



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

4.4.12

JULY 18, 2024

EFFECTIVE DATE

(07-18-2024)

PURPOSE

- (1) This transmits a revision of IRM 4.4.12, Audit Information Management System (AIMS) - Validity and Consistency, Examined Closings, Surveyed Claims, and Partial Assessments and Closing to Appeals.

MATERIAL CHANGES

- (1) IRM 4.4.12 now incorporates IRM 4.4.5, additionally, it has also been extensively revised throughout. Names of functional areas have been changed to reflect the current organizational structure and the IRM has been reorganized. A summary of the significant changes are reflected below:

| IRM subsection: | Description of Change: |
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| Title | Changed IRM title from Examined Closings, Surveyed Claims, and Partial Assessments to Audit Information Management System (AIMS) - Validity and Consistency, Examined Closings, Surveyed Claims, Partial Assessments, and Closings to Appeals. |
| Director | Updated the Director's information under Signature. |
| Authority | Updated the IRM reference to IRM 2.8.1. |
| 4.4.12.1(1) | Changed the name to Overview, Program Goal, and Purpose. Updated the verbiage throughout. |
| 4.4.12.1(2) | Merged information into section 4.4.12.1(1). |
| 4.4.12.1(3) | Renumbered this section to 4.4.12.1(2). |
| 4.4.12.1(4) | Renumbered this section to 4.4.12.1(3). |
| 4.4.12.1(5) | Renumbered this section to 4.4.12.1(4). |
| 4.4.12.1(6) | Renumbered this section to 4.4.12.1(5). |
| 4.4.12.1(7) | Merged information into section 4.4.12.1(1). |

| IRM subsection: | Description of Change: |
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| 4.4.12.1(8) | Renumbered this section to 4.4.12.1.6. |
| 4.4.12.1.4 | Updated the section title to Program and Management Review. Updated the verbiage throughout. Also renumbered the information previously contained in the section to IRM 4.4.12.1.7. |
| 4.4.12.1.5 | Created a new subsection titled Program Controls. Updated the verbiage throughout. |
| 4.4.12.1.6 | Created a new subsection titled Terms/Definitions/Acronyms. Updated the verbiage throughout. |
| 4.4.12.1.7 | The information in this section was previously located in IRM 4.4.12.1.4. IRM section renumbered and updated the table with new IRM references throughout. |
| 4.4.12.2 | Section removed. This information is now located in IRM 4.38.1.7.3.3, Partial Assessments. |
| 4.4.12.2.1 | Section removed. This information is now located in IRM 4.38.1.7.3.3.2, Forms to be Used. |
| 4.4.12.2.2 | Section removed. This information is now located in IRM 4.38.1.7.3.3.3, Valid Item Numbers. |
| 4.4.12.2.3 | Section removed. This information is now located in IRM 4.38.1.7.3.3.4, Credit Balances. |
| 4.4.12.2.3.1 | Section removed. This information is now located in IRM 4.38.1.7.3.3.5, Hold Credit Balance. |
| 4.4.12.2.3.2 | Section removed. This information is now located in IRM 4.38.1.7.3.3.6, Release Credit Balance. |
| 4.4.12.2.4 | Section removed. This information is now located in IRM 4.38.1.7.3.3.7, Amended Return Freeze. |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.2.5 | Section removed. This information is now located in IRM 4.38.1.7.3.3.8, PCS (Pass-through Control) Linkages. |
| 4.4.12.2.6 | Section removed. This information is now located in IRM 4.38.1.7.3.3.9, Final Disposition After Input of Partial Assessment. |
| 4.4.12.2.7 | Section removed. This information is now located in IRM 4.38.1.7.3.3.10, Examination Results. |
| 4.4.12.2.8 | Section removed. This information is now located in IRM 4.38.1.7.3.3.11, Additional Information. |
| 4.4.12.3 | Section removed. This information is now located in IRM 4.38.1.7.3.2, Surveyed Claims. |
| 4.4.12.3.1 | Section removed. This information is now located in IRM 4.38.1.7.3.2.1, Forms to be Used. |
| 4.4.12.3.2 | Section removed. This information is now located in IRM 4.38.1.7.3.2.2, Valid Item Numbers. |
| 4.4.12.4 | Section renumbered to IRM 4.4.12.2, Taxable Amended Return and updated multiple IRM references throughout. |
| 4.4.12.5 | Section renumbered to IRM 4.4.12.3, Examined Closings, reworded the verbiage throughout, and updated multiple IRM references. |
| 4.4.12.5.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.1, Forms to be Used. |
| 4.4.12.5.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.2, Form 5344 Entries. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.3, Item A: CC TSCLS. |
| 4.4.12.5.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.4, P 1-6: CC AMCLS. |
| 4.4.12.5.4.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.4.1, AMCLSS P-56. |
| 4.4.12.5.4.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.4.2, AMCLSS P-57. |
| 4.4.12.5.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5, P 7-34, TIN, MFT, Tax Period, CD/NC. |
| 4.4.12.5.5.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.1, P 7-18: TIN. |
| 4.4.12.5.5.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.2, Taxpayers with no TIN. |
| 4.4.12.5.5.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.3, MFT. |
| 4.4.12.5.5.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.4, P24 - 29 Tax Period. |
| 4.4.12.5.5.4.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.4(2)(a), P24 - 29 Tax Period. |
| 4.4.12.5.5.4.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.4(2)(b), P24 - 29 Tax Period. |
| 4.4.12.5.5.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.5, Check Digit/ Name Control (CD/NC). |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.5.5.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.6, Item B: Name. |
| 4.4.12.5.5.6.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.6(2), Item B: Name. |
| 4.4.12.5.5.6.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.5.6(2), Item B: Name. |
| 4.4.12.5.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.6, P36: Batch Position Indicator. |
| 4.4.12.5.7 | Section removed. This information is now located in IRM 4.38.1.7.3.1.7, P38-40: Blocking Series Number. |
| 4.4.12.5.8 | Section removed. This information is now located in IRM 4.38.1.7.3.1.8, P45-48: Sequence Number. |
| 4.4.12.5.9 | Section removed. This information is now located in IRM 4.38.1.7.3.1.9, Item 01: Secondary Spouse SSN. |
| 4.4.12.5.10 | Section removed. This information is now located in IRM 4.38.1.7.3.1.10, Item 02: Penalty Reason Code. |
| 4.4.12.5.11 | Section removed. This information is now located in IRM 4.38.1.7.3.1.11, Item 03: Letter Date (Large Corporate Taxpayer C-Corporations BMF Only). |
| 4.4.12.5.12 | Section removed. This information is now located in IRM 4.38.1.7.3.1.12, Item 04: Letter Amount. |
| 4.4.12.5.13 | Section removed. This information is now located in IRM 4.38.1.7.3.1.13, Item 05: 2% Int Date. |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.5.14 | Section removed. This information is now located in IRM 4.38.1.7.3.1.14, Item 6A: Debit Interest to Date. |
| 4.4.12.5.15 | Section removed. This information is now located in IRM 4.38.1.7.3.1.15, Item 6B: Credit Interest. |
| 4.4.12.5.16 | Section removed. This information is now located in IRM 4.38.1.7.3.1.16, Item 6C: Compute Interest Amounts. |
| 4.4.12.5.17 | Section removed. This information is now located in IRM 4.38.1.7.3.1.17, Item 07: Hold Code. |
| 4.4.12.5.17.1 | Section removed. This information is now located in IRM 4.38.1.7.3.3.5, Hold Credit Balance. |
| 4.4.12.5.17.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.17.1, Hold Notices. |
| 4.4.12.5.17.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.17.1(1)(e), Hold Notices. |
| 4.4.12.5.17.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.17.1(4), Hold Notices. |
| 4.4.12.5.17.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.17 (Note), Item 07: Hold Code. |
| 4.4.12.5.18 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18, Item 08: Agreement Date. |
| 4.4.12.5.18.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.1, How to Determine Date. |

| IRM subsection: | Description of Change: |
|-----------------|--|
| 4.4.12.5.18.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.2, Effective Date. |
| 4.4.12.5.18.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3, Payment In Lieu. |
| 4.4.12.5.18.3.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.18.3.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.18.3.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.18.3.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.18.3.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.18.3.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.18.3.7 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.18.3.8 | Section removed. This information is now located in IRM 4.38.1.7.3.1.18.3(1), Payment In Lieu. |
| 4.4.12.5.19 | Section removed. This information is now located in IRM 4.38.1.7.3.1.19, Item 09: Priority Code. |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.5.19.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.19.1, Additional Processing Procedures and Information. |
| 4.4.12.5.19.1.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.19.1, Additional Processing Procedures and Information. |
| 4.4.12.5.19.1.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.19.1, Additional Processing Procedures and Information. |
| 4.4.12.5.19.1.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.19, Item 09: Priority Code, IRM 4.38.1.9.9.4.1, No Refund Issue Exists, and IRM 4.38.1.10.4.4, Frequent Unpostable Conditions. |
| 4.4.12.5.19.1.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.19.1, Additional Processing Procedures and Information. |
| 4.4.12.5.20 | Section removed. This information is now located in IRM 4.38.1.7.3.1.20, Item 11: Interest Computation Date. |
| 4.4.12.5.20.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.20.1, Interest Computation Date for Erroneous Refund Cases. |
| 4.4.12.5.21 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21, Item 12: Tax, Penalty, and Interest Adjustments. |
| 4.4.12.5.21.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.1, Item 12 Entries. |

| IRM subsection: | Description of Change: |
|-------------------|---|
| 4.4.12.5.21.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2, Tax Adjustments. |
| 4.4.12.5.21.2.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(2), Tax Adjustments. |
| 4.4.12.5.21.2.1.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(2), Tax Adjustments. |
| 4.4.12.5.21.2.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(3), Tax Adjustments. |
| 4.4.12.5.21.2.2.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(7), Tax Adjustments. |
| 4.4.12.5.21.2.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(5), Tax Adjustments. |
| 4.4.12.5.21.2.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(6), Tax Adjustments. |
| 4.4.12.5.21.2.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(7), Tax Adjustments. |
| 4.4.12.5.21.2.5.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(7)(c), Tax Adjustments. |
| 4.4.12.5.21.2.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(8), Tax Adjustments. |
| 4.4.12.5.21.2.6.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.2(8)(c), Tax Adjustments. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.21.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3, Interest Transaction Codes. |
| 4.4.12.5.21.3.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3(1), Interest Transaction Codes. |
| 4.4.12.5.21.3.1.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3(1), Interest Transaction Codes. |
| 4.4.12.5.21.3.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3(1), Interest Transaction Codes. |
| 4.4.12.5.21.3.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3(1), Interest Transaction Codes. |
| 4.4.12.5.21.3.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3(1), Interest Transaction Codes. |
| 4.4.12.5.21.3.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3(1), Interest Transaction Codes. |
| 4.4.12.5.21.3.5.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.3(1), Interest Transaction Codes. |
| 4.4.12.5.21.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4, Penalty Transaction Codes. |
| 4.4.12.5.21.4.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.21.4.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.7 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.8 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.9 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.10 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.11 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.12 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.13 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.21.4.14 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.15 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.16 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.17 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.18 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.19 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.20 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.21 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.22 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.23 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |
| 4.4.12.5.21.4.24 | Section removed. This information is now located in IRM 4.38.1.7.3.1.21.4(1), Penalty Transaction Codes. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.22 | Section renumbered to IRM 4.4.12.3.1, Item 13: Disposal Code. |
| 4.4.12.5.22.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.1, Validity Checks. |
| 4.4.12.5.22.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.2, Agreed. |
| 4.4.12.5.22.3 | Section removed. This information is now located in IRM 4.8.2.9.2.1 (1)(b), Unagreed Appeals Cases. |
| 4.4.12.5.22.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.3, Changed Case/No Dollars. |
| 4.4.12.5.22.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.4, Defaulted Statutory Notice of Deficiency. |
| 4.4.12.5.22.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.5, No Change. |
| 4.4.12.5.22.7 | Section renumbered. This information is now located in IRM 4.4.12.3.1.1, Petitioned. |
| 4.4.12.5.22.8 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.6, Partial Assessments. |
| 4.4.12.5.22.9 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.7, Surveyed Claims. |
| 4.4.12.5.22.10 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.8, Undeliverable Statutory Notice of Deficiency. |
| 4.4.12.5.22.11 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.9, Other IRM References. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.23 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23, Item 14: Statute Extended To. |
| 4.4.12.5.23.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.1, Alpha Codes. |
| 4.4.12.5.23.1.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.1(2), Alpha Codes. |
| 4.4.12.5.23.1.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.1(3), Alpha Codes. |
| 4.4.12.5.23.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.2, Claims. |
| 4.4.12.5.23.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.3, Form 872, Consent to Extend Time to Assess Tax. |
| 4.4.12.5.23.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.4, Form 872-A, Special Consent to Extend the Time to Assess Tax. |
| 4.4.12.5.23.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.5, TC 560. |
| 4.4.12.5.23.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.6, SFR Posted. |
| 4.4.12.5.23.7 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.7, Consent Indicator. |
| 4.4.12.5.23.8 | Section removed. This information is now located in IRM 4.38.1.7.3.1.23.8, More Information. |

