MANUAL
TRANSMITTAL

4.9.1

Department of the Treasury
Internal Revenue Service

OCTOBER 18, 2024

EFFECTIVE DATE

(10-18-2024)

PURPOSE

(1)   This transmits revised IRM 4.9.1, Examination Technical Time Reporting System, Outline of System.

MATERIAL CHANGES

(1)   A listing of significant changes to this IRM are reflected in the table below:

IRM	Description
IRM 4.9.1.1(1) and (7)	Removed and next paragraph renumbered, as applicable.
IRM 4.9.1.1.3(1)	Reworded for clarity and added text from existing 4.9.1.1.3(2).
IRM 4.9.1.1.3(2)	Added new text to include the responsibilities of Administrative Support Employees.
IRM 4.9.1.1.3(3)	Reworded to clarify the manager's responsibility to notify the assigned administrative support employee of necessary changes.
IRM 4.9.1.1.3(4)	Added new text to clarify responsibilities of the AIMS/ERCS Staff.
IRM 4.9.1.1.4	Title changed to "Program Management and Review" and new text added. Existing text was moved to 4.9.1.1.5.
IRM 4.9.1.1.5	New. Added "Program Controls" to meet IRM requirements. The OL5081 reference from 4.9.1.1.4 ws updated to Business Entitlement Access Request System (BEARS). Existing text was moved to 4.9.1.1.6.
IRM 4.9.1.1.6	Contains text previously found in 4.9.1.1.5. Existing text was moved to 4.9.1.1.7.
IRM 4.9.1.1.7	Contains text previously found in 4.9.1.1.6. with the new title "Related Resources". Added the ERCS Territory Handbook as an additional resource.
IRM 4.9.1.2(2)	Removed and next paragraph renumbered.
IRM 4.9.1.3 Table 37 Groupings by Activity Code	Added Activity Code 650 to SB/SE Overhead grouping.
IRM 4.9.1.3(6)	Removed and next paragraph renumbered.

IRM	Description
IRM 4.9.1.4.2(3)	Added LCC Code and PBBA Indicator to the data fields included in the DET line.
IRM 4.9.1.5.2(3)	Clarified that Audit Accounting Aides also assist Tax Compliance Officers. Updated the position title of Dyed Diesel Fuel Inspectors to Fuel Compliance Officer.
IRM 4.9.1.5.5(2)	Updated text to add the LCC Code and the PBBA Indicator as codes also included in the DET line.
IRM 4.9.1.5.13	New. Added to include information about the data field "LCC Code".
IRM 4.9.1.5.14	New. Added to include information about the data field "PBBA Indicator".
IRM 4.9.1.6.3	Corrected to show that Part Time employees are entitled up to 10 hours of holiday time depending on how many hours they are scheduled to work on the holiday.
IRM 4.9.1.7.1(1)(b)	Updated the suggested frequency of submitting the Tax Auditor Daily to the manager from weekly to daily.
IRM 4.9.1.7.4(4)	Corrected the IRM reference from 4.7.5.5.1 to 4.7.5.6.2.
IRM 4.9.1.10(2)	The ending time for inputting corrections was changed to 11:00 a.m. local time. A note was added for SB/SE Areas 206 and 207 and LB&I PBC 320 SETTS processing.
IRM 4.9.1.10.1(1)(b)	Clarified the purpose of this menu option, when run prior to creating the SETTS file.
IRM 4.9.1.10.1(1) (d) through (h)	These items were moved to (e) through (h).
IRM 4.9.1.10.1(1)(d)	New text was added to clarify that the menu option to Display or Print Time Error Flags should be run again, after the SETTS file has been created. Text was added to describe the purpose and a note was added.
Exhibit 4.9.1-1, Activity Code 551	Updated to add ERCS MFT C6 may also be used with Activity Code 551.
Exhibit 4.9.1-1, Activity Code 562	Added Activity Code 562, Employment Credits.

IRM	Description
Exhibit 4.9.1-1, Activity Code 616	Interim Guidance Memo LB&I-04-0524-0007, Continuation of Use of Activity Code 616 for Direct Release Request Related Activities, was incorporated.
Exhibit 4.9.1-1, Activity Code 830	Added new Leave Codes "CVA", "PBL", "PLA", "PLB", and "PLF". Corrected the SETR codes for Leave Codes "CA" and "LH". Updated the descriptions for "CA", "EL", and "F".
Exhibit 4.9.1-2, Fourth Digit	Added Activity Code 562 to the entries for the fourth digit "0".
Exhibit 4.9.1-2, Fifth Digit	Updated the category code definition for nonfiler to add source code 25; project codes 0277, 0453, and 1503; and TC 424 Push Codes 020, 021, 036, 037, 050, and 051. Removed project code 0150. These changes for the fifth digit "8" are effective beginning FY 2025.
Exhibit 4.9.1-5, Fourth and Fifth Digits	Added 24 to the Fourth and Fifth Digits column with the Program Monitoring Definition of IPG Trust.
Exhibit 4.9.1-6	Updated the listing of acronyms to remove ATAT and add ARC, ATI, BEARS, LCC, POD, PPL, W&O, and WSP.

(2)   Removed references to the Return Preparer Office (RPO), as they are no longer required to input technical time on ERCS.

(3)   Replaced Coordinated Industry Case (CIC) references with Large Corporate Compliance (LCC). CIC was the previous term.

(4)   Replaced references to Wage and Investment (W&I) with the re-named title of Taxpayer Services to reflect the name change effective 4/7/2024.

(5)   Removed references to the AIMS/ERCS website and replaced with links to the AIMS and ERCS books in the Exam Systems Knowledge Base SharePoint site.

(6)   "Administrative assistant" was changed to "Administrative support employee".

(7)   Also, editorial changes, website addresses, and IRM references were reviewed and updated as necessary.

EFFECT ON OTHER DOCUMENTS

IRM 4.9.1 dated October 27, 2020 is superseded and Interim Guidance Memo LB&I-04-0524-0007, Continuation of Use of Activity Code 616 for Direct Release Request Related Activities was incorporated.

AUDIENCE

Small Business and Self Employed (SB/SE) and Large Business & International (LB&I).

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4.9.1
Outline of System

Table of Contents

4.9.1.1 (10-18-2024) **Program Scope and Objectives**	(1)	Purpose: This section discusses the Summary Examination Time Transmission System (SETTS) and the procedures for inputting technical time. The discussions covered in this handbook constitute the requirements and records needed for reporting time by technical employees. This also covers time reporting under the Examination Returns Control System (ERCS) whether input into ERCS or transferred to ERCS by the Issue Management System (IMS).
	(2)	Audience: Employees in SB/SE and LB&I who apply technical time, users who input time in ERCS or IMS, managers who approve time sheets, and the AIMS/ERCS staff who extract time from ERCS for national roll-up.
	(3)	Policy Owner: SB/SE Director, Examination
	(4)	Program Owner: SB/SE Director, Technology Solutions
	(5)	Primary Stakeholders:

- SB/SE
- LB&I

| 4.9.1.1.1
(10-18-2024)
Background | (1) | Technical time applied by employees is used in planning and creation of the SB/SE Examination Plan and the LB&I Annual Program Plan for monitoring each area to ensure the plans will be met. Fiscal year plans are developed by Headquarters (HQ) using time data and input from areas or practice areas. After final approval, plans are incorporated in the Internal Revenue Service Operating Financial Plan. Time is captured for technical employees by the activities an employee performs each day. Employees must account for the daily number of hours matching the employee's work schedule. Refer to IRM 4.7.5, ERCS Group and Territory, for more information about charging time in the group. Refer to the *Employee Records* chapter of the ERCS Group Handbook for more information about setting up the employee's work schedule. At the end of each reporting cycle, time charges are extracted from ERCS, validated, and transmitted to the Martinsburg Computing Center (MCC). There the data goes through a second validation process and is extracted for inclusion on Table 37, Examination Program Monitoring. The data is also sent to the Audit Information Management System (AIMS) Centralized Information System (ACIS). ACIS data is available to HQ analysts and upper level management for their specific area or practice area to create reports and to monitor time data against the Examination Plan or the Annual Program Plan. |

4.9.1.1.2 (10-18-2024) **Authority**	(1)	IRM 4.1.1, Planning and Special Programs - Planning, Monitoring, and Coordination, contains details for PSP to monitor time applied and use historical time charges to prepare the Examination Plan.
	(2)	IRM 4.4.12, AIMS Procedures and Processing Instructions - Examined Closings, Surveyed Claims, and Partial Assessments, contains instructions on entering applied time on Form 5344, Examination Closing Record.
	(3)	IRM 4.4.27, AIMS Procedures and Processing Instructions - Reports, contains requirements to work Table 10.1(B), $100,000 Case Listing $50,000 or Greater Delete Case Listing, with regards to applied time and dollar amounts on accomplishments.

(4)   IRM 4.7.4, Examination Returns Control System (ERCS) - Planning and Special Programs (PSP), contains information about PSP's use of SETTS time in the creation of the Examination Plan and to ensure the field has the correct amount and type of inventory to accomplish the plan. It also contains information for employees in PSP required to input time.

(5)   IRM 4.7.5, Examination Returns Control System (ERCS) - Group and Territory, contains requirements for employees in exam groups with respect to time input.

(6)   IRM 4.7.7, Examination Returns Control System (ERCS) - Technical Services, contains requirements for employees in Technical Services (TS) with respect to time input.

4.9.1.1.3
(10-18-2024)
Responsibilities

(1)   Technical employees are responsible for the following:

- To ensure technical time is reported accurately and timely.
- To notify the manager via Form 5348, AIMS/ERCS Update (Examination Update), of changes to returns in their assigned inventory (project code, tracking code, etc.) to ensure ERCS is updated timely.
- To notify the manager/administrative support employee of ERCS work schedule profile (WSP) changes, prior to the beginning of the pay period of the change.
- To submit a completed technical time input document to the manager for review and to the designated ERCS user for input into ERCS by the due date each cycle.
- To review and sign the ERCS Agent Analysis (also referred to as the Examination Technical Time Report).

(2)   Administrative Support employees are responsible for the following:

- To timely input updates to ERCS employee records, WSP, and coding on the returns.
- To input ERCS time prior to the SETTS cutoff date each cycle.
- To work the Grade/POD Discrepancy Report and make corrections prior to the end of each SETTS cycle.

(3)   The manager is responsible for the following:

- To notify the group's assigned administrative support employee of changes needed to ERCS employee records, work schedules, and cases to ensure ERCS is updated timely. (This is to ensure the most current data goes forward with the SETTS roll-up.)
- To ensure time input documents are completed timely for all technical employees in the group.
- To ensure time input documents are reviewed for accuracy and compared to the ERCS Agent Analysis (also called the Examination Technical Time Report). (This is to ensure the employee's time was input accurately.)
- To sign the ERCS Agent Analysis and retain the document for three years.

(4)   The AIMS/ERCS staff is responsible for the following:

- To ensure all time is input in ERCS by the designated due date.

