18 Apr. 2017	17 Jan. 2017
944	201312	18 Apr. 2017	17 Jan. 2017
990	201312	15 May 2017	15 Feb. 2017
990	201401	15 Jun. 2017	15 Mar. 2017
990	201402	17 Jul. 2017	18 Apr. 2017
990	201403	15 Aug. 2017	15 May 2017
990	201404	15 Sep. 2017	15 June 2017
990	201405	16 Oct. 2017	17 Jul. 2017
990	201406	15 Nov. 2017	15 Aug. 2017
990	201407	15 Dec. 2017	15 Sep. 2017
990	201408	16 Jan. 2018	16 Oct. 2017
990	201409	15 Feb. 2018	15 Nov. 2017
990	201410	15 Mar. 2018	15 Dec. 2017
990	201411	17 Apr. 2018	16 Jan. 2018
990	201412	15 May 2018	15 Feb. 2018
990PF, 990-T CORP, 990-T FOREIGN, 990-T TRUST, 4720, 4720A, 5527	Use the same date	As the 990 above	
CT-1	201312	28 Feb. 2017	30 Nov. 2016
CT-2	201412	28 Feb. 2018	30 Nov. 2017
<b>TYPE OF TAX</b>	<b>PERIOD</b>	<b>STATUTE EXP. DATE</b>	<b>BEGIN EXP. PROCESS</b>

706	3 years from the due date or	3 years from the date the return was filed,	Whichever is later.
709	201312	18 Apr. 2017	17 Jan. 2017
709	201412	17 Apr. 2018	16 Jan. 2018
720	201403	02 May. 2016	31 Jan. 2017
720	201406	31 Jul. 2017	01 May 2017
720	201409	31 Oct. 2017	31 Jul. 2017
720	201412	31 Jan. 2018	31 Oct. 2017
730 (monthly return due date is the last day of the month following the month in which wages are accepted)		3 years from the due date or 3 years from the date the return was actually filed, whichever is later.	90 days prior to the 3 year statute period expiration.
1065	201312	18 Apr. 2017	No tax Involved
2290	07/31/2014	31 Aug. 2017	31 May 2017
1120-C	07/31/2013	18 Apr. 2017	17 Jan. 2017
1120-C	08/31/2013	17 May 2017	15 Feb. 2017
1120-C	09/30/2013	15 Jun. 2017	15 Mar. 2017
1120-C	10/31/2013	17 Jul. 2017	18 Apr. 2017
1120-C	11/30/2013	15 Aug. 2017	15 May 2017
1120-C	12/31/2013	15 Sep. 2017	15 Jun. 2017
1120-C	01/31/2014	16 Oct. 2017	17 Jul. 2017
1120-C	02/28/2014	15 Nov. 2017	15 Aug. 2017
1120-C	03/31/2014	15 Dec. 2017	15 Sep. 2017
1120-C	04/30/2014	16 Jan. 2018	16 Oct. 2017
1120-C	05/31/2014	15 Feb. 2018	15 Nov. 2017
1120-C	06/30/2014	15 Mar. 2018	15 Dec. 2017
1120-C	07/31/2014	17 Apr. 2018	16 Jan. 2018

**NOTE:** The table above contains application of the Saturday, Sunday and Legal Holiday rule as provided in Internal Revenue Code 7503.

**NOTE:** For the 2006 calendar year and later, Form 990-C has been replaced by Form 1120-C, U.S. Income Tax Return for Cooperative Associations.

2. Other service campus areas must route tax returns to the Statute function beginning with the expedited processing dates shown in the tables above.
3. You must route returns discovered with 90 days or less remaining until the Assessment Statute Expiration Date (ASED) to the Statute function. The 90 day period allows the Statute function time to secure any additional information required to "clear" the return or resolve an issue.

**EXCEPTION:** This does not include returns withdrawn from processing in the Receipt and Control or Batching functions. These areas will follow the instructions in the IRMs applicable to their functions.

4. Do not use Form 3893, *Re-Entry Document Control*, to route returns within 180 days of the ASED (if re-inputting) and within 90 days of the ASED (if re-processing) to the Statute function for clearance. If re-inputting a return within 180 days of the ASED, route the return to Statute team along with any documentation stating the need for re-input. If you are reprocessing a return within 90 days of the ASED, you must expedite/hand carry the complete case to the Statute team. Do not zero out the tax with a TC 291. The Statute function will either clear the return and send to Submission Processing for input or input a quick assessment to process the return to the correct account before the ASED expires.

**NOTE:** Any functional area must not input an on-line tax assessment adjustment when the normal statute or extended statute is 90 days or less.