| IRM subsection: | Description of Change: |
|-----------------|--|
| 4.4.12.5.24 | Section removed. This information is now located in IRM 4.38.1.7.3.1.24, Item 15: Credit and Tax Computation Adjustments. |
| 4.4.12.5.24.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.24.1, Maximum Number of Entries. |
| 4.4.12.5.24.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.24.2, Special Validity Checks. |
| 4.4.12.5.24.2.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.24.2.(2), Special Validity Checks. |
| 4.4.12.5.24.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.24.3, FUTA State Code (also known as State Credit Reduction). |
| 4.4.12.5.24.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.24.4, Reference Number Definitions. |
| 4.4.12.5.25 | Section removed. This information is now located in IRM 4.38.1.7.3.1.25, Item C: Operator Employee No. |
| 4.4.12.5.26 | Section removed. This information is now located in IRM 4.38.1.7.3.1.26, Item D: Rej. |
| 4.4.12.5.27 | Section removed. This information is now located in IRM 4.38.1.7.3.1.27, Item E: Document Locator Number (DLN). |
| 4.4.12.5.27.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.27.1, Master File Cases. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.27.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.27.2, Non-Master File (NMF) Cases. |
| 4.4.12.5.28 | Section removed. This information is now located in IRM 4.38.1.7.3.1.28, Item F: Cor. |
| 4.4.12.5.28.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.22.9, Other IRM References. |
| 4.4.12.5.29 | Section renumbered to IRM 4.4.12.3.2, Item 16: Appeals Office Code (AOC). |
| 4.4.12.5.30 | Section renumbered to IRM 4.4.12.3.3.1, Taxable Returns. |
| 4.4.12.5.30.1 | Section renumbered to IRM 4.4.12.3.3.1, Taxable Returns. |
| 4.4.12.5.30.2 | Section renumbered to IRM 4.4.12.3.3.2, Non-Taxable Returns. |
| 4.4.12.5.30.3 | Section renumbered to IRM 4.4.12.3.3.3, Estate Tax Returns. |
| 4.4.12.5.30.4 | Section renumbered to IRM 4.4.12.3.3.4, Correspondence Exam Cases. |
| 4.4.12.5.30.5 | Section renumbered to IRM 4.4.12.3.3.5, Reclosure to Appeals. |
| 4.4.12.5.30.5.1 | Section renumbered to IRM 4.4.12.3.3.5.1, Impact on AIMS Tables. |
| 4.4.12.5.30.6 | Section renumbered to IRM 4.4.12.3.3.6, Claim for Refund Appealed. |
| 4.4.12.5.30.7 | Section renumbered to IRM 4.4.12.3.3.7, Claim for Refund and Other Adjustments Appealed. |
| 4.4.12.5.30.8 | Section renumbered to IRM 4.4.12.3.3.8, Claim for Abatement (Audit Reconsideration) Appealed. |

| IRM subsection: | Description of Change: |
|------------------------|---|
| 4.4.12.5.30.9 | Section renumbered to IRM 4.4.12.3.3.9, Docketed Cases in Status Code 90. |
| 4.4.12.5.30.10 | Section renumbered to 4.4.12.3.3.10, Loss Year Return or No Tax Due. |
| 4.4.12.5.30.11 | Section renumbered to IRM 4.4.12.3.3.11, Carry-Forward. |
| 4.4.12.5.30.12 | Section renumbered to IRM 4.4.12.3.3.12, Closing Related Returns to Appeals. Also updated the IRM reference. |
| 4.4.12.5.31 | Section removed. This information is now located in IRM 4.38.1.7.3.1.29, Item 19: NAICS. |
| 4.4.12.5.32 | Section removed. This information is now located in IRM 4.38.1.7.3.1.30, Item 20: Claim Rejection Date. |
| 4.4.12.5.33 | Section removed. This information is now located in IRM 4.38.1.7.3.1.31, Item 21: Amount Claimed. |
| 4.4.12.5.33.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.31.1, \$1 on Database. |
| 4.4.12.5.33.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.31.2, Source Code 31. |
| 4.4.12.5.33.3 | Section Removed. The information is now located in IRM 4.38.1, Centralized Case Processing (CCP), Organization and Responsibilities. |
| 4.4.12.5.34 | Section removed. This information is now located in IRM 4.38.1.7.3.1.32, Revenue Base Protection Section (Claim for Refund Disallowed). |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.5.34.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.32.1, Outstanding Balance on Account. |
| 4.4.12.5.34.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.32.2, Example of Non-RBP. |
| 4.4.12.5.34.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.32.3, Source Code. |
| 4.4.12.5.35 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33, Item 22: Dollars Protected. |
| 4.4.12.5.35.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33.1, Required Entries. |
| 4.4.12.5.35.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33, Item 22: Dollars Protected. |
| 4.4.12.5.35.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33.2, Claim Allowed in Full. |
| 4.4.12.5.35.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33.3, Claim Allowed in Part. |
| 4.4.12.5.35.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33.4, Claim Allowed in Part plus Additional Adjustments in the Taxpayer's Favor. |
| 4.4.12.5.35.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33.5, Claim Allowed is Greater than Other Adjustments. |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.5.35.7 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33.5, Claim Allowed is Greater than Other Adjustments. |
| 4.4.12.5.35.8 | Section removed. This information is now located in IRM 4.38.1.7.3.1.33.6, Claim Allowed is Less than Other Adjustments. |
| 4.4.12.5.36 | Section removed. This information is now located in IRM 4.38.1.7.3.1.34, Item 23: RBP Hours. |
| 4.4.12.5.36.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.36.1, Reopened/ Returned from Appeals Cases. |
| 4.4.12.5.37 | Section removed. This information is now located in IRM 4.38.1.7.3.1.35, Item 24: Claim Type. |
| 4.4.12.5.38 | Section renumbered to IRM 4.4.12.3.4, Item. 28: Examiner's Time. |
| 4.4.12.5.38.1 | Section renumbered to IRM 4.4.12.3.4.1, What to Include in Time and created a table. |
| 4.4.12.5.38.2 | Section renumbered to IRM 4.4.12.3.4.2, Do Not Include in Time. |
| 4.4.12.5.38.3 | Section renumbered to IRM 4.4.12.3.4.3, Surveyed Claims. |
| 4.4.12.5.38.4 | Section renumbered to IRM 4.4.12.3.4.4, More Than One Examiner. |
| 4.4.12.5.38.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.36.1, Reopened/ Returned from Appeals Cases. |
| 4.4.12.5.38.6 | Section renumbered to IRM 4.4.12.3.4.5, Joint Compliance Return Program. |

| IRM subsection: | Description of Change: |
|------------------------|---|
| 4.4.12.5.38.7 | Section renumbered to IRM 4.4.12.3.4.6, Specialist's Time/Support Area. |
| 4.4.12.5.38.8 | Section renumbered to IRM 4.4.12.3.4.7, Form 720, Quarterly Federal Excise Tax Return. |
| 4.4.12.5.38.9 | Section renumbered to IRM 4.4.12.3.4.8, Assisting Other Agencies. |
| 4.4.12.5.38.10 | Section renumbered to IRM 4.4.12.3.4.9, Large Corporate Compliance (LCC) Program Case Time. |
| 4.4.12.5.38.11 | Section renumbered to IRM 4.4.12.3.4.10, Claims for Refund (RBP). |
| 4.4.12.5.38.11.1 | Section renumbered to IRM 4.4.12.3.4.10.1, Example of Claim Time and Regular Examination Time on the Same Return. |
| 4.4.12.5.39 | Section removed. This information is now located in IRM 4.38.1.7.3.1.37, Item 30: Examination Technique Code. |
| 4.4.12.5.39.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.37.1, Claims. |
| 4.4.12.5.39.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.37.2, Revenue Agent (EGC 1XXX). |
| 4.4.12.5.39.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.37.3, Tax Compliance Officer/Tax Resolution Representative (EGC 2XXX). |
| 4.4.12.5.39.4 | Section removed. This information is now located in Exhibit 4.4.1-1, Reference Guide - Examination Technique Code (EXAM-TECH-CD). |

| IRM subsection: | Description of Change: |
|------------------------|--|
| 4.4.12.5.40 | Section removed. This information is now located in IRM 4.38.1.7.3.1.38, Item 31: Examiner's Grade. |
| 4.4.12.5.40.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.38.1, Revenue Agent. |
| 4.4.12.5.40.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.38.2, Tax Compliance Officer/Tax Resolution Representative. |
| 4.4.12.5.40.3 | Section removed. This information is now located in Exhibit 4.4.1-1, Reference Guide - Examiner's Grade (EXAM-GR). |
| 4.4.12.5.41 | Section removed. This information is now located in IRM 4.38.1.7.3.1.39, Item 32: Grade of Case. |
| 4.4.12.5.41.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.39.1, Primary Returns. |
| 4.4.12.5.41.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.39.2, Related Returns. |
| 4.4.12.5.42 | Section removed. This information is now located in IRM 4.38.1.7.3.1.40, Item 33: Examiner's Name. |
| 4.4.12.5.43 | Section renumbered to IRM 4.4.12.3.5, Item 34: Adjustment Amount. |
| 4.4.12.5.43.1 | Section renumbered to IRM 4.4.12.3.5.1, Adjustment to a Non-Taxable Return. |
| 4.4.12.5.43.2 | Section renumbered to IRM 4.4.12.3.5.2, Offsetting Adjustments. |
| 4.4.12.5.43.3 | Section renumbered to IRM 4.4.12.3.5.3, Detailed Instructions for Schedule K Items. |