- • To run the ERCS program to extract, validate, and transmit the SETTS data.
- • To append prior cycle time records, correct validation errors prior to transmitting file to MCC, and address time error flags.
- • To correct any errors from the MCC validation.
- • To elevate program issues or data issues as necessary. This includes reporting any recurring data issues or program issues to the HQ ERCS or HQ SETTS analysts.
- • To provide the HQ ERCS analysts with a report of all validation errors each cycle.

(5) The HQ ERCS and HQ SETTS analysts will assist the AIMS/ERCS analysts with validation issues. They will also coordinate with the programmers to identify and correct programs causing inaccurate data. In addition, the HQ SETTS analysts will review potential time input errors for returns closed during the cycle.

4.9.1.1.4
(10-18-2024)
Program Management and Review

(1) Reports to monitor SETTS time charges are available through ERCS and ACIS. Additionally, Table 37 provides a summary report of return data from AIMS and employee and time data from SETTS. These reports provide Headquarters and Field Examination analysts and management with timely and reliable information regarding technical time charges.

4.9.1.1.5
(10-18-2024)
Program Controls

(1) A Business Entitlement Access Request System (BEARS) request is required for ERCS and IMS access to update records and input time. These systems contain security checks to ensure only authorized users have access and users are kept within the boundaries of their permissions.

(2) There are numerous program validations to ensure the validity of the time data. It is validated when entered, when extracted, and again when it reaches the MCC server.

(3) Manual validations are also performed each cycle by an HQ SETTS analyst who oversees the program validation process.

4.9.1.1.6
(10-27-2020)
Acronyms

(1) See Exhibit 4.9.1-6, Acronyms, for acronyms used in this IRM.

4.9.1.1.7
(10-18-2024)
Related Resources

(1) The following documents and websites contain information related to technical time charges:

- • Document 6036, Examination Division Reporting System Codes Booklet, for information on the position code, employee status, and AIMS assignee code (AAC).
- • The *ZipPOD* for finding the correct Post of Duty (POD) for the ERCS employee record.
- • The *ERCS Book* and *AIMS Book* in the Virtual Library for code lists associated with time charges, such as direct examination activity codes.

(2) The following IRMs provide information and user instructions concerning topics related to technical time:

- IRM 4.1.1, Planning and Special Programs - Planning, Monitoring, and Coordination
- IRM 4.4.12, AIMS Procedures and Processing Instructions - Examined Closings, Surveyed Claims, and Partial Assessments
- IRM 4.4.27, AIMS Procedures and Processing Instructions - Reports
- IRM 4.7.4, Examination Returns Control System (ERCS) - Planning and Special Programs (PSP)
- IRM 4.7.5, Examination Returns Control System (ERCS) - Group and Territory
- IRM 4.7.7, Examination Returns Control System (ERCS) - Technical Services
- IRM 4.7.10, Examination Returns Control System (ERCS) - AIMS/ERCS Staff

(3)   The following ERCS Handbooks contain information about ERCS employee records and applying time:

- *ERCS Technical Reference Manual*
- *ERCS Group Handbook*
- *ERCS PSP Handbook*
- *ERCS Review Handbook*
- *ERCS Sample Review Handbook*
- *ERCS Limited Access Handbook*
- *ERCS Territory Handbook*

4.9.1.2
(10-18-2024)
Examination Plan

(1)   The Examination Plan (called the Annual Program Plan in LB&I) is developed and approved as a result of the Operating Financial Plan. Most information necessary for formulating the areas' or the practice areas' plans is available in the HQ office. The HQ office will request additional information from the areas or the practice areas and combine it with available historical data. The HQ employees prepare a plan for each SB/SE area. Plans are reviewed and, if necessary, adjustments are made based upon input from the areas. The SB/SE areas will coordinate with HQ to ensure that financial plans and work plans are in agreement. Plans will not be allocated below the area level for SB/SE.

(2)   The time data input in ERCS and IMS and summed for input on Form 5344, Examination Closing Record, is critical to this process.

4.9.1.3
(10-18-2024)
Table 37

(1)   Table 37 is a summary report of return data from AIMS and employee and time data from SETTS. Table 37 is generated by MCC at the conclusion of each AIMS/SETTS reporting cycle. Refer to Document 6036 for information about the reporting cycles. The information on Table 37 reflects three basic themes:

- Inventory (AIMS)
- Accomplishment of units/returns (AIMS)
- Direct examination staff year (DESY)

The DESY data on Table 37 is broken down by the following categories as shown in the table below:

Table 37 Groupings by Activity Code

Business Operating Division (BOD)	Table 37 Groupings	Category Equals the Sum of the Following Activity Codes or Groupings
SB/SE	Total Staff Years	Direct Compliance Exam and Total Non-Compliance Overhead
SB/SE	Direct Compliance Exam	Total Return Exam Activities, Other Compliance Activities, and Direct Operational Support Activities
SB/SE	Total Return Exam Activities	001-499
SB/SE	Other Compliance Activities	501-514, 519-529, 544-574, 576-586, 588, 591-599, 646, 720, 733-735, 812, 814-818, 821, 822 and 828
SB/SE	Direct Operational Support Activities	617, 621-623, 625, 631, 632, 641, 643, 644, 648, 740
SB/SE	Total Non-Compliance Overhead	Non-Compliance Support Activities and Overhead
SB/SE	Non-Compliance Support Activities	609, 614, 670, 671, 690, 731, 732, 741 -743, 811, 820, 823, 826, 827
SB/SE	Overhead	575, 610-613, 615, 616, 618-620, 624, 649, 650, 660, 675, 695, 697-699, 730, 744, 750, Training, and Leave. Note 736-739 and 745-749 are reserved.
SB/SE	Training	681-684
SB/SE	Leave	830
SB/SE	Leave without Pay	831
LB&I	Direct Examine - (Direct Exam)	001-599
LB&I	Non-direct Examine - (Non Direct Exam)	600-830

(2) SB/SE classifies time as either direct compliance exam or non-compliance overhead. Direct compliance exam is the sum of total return exam activities, other compliance activities, and direct operational support. The codes associated with each of these categories are shown in the table above. Total return exam activities is time applied to all returns examined, regardless of the method used in contacting the taxpayer or the place of examination. This includes time actually spent examining a taxpayer's records and returns, time on research or dealing with issues involved in the return being examined, travel time incident to the examination, and time devoted to writing the report. Time spent by examiners preparing the evaluation report on informants' claims is also reported as return exam activity. Most return exam activity is self-explanatory and return related. Other compliance activities include activities related to compliance with tax laws but not directly related to a specific return, such as return preparer and other penalty cases, fuel inspections, and details to other divisions. Direct operational support activities include time spent on classifying returns, reviewing returns, and coordinating these activities.

(3)   SB/SE defines total non-compliance overhead as the sum of non-compliance support and overhead. These are normally activities not associated with examining a return; for example, management and training.

(4)   LB&I classifies its data as direct examine and non-direct examine. Direct examine time applies to time spent on all returns examined, regardless of the method used in contacting the taxpayer or the place of examination. Direct examination time (DET) includes time spent examining a taxpayer's records and returns, time on research or reading issuances dealing with issues involved in the return being examined, travel time incident to the examination, and time devoted to writing the report. DET also includes time spent inspecting and identifying the audit potential of related employment and excise tax returns in connection with the examination of another return. Time spent by examiners preparing the evaluation report on informants' claims is also reported as DET. Most return exam activity is self-explanatory and is return related.

   a.   If related employment or excise tax returns are examined and a report of adjustments or no-change report is prepared, time allocated to identification and examination of the employment or excise tax return is charged to the appropriate activity code of the employment or excise tax return. This time should not be reported with the activity code of the principle return with which this examination is associated.
   b.   If the related employment or excise tax return is not identified for examination or if no report of examination is written, time spent in conjunction with the employment or excise tax return(s) should all be reported with the time charged to the principle return under its appropriate activity code.

(5)   LB&I classifies non-direct examine activity as sum of direct support and non-examine. These are normally activities not associated with examining a return. For example: management, training, and classification.

(6)   See Exhibit 4.9.1-1, Definitions of Miscellaneous Examination Activity Codes, for a list of activity codes greater than 499 and their definitions.

4.9.1.4
(10-18-2024)
SETTS

(1)   SETTS, a sub-system of ERCS, is the only system used to electronically transmit validated technical time data from SB/SE, and LB&I field offices. The data is transmitted to MCC for inclusion on Table 37.

(2)   This section discusses the processes and requirements for the following:

   •   Data Required for Time Input
   •   SETTS File Layout

4.9.1.4.1
(10-18-2024)
Data Required for Time Input

(1)   Information from the ERCS employee record is used for time reporting and included in the SETTS file. The items with asterisks below are pulled from the employee record and cannot be changed by the user. It is essential to update the employee record as soon as changes are known and prior to the last day of the reporting cycle so the data used to generate Table 37 is correct. In particular the following unmarked items must be kept current. Refer to Document 6036 for information on the position code, employee status, and AAC. Refer to the *ZipPOD* tables for information on POD codes:

   •   Employee Identification Number (ID)*
   •   Grade

- • Position Code
- • Employee Status*
- • AAC
- • POD

(2) When time applied to returns or no-return DET activities (activity codes between 001 and 599) is extracted from ERCS for SETTS, the time is grouped by the codes listed below. Some of the codes come from the return record on ERCS or IMS, some come from the time charge records, and some are set by the ERCS program. To ensure the time is recorded with the correct codes for SETTS, the group should verify the codes listed below prior to applying the first time charge to the return. In addition, it is essential to update these codes as soon as changes are known:

- • Activity Code
- • Second Segment Code (SSC) (set by the program based on other codes)
- • Protection of Revenue Base Code (P of RB)
- • DET other Primary Business Code (PBC)
- • Source Code
- • Project Code
- • Tracking Code
- • Aging Reason Code (ARC)

(3) When time applied to non-return activities is extracted from ERCS for SETTS, it is grouped by activity code. This data comes from the time charge record. Time should never be applied to a non-return activity code to fill in missing time for an employee. Doing so will make it appear the employee's time is complete for the reporting cycle and may result in the SETTS data being extracted before the group has a chance to correct the time.

4.9.1.4.2
(10-18-2024)
SETTS File Layout

(1) The SETTS file consists of four line types. The lines in the file start with a 0, 1, 2, or 3, depending on the type of data in the line:

Header Line (lines starting with a **0**)
DET Activities (lines starting with a **1**)
Non-DET Activities (lines starting with a **2**)
Totals Line (lines starting with a **3**)

(2) There is one header line for each employee. The header line contains information about the employee from the ERCS employee record. Data in the header line includes the following:

Line Type - always set to 0
Employee ID Number, also called the document control number (DCN)
Time Cycle - in YYYYMM format
Grade - employee's grade

| Position Code - employee's position code* |
| Employee Status* |
| Duplicate Employee Indicator - 01 to count the employee, 00 when a duplicate time report is needed for an employee |
| AAC - consists of the PBC*, secondary business code (SBC)* and employee group code (EGC) |
| POD - the employee's post of duty |

Note: *For lists of valid codes for items marked with an "*" above, refer to Document 6036.