**IRM 25.6.1.9.4.6 File Form 941 and Fail to Timely File Form 942, Added Link to IRM 21.7.2.5.6 , for Form SS-16 as it may affect the ASED on the Quarterly Employment Tax Form 941.**

1. Form 942, *Employer's Quarterly Tax Return for Household Employees*, is obsolete for tax years beginning in 1995, but it may still be referred to the Statute team for clearance. Because Form 942 and Form 941, *Employer's Quarterly Federal Tax Return*, report the same taxes, but for different employees, the period of limitations for assessment for a period starts for the taxes that should have been shown on a Form 942 if a Form 941 is filed for that same period.
2. The role of the Statute function in processing these employment tax forms. Upon receipt of a Form 942 for a period, check whether Form 941 was filed for the same period.
  - a. If a Form 941 was filed and the ASED for that return has passed, do not assess the tax shown on the Form 942. Transfer any credits to XSF. If the payment was received after the ASED, inform the employer that they may obtain a refund by filing a claim for refund within two years of the payment. Inform the employer that the claim should reference Form 942 and state that the return cannot be processed because the ASED has expired based on the date the Form 941 (and the payment) was received.
  - b. Form 941 was filed and the ASED has not passed, but it is imminent, assess tax on the 941 account.
  - c. If a Form 941 has not been filed, then the ASED is three years from the received date of the Form 942.
3. If the ASED is imminent, any assessment must be made on the Form 941 account. You must monitor for the posting of the TC 150 since this will establish filing requirements for Form 941 and/or 940. Delete any Form 941 and 940 filing requirements, which may have been created by processing Form 941 after posting of the TC 150.

**EXCEPTION:** If the taxpayer has been filing current Forms 940 and 941, do not delete the filing requirements.

4. If Form SS-16, *Certificate of Election of Coverage Under the Federal Insurance Contribution Act (FICA)* of Election of is received with or for Form 941, see IRM 21.7.2.5.6, for more information on how this form affects the ASED.
5. If a Form 941 has not been filed, clear the Form 942 and route to Code & Edit where it will be converted to Form 941.

**IRM 25.6.1.10.2.7.1.4(1) Examples for the Three Year Period, Revised the tax period to state 2013.**

1. A 2013 individual income tax return received on April 18, 2014, but postmarked on April 14, is deemed filed on April 15, 2014. A claim for refund filed on Tuesday, April 18, 2017, is timely.

**IRM 25.6.1.10.2.12.3 Claim for Form 8697 Interest Computation Under the Look-Back Method for Completed Log-Term Contracts, Revised how interest is claimed and assessed based on the look-back period.**

1. This section describes procedures for processing claims filed on Form 8697, *Interest Computation Under the Look-Back Method for Completed Long-Term Contracts*. A taxpayer must report the income from a long-term contract subject to IRC Section 460(a) using the percentage of completion method of accounting. In the year that a taxpayer completes a long-term contract, the taxpayer compares the actual costs with the estimated costs, and the actual revenue with the estimated revenue for each prior year of the contract (the "look-back method")
  - a. If the taxpayer understated income in earlier years, the taxpayer is required to pay look-back interest. Any look-back interest owed is a payment of tax under IRC Section 460(b)(1). See also Treas. Reg. Section 1.460-6(f)(2) and (3). However, if the taxpayer initially overstated the amount of the look-back interest owed, the taxpayer may file a claim to recover the overpayment of tax. See Treas. Reg. Section 1.460-6(f)(3).
  - b. Alternatively, if the taxpayer overstated income in earlier years the taxpayer may file a claim to receive look-back interest. Such claim is considered a general, non-tax claim against the government. See paragraphs (2)-(4) below for additional considerations.
2. Submission of an Administrative Claim. A claim is not required before filing suit. An administrative claim may be allowed and paid upon request at any time before the period for filing suit at (3), below, expires.

**NOTE:** If a taxpayer files suit without bringing an administrative claim, a court may dismiss the suit using its discretion to refuse to hear a suit where the taxpayer failed to exhaust administrative remedies.

3. Length of the Period for Filing Suit. The six-year period under 28 USC Sections 2401 and 2501 applies to the filing of a suit. See Treas. Reg. Section 1.460-6(f)(3).

**NOTE:** Paragraph (2) and (3) apply only with respect to look-back interest owed to the taxpayer - not to recovery of look-back interest paid by the taxpayer earlier.

4. Starting Point of the Period for Filing Suit. In general, an action for overpayment interest begins to run on the earlier of the return due date (not including extensions) for the filing year or the date when the taxpayer both files the return and pays the tax for that year. See Treas. Reg. Section 1.460-6(c)(91)(i) and (c)(4)(i). However, the Service may consider other dates, depending on the facts. See IRM 25.6.1.10.2.12(3), *Claims Against the Government Processed by the Service under Title 28 (6 years)*.

**NOTE:** An administrative claim submitted on Form 8697 does not stop the running of the six-year period. The only manner in which a taxpayer can fully protect the taxpayer's rights is by filing suit before the expiration of the six-year period.