



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

4.4.7

JULY 28, 2022

## EFFECTIVE DATE

(07-28-2022)

## PURPOSE

- (1) This transmits revised IRM 4.4.7, Audit Information Management System (AIMS) - Validity and Consistency, Correspondence and Closing Letters.

## MATERIAL CHANGES

(1)

IRM subsection:	Content change:
IRM 4.4.7.1	Title was changed to Program Scope and Objectives. Information was added to clarify the IRM Purpose, Audience, AIMS Policy Owner and AIMS Program Owner.
IRM 4.4.7.1.1	Background information was added to clarify the procedure, which remains in this IRM and reference to procedure, no longer in this IRM.
IRM 4.4.7.1.2	Responsibility for the procedure in this IRM is defined.
IRM 4.4.7.2	Title was changed to CCP Processing. Previous section was IRM 4.4.7.2.2
IRM 4.4.7.2.1	Previous procedure titled Initiator's Responsibilities can be found in IRM 4.10.8.2.3.1, Letters
IRM 4.4.7.2.1	Subsection Title is now Form 3198, Review. The Title and procedure were previously in IRM 4.4.7.2.2.1
IRM 4.4.7.2.2	Review of Correspondence procedure was previously in IRM 4.4.7..2.2
IRM 4.4.7.2.3	Power of Attorney procedure was previously in IRM 4.4.7.2.2..3

<b>IRM subsection:</b>	<b>Content change:</b>
IRM 4.4.7.2.4	Letter 3535, Interest Computation Cover Letter, Requirement procedures were previously in IRM 4.4.7.2.2.4
IRM 4.4.7.2.5	Mailing procedure was previously in IRM, section 4.4.7.2.2.5
IRM 4.4.7.3	IRM 4.10.8.2.3.1, Letters
IRM 4.4.7.3.1	IRM 4.10.8.3.5, Letters used in No-Change Cases
IRM 4.4.7.3.2	IRM 4.10.8.3.5, Letters used in No-changes Cases
IRM 4.4.7.3.3	IRM 4.10.8.3.5, No Change Letter for Non-filer Cases
IRM 4.4.7.3.4	IRM 4.10.8.4.5, Closing letters for Agreed Cases
IRM 4.4.7.3.5	IRM 4.24.21.5.2, Closing Procedures for Agreed Excise Examinations
IRM 4.4.7.3.6	IRM 4.23.10.6, Notification letters In Agreed Cases
IRM 4.4.7.3.7	IRM 4.25.2.5.10, Closing Letters
IRM 4.4.7.4	IRM 4.10.8.2.3.1 (8), Letters

**EFFECT ON OTHER DOCUMENTS**

This revision supersedes the previous IRM 4.4.7, Correspondence and Closing Letters, issued 09-22-2014.

**AUDIENCE**

This IRM section is for use by employees in Large Business and International (LB&I) and Small Business/Self-Employed (SB/SE).

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4.4.7

Correspondence and Closing Letters

## Table of Contents

4.4.7.1 Program Scope and Objectives

4.4.7.1.1 Background

4.4.7.1.2 Responsibility

4.4.7.2 CCP Processing

4.4.7.2.1 Form 3198 Review

4.4.7.2.2 Review of Correspondence

4.4.7.2.3 Power of Attorney

4.4.7.2.4 Letter 3535, Interest Computation Cover Letter, Requirement

4.4.7.2.5 Mailing



4.4.7.1  
(07-28-2022)  
**Program Scope and Objectives**

- (1) Purpose: This section provides general instructions and guidelines for mailing and handling letters.
- (2) Audience: The audience for this IRM section will be Examination CCP.
- (3) AIMS Policy Owner: The Director, SB/SE Technology Solutions, who is under the Director, Operations Support.
- (4) AIMS Program Owner: Exam Systems and Projects, Customer Service.

4.4.7.1.1  
(07-28-2022)  
**Background**

- (1) The procedures, which were in this IRM, pertained to the Examination Audit process. The procedures do not pertain to the AIMS IT system, which is the title of this IRM. IRM references are given in the Material Changes, for the procedures previously located in this IRM. Centralized Case Processing (CCP) Procedures, remaining in this IRM, will be included in the new IRM 4.38.1 Examining Processing, Centralized Case Processing (CCP), Organization and Responsibilities.

4.4.7.1.2  
(07-28-2022)  
**Responsibility**

- (1) Headquarter Examination is responsible for all policy and procedures related to CCP.

4.4.7.2  
(07-28-2022)  
**CCP Processing**

- (1) CCP is responsible for the following actions.