| IRM subsection: | Description of Change: |
|------------------------|---|
| 4.4.12.3.5.43.4 | Section renumbered to IRM 4.4.12.3.5.4, Validity Checks. |
| 4.4.12.5.44 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42, Item 35: Manual Assessment Amount. |
| 4.4.12.5.44.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.1, Tax Adjustments. |
| 4.4.12.5.44.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.2, Penalty Adjustments. |
| 4.4.12.5.44.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.3, Tax Credit Adjustments. |
| 4.4.12.5.44.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.4, Interest Adjustments. |
| 4.4.12.5.44.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.5, MFT 31. |
| 4.4.12.5.44.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.6, Non-Master File (NMF) Assessments. |
| 4.4.12.5.44.7 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.7, Reference Number Adjustments. |
| 4.4.12.5.44.8 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.8, Reopened Cases. |
| 4.4.12.5.44.9 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.9, Validity Checks. |
| 4.4.12.5.44.9.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.9(2), Validity Checks. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.44.9.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.42.9(3), Validity Checks. |
| 4.4.12.5.45 | Section removed. This information is now located in IRM 4.38.1.7.3.1.43, Item 36: Hash Total. |
| 4.4.12.5.46 | Section removed. This information is now located in IRM 4.38.1.7.3.1.44, Item 37: Delinquent Return. |
| 4.4.12.5.46.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.44.1, Valid Code. |
| 4.4.12.5.47 | Section removed. This information is now located in IRM 4.38.1.7.3.1.45, Item 38: Fraud. |
| 4.4.12.5.48 | Section removed. This information is now located in IRM 4.38.1.7.3.1.46, Item 39: Disclosure Code. |
| 4.4.12.5.49 | Section removed. This information is now located in IRM 4.38.1.7.3.1.47, Item 41: No Change Issue Codes (IMF ONLY). |
| 4.4.12.5.49.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.47.1, No Change Disposal Codes. |
| 4.4.12.5.49.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.47.2, Changed Disposal Codes. |
| 4.4.12.5.49.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.47.3, Adjusted Issues with a No Change Disposal Code. |
| 4.4.12.5.50 | Section removed. This information is now located in IRM 4.38.1.7.3.1.48, Item 43: Posting Delay Code. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.51 | Section removed. This information is now located in IRM 4.38.1.7.3.1.49, Item I: Reviewer. |
| 4.4.12.5.52 | Section removed. This information is now located in IRM 4.38.1.7.3.1.50, Item K: Tax Examiner. |
| 4.4.12.5.53 | Section renumbered to IRM 4.4.12.3.6, Item 44: NOL CF Disallowed Amount. |
| 4.4.12.5.53.1 | Section renumbered to IRM 4.4.12.3.6.1, AIMS Information. |
| 4.4.12.5.54 | Section renumbered to IRM 4.4.12.3.7, Item 45: NOL Indicator. |
| 4.4.12.5.54.1 | Section renumbered to IRM 4.4.12.3.7.1, NOL Indicator for NOL's Examined. |
| 4.4.12.5.54.2 | Section renumbered to IRM 4.4.12.3.7.2, NOL Indicator for Carryback and/or Carry-Forward Tax Periods Related To the NOL. |
| 4.4.12.5.54.3 | Section renumbered to IRM 4.4.12.3.7.3, NOL Indicator for Non-NOL Years Offset by Carryover. |
| 4.4.12.5.55 | Section renumbered to IRM 4.4.12.3.8, Item 46: Credit CF Disallowed Amount. |
| 4.4.12.5.56 | Section renumbered to IRM 4.4.12.3.9, Item 47: Credit Type. |
| 4.4.12.5.57 | Section removed. This information is now located in IRM 4.38.1.7.3.1.51, Items 51, 52 and 53: Reason Code. |
| 4.4.12.5.58 | Section removed. This information is now located in IRM 4.24.22.4.1.4.8.1, Excise Tire Tax. |
| 4.4.12.5.59 | Section removed. This information is now located in IRM 4.24.22.4.1.5, Form 720, Part II. |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.5.60 | Section removed. This information is now located in Exhibit 4.4.1-1, Reference Guide - Whipsaw Indicator (WHIPSAW-IND) and IRM 4.10.7.4.9, Whipsaw (a/k/a correlative adjustments). |
| 4.4.12.5.61 | Section renumbered to IRM 4.4.12.3.10, Item 402: International Examiner's Time. |
| 4.4.12.5.61.1 | Section renumbered to IRM 4.4.12.3.10.1, Example. |
| 4.4.12.5.61.2 | Section renumbered to IRM 4.4.12.3.10.2, Revenue Base Protection. |
| 4.4.12.5.62 | Section renumbered to IRM 4.4.12.3.11, Item 403: International Exam Results. |
| 4.4.12.5.62.1 | Section renumbered to IRM 4.4.12.3.11.1, Example. |
| 4.4.12.5.62.2 | Section renumbered to IRM 4.4.12.3.11.2, Revenue Base Protection. |
| 4.4.12.5.63 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52, Item 404: Form 720, Quarterly Federal Excise Tax Return. |
| 4.4.12.5.63.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.1, Item 404a: Abstract Code. |
| 4.4.12.5.63.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.2, Item 404b: Disposal Code. |
| 4.4.12.5.63.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.3, Item 404c: Abstract Time. |
| 4.4.12.5.63.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.4, Item 404d: Abstract Examination Results. |

| IRM subsection: | Description of Change: |
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| 4.4.12.5.63.5 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.5, Item 404e: Abstract Claim Time. |
| 4.4.12.5.63.6 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.6, Flip/Flop Issue. |
| 4.4.12.5.63.7 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.7, Multiple Abstracts Examined. |
| 4.4.12.5.63.7.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.7(a), Multiple Abstracts Examined . |
| 4.4.12.5.63.7.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.7(b), Multiple Abstracts Examined. |
| 4.4.12.5.63.7.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.52.7(c), Multiple Abstracts Examined. |
| 4.4.12.5.64 | Section removed. This information is now located in IRM 4.38.1.7.3.1.53, Items 405 - 407: Related Returns Section. |
| 4.4.12.5.65 | Section removed. This information is now located in IRM 4.38.1.7.3.1.54, Item 408: Related Return Alpha Code. |
| 4.4.12.5.66 | Section renumbered to IRM 4.4.12.3.12, Item 410: Aging Reason Code (ARC). Also updated the link to the Aging Reason Codes. |
| 4.4.12.5.67 | Section removed. This information is now located in IRM 4.38.1.7.3.1.55, Item 411: Payment Code. |
| 4.4.12.5.67.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.55.1, Valid Codes. |

| IRM subsection: | Description of Change: |
|-----------------|--|
| 4.4.12.5.68 | Section removed. This information is now located in IRM 4.38.1.7.3.1.56, Item 412: Installment Agreement Code. |
| 4.4.12.5.69 | Section removed. This information is now located in IRM 4.38.1.7.3.1.57, Item 414: Delinquent Return Amount. |
| 4.4.12.5.69.1 | Section removed. This information is now located in IRM 4.38.1.7.3.1.57.1, Taxable Returns. |
| 4.4.12.5.69.2 | Section removed. This information is now located in IRM 4.38.1.7.3.1.57.2, Non-Taxable Returns. |
| 4.4.12.5.69.3 | Section removed. This information is now located in IRM 4.38.1.7.3.1.57.3, Excise Tax Returns. |
| 4.4.12.5.69.4 | Section removed. This information is now located in IRM 4.38.1.7.3.1.57.4, AIMS Checks. |
| 4.4.12.5.70 | Section renumbered to IRM 4.4.12.3.13, Item 415: Amended Return Amount. |
| 4.4.12.5.70.1 | Section renumbered to IRM 4.4.12.3.13.1, Taxable Returns. |
| 4.4.12.5.70.2 | Section renumbered to IRM 4.4.12.3.13.2, Non-Taxable Returns. |
| 4.4.12.5.70.3 | Section renumbered to IRM 4.4.12.3.13.3, Examples. |
| 4.4.12.5.71 | Section renumbered to IRM 4.4.12.3.14, Item 416: Fax Agreement Indicator. |
| 4.4.12.5.72 | Section removed. This information is now located in IRM 4.38.1.7.3.1.58, Item 418: 3121Q Amount. |

| IRM subsection: | Description of Change: |
|-----------------|---|
| 4.4.12.5.73 | Section removed. This information is now located in IRM 4.38.1.7.3.1.59, Item 422: Applicable Credit Adjustment Amount. |
| 4.4.12.5.74 | Section removed. This information is now located in IRM 4.38.1.7.3.1.60, Item 425: DSUE Amount. |
| 4.4.12.6 | Section renumbered to IRM 4.4.12.4, Combat Zone Procedures. |
| 4.4.12.6.1 | Section renumbered to IRM 4.4.12.4.1, Releasing the Combat Zone Freeze. |
| 4.4.12.6.2 | Section renumbered to IRM 4.4.12.4.2, Combat Zone Cases Campus Examination Procedures. |
| 4.4.12.7 | Section renumbered to IRM 4.4.12.5, AIMS Freeze Codes. |
| 4.4.12.8 | Section renumbered to IRM 4.4.12.6, AIMS Indicators that Prevent a Closure. |
| 4.4.12.9 | Section renumbered to IRM 4.4.12.7, Disposition of Form 5344. |
| 4.4.12.9.1 | Section renumbered to IRM 4.4.12.7.1, Closures to Appeals. |
| 4.4.12.9.2 | Section renumbered to IRM 4.4.12.7.2, Large Corporate Compliance Cases (LCC). |
| 4.4.12.10 | Section renumbered to IRM 4.4.12.8, Closing Instructions for Cases with RGS Reports. |
| 4.4.12.10.1 | Section renumbered to IRM 4.4.12.8.1, Closing Personnel. |
| 4.4.12.10.1.1 | Section renumbered to IRM 4.4.12.8.1.1, Non-Special Handling Cases. |
| 4.4.12.10.1.2 | Section renumbered to IRM 4.4.12.8.1.2, Special Handling Cases. |

| IRM subsection: | Description of Change: |
|----------------------------|---|
| 4.4.12.11 | Section renumbered to IRM 4.4.12.9, Examination Operational Automation Database (EOAD) Data Capture Procedures. |
| 4.4.12.10 (New Subsection) | Section added, relocated from IRM 4.4.5, Closings to Appeals. |
| 4.4.12.11 | Section relocated from IRM 4.4.5.2, Form 5344, Examination Closing Record and Form 5403, Appeals Closing Record. |
| 4.4.12.11.1 | Section relocated from IRM 4.4.5.2.1, Form 5344 - Group Responsibility. |
| 4.4.12.11.2 | Section relocated from IRM 4.4.5.2.2, Form 5344 - Technical Services Responsibility. |
| 4.4.12.12 | Section relocated from IRM 4.4.5.3, Non-Docketed Cases - Group Responsibility. |
| 4.4.12.12.1 | Section relocated from IRM 4.4.5.3.1, Electronic Prints of Returns. |
| 4.4.12.13 | Section relocated from IRM 4.4.5.4, Special Situations. |
| 4.4.12.14 | Section relocated from IRM 4.4.5.5, Skeletal Records. |
| 4.4.12.15 | Section relocated from IRM 4.4.5.6, Non-Master File (NMF) Returns. |
| 4.4.12.16 | Section relocated from IRM 4.4.5.7, Closing Related Cases to Appeals - Technical Services Responsibility. |
| 4.4.12.17 | Section relocated from IRM 4.4.5.8, Closing Reference Returns to Appeals (Nontaxable Returns Only) - Technical Services Responsibility. |
| 4.4.12.18 | Section relocated from IRM 4.4.5.9, Unagreed But No Tax Consequence (Taxable Returns Only) - Technical Services Responsibility. |

| IRM subsection: | Description of Change: |
|------------------------|--|
| 4.4.12.19 | Section relocated from IRM 4.4.5.10, Claims for Refund or Abatement. |
| 4.4.12.19.1 | Section relocated from IRM 4.4.5.10.1, Form 5344, Group Responsibility. |
| 4.4.12.19.2 | Section relocated from IRM 4.4.5.10.2, Form 5344, Technical Services Responsibility. |
| 4.4.12.19.2(2) | Updated the link. |
| 4.4.12.20 | Section relocated from IRM 4.4.5.11, Closing Cases to Other Appeals Offices - Technical Service Responsibility. |
| 4.4.12.20.1 | Section relocated from IRM 4.4.5.11.1, LB&I, International, Campus Cases. |
| 4.4.12.21 | Section relocated from IRM 4.4.5.12, Closing IRC 6707A, Failure to Include Reportable Transaction Information with Return Penalty Cases. |
| 4.4.12.22 | Section relocated from IRM 4.4.5.13, Forward Case to File to Appeals, Technical Responsibility. |
| 4.4.12.23 | Section relocated from IRM 4.4.5.14, Docketed (Petitioned) Cases, Technical Services Responsibility. |
| Exhibit 4.4.12-1 | Updated verbiage. |
| Exhibit 4.4.12-2 | Exhibit added for Responsibilities for Completion of Form 5344, Examination Closing Record. |

EFFECT ON OTHER DOCUMENTS

IRM 4.4.12 dated May 17, 2016 is superseded.