(3)   The DET line consists of all time charges to Activity Codes 001-599. These consist of time charges to returns, penalty records, and DET activities that may or may not be associated with an ERCS record. Data in the DET line includes the following:

| Line Type - always set to 1 |
| Line Number - beginning with 001, the lines are numbered consecutively for all DET lines. A separate line is created for each different combination of P of RB code, activity code, SSC, DET other PBC, source code, project code, ARC, and tracking code |
| Current Month Hours - time applied by the employee to returns and DET activities during the current cycle |
| P of RB Code - may be P, R, N, S, C, or Q See IRM 4.9.1.5.6, Protection of Revenue Base, for more information. |
| Activity Code* |
| SSC* |
| DET Other PBC |
| Source Code* |
| Project Code** |
| Tracking Code** |
| ARC** |
| LCC Code - may be O, M, H, C or N. |
| PBBA (Partnership Bi-Partisan Budget Act) Indicator - may be Y or N. |
| Open Hours - cumulative return time |

Note: *For lists of valid codes for items marked with an "*" above, refer to Document 6036.

Note: **For a list of valid codes for items marked with "*" above, refer to the *Code Listings* section of the AIMS Book or the *ERCS Code Listings* section in the ERCS Book in the Virtual Library.

(4) The non-DET line consists of all time charges to activity codes above 600. These are mainly time charges to overhead types of activities and leave.

Line Type - always set to 2.
Line Number - beginning with 001, the lines are numbered consecutively for each activity code.
Current Month Hours - total number of hours charged by the employee for the activity code during the cycle. A separate line is created for each activity code.
Activity Code - non-DET activity code. Refer to Exhibit 4.9.1-1 for definitions of non-DET activity codes.

(5) The totals line is a single line for each employee consisting of totals for lines one and two. The first number is the line type and is always set to 3.

4.9.1.5 (05-23-2014) **Description of Data Fields**	(1) The following sections describe the data fields that are captured and transmitted to MCC.
4.9.1.5.1 (10-27-2020) **Employee Identification/Document Control Number (ID/DCN)**	(1) The employee ID is a five-digit number which is pulled from the ERCS employee record. This number is generated by ERCS when an employee record is added to the system.
4.9.1.5.2 (10-18-2024) **Position Code**	(1) The position code is a three-digit number pulled from the ERCS employee record. Position codes are input by the user when an ERCS employee record is added or updated.
	(2) Position codes which correspond to "management" are restricted from applying time on cases. Valid activity codes for managers are activity codes greater than 600.
	(3) The table below reflects some miscellaneous position codes. Refer to Document 6036 for a complete listing with the descriptions.

Position	Position Code	Description
Audit Accounting Aide	301	Assist revenue agents/specialty examiners and tax compliance officers by performing technical support work in connection with all levels of individual, estate tax and corporate income tax audits.
Co-op	199 and 299	Assists the group in which they are assigned.
Fuel Compliance Officer	180	Conduct work associated with the laws and regulations regarding dyed diesel fuel and its inspection.
Para-professional	316	Provides paralegal work in the Estate and Gift Tax Program in SB/SE Specialty Program.

Position	Position Code	Description
Revenue Officer Examiner	213	Serves as an employment tax specialist in the employment tax program in SB/SE Specialty Programs. In this capacity, the employee plans, coordinates, and conducts employment tax examinations of employment tax returns filed by businesses.
Tax Examiner	327	In the group, conducts examinations, usually through correspondence audits.

(4)   The following table contains all the position codes valid on ERCS and if SETTS time is required:

Position Code	Time Input Required
101	LB&I only
105, 106, 108, 110-115, 118-121, 124-127, 131, 140, 150, 151, 155, 170, 175, 180, 206, 210, 213, 218, 220, 222, 225, 226, 231, 275, 301, 316	Yes
103, 104, 122, 130, 199, 201, 203, 204, 230, 299, 302-307*, 310*, 400*	No
327	Group only

Note: *Position Codes 302-307 and 310 are ERCS only codes. This series is used for Centralized Case Processing employees. Position Code 400 is an ERCS only code used for HQ and area analysts, AIMS/ERCS analysts and assistants, and administrative support employees.

4.9.1.5.3
(05-23-2014)
Employee Status

(1)   The employee status is a two-digit number set by the ERCS program. It is used to reflect the employee's current status or a change in status during a given reporting cycle; such as promotion to management, grade changes, position code changes, etc. Refer to Document 6036 for information on employee statuses.

4.9.1.5.4
(10-18-2024)
Duplicate Employee Code

(1)   The duplicate employee code is a two-digit number used to identify a duplicate time report for an individual. This code is used so employees are not counted twice if more than one time report is submitted during the same cycle. This can happen if an employee is transferred to another area or practice area or if an employee's time from a prior cycle is appended to the current cycle. Duplicate Employee Code 01 indicates this time report is the primary report and the employee should be counted. Duplicate Employee Code 00 indicates this is an additional time report for the employee and the employee should not be counted again.

(2)   When an employee moves to another area or practice area during a reporting cycle, the time report for the losing area or practice area will have a code of 00. The receiving area or practice area will have a code of 01. The program uses the employee status to set this code in the SETTS file. When an employ-

ee's time report from a prior cycle is appended to the SETTS file, the user needs to verify the code is 00 on the appended record.

4.9.1.5.5
(10-18-2024)
Hours

(1) Time is entered in ERCS and IMS in whole hours, partial hours, or a combination of whole and partial hours. Partial hours are entered for 15 minute intervals as shown in the chart below:

Minute Conversion Chart

If minutes charged are	Then the time entry is
0-14	.0
15-29	.3
30-44	.5
45-59	.7

(2) The SETTS file has several hours fields. The DET lines contain the current month hours and the cumulative hours for each unique combination of P of RB code, activity code, SSC, DET other PBC, source code, project code, tracking code, ARC, LCC Code, and PBBA Indicator. The non-DET lines contain the current month hours for each unique activity code. The totals line contains various total hours fields including the total time applied by the employee during the cycle. This final total must be within the maximum number of hours allowed for the cycle.

Note: When hours are summed, they are first converted to quarter hours. For example: ".3" is converted to ".25", so the result of adding ".3" plus ".3" is ".5" and not ".6".

(3) When appending time reports from a prior cycle to the SETTS file, the cumulative hours must be zeroed out.

4.9.1.5.6
(10-18-2024)
Protection of Revenue Base

(1) Examination employees throughout the IRS spend a considerable amount of time attempting to prevent the erroneous release of money back to a taxpayer. As such, it is very important for the IRS to capture time spent on these activities, as well as any results associated with them. We refer to this as "Protection of Revenue Base (P of RB)," or "Revenue Base Protection (RBP)." The most common example of this would be time spent working a "claim for refund."

(2) The P of RB field also identifies time charges to shelter returns, nonfiler returns, and applied review time. Valid codes include the following:

- N - used when no other P of RB codes apply.
- P - used to record time spent protecting the revenue base (i.e. working the claim issue).
- R - used to record time spent examining regular (non P of RB) issues on returns where a request for refund has been filed.
- S - used to record time applied examining shelter returns.
- Q - used to record direct review time.
- C - used when a nonfiler examination is completed and a return is not secured.

(3)   An "N" is used to record applied time to returns when no other P of RB codes apply and when time is applied to Activity Codes 501–599.

(4)   Generally, "P" time must be reported if all of the following are true:

- Previous assessments were paid by the taxpayer.
- The taxpayer has taken an action requesting the IRS to release money from the Treasury.
- The money has not been released to the taxpayer.
- The applied time is applicable to the taxpayer's request for the release of money.

> *Note:* A claim amount is required prior to applying "P" or "R" time on ERCS. It is possible in net operating loss (NOL) and carryback cases that the claim may be on a different year than the return being examined for the NOL. "P" time would be applicable for the NOL year. If the claim amount is present on the carryback year, enter a $1 in the claim amount on the NOL year.

(5)   An "R" is used to record applied time examining non-P of RB issues for the same tax year when the following is applicable:

- Previous assessments were paid by the taxpayer.
- The taxpayer has taken an action requesting the IRS to release money from the Treasury.
- The money has not been released to the taxpayer.
- The applied time is **not** applicable to the taxpayer's request for the release of money.

(6)   Time charges may be applied to both "P" and "R" on the same return on the same day and should be recorded on separate lines on the time input document. Refer to *Protection of Revenue Base* in the ERCS book in the Virtual Library for detailed instructions concerning P of RB time.

(7)   An "S" is used to record applied time examining shelter issues. It should never be used when there is a data inconsistency blocking the correct P of RB code "P", "R", or "N" from being used. If a data issue exists and cannot be resolved by the user, the user should contact his or her *AIMS/ERCS staff* for assistance.

(8)   A "Q" is used by TS employees along with a specific SSC to record review activities associated with returns. Refer to IRM 4.7.7, Technical Services, for specific instructions on time reporting for TS employees. The SSCs valid with a P of RB code "Q" are as follows:

- 641 Case Review
- 643 Notice of Deficiency - (90 - Day)
- 646 30 - Day Letter Activities
- 648 Abatement Interest
- 720 Offers in Compromise
- 732 Innocent Spouse Review

(9)   A "C" is set by the ERCS program in the SETTS file when a nonfiler examination is completed and a return has not been secured.

4.9.1.5.7 (10-27-2020) **Activity Code**	(1)	The activity code is a six-digit number consisting of a three-digit first segment code and a three-digit SSC. The first three digits are commonly referred to as the activity code, and the last three digits are commonly referred to as the SSC.
	(2)	Activity codes less than 500 are return related and identify the type and class of return examined. These activity codes require a SSC which is set by the ERCS programs based on other fields on the return such as source code, claim features, etc.
	(3)	The SSC provides detail management data. The first digit of the SSC indicates program monitoring, the second digit indicates category, and the third digit indicates special feature. See Exhibit 4.9.1-2, Direct Examination/ Compliance SSCs, for information about the parts of an SSC.
	(4)	When time is applied to a return, the SSC on the return is associated with the time charge record with the following exception. When time is applied by a TS employee and "Q" is entered in the P of RB field, the user must enter a direct review time SSC. This code is used to indicate the type of review activity performed. See IRM 4.9.1.5.6 (8) for a list of valid review time SSCs.
	(5)	SSCs for Activity Codes 501-598 are set by the ERCS program to 000, with the exception of Activity Codes 521, 548, 575, 588, and 599. Activity Codes 521 and 588 can have a SSC of 000 or 040. Activity Codes 548, 575, and 599 can have multiple SSCs. The SSCs for these exceptions must be input by the user when applying time. See also Exhibit 4.9.1-3, SSCs for Activity Code 548, and Exhibit 4.9.1-4, SSCs for Activity Code 575, and Exhibit 4.9.1-5, SSCs for Activity Code 599, for a list of SSCs valid for these activity codes.
	(6)	SSCs are not valid for Activity Codes 600-905.