4.4.7.2.1  
(07-28-2022)  
**Form 3198 Review**

- (1) Review Form 3198, Special Handling Notice for Examination Case Processing such as:
  - a. Name changes
  - b. Address changes
  - c. Identification of a valid POA
- (2) Review of other special requirements such as extra copies of the examination report and workpapers.
- (3) Requests that do not provide sufficient instructions to mail the letter will be referred to the unit manager for additional instructions under CCP established procedures.

4.4.7.2.2  
(07-28-2022)  
**Review of Correspondence**

- (1) The taxpayer's name, address, SSN, return form number and tax period information should be reviewed for accuracy and can be picked-up from the information contained on Form 3198.
- (2) AIMS address labels (if the name and address are correct) may be used in the preparation of various letters and forms if there is no RGS-generated letter in the file.
- (3) After reviewing the correspondence, date stamp and mail. See IRM 4.4.7.3.2.5, for mailing instructions.

## 4.4 Audit Information Management System (AIMS) – Validity and Consistency

4.4.7.2.3  
(07-28-2022)

### **Power of Attorney**

- (1) Form letters, notices, correspondence and other materials will only be sent to the taxpayer and an individual authorized by the taxpayer through a properly executed POA. Form 3198 should identify if there is a valid POA on file. If applicable, a valid POA form or a Centralized Authorization File (CAF) printout, should be included in the case file authorizing the taxpayer's representative to receive letters, notices and other written communications.
- (2) Letter 937, Transmittal Letter for Power of Attorney will be mailed to the POA to transmit copies of correspondence addressed to the taxpayer.
  - a. Pick up the name and address of the POA from the POA form or the CAF printout.
  - b. The same Person to Contact and Contact Telephone Number that appears on the correspondence being transmitted to the taxpayer will be included on the letter to the POA
  - c. Ensure Letter 937 includes the taxpayer's name.

4.4.7.2.4  
(07-28-2022)

### **Letter 3535, Interest Computation Cover Letter, Requirement**

- (1) If interest is manually computed by a CCP tax examiner for an individual taxpayer account, Letter 3535 needs to be mailed to the taxpayer and POA (if applicable) along with the interest computation.

4.4.7.2.5  
(07-28-2022)

### **Mailing**

- (1) Most case files will contain an examination report to be sent as an enclosure. If the initiator did not provide the necessary number of copies of the examination report, the tax examiner will need to make the additional photocopies. The basic examination report forms are as follows:
  - a. Form 886-A, Explanation of Items;
  - b. Form 1273, Report of Estate Tax Examination Changes;
  - c. Form 2504, Agreement to Assessment and Collection of Additional Tax and Acceptance of Overassessment;
  - d. Form 4549, Income Tax Examination Changes - for agreed cases for individuals and corporations;
  - e. Form 4549-A, Income Tax Examination Changes (Unagreed and Excepted Agreed), - for individual and corporation income tax cases. (NOTE: The form does not require the taxpayer's signature for consent to assessment and collection.);
  - f. Form 4605, Examination Changes - Partnerships, Fiduciaries, S Corps., & Interest Charge Domestic International Sales Corporations - for reporting examination changes in partnerships, fiduciaries, small business corporations and domestic international corporations;
  - g. Form 4605-A, Examination Changes - Partnerships, Fiduciaries, Small Business Corps. & Domestic Intl. Sales Corp. (Unagreed and Excepted Agreed) - for unagreed and excepted agreed cases for partnerships, fiduciaries, small business corporations and domestic international sales corporations;
  - h. Form 4665, Report Transmittal - for unagreed employment tax cases only where confidential information is involved or where a summarization of unagreed issues is absolutely required. Never send the taxpayer or power of attorney copies of Form 4665;

- i. Form 4666, Summary of Employment Tax Examination - for reports covering more than one type of employment tax, or where claims are involved, or where its use is needed for the sake of clarity because of the size or content of the report;
  - j. Form 4667, Examination Changes - Federal Unemployment Tax - a basic report for examinations of Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return;
  - k. Form 4668, Employment Tax Examination Changes Report - a basic report for Employment Tax Examination of FICA and Income Tax;
  - l. Form 5384, Excise Tax Examination Changes and Consent to Assessment & Collection - used as an Excise Tax report form for regular agreed, no-change and claim cases.
- (2) When the letter is ready to be mailed, the tax examiner will annotate on Form 9984, Examining Officer's Activity Record (which should be in the case file) the number of the letter issued, any enclosures sent with the letter, the date the letter was issued and the initials of the tax examiner who mailed the letter, for example, "Letter 987 w/copy of RAR mailed 7/1/14 by a.c". Make the same annotation on Form 9984 for letters mailed to the POA. If Form 9984 is not in the case file, the form can be located at: Form 9984. The tax examiner can download the form and complete the required information. Form 9984 remains in the case file.