AUDIENCE

Appeals, Large Business & International (LB&I), Small Business/Self-Employed (SB/SE), Taxpayer Services (TS), and Tax-Exempt and Government Entities (TE/GE).

Signed by Antoine D. Brown
Director, Operations Support, Technology Solutions
Small Business/Self-Employed Division

4.4.12

Examined Closings, Surveyed Claims, Partial Assessments, and Closings to Appeals

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 - 4.4.12.23 Docketed (Petitioned) Cases, Technical Services Responsibility
- Exhibits
- 4.4.12-1 Item 44 and 45, NOL Information Examples
 - 4.4.12-2 Responsibilities for Completion of Form 5344, Examination Closing Record

| | |
|--|--|
| 4.4.12.1 (07-18-2024) Program Scope and Objectives | <ol style="list-style-type: none">(1) Overview, Program Goal, and Purpose:<ul style="list-style-type: none">• Overview: This Internal Revenue Manual (IRM) Section contains explanations for items on the Audit Information Management System (AIMS) Database and AIMS Procedures and Processing Instructions, Examined Closings, Surveyed Claims, and Partial Assessments.• Program Goal: To provide fundamental knowledge of AIMS Database fields and the values applicable to those fields.• Purpose: The following instructions are for the completion of Form 5344, Examination Closing Record.(2) Audience: Appeals, LB&I, SB/SE, TS, and TE/GE employees using AIMS.(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, General Exam Systems Support.(5) Primary Stakeholders: Appeals, LB&I, SB/SE, TS, and TE/GE. |
| 4.4.12.1.1 (07-18-2024) Background | <ol style="list-style-type: none">(1) Form 5344 is used to close examined returns, surveyed and examined claims, and partial assessments. In addition to the procedures below, this IRM also incorporates procedures for Closings to Appeals previously found in IRM 4.4.5 (Obsoleted). |
| 4.4.12.1.2 (07-18-2024) Authority | <ol style="list-style-type: none">(1) IRM 2.8.1, Introduction to AIMS Realtime Processing. This IRM provides the requirement request for a new information management system, for Examination. |
| 4.4.12.1.3 (07-18-2024) Roles and Responsibilities | <ol style="list-style-type: none">(1) Users of AIMS have the responsibilities of maintaining the data fields, on the AIMS record by, updating field values and correctly reporting closing actions taken on the taxpayers account, as determined during the audit process. |
| 4.4.12.1.4 (07-18-2024) Program and Management Review | <ol style="list-style-type: none">(1) AIMS program reports can be found in IRM 4.4.27, Reports.(2) AIMS program reports are available to Headquarters Office and field personnel.(3) AIMS program reports provide timely and reliable information to monitor the current year's Examination Plan, as well as specific programs Reports and statistical tables. |
| 4.4.12.1.5 (07-18-2024) Program Controls | <ol style="list-style-type: none">(1) AIMS is accessed through IDRS.(2) A Business Entitlement Access Request System (BEARS) request must be submitted for IDRS access.(3) A background investigation and managerial approval is required for IDRS access. |

4.4 AIMS Procedures and Processing Instructions

- (4) A Personal Identity Verification (PIV) Smart Card and Personal Identification Number (PIN) is used to sign on to IDRS.

4.4.12.1.6
(07-18-2024)

Terms/Definitions/ Acronyms

(1)

| Acronym | Definition |
|---------|---|
| ARC | Aging Reason Code |
| AIMS | Audit Information Management System |
| AOC | Appeals Office Code |
| ASED | Assessment Statute Expiration Date |
| BMF | Business Master File |
| CTF | Campus TEFRA Function |
| CC | Command Code |
| CCP | Centralized Case Processing |
| CDE | Compliance Data Environment |
| CF | Carryforward |
| CP | Computer Paragraph |
| CRN | Credit Reference Number |
| DC | Disposal Code |
| EGC | Employee Group Code |
| EIN | Employer Identification Number |
| ERCS | Examination Returns Control System |
| FICA | Federal Insurance Contributions Act |
| FTP | Failure To Pay |
| HC | Hold Code |
| IDRS | Integrated Data Retrieval System |
| IMF | Individual Master File |
| IRC | Internal Revenue Code |
| IRM | Internal Revenue Manual |
| ISRN | Internal Revenue Service Number |
| ITIN | Individual Taxpayer Identification Number |
| LB&I | Large Business and International |
| MF | Master File |

| Acronym | Definition |
|---------|--------------------------------------|
| MFT | Master File Tax |
| NMF | Non-Master File |
| NMFT | Non-Master File Tax Code |
| NOL | Net Operating Loss |
| NOLD | Net Operating Loss Deduction |
| PBC | Primary Business Code |
| PICF | Partnership Information Control File |
| PC | Priority Code |
| PCS | Pass-through Control System |
| RGS | Report Generation Software |
| RBP | Revenue Base Protection |
| SB/SE | Small Business/Self-Employed |
| SFR | Substitute for Return |
| SNOD | Statutory Notice of Deficiency |
| SSN | Social Security Number |
| TC | Transaction Code |
| TIN | Taxpayer Identification Number |
| TP | Taxpayer(s) |
| TE/GE | Tax Exempt and Government Entities |
| TS | Taxpayer Services |
| TSC | Technical Services Code |
| UPC | Unpostable Code |

4.4.12.1.7
(07-18-2024)

Related Resources

- (1) Following are the Form 5344 item numbers with the corresponding text:

| Item Number | Title | IRM Reference |
|-------------|---|-----------------------------------|
| Item A: | CC TSCLS | IRM 4.38.1.7.3.1.3 |
| P1–6: | CC AMCLS | IRM 4.38.1.7.3.1.4 |
| P49-50: | Unpostable Indicator | IRM 4.4.35, Unpostable Resolution |
| P56: | AMCLSS P56 | IRM 4.38.1.7.3.1.4.1 |
| P57: | AMCLSS P57 | IRM 4.38.1.7.3.1.4.2 |
| P7–34: | P7–34 TIN, MFT Tax Period, CD/NC | IRM 4.38.1.7.3.1.5 |
| P7-18: | TIN | IRM 4.38.1.7.3.1.5.1 |
| P21-22: | MFT | IRM 4.38.1.7.3.1.5.3 |
| P24-29: | Tax Period | IRM 4.38.1.7.3.1.5.4 |
| P31-34: | Check Digit/Name Control (CD/NC) | IRM 4.38.1.7.3.1.5.5 |
| P36: | Batch Position Indicator | IRM 4.38.1.7.3.1.6 |
| P38–40: | Blocking Series Number | IRM 4.38.1.7.3.1.7 |
| P45–48: | Sequence Number | IRM 4.38.1.7.3.1.8 |
| Item 01: | Secondary Spouse SSN | IRM 4.38.1.7.3.1.9 |
| Item 02: | Penalty Reason Code | IRM 4.38.1.7.3.1.10 |
| Item 03: | Letter Date(Large Corporate Taxpayer C-Corporations Only) | IRM 4.38.1.7.3.1.11 |
| Item 04: | Letter Amount | IRM 4.38.1.7.3.1.12 |
| Item 05: | 2% Interest Date | IRM 4.38.1.7.3.1.13 |
| Item 6A: | Debit Interest To Date | IRM 4.38.1.7.3.1.14 |
| Item 6B: | Credit Interest | IRM 4.38.1.7.3.1.15 |
| Item 6C: | Compute Interest Amounts | IRM 4.38.1.7.3.1.16 |
| Item 07: | Hold Code | IRM 4.38.1.7.3.1.17 |
| Item 08: | Agreement Date | IRM 4.38.1.7.3.1.18 |
| Item 09: | Priority Code | IRM 4.38.1.7.3.1.19 |
| Item 11: | Interest Computation Date | IRM 4.38.1.7.3.1.20 |
| Item 12: | Tax, Penalty and Interest Adjustments | IRM 4.38.1.7.3.1.21 |
| Item 13: | Disposal Code | IRM 4.4.12.3.1 |
| Item 14: | Statute Extended to | IRM 4.38.1.7.3.1.23 |
| Item 15: | Credit and Tax Computation Adjustments | IRM 4.38.1.7.3.1.24 |
| Item C: | Operator Employee No. | IRM 4.38.1.7.3.1.25 |
| Item D: | Reject | IRM 4.38.1.7.3.1.26 |
| Item E: | Document Locator Number | IRM 4.38.1.7.3.1.27 |

Examined Closings, Surveyed Claims, Partial Assessments, and Closings to Appeals 4.4.12

page 5

| Item Number | Title | IRM Reference |
|-------------------|---|---------------------|
| Item F: | Cor. | IRM 4.38.1.7.3.1.28 |
| Item 16: | Appeals Office Code | IRM 4.4.12.3.2 |
| Item 18: | Unagreed Amount Appealed/Petitioned | IRM 4.4.12.3.3 |
| Item 19: | North American Industry Classification System (NAICS) | IRM 4.38.1.7.3.1.29 |
| Item 20: | Claim Rejection Date | IRM 4.38.1.7.3.1.30 |
| Item 21: | Amount Claimed | IRM 4.38.1.7.3.1.31 |
| RBP: | Revenue Base Protection Section (Claim for Refund Disallowed) | IRM 4.38.1.7.3.1.32 |
| Item 22: | Dollars Protected | IRM 4.38.1.7.3.1.33 |
| Item 23: | RBP Hours | IRM 4.38.1.7.3.1.34 |
| Item 24: | Claim Type | IRM 4.38.1.7.3.1.35 |
| Item 28: | Examiner's Time | IRM 4.38.1.7.3.1.36 |
| Item 30: | Examination Technique Code | IRM 4.38.1.7.3.1.37 |
| Item 31: | Examiner's Grade | IRM 4.38.1.7.3.1.38 |
| Item 32: | Grade of Case | IRM 4.38.1.7.3.1.39 |
| Item 33: | Examiner's Name | IRM 4.38.1.7.3.1.40 |
| Item 34: | Adjustment to a Non-Taxable Return | IRM 4.38.1.7.3.1.41 |
| Item 35: | Manual Assessment Amount | IRM 4.38.1.7.3.1.42 |
| Item 36: | Hash Total | IRM 4.38.1.7.3.1.43 |
| Item 37: | Delinquent Return | IRM 4.38.1.7.3.1.44 |
| Item 38: | Fraud | IRM 4.38.1.7.3.1.45 |
| Item 39: | Disclosure Code | IRM 4.38.1.7.3.1.46 |
| Item 41: | No Change Issue Codes (IMF only) | IRM 4.38.1.7.3.1.47 |
| Item 43: | Posting Delay Code | IRM 4.38.1.7.3.1.48 |
| Item I: | Reviewer | IRM 4.38.1.7.3.1.49 |
| Item K: | Tax Examiner | IRM 4.38.1.7.3.1.50 |
| Item 44: | NOL CF Amount Disallowed | IRM 4.4.12.3.6 |
| Item 45: | NOL Indicator | IRM 4.4.12.3.7 |
| Item 46: | Credit CF Disallowed Amount | IRM 4.4.12.3.8 |
| Item 47: | Credit Type | IRM 4.4.12.3.9 |
| Items 51, 52, 53: | Reason Code | IRM 4.38.1.7.3.1.51 |

| Item Number | Title | IRM Reference |
|-----------------|-------------------------------|-----------------------------------|
| Item 66: | Tire Count | IRM 4.24.22.4.1.4.8.1 |
| Item 70: | SHIP-Lives and ASIHP Lives | IRM 4.24.22.4.1.5 |
| Item 401: | Whipsaw Indicator | IRM 4.10.7.4.9 and IRM 4.4.1 |
| Item 402: | International Examiner's Time | IRM 4.4.12.3.10 |
| Item 403: | International Exam Results | IRM 4.4.12.3.11 |
| Item 404: | Form 720 | IRM 4.38.1.7.3.1.52 and IRM 4.4.1 |
| Item 405 - 407: | Related Return Section | IRM 4.38.1.7.3.1.53 |
| Item 408: | Related Return Alpha Code | IRM 4.38.1.7.3.1.54 |
| Item 410: | Aging Reason Code (ARC) | IRM 4.4.12.3.12 |
| Item 411: | Payment Code | IRM 4.38.1.7.3.1.55 |
| Item 412: | Installment Agreement Code | IRM 4.38.1.7.3.1.56 |
| Item 414: | Delinquent Return Amount | IRM 4.38.1.7.3.1.57 |
| Item 415: | Amended Return Amount | IRM 4.4.12.3.13 |
| Item 416: | Fax Agreement Indicator | IRM 4.4.12.3.14 |
| Item 418: | 3121Q Amount | IRM 4.38.1.7.3.1.58 |
| Item 422: | Applicable Credit Adj Amount | IRM 4.38.1.7.3.1.59 |
| Item 425: | DSUE Amount | IRM 4.38.1.7.3.1.60 |