4.9.1.5.8 (10-27-2020) **DET Other PBC**	(1)	The DET other PBC is a three-digit code used to identify work performed for other BODs, areas, or practice areas. This code represents the PBC being supported and is set by ERCS in the SETTS file. All SB/SE and LB&I PBCs are valid. The following table shows examples of how the DET other PBC is set:

If	Then DET other PBC is set to
LB&I Practice Area 323 is supporting SB/SE Area 201	201
SB/SE Area 203 is supporting SB/SE Area 205	205
LB&I Practice Area 324 is supporting LB&I Practice Area 323	323

	(2)	Support work is work performed by another area or practice area to assist in an examination. Examples include collateral reports, engineer valuations, computer audit specialist reviews, etc. The time applied to the support work is charged to the return on ERCS and IMS. This does not include work performed by employees detailed to the SB/SE area, LB&I practice area or TS.

4.9.1.5.9 (10-18-2024) **Source Code**	(1) The source code is pulled from the ERCS or IMS record if there is an associated return. Otherwise, for time charges to Activity Codes 500-599, the source code is set to 99. See Document 6036 for a list of valid source codes. See the *Source Code Job Aid* for more information about how the source codes are used.
4.9.1.5.10 (10-18-2024) **Project Code**	(1) The project code is pulled from the ERCS or IMS record if there is an associated return or penalty/non-aims record. Otherwise, for time charges to Activity Codes 500-599, the project code is set to 0000. See the *Project Code Listing* for nationally defined project codes. See the *Project Code Listing - SB/SE Local Codes* for SB/SE locally defined project codes and the *LB&I Project and Tracking Codes* for LB&I locally defined project codes.
4.9.1.5.11 (10-18-2024) **Tracking Code**	(1) The tracking code is pulled from the ERCS or IMS record if there is an associated return or penalty/non-aims record. Otherwise, for time charges to Activity Codes 500-599, the tracking code is set to 0000. See *Tracking Codes* for a list of nationally defined tracking codes. The local list of tracking codes may be generated by the AIMS/ERCS staff or by the local PSP staff through the ERCS programs. See *LB&I Project and Tracking Codes* for LB&I locally defined tracking codes.
4.9.1.5.12 (10-18-2024) **Aging Reason Code (ARC)**	(1) The ARC is pulled from the ERCS or IMS record if there is an associated return or penalty/non-aims record. For time charges to Activity Codes 500-599 not associated with returns the ARC is set to the following: • 099 if the employee is a tax examiner (Position Code 327), excluding TS tax examiners. • 050 if the employee is a revenue officer examiner (Position Code 213). • 000 for all other employees. (2) See *Aging Reason Codes* for a list of nationally defined ARCs.
4.9.1.5.13 (10-18-2024) **LCC Code**	(1) The LCC code is pulled from the ERCS or IMS record if there is an associated return. Otherwise, for time charges to Activity Codes 500-599, the LCC code is set to N. (2) Valid codes include the following: • O - Other • M - Medium • H - High • C - CIC • N - not LCC
4.9.1.5.14 (10-18-2024) **PBBA Indicator**	(1) The PBBA Indicator is set from the ERCS or IMS record if there is an associated return. Otherwise, for time charges to Activity Codes 500-599, the PBBA Indicator is set to N. (2) Valid codes include Y (Yes) or N (No).

| 4.9.1.6
(10-27-2020)
Applying Time for Overtime, Leave, Holiday, Details, and Furlough | (1) This section covers applying time to the following specific categories of activities: |

- • Overtime and Compensatory Time
- • Leave and Leave Without Pay
- • Holiday, In Lieu of Holiday (ILOH), and Inauguration Day Leave
- • Details
- • Furlough

| 4.9.1.6.1
(10-27-2020)
Overtime and Compensatory Time | (1) The number of workdays in a reporting cycle is determined by deducting Saturdays, Sundays, federal holidays, and any day declared a non-work day by the President (e.g. the day before Christmas or a day of national mourning) from the number of days in the reporting cycle. The number of work days in each reporting cycle are listed in Document 6036. |

(2) When employees work over their scheduled number of hours for the day, they must record how they are to be compensated for the time. Authorized overtime and compensatory time (including religious compensatory time) are accrued under the appropriate activity code with an offsetting adjustment to Activity Code 840, "Hours Worked for Overtime, Credit Hours, and Comp Time," with the appropriate leave code. See Activity Code 840 in Exhibit 4.9.1-1, for the leave codes associated with Activity Code 840.

| 4.9.1.6.2
(10-27-2020)
Leave and Leave Without Pay | (1) Employees on leave without pay (LWOP) should charge their time to Activity Code 831, "LWOP", with the appropriate leave code. See Activity Code 831 in Exhibit 4.9.1-1, for the leave codes associated with Activity Code 831. |

(2) All other leave is charged to Activity Code 830, "General Leave", with the appropriate leave code. See Activity Code 830 in Exhibit 4.9.1-1, for the leave codes associated with Activity Code 830.

| 4.9.1.6.3
(10-18-2024)
Holiday, ILOH, and Inauguration Day Leave | (1) Employees must account for their holiday time on ERCS using Activity Code 830, and Leave Code "H," holiday. The number of hours a full time employee should apply to holiday time depends on their work schedule as shown in the chart below: |

If the employee's work schedule is	Then the employee is entitled to
Regular, Flexitour, or Gliding	8 hours of holiday time.
4-10	10 hours of holiday time.
5-4-9	8 or 9 hours of holiday time depending on how many hours the employee is scheduled to work on the holiday or the employee's ILOH date.
Maxiflex	8 hours of holiday time.

If the employee's work schedule is	Then the employee is entitled to
Part Time	0 up to 10 hours of holiday time depending on how many hours the employee is scheduled to work on the holiday.

(2) When a full time employee is not scheduled to work on a federal holiday, the ERCS program will determine the employee's ILOH date using the table below:

A. Federal Holiday	B. Employee's Holiday if Scheduled to Work	C. Employee's Holiday if Not Scheduled to Work on Day in Column B
Sunday	Monday	Tuesday
Monday	Monday	Friday
Tuesday	Tuesday	Monday
Wednesday	Wednesday	Tuesday
Thursday	Thursday	Wednesday
Friday	Friday	Thursday
Saturday	Friday	Thursday

Note: Because maxiflex and 4-10 tour of duty employees can have two scheduled days off in a row, if the employee is not scheduled to work either of the days in Columns B or C, the employee's holiday will move an additional day backward (or forward if the federal holiday falls on Sunday). Part time employees are eligible to take holiday leave if they are scheduled to work on the day in Column B in the chart above.

(3) Inauguration Day is a legal public holiday for IRS employees working in the Inauguration Day area. The Inauguration Day holiday is administered differently than other federal holidays. Employees who are not regularly scheduled to work on Inauguration Day are not entitled to a day off in lieu of the holiday. Eligible employees should apply their time to Activity Code 830 with Leave Code "LH", Local Holiday. Check for current guidance and eligibility from the Office of Personnel Management, the Employee Resource Center, and Single Entry Time Reporting (SETR) alerts. Employees should direct questions to their managers.

(4) When the IRS has an unscheduled closing, the leave code used with Activity Code 830 depends on how the closing was declared or the type of conditions that create an unsafe situation for the employee. See Activity Code 830 in Exhibit 4.9.1-1, for a list of leave codes for Activity Code 830. A few examples are included below:

Example: There are several leave codes used for building closures or other conditions that make travel or the employee's work environment unsafe. The leave code used to apply time should match the employee's situation.

Example: When management grants admin leave, the time should be applied to Leave Code "O".

Example: If the President grants leave and declares it a holiday use Leave Code "H".

Note: When an unscheduled holiday closing is declared by the President, ERCS must be updated so the programs will allow Leave Code "H" to be input. To avoid having to make corrections to incorrect time charges, users should wait until a notice is received concerning how their time should be applied on ERCS and IMS before entering the time.

Note: Time applied to holiday leave is not included in the SETTS extraction.

4.9.1.6.4
(10-18-2024)
Details

(1) Detail work can include a formal detail to another group, function, or operating division where an employee is working full time in another group for a specific length of time, or it can be work performed for another function or operating division without a reassignment.

(2) There are four situations governing how time should be applied on ERCS for detailed employees:

1. The employee's original position required entry of technical time, but the detailed position does not or the employee is working on a temporary assignment for another area or operating division where no other activity codes are applicable. In this situation the employee's time is entered by the home group using the appropriate "Details out of Division or Area" activity code. Time spent on leave should be charged to the appropriate activity code and leave code.

2. The employee's original position did not require entry of technical time, but the detailed position does. In this situation the employee's time is entered by the detailed group with the employee's time applied to the activities performed in the detailed group.

3. Both the employee's original position and the detailed position require entry of technical time, and both positions are in the same area. In this situation the employee's time is entered by the detailed group with the employee's time applied to the activities performed in the detailed group.

4. Both the employee's original position and the detailed position require entry of technical time, and the positions are in different areas or practice areas. In this situation two time reports are required for SETTS. The home group should create an ERCS detail record for the employee. Since the PBC on the detail record will not match the PBC on the ERCS employee record, this is called a "SETTS detail". The employee's time is entered by the detailed group with the employee's time applied to the activities performed in the detailed group. The ERCS program will create a second time report for the home group with time applied to either Activity Code 733 or 734 depending on the PBC on the ERCS detail record. This time report is only created for the SETTS extraction and is not available to be displayed or printed.

(3) Details starting and ending during a cycle may require the employee to submit two time input documents, one for each group. See IRM 4.9.1.7.4 , When Two Time Reports are Required, for more information.

(4)   "Details out of Division or Area" activity codes include: 733, 734, 811, 812, 814-818, 820-824, and 826-828. See Exhibit 4.9.1-1. for the definitions for these codes.

4.9.1.6.5
(10-27-2020)
Furlough

(1)   A furlough is when the IRS shuts down due to a lack of funding. Detailed instructions are provided to users after the furlough is ended to ensure their time is entered correctly on ERCS and IMS for the furlough period. The instructions may not necessarily coincide with the instructions released by SETR since SETR and ERCS are used for different types of time tracking. The general ERCS and IMS instructions are:

- Time for employees on disciplinary LWOP should be charged to Activity Code 831, "LWOP" and Leave Code "LS, Disciplinary LWOP".

  Note: Disciplinary LWOP takes precedence over all other types of leave.

- All shutdown and start up activities should be charged to Activity Code 750, "Furlough".

Note: The HQ ERCS analysts must activate Activity Code 750 before furlough time can be charged.

- All employees scheduled to work on a federal holiday or an ILOH during a furlough should apply time to Activity Code 830, Leave Code "H - Holiday".

  Note: Holiday time is not extracted for SETTS and furlough time is. If furlough time is charged on a holiday, the total time for the cycle could exceed the maximum number of hours for the cycle causing SETTS validation errors.

