



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

May 10, 2023

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Expiration Date: May 10, 2025
Affected IRM: 4.75.37, 4.86.5, 4.70.17

MEMORANDUM FOR EXEMPT ORGANIZATION EXAMINATION EMPLOYEES,
FEDERAL, STATE, LOCAL/EMPLOYMENT TAX EMPLOYEES, AND
INDIAN TRIBAL GOVERNMENTS EMPLOYEES

FROM: Robert Malone /s/ *Robert Malone*
Director, Exempt Organizations and Governmental Entities

SUBJECT: Processing COVID-19 related credit claims

This memo issues interim guidance on COVID-19 credit related claims until we publish the affected IRM sections. Please distribute this information to all affected employees within our organization.

Purpose:

This memo creates a procedural requirement to send an Employment Tax Claim Acknowledgement Letter (Letter 5661) upon assignment of an amended return selected for exam, filed by a TE/GE employer claiming any of the applicable COVID-19 related credits.

Background/Source(s) of Authority:

TE/GE's various affected IRM sections on claims generally require examiners and managers to:

- Work claims as **high priority** cases
- Open claims within 30 days of receipt
- Limit the scope of the exam to the claim issue, unless they find indications of non-compliance unrelated to the claim issue
- Consider both the Assessment Statute Expiration Date (ASED) and Refund Statute Expiration Date (RSED)
- Contact the taxpayer and obtain any other necessary information
- Evaluate the information and fully document their work, and
- Adhere to time frames

This memo does not change the above requirements.

COVID-19 credit related claims selected for examination will have Source Code 30 and the following Project Codes (PC) and or Project Definer Code (PDC):

- EO: PC 8089 with PDC 8045
- FSL/ET: PC 4300
- ITG: PC 4164

Procedural Change:

Managers will:

- Continue to meet all the requirements listed above.
- Assign all COVID-19 credit claims to trained examiners within their group upon assignment of the claims to their group within 1 business day of receipt.

Examiners will:

- Continue to meet all the requirements listed above.
- Complete and mail Letter 5661 to the taxpayer within 5 business days of assignment
- Post a copy of the signed Letter 5661 to RCCMS Case File Documents folder
- Follow the TE/GE naming convention format, naming the electronic file: "6.01.L5661 Claim Acknowledgement (Rev. 12-2015)"

BSP will soon add the electronic file for Letter 5661 to the RCCMS Forms, Letters, and Template Repositories for EO, FSL/ET, and ITG. In the meantime, examiners can access the [Letter 5661](#) from the [Publishing Repository](#) Catalog.

Effect on Other Documents:

We'll add this guidance into the affected IRMs within two years of this memo's date.

Effective Date:

This memo is effective when issued.

Contact:

For questions about these procedures, examiners should contact their manager.

Distribution:

[IRS.gov \(https://www.IRS.gov\)](https://www.IRS.gov)