4.4.12.2
(07-18-2024)
**Taxable Amended
Return**

- (1) There may be instances when the taxpayer gives the examiner a taxable amended return, Form 1040-X, Amended U.S. Individual Income Tax Return, during an examination. Options for processing the Form 1040-X, Amended U.S. Individual Income Tax Return are:
 - a. If the examiner receives a taxable amended return covering issues not currently included in the audit, send the taxable amended return to CCP for a partial assessment using DC 08. The examiner must retain a copy of the amended return in the case file. A signature is not needed because the taxpayer signed the Form 1040-X, Amended U.S. Individual Income Tax Return. Annotate Form 3198, Special Handling Notice for Examination Case Processing in the "Other Instructions" section "Taxpayer signed taxable Form 1040-X", Amended U.S. Individual Income Tax Return. The remainder of the issues will be included on a separate Form 4549, Income Tax Examination Changes, also known as a Revenue Agent's Report (RAR).

Note: DC 08 is used in this instance because the interest on the tax due on the amended return is calculated from the return due date. The taxpayer is not entitled to an interest free period (DC 03 allows an interest free period) under IRC 6601(c) for amended returns.

b. If the examiner is already auditing the issues included in the Form 1040-X, Amended U.S. Individual Income Tax Return those issues can be included on the Form 4549, Report of Income Tax Examination Changes.

- (2) For taxable amended returns received within 120 days of the ASER see IRM 4.4.25.11, Forwarding Quick Assessments to the Campus, CCP Responsibility.
- (3) If the Campus has already assessed the taxable amended return using a TC 290, the tax is input in Item 415 of Form 5344, Examination Closing Record if Examination's TC 420 posted prior to the TC 290 for the taxable amended return. IRM 4.4.12.3.13 for an explanation of Item 415.

4.4.12.3
(07-18-2024)
Examined Closings

- (1) This IRM subsection will provide information that examiners will use for the completion of the Form 5344. Specific items not referenced in the IRM can be located in other IRM sections. See IRM 4.4.12, Examined Closings, Surveyed Claims, Partial Assessments, and Closings to Appeals for specific Item Numbers. Policy related instructions can be found in IRM 4.38.1, Centralized Case Processing (CCP), Organization and Responsibilities.

4.4.12.3.1
(07-18-2024)
Item 13: Disposal Code

- (1) 01–04, 07–13, or 34 is required on all examined closings.

4.4.12.3.1.1
(07-18-2024)
Petitioned

- (1) Use DC 11. Item 16, AOC, on Form 5344, Examination Closing Record is required.

4.4.12.3.2
(07-18-2024)
Item 16: Appeals Office Code (AOC)

- (1) If the case is appealed or petitioned, a three digit AOC identifying the office the case is being closed to, must be entered in Item 16. An AOC of 1XX is input for an appealed case. An AOC of 2XX is input for a petitioned (docketed) case. The AOC can be found in Document 6209, IRS Processing Codes and Information at: *Section 13-2 Appeals Codes*.
- (2) If a 2XX (Docketed) AOC is entered, QQ is automatically entered in the day portion of the AIMS statute date field.
- (3) If Item 16 is entered, Item 18 (unagreed amount) is a required entry unless the return is a non-taxable return in which case, Item 18 must be blank and Item 34 is required.

4.4.12.3.3
(07-18-2024)
**Item 18: Unagreed Amount
Appealed/Petitioned**

- (1) This is a Dollars Only field, do not enter cents.
- (2) This item should be completed at the time the case is prepared for closure to Appeals. This could be in the group as a result of the 30-day letter or in Technical Services as a result of the SNOD.

4.4.12.3.3.1
(07-18-2024)
Taxable Returns

- (1) Required entry if DC is 07, 11 or 12 if an AOC is entered in Item 16.
- (2) Enter the unagreed portion of tax and credits less prepayment credits.
- (3) The entry must be the full deficiency, excluding penalties and interest, less any partial assessments.

4.4 AIMS Procedures and Processing Instructions

- (4) Do not include any part of tax in Item 18 that has been assessed unless Examination is going to abate the assessment before closing the case to Appeals; for example a late file petitioned 90-Day Letter.

4.4.12.3.3.2
(07-18-2024)

Non-Taxable Returns

- (1) Item 18 must be blank and Item 34 must include the entire proposed adjustment.

4.4.12.3.3.3
(07-18-2024)

Estate Tax Returns

- (1) Enter the net estate tax due after allowance of the full state death tax credit regardless of whether evidence of payment has been submitted within the specified time.

4.4.12.3.3.4
(07-18-2024)

Correspondence Exam Cases

- (1) Campus Examination will follow the procedures in IRM 4.19.13, Liability Determination, General Case Development and Resolution.

4.4.12.3.3.5
(07-18-2024)

Reclosure to Appeals

- (1) The entire Form 5344, Examination Closing Record must be reinput, including the entire unagreed amount. It does not matter if Appeals returned the case in the same fiscal year or a subsequent fiscal year, the same procedures apply. Reenter all applicable fields using the entire amounts.

Note: The case cannot be reclosed to Appeals in the same month as the original closing.

4.4.12.3.3.5.1
(07-18-2024)

Impact on AIMS tables

- (1) See IRM 4.4.26, AIMS Procedures and Processing Instructions, Reopening/Reclosing/Reinputting Records.

4.4.12.3.3.6
(07-18-2024)

Claim for Refund Appealed

- (1) If a claim for refund RBP without other adjustments is being referred to Appeals, the amount of -\$1 (negative one dollar) must be entered in Item 18 and the amount of the claim for refund RBP that is being appealed, entered in Item 22. Item 23 and 24 are also required entries.

4.4.12.3.3.7
(07-18-2024)

Claim for Refund and Other Adjustments Appealed

- (1) If both the claim for refund RBP and other adjustments are being referred to Appeals, the unagreed amount from the other issues must be entered in Item 18 and the amount of RBP that is being appealed entered in Item 22.

4.4.12.3.3.8
(07-18-2024)

Claim for Abatement (Audit Reconsideration) Appealed

- (1) If a claim for abatement is being appealed, enter \$1 in Item 18. Since examination received credit for this closure when it was originally closed, entering the amount of the "claim" will cause duplicate results.

4.4.12.3.3.9
(07-18-2024)

Docketed Cases in Status Code 90

- (1) If a case appears on the docket list that has already been assessed and is in Status Code 90, follow the procedures in IRM 4.8.9, SNOD, to reopen the return.
- (2) Enter \$1 in Item 18 - See IRM 4.4.26, AIMS Procedures and Processing Instructions, Reopening/Reclosing/Reinputting Records, for more information.

4.4.12.3.3.10
(07-18-2024)

Loss Year Return or No Tax Due

- (1) In some instances the examination results in an adjustment to income but not tax. When closing these unagreed returns to Appeals, use the appropriate DC (07 or 11), but since there is no tax consequence, enter \$1 in Item 18.

Note: Usually the carry-back or carry-forward tax periods are also being closed to Appeals and they will contain the amount of the unagreed tax adjustment.

4.4.12.3.3.11
(07-18-2024)

Carry-Forward

- (1) If a carry-forward return has not been filed yet, but the taxpayer is appealing the adjustment to the loss year, the examination results will be \$1.

4.4.12.3.3.12
(07-18-2024)

Closing Related Returns to Appeals

- (1) See IRM 4.4.12.10, Closings to Appeals - Overview.

4.4.12.3.4
(07-18-2024)

Item. 28: Examiner's Time

- (1) This IRM subsection will provide information that examiners will use to determine what activity is included in time reporting.

4.4.12.3.4.1
(07-18-2024)

What to Include in Time

- (1) Time includes:

| Included in time: |
|---|
| Actual examination time |
| Travel time |
| Report writing time |
| Visual inspection time spent by Tax Compliance Officers |
| Time resulting from further consideration of cases returned from review or after issuance of a statutory notice |
| Time spent on the inspection of employment or excise tax returns |
| Prior time spent as well as additional time on reopened cases and cases returned from Appeals.(The system will automatically net the two figures to reflect additional time for report purposes.) |
| Specialists time |
| Reviewers time when assisting an Exam group in court cases |
| Time spent on OIC cases only if return is being examined |

4.4.12.3.4.2
(07-18-2024)

Do Not Include in Time

- (1) Do not include:
 - Co-op student time
 - Tax Examiner time

4.4.12.3.4.3
(07-18-2024)

Surveyed Claims

- (1) Do not enter the time spent to survey claims.

4.4.12.3.4.4
(07-18-2024)

**More Than One
Examiner**

- (1) The senior examiner or the examiner devoting the most time enters the combined time. If applicable, include all time spent by the examiner(s) or specialist(s).
- (2) The time spent by International specialists in assisting revenue agents in conducting an examination is also included in the total time entered for Item 28.
- (3) When an examiner leaves the Internal Revenue Service or a return is re-assigned for examination, the accumulated examination time is added to the time of the examiner completing the case.

4.4.12.3.4.5
(07-18-2024)

**Joint Compliance
Program Return**

- (1) Include both audit and joint investigation time. Also include time spent after the referral so that the "total return time" is reflected on Form 5344, Examination Closing Record at the time of closure from Examination.

4.4.12.3.4.6
(07-18-2024)

**Specialist's
Time/Support Area**

- (1) Include all Examiner's and Specialist's time spent on the case by both the primary and support areas.

4.4.12.3.4.7
(07-18-2024)

**Form 720, Quarterly
Federal Excise Tax
Return**

- (1) The total time spent on the case must be reported in Item 28. Item 404(c) must reflect the time reported in Item 28 allocated to each abstract code examined.

4.4.12.3.4.8
(07-18-2024)

**Assisting Other
Agencies**

- (1) Include time spent on cases open in Examination.

4.4.12.3.4.9
(07-18-2024)

**Large Corporate
Compliance (LCC)
Program Case Time**

- (1) Enter the total amount of time spent on the case by both the primary and support areas.

4.4.12.3.4.10
(07-18-2024)

Claims for Refund (RBP)

- (1) Do not include time spent on claims for refund. RBP time must be reported in Item 23.

4.4.12.3.4.10.1
(07-18-2024)

Example of Claim Time and Regular Examination Time on the Same Return

- (1) A total of four hours spent on the examination of the return:

| N/A | Examination Technical Time Report | Form 5344 |
|--------------|-----------------------------------|-------------------|
| RBP Time | 1 hour | Item 23 = 1 hour |
| Regular Time | 3 hours | Item 28 = 3 hours |

4.4.12.3.5
(07-18-2024)

Item 34: Adjustment Amount

- (1) This field is used to reflect adjustments to non-taxable returns to estimate tax results. It is the revenue agent's responsibility to verify the adjustment amount is accurate.