- Excepted employees (employees required to work during the furlough) should apply time worked to the approved activities performed.
- All other time during a furlough not mentioned above, by excepted or non-excepted employees, should be charged to Activity Code 750, "Furlough".

  Caution: All time incorrectly applied during a shutdown must be corrected before the time is extracted for SETTS.

4.9.1.7
(05-23-2014)
Inputting Data

(1)   This section includes the following:

- Time input documents generated by ERCS
- How to Input time on ERCS and IMS
- Time corrections on ERCS and IMS
- When two time reports are required

4.9.1.7.1
(10-18-2024)
Time Input Documents Generated by ERCS

(1)   ERCS creates two time input documents:

a.   The Agent Input Document is used primarily by revenue agent groups. It lists the cumulative hours at the beginning of the cycle for each case assigned to the examiner and also includes the cases in which the examiner is assisting. Daily entries are made by each examiner and the time input document is retained in the examiner's possession throughout the cycle. Employees are required to give their managers the final copy of their completed time reports for approval. In order to avoid delays at

the end of the cycle, it is suggested a copy of this time input document be given to the manager weekly for approval.

b. The Tax Auditor Daily is used by office audit groups. It lists the examiner's scheduled work for the day. In order to utilize all of the capabilities of this report, the examiner must update the report daily for input into ERCS. Refer to the *Tax Auditor Menu* chapter of the ERCS Group Handbook for more information about this report. In order to avoid delays at the end of the cycle, it is suggested copies of these time input documents be given to the manager daily for approval.

(2) The manager, or someone designated by the manager, will review the time input documents for accuracy. The input documents should be compared to the Agent Analysis to ensure the agent's time was entered into ERCS accurately. See IRM 4.9.1.8, Agent Analysis, for additional requirements of the document.

(3) The need to complete the time input documents accurately, legibly, and timely cannot be overemphasized. Managers must review and approve the time sheets by close of business (COB) at the end of the cycle so corrections can be input prior to SETTS transmission.

Reminder: Once the SETTS data has been extracted and transmitted, corrections made on ERCS or IMS do not go forward.

(4) Managers will ensure that time reports are prepared for employees unavailable to input their own time (employees on leave, unexpected absences, LWOP, etc.) for as long as the employee is unavailable.

4.9.1.7.2
(10-18-2024)
Time Input on ERCS and IMS

(1) Employees must account for their time by each return or non-return activity they perform on a daily basis. The time for all technical employees is required to be input into ERCS or IMS each reporting cycle. It is strongly recommended the time be input weekly to avoid unexpected delays at the end of the cycle. At a minimum, the time must be input by the following:

a. On ERCS no later than the COB on the last day of each reporting cycle.
b. On IMS no later than the COB on the last Thursday of each reporting cycle.

(2) Managers and/or administrative support employees in each group should run the ERCS Check Employees with Uncharged Time Report periodically within each cycle to ensure all the time for their employees has been entered into ERCS. This report lists each employee in the group with incomplete time for the reporting cycle and the last time charge date for the employee. It is an excellent tool to monitor each employee's time input. This report is also available at the territory level.

Caution: **It only takes one day of unreported time to exclude all of the employee's time charges from the SETTS extraction.**

(3) If an employee is listed on the report with an ILOH error, it means the employee was not scheduled to work on the holiday and the employee does not have time charged on the alternate date the program expected the holiday time to be charged. For example: If a holiday falls on a Tuesday, but it is the employee's scheduled day off, the program expects the employee to charge

holiday time for Monday. If the employee does not charge holiday time on the Monday, an ILOH error will appear on the report. These errors should be re-searched and corrected.

(4)   It is the manager's responsibility to ensure all time for each employee in his or her group has been input into ERCS and is correct by the end of the cycle.

4.9.1.7.2.1
(10-18-2024)
Inputting Time Into ERCS

(1)   The Input Time and Leave option on the Examination Main Menu is used to input technical time in ERCS. Options are available to input time for an entire group or to input time for a single employee. Technical employees with limited access permission to ERCS may only input their own time. Refer to the *Input Time and Leave* chapter of the ERCS Technical Reference Manual (TRM) or the Input Time and Leave chapters of each of the *ERCS user handbooks* for additional information and ERCS input screens.

(2)   Users must have write permission for the AAC of the group or of the employee to input time.

(3)   The user enters time for returns by entering the taxpayer identification number (TIN), Masterfile tax code (MFT), and tax period of the return. Users do not need permissions for the returns to apply time with the exception of employee audits. Only the members of the group to which the employee audit return is assigned may apply time to the return. Other information from the return is displayed. The six-digit activity code is displayed in two fields:

- A three-digit activity code
- A three-digit SSC

(4)   If the time charge is not associated with a TIN, MFT, and tax period on ERCS, the user enters the activity code. These are activity codes greater than 499, except for activity codes associated with penalty records. Penalty record activity codes are listed below. Users must enter the TIN, MFT, and tax period to enter time to these controls:

- 501-506
- 549
- 552-555
- 586
- 593-595

(5)   Most of the activity codes in the 500-599 range can be set up as inventory control records on ERCS. Users may charge time to the inventory record (by entering the TIN, MFT, and tax period) or if the activity code is not a penalty activity code, time may be applied to the activity code.

(6)   The activity codes may only be changed on the time input screen for excise returns, because excise returns can have multiple abstract codes.

(7)   The SSC for time applied to returns or inventory records is set by the ERCS program for all groups, excluding TS, and cannot be changed on the screen. The SSC must be entered by TS employees. It is used to further classify the type of review performed on the return by TS. The SSC is not required for activity codes greater than 599.

(8) For most time charges to activity codes in the 500-599 range, the SSC is set to 000. The exceptions are Activity Codes 521, 548, 575, 588, and 599. The user must enter the SSC for these codes.

(9) For time applied to returns, the user enters an alpha code under the P of RB header. This field is used for P of RB codes and also identifies time charges to shelter returns and applied review time.

(10) For time applied to Activity Codes 830, 831, and 840 an alpha character leave code must be entered. Refer to IRM Exhibit 4.9.1-1 for a list of valid leave codes and their definitions.

(11) For time applied to Activity Code 730, an optional sub-category code may be entered. See Activity Code 730 in Exhibit 4.9.1-1 for more information.

(12) ERCS requires the employee's total time for the day to match the employee's work schedule. ERCS also requires holiday time to be charged on holidays or days designated as ILOH.

4.9.1.7.2.2
(10-18-2024)
Inputting Time into IMS

(1) Employees in LB&I, Employment Tax, Estate and Gift, and Excise who are required to input technical time use IMS for time input. Refer to the *ERCS User Job Aid* for more information about using IMS to input technical time.

(2) Each Thursday evening the technical time from IMS that has been sent to the IMS server from the employees' computers (synchronized to the IMS server) is sent to the ERCS server and validated. If the time charges pass validation, the time is added to ERCS.

(3) Each Friday an ERCS user in each group should run the ERCS option "Verify Imported Time" to check for any errors, make the necessary corrections, and ensure all time for the group is up to date.

(4) If the above steps are not completed by the last day of the reporting cycle, the time must be manually input into ERCS by COB on the last day of the cycle.

(5) The IMS user is required to give a printed time sheet, generated from IMS, to the group administrative support employee by COB on the day prior to the last day of the cycle in case the IMS time has to be manually entered into ERCS.

4.9.1.7.3
(10-18-2024)
Time Corrections on ERCS and IMS

(1) After the IMS time is input, synchronized to the IMS server, and transmitted to the ERCS server, additional changes to the time on IMS must also be updated on the ERCS server. These time changes should be given to the administrative staff in the group to manually correct on ERCS by COB on the last day of the cycle.

(2) Corrections to time data on ERCS after the data has been extracted for SETTS does not go forward to SETTS. If corrections need to be made on the day the SETTS data is transmitted, the ERCS user must alert the AIMS/ERCS staff that corrections need to be made. All corrections must be made by noon local time.

(3) It only takes one day of unreported time or one validation error, either on ERCS or at MCC, to exclude all of the employee's time charges for the cycle. Validation errors should be corrected as soon as possible. The AIMS/ERCS staff responsible for extracting the SETTS data from ERCS should ensure

there are no validation errors from the MCC validation. If there are, the data should be corrected, re-validated on ERCS, and re-transmitted to MCC before the 7:44 PM Eastern Standard Time/Eastern Daylight Time validation.

Note: Getting the changes transmitted by 7:44 PM will ensure the file is picked up at 7:45 PM and will be validated by 8 PM and there will still be time to make additional changes if the corrected file produces another validation error.

(4) If there is an issue or an error that cannot be resolved by the final MCC validation, it is possible to append the employee's time to the following cycle's SETTS file. There is one exception: Time from a prior fiscal year cannot be appended. Refer to the *SETTS* chapter of the ERCS TRM for information about appending an employee's time charges from a prior cycle to the SETTS file.

Reminder: The AIMS/ERCS staff should contact an HQ ERCS or an HQ SETTS analyst if assistance is needed to correct a SETTS validation error. Refer to the *AIMS, ERCS, SETTS, SSIVL and Tableau Headquarters Contact Listing* for contact information.

4.9.1.7.4
(10-18-2024)
When Two Time Reports Are Required

(1) An employee must complete two time input documents if he or she transfers or is detailed to a new group during the cycle, one for each group. Two input documents are also required when a detail ends during the cycle. The employee's total time for both groups should not exceed the total time for the cycle. If an employee is on detail for the entire cycle, he or she should only complete one time input document.

(2) If an employee transfers or is detailed to another group or function within the same area or within the same LB&I practice area, only one time report is included in the SETTS data. It will contain all of the employee's time for the cycle and the employee's AAC, position code, etc. from the employee's last assignment.

(3) If an employee transfers or is detailed to another group or function outside the area or practice area, two time reports are included in the SETTS data. Each time report will contain the employee's time while assigned to the area or to LB&I. The employee's total time for both assignments should not exceed the total time for the cycle. Two time reports are required for SETTS if an employee transfers or is detailed during a cycle:

- Between SB/SE areas
- Between LB&I practice areas
- Between SB/SE and LB&I

Note: ERCS creates two time reports in all of the above situations. The time reports will be created using the information from the employee's last assignment in each area or practice area. In the case of the employee detailed to another area or practice area, and a detail record is created on ERCS, a second time report will be created for the home group using the appropriate detail out activity codes.

(4) When an employee is on detail from one exam group to another exam group and the employee's position code remains the same during the detail, an ERCS detail record should be created. If an employee is on detail within ERCS

control and the employee's position code changes during the detail, the employee's AAC, position code, grade, etc. should be changed on the ERCS employee record. See IRM 4.7.5.6.2, Employee Details, for more information.

(5) If an employee is on detail outside of ERCS control, the ERCS employee record should not be changed. All the employee's time spent working for another BOD should be applied to the appropriate "details out of division or area" activity code. Any time spent working for the home group should be charged to the appropriate activity codes or returns. Only one time report is included in the SETTS data for these employees. The time is reported for SETTS under the employee's home group.