4.4.12.3.5.1
(07-18-2024)

Adjustment to a Non-Taxable return

- (1) Enter the changes to ordinary and separately stated income, loss and deduction items plus a factor when credits are adjusted.
- S corporation: The items included should be the component of income or loss reconciliation, Schedule K, Line 18. Do not include adjustments to balance sheet items, credits, alternative minimum tax items, or items impacting shareholder basis (also see Credits below).
 - Partnership: The items included should be the components of Analysis of Net Income (Loss) Line 1. Do not include adjustments to balance sheet items, changes to net earnings from self-employment tax, credits, alternative minimum tax items, or other information items (also see Credits below).
 - Credits: When credits are adjusted, the adjustment amount should be increased/decreased to account for credits. The adjustments to credits will be divided by 30% (credit amount / 30% = credit adjustment amount). This grosses up the credit adjustment amount to more closely reflect the change to ordinary income or expense items - See IRM 4.31.2.7.2.4, 60 Day Cases.

Example: If you have a change to adjustments increasing the entity's ordinary income of \$4,000 and are disallowing \$10,000 of credits, the adjustment amount should reflect \$37,333 (\$4,000 + \$33,333 (\$10,000 divided by .3)).

4.4.12.3.5.2
(07-18-2024)

Offsetting Adjustments

- (1) If the revenue agent has made a change to ordinary income or any separately stated items of income, loss, deduction or credit, the case should not be closed no change and the adjustments should be reflected in the Adjustment Amount, Item 34.
- (2) The Adjustment Amount requires an entry other than zero if you make adjustments to ordinary and/or separately stated income, loss and deduction items. If you have a situation where the adjustments made to the entity net to zero, enter \$1.

Example: The examination concluded that the TP improperly included (\$10,000) rental loss in ordinary income/(loss). It will result in the following two ad-

justments:

increasing ordinary income/(loss) by \$10,000 and

decreasing net income/(loss) from real estate activities by \$10,000.

- (3) The sum of the two adjustments will result in \$0 increase to flow through income. Since the adjustments made offset income, the Adjustment Amount should reflect \$1.

4.4.12.3.5.3
(07-18-2024)

**Detailed Instructions for
Schedule K Items**

- (1) Detailed instructions for Schedule K items, can be found on the Exam Systems Knowledge Base site, under RGS and CEAS: *RGS Form 5344 Help Sheet for SBSE*.

4.4.12.3.5.4
(07-18-2024)

Validity Checks

- (1) If the examination results in no change (DC 01 or 02), Item 34 must be blank.

4.4.12.3.6
(07-18-2024)

**Item 44: NOL CF
Disallowed Amount**

- (1) This item is used if all or part of a NOL CF is disallowed if the CF year is not picked-up. See Exhibit 4.4.12-1, Item 44 and 45, NOL Information Examples.

4.4.12.3.6.1
(07-18-2024)

AIMS Information

- (1) AIMS information is as follows:
- Positive amount only
 - If Item 44 is input, Item 45 is required
 - Not valid if DC = 02
 - Not included in "Exam Results", will appear on a separate page of AIMS Table 37.

4.4.12.3.7
(07-18-2024)

Item 45: NOL Indicator

- (1) This item is used to identify the type of NOL CF Return that will be reflected on the NOL page of Table 37. Valid entries are 1, 2 or 3 - See Exhibit 4.4.12-1 for examples.

4.4.12.3.7.1
(07-18-2024)

**NOL Indicator for NOL's
Examined**

- (1) Enter a "1" in Item 45 for tax periods in which the taxable income line on the Form 1040 or Form 1120 is less than zero.

4.4.12.3.7.2
(07-18-2024)

**NOL Indicator for
Carryback and/or
Carry-Forward Tax
Periods Related To the
NOL**

- (1) Enter a "2" in Item 45 for all carryback or CF tax periods related to the case in which you entered a "1" in Item 45 even if the NOLD was examined and the final result was a no change.

4.4.12.3.7.3
(07-18-2024)

**NOL Indicator for
Non-NOL Years Offset
by Carryover**

- (1) Enter a "3" in Item 45 for tax periods in which adjustments on the return were offset either in part or full by a carryover if the CF year return is not picked-up.

4.4.12.3.8
(07-18-2024)

**Item 46: Credit CF
Disallowed Amount**

- (1) This item is used if you made adjustments to a credit that was carried forward but did not pick-up the CF year return. Enter the amount that was disallowed.

Example: You examined the 2014 return and disallowed the foreign tax credit of \$5,000, \$2,000 of which was carried forward to 2015. You did not pick up 2015 since it has not yet been filed.
201412 Form 5344, Item 46 = \$2,000
201412 Form 5344, Item 12 = \$3,000

4.4.12.3.9
(07-18-2024)

Item 47: Credit Type

- (1) Enter the type of credit that was disallowed in Item 46. If more than one type of credit was disallowed enter "M" for multiple. The following table lists the credit type to enter in Item 47 and the corresponding definition.

| Credit Type | Definition |
|-------------|--|
| A | Reserved |
| B | Business Energy Credit |
| C | Reserved |
| E | Experimental Credit (Research and Experimental Credit) |
| F | Foreign Tax Credit |
| G | Reserved |
| H | Historical Restoration Credit |
| I | Investment Tax Credit |
| J | Reserved |
| K | Reserved |
| L | Low Income Housing Credit |
| M | Multiple |
| N | Reserved |
| O | Reserved |
| P | Reserved |
| Q | Reserved |
| R | Reserved |
| S | Reserved |
| T | Tight Formation Gas Credit |
| U | Reserved |
| V | Vehicle Credit; Qualified Electric |
| W | Reserved |

| Credit Type | Definition |
|-------------|------------------------------------|
| X | Reserved |
| Y | Reserved |
| Z | TETR (Telephone Excise Tax Refund) |

4.4.12.3.10
(07-18-2024)

Item 402: International Examiner's Time

- (1) Enter the percentage of the total time (Item 28) that represents the International Examiner's time.

4.4.12.3.10.1
(07-18-2024)

Example

- (1) The total time spent on the case (including the International Examiner's time) is 125 hours. The international examiner spent 15 hours on the case, therefore the entry in this field should be 12 ($15/125=12$).

4.4.12.3.10.2
(07-18-2024)

Revenue Base Protection

- (1) Do not include the International Examiner's time spent on RBP issues in this calculation.

4.4.12.3.11
(07-18-2024)

Item 403: International Exam Results

- (1) Enter the percentage of the examination results (agreed and unagreed) that is due to the International Examiner's involvement.

4.4.12.3.11.1
(07-18-2024)

Example

- (1) Examination results is \$10,000. The portion attributable to the international examiner is \$1,500, therefore the entry in this field should be 15 ($1,500/10,000=15$).

4.4.12.3.11.2
(07-18-2024)

Revenue Base Protection

- (1) Do not include RBP results due to the International Examiner.

4.4.12.3.12
(07-18-2024)

Item 410: Aging Reason Code (ARC)

- (1) It is only necessary to make an entry in Item 410 if the current ARC on AIMS is not correct and you want AIMS to reflect the correct code or no ARC.
- (2) Entries of 00 through 03 and 05 through 99 are valid.
- (3) For a complete list of ARCs, visit the ERCS Code Listings page at: *Aging Reason Codes*.

4.4.12.3.13
(07-18-2024)

Item 415: Amended Return Amount

- (1) An entry in Item 415 is only valid if MF shows an examination was started before the TP filed the amended return or an original return if the TC 150 is an SFR. Enter the amount of the TC 29X processed by the Campus, that posted to MF if the return was filed as a result of an ongoing examination. A current transcript must be included in the case file supporting the amount entered in Item 415. The TC 42X date must be prior to the TC 29X.

- (2) If there is no other assessment to be made, close the case using DC 01.
- (3) Leave Item 37 blank.

4.4.12.3.13.1
(07-18-2024)
Taxable Returns

- (1) Enter the amount of the TC 29X less any credits posted. In most cases this is the balance due or refund.

4.4.12.3.13.2
(07-18-2024)
Non-Taxable Returns

- (1) Enter the adjustment amount to income or loss.

4.4.12.3.13.3
(07-18-2024)
Examples

- (1) An examination is being conducted and business expenses are being disallowed resulting in a proposed deficiency of \$20,000. Instead of signing an agreement, the taxpayer sends an amended return to the campus no longer claiming these expenses. The campus assesses additional tax in the amount of \$20,000. If the TC 290 for \$20,000 posts after the TC 42X, enter \$20,000 in Item 415.
- (2) An examination is being conducted and business expenses are being disallowed resulting in a proposed deficiency of \$20,000. Instead of signing an agreement, the taxpayer sends an amended return to the campus reporting additional income resulting in additional tax of \$10,000. If this was not an issue included in the examination, no entry is allowed in Item 415 even if the TC 290 was posted after the TC 420. The \$20,000 for the disallowance of the business expenses will be reflected in the TC 300 amount.
- (3) An examination is being conducted on a non-filer. The TC 150 posted at MF represents the SFR that Examination submitted. The taxpayer sends an original return to the campus and the center assesses \$10,000 in tax and \$3,000 in withholding credit. Enter \$7,000 in Item 415 IF the TC 42X date is prior to the TC 29X. If the SFR had not posted, delinquent return (Item 414) procedures should be followed.

4.4.12.3.14
(07-18-2024)
Item 416: Fax Agreement Indicator

- (1) For EGC 5XXX only, enter a "1" if the agreement was received by fax.
- (2) Only valid with DCs 03, 04, 08, or 09.

4.4.12.4
(07-18-2024)
Combat Zone Procedures

- (1) When a MF -C freeze (combat zone) is present on a TP's account, AIMS will not allow you to open an audit on the taxpayer. However, there are occasions where AIMS controls are opened on a taxpayer who subsequently becomes a combat zone participant.
- (2) When a -C freeze is present on a TP's account, additional research is required to determine if steps can be taken to assess tax or perform other actions.
- (3) The -C freeze will stay on the account after the TP is no longer serving in the combat zone. IDRS CC IMFOLE should be reviewed to determine if the taxpayer is still in the combat zone suspense period. The combat zone -C freeze and indicators are located on IDRS CC IMFOLE, Line 11. Combat zone indicator codes are:

4.4 AIMS Procedures and Processing Instructions

- **0** - Not a Combat Zone participant (-C freeze will not be on the account).
- **1** - Follow IRM 4.2.1.4, Combat Zone, for suspending or closing out the case. No tax assessment actions can be done.
- **2** - Inactive - Follow normal procedures to work the case. The taxpayer is out of the combat zone and normal Compliance activities, such as assessing tax, can now continue.

- (4) The Combat Zone freeze must be released by the local AIMS/ERCS staff before a case can be closed.

4.4.12.4.1
(07-18-2024)

Releasing the Combat Zone Freeze

- (1) Contact the local area AIMS/ERCS staff for assistance with releasing the freeze code. After releasing the combat zone freeze, the indicator will change from a "1" to a "2".

Note: After the AIMS/ERCS staff enters the appropriate codes for releasing the freeze, the indicator will not change from a "1" to a "2" until 180 days from the exit date. Also keep in mind, the -C freeze will always be displayed on the taxpayer's account even after the freeze has been released.

4.4.12.4.2
(07-18-2024)

Combat Zone Cases Campus Examination Procedures

- (1) Campus Examination will follow IRM 4.19.13.23, Combat Zone.

4.4.12.5
(07-18-2024)

AIMS Freeze Codes

- (1) Do not confuse AIMS freeze codes with MF freeze codes. AIMS freeze codes only appear on the AIMS database on screen 1 of the AMDISA. They are not reflected on MF.
- (2) MF freeze codes appear on MF, for example TXMODA, IMFOLT, BMFOLT, or some of them can appear as an indicator on the AMDISA. An example of a MF freeze code generating an indicator on the AMDISA would be a "97X" in the "MF-TC" field on page 1. MF will reflect a freeze code of "-A" and there would be a TC 976 or TC 977 on the transcript.
- (3) A return with an AIMS freeze code will prevent a closure to CCP, therefore, all AIMS freeze codes must be released before cases are sent to CCP except:
- M - Field Exam NQRS (National Qualify Review System)
 - X - Bankruptcy (petitions filed after 10/21/1994)
- (4) The Exam Systems Knowledge Base site contains a complete listing of AIMS freeze codes and contacts at: *AIMS Freeze Codes - Local with Contacts*.

4.4.12.6
(07-18-2024)

AIMS Indicators that Prevent a Closure

- (1) There are indicators on the AIMS database (appearing on the AMDISA) that prevent a case from closing:
- IRS Employee (appears on page 1, line 18 of AMDISA)
 - ICE (Informant's Claim/Whistleblower) (appears on page 1, line 18 of AMDISA)
 - Criminal Restitution (appears on page 2, line 16 of AMDISA)

- (2) The indicator must be removed or changed prior to sending the return to CCP for closure. For the IRS Employee Indicator refer to IRM 4.2.6.7, Closing an Employee Examination, for the Criminal Restitution Indicator contact Technical Services, for the ICE Indicator contact the National contact in Ogden, UT. All of these contacts can be found at: *AIMS/ERCS Staff Listings*.

4.4.12.7
(07-18-2024)
Disposition of Form 5344

- (1) For regular closures, see IRM 4.10.8, Examination of Returns, Report Writing.

4.4.12.7.1
(07-18-2024)
Closures to Appeals

- (1) Staple the Form 5344, Examination Closing Record to the front of the tax return or electronic print. It is not necessary to send the Form 5344 to the campus as a source document.
- (2) For additional information see IRM 4.10.8, Examination of Returns, Report Writing.

4.4.12.7.2
(07-18-2024)
Large Corporate Compliance (LCC) Cases

- (1) The large case manager will forward a completed copy of the Form 5344 to the Director of Field Operations.

4.4.12.8
(07-18-2024)
Closing Instructions for Cases with RGS Reports

- (1) See IRM 4.10.15, Examination of Returns, Report Generation Software, for information on saving case file documentation and closing cases through RGS.

4.4.12.8.1
(07-18-2024)
Closing Personnel

- (1) LB&I and SB/SE cases are closed to one of three CCP sites depending on the PBC of the case. The Three CCP sites are Cincinnati, Memphis and Ogden. All examined cases received by CCP must include a completed Form 3198, Special Handling Notice for Examination Case Processing.

4.4.12.8.1.1
(07-18-2024)
Non-Special Handling Cases

- (1) RGS cases not identified as requiring special handling, are not required to have the Form 5344, Examination Closing Record verified by the CCP employee assigned to close the case if the Form 5344, Examination Closing Record has been validated. (If Item 36, Hash Total is present, Form 5344 has been validated). Since the information appearing on the Form 5344, Examination Closing Record flows from the RGS Examination Report and the validation program has been utilized by the examiner, additional verification of the entries is no longer required. These files should be assembled, closed through AIMS by CCP, and forwarded to the campus.

4.4.12.8.1.2
(07-18-2024)
Special Handling Cases

- (1) RGS cases identified as requiring special handling on Form 3198, Special Handling Notice for Examination Case Processing should be processed by a CCP Special Processing Examiner. Upon final resolution of the case, a revised Form 5344, Examination Closing Record will be validated prior to case closure.

4.4 AIMS Procedures and Processing Instructions

4.4.12.9
(07-18-2024)

Examination Operational Automation Database (EOAD) Data Capture Procedures

- (1) For information on EOAD - See IRM 4.10.16, Examination of Returns - Examination Operational Automation Database (EOAD).

4.4.12.10
(07-18-2024)

Closings to Appeals - Overview

- (1) The following IRM subsections provide instructions for the Examination and Technical Services employees on closing various types of cases to Appeals.
- (2) Generally, returns with less than 365 days on the statute cannot be closed to Appeals. See IRM 8.20.5.3.1.2, Verifying Administrative File Contents and IRM 8.21.3.2.1, New Receipts and Transfers, for exceptions. The statute date must be extended or updated to the appropriate alpha code if one of the exceptions are not met.

4.4.12.11
(07-18-2024)

Form 5344, Examination Closing Record and Form 5403, Appeals Closing Record

- (1) Form 5344, Examination Closing Record must be properly completed by the groups before closing the case to Technical Services. Form 5344 is used to enter information into the AIMS that records the results of the audit before the case file is transferred to Appeals. It is very important that the group maintain the accuracy of the AIMS data with respect to the statute date, source code, status code, etc. Accuracy prevents the case from being rejected and returned to the group before it is closed to Appeals.
- (2) Form 5403, Appeals Closing Record is used by Appeals to enter information into the AIMS system upon completion of the case. Appeals must also ensure the form is completed accurately.

4.4.12.11.1
(07-18-2024)

Form 5344 - Group Responsibility

- (1) Form 5344, Examination Closing Record is generated automatically by RGS for Form 1040, U.S. Individual Income Tax Return, Form 1120, U.S. Corporation Income Tax Return, Form 1120-S, U.S. Income Tax Return for an S-Corporation, and Form 1065, U.S. Return of Partnership Income. For Form 5344, Examination Closing Record that are not generated automatically, see Exhibit 4.4.12-2, Responsibilities for Completion of Form 5344, Examination Closing Record.
- (2) See IRM 4.4.12, AIMS Procedures and Processing Instructions - Examined Closings, Surveyed Claims, Partial Assessments, and Closings to Appeals for instructions on the completion of Form 5344.

Caution: When there is a 30-Day Letter or a SNOD (90-Day Letter) for over \$100,000 on a C-corporation, the additional 2% interest should be considered. If the case is going from Exam to either Appeals or Tax Court, Item 03 and 04 of Form 5344, Examination Closing Record or Form 5403, Appeals Closing Record, should be completed. In Item 03, enter the earlier of the 30 or 90-Day Letter Date, and in Item 04, enter only the tax amount which is over \$100,000 (after 1997). These entries will generate a MF Status of 30 on TXMOD located in the history item section. This is only an information item and does not generate a “trigger” or “2% interest” date. Do not make an entry in Item 05 (2% Interest Date) for cases closed to Appeals/Tax Court. When a final assessment is made (Form 5344/5403) and the additional 2% interest applies, a manual computation and restriction of interest is required. An Item 05, 2% date is required along with TC 340 for the manual computation and restriction of

interest. The date entered in Item 05 will be the start date of the additional 2% interest (which is 30 days from the 30 or 90-Day Letter Date if the deficiency was not full paid). This date posts to TXMODA as “2% INT” date and on BMFOLT as the “trigger” date. See IRM 20.2.5, Interest on Underpayments.

4.4.12.11.2
(07-18-2024)

Form 5344 - Technical Services Responsibility

- (1) The original Form 5344, Examination Closing Record remains in the case file sent to Appeals.
- (2) The IDRS terminal will accept closings to Appeals even though a partial assessment has been made and assessment verification is still pending on AIMS.
- (3) Technical Services should review Exhibit 4.4.12-2, Responsibilities for Completion of Form 5344, Examination Closing Record.

Note: Technical Services will also review the entire completed Form 5344 to ensure accuracy. It is very important that Exam maintains accuracy of the AIMS and ERCS data with respect to the statute date, source code, status code, and any other applicable code. Technical Services should not complete any missing exam blocks. Contact should be made with the group to retrieve the missing information to ensure accurate AIMS results.

4.4.12.12
(07-18-2024)

Non-Docketed Cases - Group Responsibility

- (1) Taxpayer requests for Appeals consideration will be acknowledged at the group level via Letter 2280, Transfer to Appeals. The case file will be identified as “Unagreed to Appeals” by attaching and completing Form 3198, Special Handling Notice for Examination Case Processing. The group will update ERCS to Status Code 21, In-Transit to Technical Services, and update the TSC. Forward the case file to the appropriate Technical Services office for closure to Appeals. The group will document the case file as to the date the case was forwarded to Technical Services and the date the Letter 2280 was sent to the taxpayer. Technical Services will be responsible for forwarding cases directly to Appeals within 10 calendar days of receipt via Form 3210, Document Transmittal..

Note: If the case file contains related returns that are agreed or no-changed that should remain with the protested case to Appeals, the group will prepare Form 2275, Records Request Charge Re-charge, prior to sending the case file to Technical Services.

Refer to IRM 1.15.4, Retiring and Requesting Records, for instructions on Form 2275 preparation.

- (2) If the TP submits a written protest after receiving a 30-Day letter and requests Appeals consideration, the case file and written protest will be transferred to the appropriate Appeals office. If only one protest is received, the entire case file, including the duplicate original preliminary notice of which no response was received, will be transmitted to Appeals by Technical Services. Update ERCS to Status Code 21 and update the TSC. In order to correctly route Appeals cases, visit “Independent Office of Appeals, Case Routing” at *Independent Office of Appeals, Case Routing*.

4.4 AIMS Procedures and Processing Instructions

4.4.12.12.1 (07-18-2024) Electronic Prints of Returns

- (1) A copy of a return, RTVUE, BRTVU or CDE can be used when closing docketed or non-docketed cases to Appeals. See IRM 4.8.9, Technical Services - Statutory Notices of Deficiency, for instructions when tax returns are not available.
- (2) A transcript of account must be attached to the electronic print of the return. If there is any difference between the tax shown on the electronic print and the transcript, the difference must be reconciled on a workpaper attached to the transcript.

4.4.12.13 (07-18-2024) Special Situations

- (1) Appeals will accept copies of returns except in the following situations: unagreed civil fraud, jeopardy assessments, and delinquent returns. Follow the procedures in IRM 4.8.9, Technical Services - Statutory Notices of Deficiency and IRM 4.8.9.20.1, Notice of Deficiency When the Original Tax Return is not Available, for instructions on securing original returns when necessary.

Note: If the AIMS database is not able to be closed to Appeals pending receipt of additional information, input a "Q" freeze on the taxpayer module.

4.4.12.14 (07-18-2024) Skeletal Records

- (1) When a case is urgently needed by Appeals but the account is not yet a full record on AIMS take the following actions:
 - a. If the case is in the group, the group should place an AMDISA print in the case file reflecting the TC 424 skeletal record to indicate an AIMS opening was requested. Complete Form 3198 accordingly, update to Status Code 21 on ERCS with the applicable TSC and forward the case file to Technical Services.
 - b. Technical Services may send the case to Appeals pending full establishment of the return on AIMS. Maintain a copy of all necessary forms for IDRS input and update to Status 81 as soon as there are full AIMS controls.
 - c. Either the group or Technical Services should monitor the case until the full account is established on AIMS. As soon as there are full AIMS controls, close the return and attach a print of the AMCLSE information or an AMDISA reflecting Status 81 and forward the information to the Appeals office to which the case was closed.

4.4.12.15 (07-18-2024) Non-Master File (NMF) Returns

- (1) NMF returns closed to Appeals are processed in the same manner as MF cases with the exception of transcripts that may have to be requested from the Cincinnati Submission Processing Center. Contact your AIMS/ERCS analyst for assistance. Refer to the contact listing to locate your AIMS/ERCS Analyst at: *Exam Systems Knowledge Base, AIMS/ERCS Staff Listings*.