4.9.1.8
(10-27-2020)
Agent Analysis

(1) The Agent Analysis is a time report generated through ERCS showing an examiner's activity during a given cycle along with other cumulative data. It is generated after all the time for the cycle has been entered in ERCS.

(2) The Agent Analysis shows the number of cases the agent has in process, the time devoted to each case, the cumulative time, and the number of days in process. The report reveals any unusually large inventory of open cases to which time has been charged, any cases where time is being charged beyond a reasonable amount, and any instances where difficult cases are being neglected in favor of simpler returns.

(3) The Agent Analysis must be signed by both the examiner and the manager indicating the validity of the report. The signed Agent Analysis must be retained in the group for three years. If there is a continuous problem where the time input document does not match the Agent Analysis, the manager should resolve the issue.

Note: Since the Agent Analysis is generated through ERCS after the time has been input for the cycle, it is the official record of the time that was sent to SETTS.

Note: The Agent Analysis may be signed and/or maintained electronically as long as it is kept on a secured Share Drive accessible by more than one user so it can be retrieved up to the required three years.

4.9.1.9
(10-27-2020)
Closing Hours on AIMS and ERCS

(1) On completion of an examination, the total time applied to the return on ERCS should agree with the time entered on Form 5344, Examination Closing Record.

(2) The ERCS Status 90 Hours Report, available to the AIMS/ERCS staff, is used to monitor time differences between ERCS and AIMS after returns are closed. Users should contact their local area or LB&I office to determine the tolerance level for the hours differences when working this report. Differences between the total time on AIMS and ERCS for examined returns can be the result of time input errors on ERCS, on the Form 5344, at AIMS closing, or a combination of multiple input errors. Some of the common reasons why returns are listed on the ERCS Status 90 report are as follows:

• The return was closed on AIMS with the correct hours, but the Status 90 Report was generated before the final time charges were input on ERCS.
• The total time for a case with multiple tax years was input on one tax year on ERCS but split between all the tax years on AIMS.

- The time was input without a decimal on Form 5344 or on AIMS. (i.e. 152.0 hours was input as 1520 hours) multiplying the time by 10 on AIMS.
- Claim time was input in both the RBP (revenue base protection) hours and the examiner's hours on Form 5344, thus doubling the total hours on AIMS.

4.9.1.10
(10-18-2024)
Extraction, Transmission, and Validation of SETTS Data

(1) At the end of each reporting cycle, time reports for each technical employee is extracted from ERCS, validated, and transmitted to MCC. At MCC, the data goes through a second validation. Errors from the MCC validation are sent back to the ERCS server 30 minutes after each validation run. If there are errors from the MCC validation, they are corrected by the AIMS/ERCS staff and the corrected data is re-transmitted to MCC. The validated data are used in the creation of national reports and tables.

(2) Users have until 11:00 a.m. local time to make corrections in the time data on ERCS; therefore, the SETTS data should not be extracted from ERCS until noon local time on the day of transmission to ensure users have sufficient time to make any corrections.

Note: SB/SE Areas 206, 207 and LB&I PBC 320 have permission to begin SETTS processing at 11:00 a.m. local time.

(3) The reporting cycles for technical time can be at four, five, or six week intervals with the cutoff day for a reporting cycle on a Friday. The transmission of SETTS data is to be completed by COB the Monday following the end of the cycle or the following business day if the Monday falls on a holiday. The last day of each reporting cycle and the corresponding transmission dates are listed in Document 6036.

(4) Table 37 only reflects data that passed all validations. If data is not transmitted for a particular cycle or was transmitted but had uncorrected validation errors, Table 37 will not contain complete information for the corresponding area or practice area for that cycle. Data missing from a prior cycle can be merged with the following months data for inclusion to reports unless the missing data is from the prior fiscal year.

4.9.1.10.1
(10-18-2024)
Extraction and Transmission of SETTS Data

(1) On the day of SETTS transmission, the AIMS/ERCS staff in each area responsible for extracting and transmitting the SETTS data must run the ERCS Check Employees with Uncharged Time Report to ensure time has been input for all employees through the end of the cycle. Once it is determined all time has been charged and the groups have been given sufficient time to make any corrections, the following steps are run:

     a. **Finished for the Month**. This program saves the validated data from the previous cycle and removes temporary processing files to get ready for the current cycle extraction. The "forms.txt" file is also deleted.

     b. **Display or Print Time Error Flags**. When run prior to creating the SETTS file, this program lists employees whose time was not included in the SETTS data for the prior cycle. Prior time reports for these employees may need to be appended to the current SETTS data. Refer to the *SETTS* chapter of the ERCS TRM for information about appending an employee's time charges from a prior cycle to the SETTS file.

    c.   **Create the SETTS_FILE**. This program creates time reports for each employee with time completed for the cycle. If an employee's time is not complete for the cycle the employee record is flagged with a "time error." When the user runs this program and indicates it is the initial run, the SETTS_FILE is created. If the user indicates it is not the initial run, the program appends completed time reports to the SETTS_FILE for employees flagged with a time error. When the employee's time is appended to the SETTS_FILE, the time error flag is removed. If the employee's time is still incomplete, the time is not appended and the time error flag is left on.

    d.   **Display or Print Time Error Flags**. This menu option is run again after the SETTS file has been created. When run after the SETTS file has been created, the program lists employees whose time was not included in the SETTS data for the current cycle. This will include employees whose time is not complete and technical employees where an ERCS WSP hasn't been created. The WSP should be created, time input, and a correction run completed to add the additional time records to the SETTS_FILE.

       Note: Check Employees with Uncharged Time will show a "clean run" when a WSP hasn't been created for an employee.

    e.   **Merge SETTS_FILE with forms.txt**. This option appends the data from the SETTS_FILE to the forms.txt file.

    f.   **Validate Forms**. This program validates the time reports in the forms.txt file. Valid time reports are written to the valid.txt file and errors are written to the errors.txt file.

    g.   **Display Error File**. This program displays the errors.txt file and gives the user the option to correct the errors. The corrections are written to the forms.txt file, but the valid.txt and the error.txt files are not updated in this option. When all the corrections are completed, the user must run Validate Forms again to recreate the error.txt file and the valid.txt file.

    h.   **Transfer/Retrieve Valid Forms**. This option copies the valid.txt file over to a temporary directory where a program runs every 15 minutes to look for new files and transfer them to MCC. Once files are transmitted they are deleted from the temporary directory.

(2)   Refer to the following sites for additional information for the AIMS/ERCS staff in running SETTS:

- AIMS/ERCS/SETTS SharePoint - The SETTS folder contains training materials for the AIMS/ERCS staff.
- *SETTS* and *National Office SETTS Menu* chapters of the ERCS TRM.
- IRM 4.7.10.5.5, *Processing the SETTS Data*.

4.9.1.10.2
(10-18-2024)
Validation at MCC

(1)   Once the SETTS data is received at MCC, it is validated. The MCC validation times and the times when the validation results are sent back to the ERCS server are in the table below. Four time zones are listed:

Eastern	Time	Central	Time	Mountain	Time	Pacific	Time
Val.	**Results**	**Val.**	**Results**	**Val.**	**Results**	**Val.**	**Results**
1:30 PM	2:00 PM	12:30 PM	1:00 PM	11:30 PM	12:00 PM	10:30 PM	11:00 PM

Eastern	Time	Central	Time	Mountain	Time	Pacific	Time
Val.	Results	Val.	Results	Val.	Results	Val.	Results
2:30 PM	3:00 PM	1:30 PM	2:00 PM	12:30 PM	1:00 PM	11:30 PM	12:00 PM
3:30 PM	4:00 PM	2:30 PM	3:00 PM	1:30 PM	2:00 PM	12:30 PM	1:00 PM
4:30 PM	5:00 PM	3:30 PM	4:00 PM	2:30 PM	3:00 PM	1:30 PM	2:00 PM
5:30 PM	6:00 PM	4:30 PM	5:00 PM	3:30 PM	4:00 PM	2:30 PM	3:00 PM
7:00 PM	7:30 PM	6:00 PM	6:30 PM	5:00 PM	5:30 PM	4:00 PM	4:30 PM
8.00 PM	8:30 PM	7:00 PM	7:30 PM	6:00 PM	6:30 PM	5:00 PM	5:30 PM
10:00 PM	10:30 PM	9.00 PM	9:30 PM	8:00 PM	8:30 PM	6:00 PM	6:30 PM

(2)   The results file must be checked by the AIMS/ERCS staff by running the option Display/Print Most Recent Validation Results to verify there are no errors. If errors are present, they should be corrected using the Edit Forms option from the ERCS National Office SETTS Menu. Once the errors are corrected, the options Validate Forms and Transmit Valid SETTS File must be re-run.

(3)   An unusual error or an increase in errors during the validation process should be reported to an HQ SETTS or an HQ ERCS analyst by the AIMS/ERCS staff responsible for SETTS processing. Refer to the *AIMS, ERCS, SETTS, SSIVL, and Tableau Headquarters Contact Listing* for contact information.

Exhibit 4.9.1-1   (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

The following list of activity codes are used to report non-return related activity.

Exhibit 4.9.1-1 (Cont. 1) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
501	Return Preparer - Negligent Preparation Penalty - IRC 6694(a)	Used to apply time to Internal Revenue Code (IRC) 6694(a), Understatement of Taxpayer's Liability Due to Unreasonable Position, preparer penalty investigations. This activity code must be established on ERCS using penalty MFT P1.
502	Return Preparer - Willful Attempt to Understate Tax Penalty - IRC 6694(b)	Used to apply time to IRC 6694(b), Understatement of Taxpayer's Liability Due to Willful or Reckless Conduct, preparer penalty investigations. This activity code must be established on ERCS using penalty MFT P2.
503	Return Preparer - Endorsing or Negotiating Tax Refund Check - IRC 6695(f)	Used to apply time to IRC 6695(f), Negotiation of Taxpayer's Refund Check, preparer penalty investigations. See Form 5816, Report of Tax Return Preparer Penalty Case. This activity code must be established on ERCS using penalty MFT P3.
504	Return Preparer - Disclosure Penalties - IRC 6695(a) through IRC 6695(e) and IRC 6713	Used to apply time to the following preparer penalty investigations: • IRC 6695(a), Failure to Furnish Copy to Taxpayer • IRC 6695(b), Failure to Sign Return or Claim for Refund • IRC 6695(c), Failure to Furnish Identifying Number • IRC 6695(d), Failure to Retain Copy or List • IRC 6695(e), Failure of Preparer Employer to File Information Returns • IRC 6713, Disclosure or Use of Information by Return Preparer See Form 5816, Report of Tax Return Preparer Penalty Case. This activity code must be established on ERCS using penalty MFT P4.
505	Penalty for Failing to Disclose Reportable Transactions - IRC 6707A	Used to apply time to IRC 6707A, Failure to Include Reportable Transaction Information with Return, penalty investigations. This penalty is imposed for failure to disclose reportable (listed and non listed) transactions as required under IRC 6011, General Requirement of Return, and associated regulations. This activity code must be established on ERCS using penalty MFT P5.

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Exhibit 4.9.1-1 (Cont. 2) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
506	Information Return Penalty Case - IRC 6721, IRC 6721(e), IRC 6722, and IRC 6723	Used to apply time to the following information return penalty cases: • IRC 6721, Failure to File Correct Information Returns • IRC 6721(e), Failure to file correct/timely information returns or Form 8300 or W2 due to intentional disregard • IRC 6722, Failure to furnish correct/timely payee statements • IRC 6723, Failure to comply with other information reporting requirements - Failure to provide notice of partnership This activity code must be established on ERCS using penalty MFT P9.
507	Pricing Issues	Time applied by revenue agents and specialists while considering IRC 482, Pricing Advance Determination Ruling, requests received from HQ office. This time will not be allocated to the examination of the taxpayer's tax return, whether or not such return is concurrently under examination. This activity code may be established on ERCS as an inventory record using MFT A0.
508	Economist Studies	Time applied while working on management directed studies, of particular practice areas other than those conducted under the direction of a specialist on matters related to the Industry Specialist Program (ISP). Time charged to this code will require that the economist prepare an industry study report that will be separate from any case. This activity code may be established on ERCS as an inventory record using MFT A1.
509	Form 8300 Compliance	Time expended in performing Form 8300, Report of Cash Payments Over $10,000 Received in a Trade or Business, program activities, including Form 8300 compliance reviews. Primarily used by SB/SE anti-money laundering activities. This activity code is not to be used for time expended as part of required filing (package audits) checks during an income tax examination. This activity code may be established on ERCS as an inventory record using MFT A2 or MFT PX. MFT PX should be used when statute control is required. See IRM 4.26.10.11, Form 8300 Statutes of Limitations, for further statute control guidance.

Exhibit 4.9.1-1 (Cont. 3) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
510	Form SS-8 (Information to determine whether a worker is an employee for federal employment tax and income tax withholding)	This activity code is used to apply time by the SS-8 coordinator to Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding activities. This activity code may be established on ERCS as an inventory record using MFT A3.
511	Technical Guidance	Support time provided to examiners by industry facilitators/experts not charged to a specific return. This activity code may be established on ERCS as an inventory record using MFT A4.
512	COBRA	Used to apply time spent on examinations to determine employer compliance with the Consolidated Omnibus Budget Reconciliation Act (COBRA). This act provides that employers shall offer continuing health care coverage to employees and their dependants when the employee leaves the job, except when an employee is discharged for gross misconduct. Employees denied coverage may file a complaint with the IRS. In response to these complaints, the IRS conducts an examination of employer to determine compliance. The IRS may also examine employers who claim a credit on employment tax returns for COBRA continuation health coverage payments made for assistance eligible individuals of the employer. This activity code may be established on ERCS as an inventory record using MFT A5.
513	LCC - EO	Used by Examination employees that are requested to assist the Tax Exempt/Government Entities (TE/GE) in the conduct of an Employee Plans or Exempt Organization (EO) taxpayer examination. This activity code may be established on ERCS as an inventory record using MFT A6.
514	Specialist Consultations or Informal Assistance	This activity code is to be used by specialists to reflect limited amounts of time expended on consultations or informal assistance with open, active cases in any BOD. This would include time spent determining whether or not formal referral is warranted on a specific case as well as time spent on special projects related to a group of cases. Once it has been determined that a significant amount of time will be expended, time should be charged to the specific case(s). Local support personnel (for example FBAR coordinators) may also use this code for FBAR time. See IRM 4.26.17, Report of Foreign Bank and Financial Accounts (FBAR) Procedures, for additional guidance. This activity code may be established on ERCS as an inventory record using MFT A7.

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Exhibit 4.9.1-1 (Cont. 4) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
515	Diesel Terminal Inspection	Time charged to inspections of fuel terminals. This activity code may be established on ERCS as an inventory record using MFT D5.
516	Diesel Fleets and Truck Stop Inspection	Time charged to inspections of fleets, truck stops, fuel wholesale distributors, and fuel retail establishments. This activity code may be established on ERCS as an inventory record using MFT D6.
517	Diesel on Road Inspection	Time charged to on-road inspections. This activity code may be established on ERCS as an inventory record using MFT D7.
518	Diesel All Other Dyed Fuel In-spection	Time charged to all other types of fuel inspections (end users of fuel). This activity code may be established on ERCS as an inventory record using MFT D8.
519	Information Returns Processing (IRP) Compliance Check	Used for time applied to IRP compliance checks. This initiative includes backup withholding compliance checks as well as other information reporting compliance checks including; state and federal agency compliance and locally developed compliance projects. This activity code may be established on ERCS as an inventory record using MFT A8.
520	Unmatchable Information Return Follow-Up	Time applied making payor and payee contacts to decrease the number of information returns that have dropped out of the IRP pipeline because they were un-matchable to Social Security or TIN records and could not be perfected by the IRS. This activity code may be established on ERCS as an inventory record using MFT A9.
521	Excise Compliance	Used by excise tax analysts and dyed fuel compliance officers to identify compliance activities which are not return related, such as meetings with industry represen-tatives, ISP meetings and outreach and education programs in the excise tax area. The following SSCs are valid with this activity code. They are used to differentiate between Federal Highway Administration (FHWA) and non-FHWA: • 000 - Registry and Exemptions (non-FHWA) • 040 - Fed State Motor Fuel Project (FHWA) This activity code may be established on ERCS as an inventory record using MFT B7.

Exhibit 4.9.1-1 (Cont. 5) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
522	Return Preparer Multi Functional Monitoring Team	Used by examiners who participate on multi-functional teams to visit electronic filers to determine their compliance with the IRS e-file program procedures. This activity code may be established on ERCS as an inventory record using MFT AB.
523	LCC Chief Counsel	Used by LCC program examiners to assist Chief Counsel, and attorneys on cases under Counsel's jurisdiction. Generally these are cases that had previously been closed out of Examination and are being prepared for litigation or trail or are being litigated or tried. This activity code may be established on ERCS as an inventory record using MFT B8.
524	Earned Income Tax Credit (EITC) Return Preparer	Time applied in developing penalty cases against a return preparer involved in preparing fraudulent or negligent EITC returns. This activity code may be established on ERCS as an inventory record using MFT B9.
525	Prefiling Agreement	Time applied by revenue agents and specialists in obtaining agreements on cases accepted in the Pre-filing Agreement Program. This includes time spent on reviewing the requests, developing the facts and issues, coordinating with other functions, attending conferences, preparing the closing agreement, and evaluating the program. Time will be charged to this activity code, but it will be linked to the case in ERCS. These activities should not be charged to the case currently under examination. This activity code may be established on ERCS as an inventory record using MFT C1.
526	Prefiling Technical Guidance	Time spent by revenue agents and specialist in providing pre-filing technical guidance to taxpayers not part of the Pre-filing Program. Time will be charged to this activity code, but it will be linked to the case on ERCS. Time is not charged to the case currently under examination. This activity code should be established on ERCS as an inventory record using MFT C2.
527	Industry Issue Resolution	Time spent by revenue agents and specialists in finding solutions to issues under the Industry Issue Resolution Program. This includes time spent on reviewing industry requests, developing the facts and issues, drafting and clearing the resolution and evaluating the program. This activity code may be established on ERCS as an inventory record using MFT C3.

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Exhibit 4.9.1-1 (Cont. 6) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
528	Comprehensive Case Resolution	Time applied by revenue agents and specialists to resolve all open issues on all open years under the Comprehensive Case Resolution Program. This includes time spent reviewing the request, planning, developing the facts and issues, drafting reports and closing agreements, and evaluating the program. Once the taxpayer's request has been approved, time should be charged to the taxpayer's return currently under examination. Time to other cycles should be charged to this activity code that will be linked to the ERCS case. This activity code may be established on ERCS as an inventory record using MFT C4.
529	Corporate Tax Shelters	Time applied by revenue agents and specialists in developing information with respect to a tax shelter promotion or an investigation. This does not include time spent on the examination of corporations and individuals that participate in the corporate tax shelter transactions and the promoters of those transactions. Time related to the examination of a return containing a tax shelter issue should be charged to the case, and not this activity code. This code is exclusively for developing information from leads. This activity code may be established on ERCS as an inventory record using MFT C5.
544	Global High Wealth (GHW)	This code is used by the field for detailed inspection or review of returns that may subsequently be put in process or closed using Disposal Code 43.
545	Report of Foreign Bank and Financial Accounts (FBAR) and Compliance Activity	Time applied to the examination of Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. These examinations are conducted to determine compliance with the reporting and record keeping requirements found in 31 Code of Federal Regulations (CFR) 103.24. FBAR examinations are conducted by LB&I, SB/SE, and TE/GE (including Bank Secrecy Act, Abusive Transaction Investigations (ATI) income tax examiners. Instructions for FBAR examinations are found in IRM 4.26.16, Report of Foreign Bank and Financial Accounts (FBAR), and IRM 4.26.17, Report of Foreign Bank and Financial Accounts (FBAR) Procedures. This activity code must be established on ERCS as an inventory record using MFT Y0.
546	Fraud Development	Used when fraud technical advisors or field examiners provide assistance in developing Fraud Potential. This activity code may be established on ERCS as an inventory record using MFT C7.

Exhibit 4.9.1-1 (Cont. 7) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
547	Form 720-TO/CS	Used to report time spent on Form 720-TO, Terminal Operator Report, and Form 720-CS, Carrier Summary Report, compliance reviews. This activity code may be established on ERCS as an inventory record using MFT B1.
548	Certified Profession Employer Organization (CPEO)	Used to account for time spent conducting field follow-up on CPEO. Specific activities include: bond verification, financial review, verification of appliance enrollment in Electronic Federal Tax Payment System, review of service contracts, review of client lists, discussions with applicant, corresponding with applicants, documenting case file, and making determination. See Exhibit 4.9.1-3, SSCs for Activity Code 548.
549	Promoter Penalty - IRC 6707 Failure to Register Tax Shelter Transaction	Used for IRC 6707 penalty investigations. This activity code must be established on ERCS as a penalty record using penalty MFT P0. IRC 6707 imposes a penalty of $10,000 per day on any person required to maintain an investor list who fails to make such lists available within 20 business days after receiving a written request from the IRS. The penalty also applies to persons who maintain incomplete lists. If statute control is required, this activity code must be established on ERCS using penalty MFT PI; otherwise, use MFT P0. See IRM 20.1.6.21, Statute of Limitations, for additional guidance.
550	Foreign Initiated Adjustments	Use to apply support time applied and not charged to a specific return by examiners on competent authority requests for evaluation of positions and/or more detail information on foreign initiated adjustments.
551	Tip Reporting Compliance	Used to track the time invested instituting and enforcing the IRS' Voluntary Tip Agreement Program. This includes contacts with the taxpayer about a new tip agreement, updating an existing agreement, responding to a taxpayer inquiry related to questions or issues with a tip agreement, performing a rate review for a new or existing agreement, or performing a compliance review on an existing agreement. The activity code should be used for Gaming Industry Tip Compliance Agreements, Tip Rate Determination Agreements, Tip Reporting Alternative Agreements, Employer Tip Reporting Alternative Agreements, or Voluntary Tip Reporting Agreements from the past/designed in the future. This activity code may be established on ERCS using MFT C0 or MFT C6.