4.4.12.16 (07-18-2024) Closing Related Cases to Appeals - Technical Services Responsibility

- (1) Multi-year examination cases with different types of closures have special processing requirements within Technical Services. See IRM 4.8.2.3, Cases Requiring Action By Technical Services and IRM 4.10.8.7, Splitting Multi-year Examination Cases, for detailed instructions on processing these types of cases. For additional assistance you may need to contact the local area AIMS/ERCS analyst at *Exam Systems Knowledge Base, AIMS/ERCS Staff Listings*.

- 4.4.12.17
(07-18-2024)
Closing Reference Returns to Appeals (Nontaxable Returns Only) - Technical Services Responsibility
- (1) A nontaxable return may be a partnership return, (MFT 06), an S-Corporation (MFT 02) or a trust (MFT 05). When the audit of a nontaxable return causes a tax adjustment on a taxable return, include the nontaxable (reference) returns in the closure package to Appeals.
 - (2) Complete Form 5344 in the following manner:
 - a. Enter DC 07 in item 13.
 - b. Enter the adjustment amount in item 34.
 - c. If the ASED is less than 180 days, use the alpha code GG to update the statute date in the day field (04/GG/2013).
- 4.4.12.18
(07-18-2024)
Unagreed But No Tax Consequence (Taxable Returns Only) - Technical Services Responsibility
- (1) In some instances, such as a loss year return, the examination results in an adjustment to income but no tax. When closing these unagreed returns to Appeals follow the instructions below:
 - a. Examiners and Technical Services staff will use the appropriate DC (07 or 11).
 - b. Since there is no tax consequence, enter \$1 in Item 18, "Unagreed Amount Appealed/Petitioned" of Form 5344, Examination Closing Record. Usually the previous or subsequent tax periods (carry-back or carry-forward) are also being closed to Appeals and they will contain the amount of the unagreed tax adjustment. If a carry-forward return has not been filed yet, but the taxpayer is appealing the adjustment to the loss year, the examination results will be \$1 entered in Item 18 of Form 5344, Examination Closing Record.
- 4.4.12.19
(07-18-2024)
Claims for Refund or Abatement
- (1) Examiners and Technical Services will complete Form 5344, Examination Closing Record according to the instructions in IRM 4.4.12.19.1 and IRM 4.4.12.19.2.
- 4.4.12.19.1
(07-18-2024)
Form 5344, Group Responsibility
- (1) Examiners must complete Form 5344, Examination Closing Record in the normal manner, with the following exceptions:
 - a. Make no entries in Items 12 or 15
 - b. Enter DC 07 in Item 13
 - c. Enter -\$1 (negative one dollar) in Item 18
 - (2) For instructions on completing Items 18, 22, 23, and 24 when there are other adjustments or no other adjustments in addition to the claim or abatement - See IRM 4.4.12, AIMS Procedures and Processing Instructions - Examined Closings, Surveyed Claims, Partial Assessments, and Closings to Appeals.
- 4.4.12.19.2
(07-18-2024)
Form 5344, Technical Services Responsibility
- (1) Enter the non-docketed Appeals office code in Item 16 - For correct Appeals Codes see Document 6209, IRS Processing Codes and Information at: *Section 13-2, Appeals Codes*.
 - (2) Choose the appropriate blocking series - see Document 6209, IRS Processing Codes and Information at: *Section 12-5-7, Examination Audit Information Management Systems (AIMS) Blocking Series*.

4.4 AIMS Procedures and Processing Instructions

- (3) Appeals will subsequently process these as examined cases, processing the claim or abatement on Form 5403, Appeals Closing Record.

4.4.12.20 (07-18-2024) **Closing Cases to Other Appeals Offices - Technical Services Responsibility**

- (1) Occasionally, taxpayers will request their case be forwarded to an Appeals office that is not the regular designated Appeals office. The Appeals SharePoint *Case Routing into the Independent Office of Appeals* contains a guide to help you determine where to forward the case.

4.4.12.20.1 (07-18-2024) **LB&I, International, Campus Cases**

- (1) LB&I cases, International (PBC 330) cases, and Campus EGC 5XXX cases that become docketed may be closed directly to the Appeals office that has jurisdiction over the docketed case.

4.4.12.21 (07-18-2024) **Closing IRC 6707A, Failure to Include Reportable Transaction Information with Return Penalty Cases to Appeals**

- (1) There are special instructions on closing penalty cases to Appeals.
- (2) See IRM 20.1.13.3.5, Appeals Request - IRC 6707A Overview, for specific processing instructions on these cases.

4.4.12.22 (07-18-2024) **Forward Case File to Appeals, Technical Services Responsibility**

- (1) For guidance on assembly of cases to Appeals, refer to IRM 4.10.12, Case File Assembly for Closing Physical Administrative Case Files.
- (2) For fully electronic or paperless closures refer to IRM 4.10.8.12.9.3, Request for Appeals Conference or IRM 4.46.5.11.2.6, General Procedures for Paperless Case Closing to Appeals through Technical Services, for LB&I Manager Actions After Verification of Unagreed Case.
- (3) For paperless case files, Technical Services will upload a print of CC AMCLSE or AMDISA, the Appeals Electronic Case Receipt Check Sheet (prepared by exam), the original Form 5344, Examination Closing record, and the Form 3198, Special Handling Notice for Examination Case Processing to the Appeals SharePoint.
- (4) All cases referred to Appeals will be handled in a priority manner and sent to the Appeals office within 10 calendar days, via Form 3210.
 - a. At the end of each month, the tickler file maintained of Form 3210, Document Transmittal, will be checked for acknowledgements received. Follow-up action will be taken on any for which Part 4 of Form 3210 , Document Transmittal, has been outstanding for 30 days or longer to determine whether the cases were received by Appeals or why Part 4 was not returned.
 - b. When the Appeals acknowledgment copy is received from Appeals, destroy the suspense copy and replace it with the Appeals acknowledgment copy. The Appeals acknowledgment copy, will be retained for a minimum of one year from date of receipt and will be purged according to the business unit's regularly scheduled purge date.

4.4.12.23

(07-18-2024)

Docketed (Petitioned)

Cases, Technical

Services Responsibility

(1) See IRM 4.8.9, Statutory Notices of Deficiency.

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Examined Closings, Surveyed Claims, Partial Assessments, and Closings to Appeals 4.4.12

page 25

Exhibit 4.4.12-1 (07-18-2024)

Item 44 and 45, NOL Information Examples

NOL C/F Disallowed Amount (Item 44 on Form 5344) — This item is used if all or part of an NOL carryforward is disallowed if the carry forward year return **is not picked-up**.

NOL Indicator (Item 45 on Form 5344) — This item is used to identify the 3 types of NOL CF Returns that will be reflected on the NOL page of Table 37:

| | |
|----|--|
| 1. | NOL's examined: Enter a 1 in Item 45 for tax periods in which the taxable income line on the Form 1040 or 1120 is less than zero. |
| 2. | Carryback or carryforward tax periods RELATED TO THE NOL: Enter 2 in Item 45 for all carryback and/or carryforward tax periods related to the case in which you entered a 1 in Item 45 even IF the NOLD was examined and the final result was a no change. |
| 3. | Non-NOL year returns examined and adjustments are OFFSET by carry overs: Enter a 3 in Item 45 for tax periods in which adjustments on the return were offset either in part or full by a carryover if the carryforward year return is not picked up. |

NON/Related Return Examples:

Exhibit 4.4.12-1 (Cont. 1) (07-18-2024)**Item 44 and 45, NOL Information Examples**

| | |
|--|---|
| Example 1: You made no adjustment to the 201412 NOL therefore did not pick up the related years. | |
| 1 | 201412 Form 5344, Item 44 = leave blank |
| 2 | 201412 Form 5344, Item 45 = "1" |
| Example 2: You made a \$10,000 adjustment to the 201412 NOL that was carried back to 201112. | |
| 1 | 201412 Form 5344, Item 44 = leave blank (There was no carryover) |
| 2 | 201412 Form 5344, Item 45 = "1" |
| 3 | 201112 Form 5344, Item 44 = leave blank |
| 4 | 201112 Form 5344, Item 45 = "2" |
| 5 | 201112 Form 5344, Item 12 = amount of tax assessed on the \$10,000 adjustment |
| Example 3: You made a \$140,000 adjustment to the 201412 NOL. You picked-up the carryback years and applied \$20,000 to 201112, \$30,000 to 201212, \$40,000 to 201312 but the \$50,000 for the carryover year could not be applied since the 201512 return was not yet filed. | |
| 1 | 201412 Form 5344, Item 44 = \$50,000 (captures the carryforward amount disallowed) |
| 2 | 201412 Form 5344, Item 45 = "1" (NOL year) |
| 3 | 201112, 201212, 201312 Form 5344, Item 44 = leave blank |
| 4 | 201112, 201212, 201312 Form 5344, Item 45 = "2" (Related years) |
| 5 | 201112, 201212, 201312 Form 5344, Item 12 = amount of tax assessed on the \$20,000, \$30,000 and \$40,000 adjustments |
| Example 4: You made a \$140,000 adjustment to the 201312 NOL. You picked-up the carryback years and carryforward years and applied \$20,000 to 201012, \$30,000 to 201112, \$40,000 to 201212 and \$50,000 to 201412 | |
| 1 | 201312 Form 5344, Item 44 = leave blank |
| 2 | 201312 Form 5344, Item 45 = "1" (NOL year) |
| 3 | 201012, 201112, 201212, 201412 Form 5344, Item 44 = leave blank |
| 4 | 201012, 201112, 201212, 201412 Form 5344, Item 45 = "2" |
| 5 | 201012, 201112, 201212, 201412 Form 5344, Item 12 = amount of tax assessed on the \$20,000, \$30,000, \$40,000 and \$50,000 adjustments |

Exhibit 4.4.12-1 (Cont. 2) (07-18-2024)**Item 44 and 45, NOL Information Examples**

| | |
|--|--|
| Offset Example: | |
| The 201412 return showed taxable income of -\$75,000 (taxable income before NOLD = \$125,000, NOLD = \$200,000). You made a \$50,000 adjustment to 201412 changing taxable income before NOLD to \$175,000. Your \$50,000 adjustment will be totally offset by the NOLD carryover of \$200,000. The 201512 return has not been filed therefore cannot be picked up to adjust the carryover. The 201312 return was examined but no changed. | |
| | 201412 Form 5344, Item 44 = \$50,000 (Amt of adjustment offset by carryover) |
| | 201412 Form 5344, Item 45 = "3" (Offset year) |
| | 201312 Form 5344, Item 44 = leave blank |
| | 201312 Form 5344, Item 45 = "2" (Related years) |

Exhibit 4.4.12-2 (07-18-2024)**Responsibilities for Completion of Form 5344, Examination Closing Record**

Instructions below are for Forms 5344:

| |
|---|
| Form 5344 Responsibilities for completing the following items: |
| Field Group: A- (CC TSCLS), P7-18, P21-22, P24-29, P31-34, B-Name, 02, 03, 04, 05, 08, 19, 20, 21, 22, 23, 24, 28, 30, 31, 32, 33, 34, 37, 38, 41, 44, 45, 46, 47, 49, 50, 51, 52, 53, 66, 401, 402, 403, 404a, 404c, 404d, 404e, 405, 406, 407, 408, 410, 411, 412, 414, 415, 416 (applies to Campus Exam only) , 418, 422 and 425 (MFT 51 and 54). |
| Technical Services: 16, 18, I-Reviewer, Date, J-CATP Case . For cases going to Appeals, Technical Services will complete items P1-6, P38-40, P45-57, 09, 13, 14, 36. Technical Services will also review the entire 5344 completed thus far to ensure accuracy. |
| CCP: P1-6, 05, Spousal Assessment 56, 57, Unpostable P49-50, P36, P38-40, P45-57, 01, 6A, 6B, 6C, 07, 09, 11, 12, 13, 14, 15, C-Operator Employee No and Date, D-Reject, E-Document Locator Number, F-Cor., 35, 36, 39, 43, K-Tax Examiner, Date, Comments, 51, 52, 53, 404b. |