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Exhibit 4.9.1-1 (Cont. 8) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
552	Substantial and Gross Valuation Misstatement Attributable to Incorrect Appraisals - IRC 6695A	Time spent on IRC 6695A penalty investigations. This activity code may be established on ERCS using MFT PB.
553	Failure to Exercise Due Diligence - IRC 6695(g)	Used to apply time working cases where an income tax preparer fails to comply with due diligence requirements for determining eligibility for, or the amount of, the EITC. This activity code must be established on ERCS using penalty MFT PC.
554	Penalty for Erroneous Claim for Refund or Credit - IRC 6676	Used to apply time to IRC 6676 penalty investigations. This penalty applies when a taxpayer submits a claim for refund or credit of income tax that is an excessive amount and that has no reasonable basis. This activity code must be established on ERCS using MFT PD.
555	Other Penalties - Form 8278	This code is used to charge time spent on penalties not specifically listed within this section and are on Form 8278, Assessment and Abatement of Miscellaneous Civil Penalties. This activity code must be established on ERCS using penalty MFT PE or MFT PH. The MFT used is dependent on the penalty section under examination. See *Penalty Codes for ERCS* for more information.
556	Return Preparer Visitation Program	This activity code is used by revenue agents and tax compliance officers on education/outreach and compliance/enforcement activities pertaining to the Return Preparer Visitation Program (education visits). Use this code for planning, meetings, visitations and other activities for the visits. This activity code may be established on ERCS using MFT AC.
557	Identify Theft	Used to apply time spent on the identity theft aspect of an examination: • when there is an open examination on AIMS and ERCS for a tax period where the taxpayer has documented the identity theft and • when there is no open examination on AIMS and ERCS and the field receives a referral from the Identity Protection Specialized Unit pertaining to a taxpayer who has claimed identity theft. If there is an open examination controlled on AIMS and ERCS for a taxpayer which identity theft work is being performed, an inventory control record for this activity code also needs to be established on ERCS using MFT AD.

Exhibit 4.9.1-1 (Cont. 9) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
558	Form 8939, Allocation of Increase in Basis for Property Acquired From a Decedent	Use to apply time when reviewing Form 8939 for accuracy of value and basis adjustment. This activity code may be established on ERCS using MFT AE.
559	PTIN Compliance Visits	Used to apply time to visits with tax return preparers to educate them on their responsibility to identify themselves with a Preparer Tax Identification Number (PTIN) as required under IRC 6109. This activity code may be established on ERCS using MFT AF.
560	EITC/Electronic Return Originator Combinations Visits	Time applied by SB/SE examiners to review EITC due diligence and Electronic Return Originator requirements with return preparers.
561	Individual/Employer Shared Responsibility Payment	Used to apply time for IRC 5000A, 6056 or 4980H issues. This activity code must be established on ERCS using MFTs PZ - "Individual Shared Responsibility Payment", Y1 - "Investigation of Information Return Filing Case", or Y2 - "Provision 4980H Employer Shared Responsibility Payment".
562	Employment Credits	Used by SB/SE to establish Employment Credit non-AIMS DET cases on ERCS. MFT CA is used for the Employee Retention Credit - Voluntary Disclosure Program cases.
575	Compliance Outreach	Used by technical personnel on outreach activities which promote compliance. This activity code requires a specific entry for the fourth digit which will identify specific type of tax entity or activity. The fifth and sixth digits will define the specific market segment impacted. See Exhibit 4.9.1-4, SSCs for Activity Code 575.
586	International Penalties - Form 8278	Used to apply time spent investigating various International penalties. This activity code must be established on ERCS using one of the following penalty MFTs: PQ, PR, PS, PT, PU, PV, or PW. The MFT used is dependent on the penalty section under examination and whether statute control is required. See *Penalty Codes for ERCS* for more information.

Exhibit 4.9.1-1 (Cont. 10) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
587	Coordinator Activity	Used by TS when performing coordinator activities other than those of Tax Equity and Fiscal Responsibility Act (TEFRA). A review SSC must be input with this activity code to correspond to the type of activity performed. The SSC must be a review type preceded by a single zero (ex. 011). See the *Codes* chapter of the ERCS Review Handbook for a list of SSCs. ***Note:*** The SSC will be set to 000 for SETTS. The ERCS database will maintain the review type SSC.
588	Registry with Exemptions	Time spent on coordination and follow-ups conducted in relation to the Registration Program (Form 637, Application for Registration (For Certain Excise Tax Activities). This activity code may be established on ERCS using MFT B0. This activity code is valid with the following two SSCs: • 000 - Registry and Exemptions (non-FHWA) • 040 - Fed State Motor Fuel Project (FHWA)
589	Offer-In-Compromise	Used by TS to further classify the type of review performed on a return. This code is entered as the SSC when applying time to a return. This activity code may be established on ERCS using MFT C8.
590	Abatement of Interest	Used by TS to further classify the type of review performed on a return. This code is entered as the SSC when applying time to a return. This activity code may be established on ERCS using MFT C9.
591	Title 31 Compliance Checks	Time expended in performing Title 31 Bank Secrecy Act (BSA) program activities including Title 31 BSA Compliance examinations. Primarily used by SB/SE anti-money laundering examiners. This code is not to be used for time expended as part of the required filing package audit checks during an income tax examination.
592	Narcotics/Information Gathering Projects - No Return Examined	Time spent on an approved information gathering or narcotic project where there is no tax return. This activity code may be established on ERCS using MFT B2.

Exhibit 4.9.1-1 (Cont. 11) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
593	Promoter Penalty	Time spent by examiners for researching and developing leads or conducting investigations for activities which warrant sanctions under IRC 6700, Promoting Abusive Tax Shelters, or IRC 7408, Action to Enjoin Promoters of Abusive Tax Shelters. Time charged to this activity code will be non-case specific until the Lead Development Center (LDC) has formally approved an investigation. Once the LDC has authorized the investigation, time should be charged directly to the case. Upon receipt of the case file by the area PSP, the ATI coordinator will establish an investigation penalty case on ERCS with the appropriate TIN and tax period using this activity code and MFT P6.
594	Aiding and Abetting Penalty	Used for reporting time researching and developing leads or conducting investigations for activities which may warrant sanctions attributed to IRC 6701, Penalties for Aiding and Abetting Understatement of Tax Liability, or IRC 7407, Action to Enjoin Income Tax Return Preparer, resulting from an IRC 6701 investigation. Time charged to this activity code will be non- case specific until the LDC has formally approved an investigation. Once the LDC has authorized the investigation, time should be charged directly to the case. Upon receipt of the case file by the area PSP, the ATI coordinator will establish an investigation penalty case on ERCS with the appropriate TIN and tax period using this activity code and MFT P7.
595	Promoter Penalty - IRC 6708, Failure to Maintain List of Investors/Advisees with Respect to Reportable Transactions	Time spent working issues where the promoter fails to make lists available within 20 business days after written request. This activity code must be established on ERCS using MFT P8.
596	Joint Committee Survey	Time spent for the survey of all Joint Committee cases. A Joint Committee case is identified on AIMS with Project Code 0077. This activity code may be established on ERCS using MFT B3.

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Exhibit 4.9.1-1 (Cont. 12) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
597	SEP - Non Case	Time spent on a specific Special Enforcement Program (SEP) or project other than time directly applicable to assigned returns. It includes time spent by project coordinators, group managers and examiners on such matters as: advising United States attorneys, Strike Force attorneys and others regarding the civil tax potential of proposed projects or investigations; evaluating civil tax potential of information obtained by Criminal Investigation from Grand Jury actions and other sources; developing the examination portion of project plans, and attending IRS Strike Force or other meetings concerning program priorities, progress of objectives. This activity code may be established on ERCS using MFT B4.
598	LCC Pre and Post Conference Meetings	Time applied while holding pre and post conference discussions with Appeals with respect to an examination cycle previously closed by examination and now controlled by Appeals. The pre-conference serves as a form for discussing issues, the taxpayer's protest, the Examination team's written rebuttal to the protest, and the anticipation of problems and concerns. The post-conference is to discuss the settlement reached in Appeals and its impact on the subsequent examinations as well as to identify issues susceptible to Examination settlement authority. This activity code may be established on ERCS using MFT B5.
599	Industry Specialist Program	Time applied by the ISP coordinators while working on matters identified as pertaining to the ISP. This includes time spent working with area revenue agents on industry cases and issues involving the National Industry Specialist, National Issue Specialist or other area coordinators. This activity code may be established on ERCS using MFT B6. See Exhibit 4.9.1-5 for the SSCs valid for Activity Code 599 and the special guidance for 59998X.

Exhibit 4.9.1-1 (Cont. 13) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
609	General - Campaign Development	Time spent on non-examination work performed on Campaign Development. This activity code should be used only for the following Campaign development activities: • Developing training • Developing tools be used in a campaign • Developing workload selection filters • Assessing resources available and/or deployed to campaigns • Developing treatment streams • Developing classification tools and guidelines • Identifying and assessing unique funding requirements • Developing goals, metrics, and feedback for campaigns • Other similar Campaign development activities
610	General - Indirect	Time spent on technical duties that cannot be charged to a specific case or activity. Generally, this includes attending group meetings, reading procedural/technical material, preparing and attending technical/procedural conferences, completing forms, working on committees, managing records, preparing time reports/travel vouchers, general housekeeping (e.g., moving, ordering supplies and surveying space) and answering email or phone messages. Group managers will **not** charge time to this code.
611	General - Automated Data Processing (ADP) Coordination	Time devoted to liaison and coordination or procedures involving flow of work between area and campus. This item includes "trouble shooting" activities for Examination functions. Other trouble shooting activities are reported under Activity Code 826. Coordination of classification matters are reported under Activity Code 624.
612	General - Inventory on AIMS	Time spent taking physical inventory of returns on hand or supplying necessary data to convert manual inventories to computerized perpetual inventories.

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Exhibit 4.9.1-1 (Cont. 14) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
613	General - Report Generation Software (RGS) Coordination	Time spent on RGS coordination and non-case related usage of the system by RGS coordinators, RGS support technicians or their designated representatives. This includes trouble shooting activities for Examination personnel. Any application development which is not related to a current case must be approved by the group manager: • All case related RGS time spent by examiners will be charged to the activity code of the specific return. • All RGS training as specified in the course instructions will be charged to Training - Other, Activity Code 683.
614	General - Freedom of Information Act and Privacy Act	Time spent processing requests under Freedom of Information Act and the Federal Order Information and Privacy Act.
615	General - Survey	Time devoted to survey of returns after assignment and claims for refund in which no contact has been made with the taxpayer. This includes time spent in processing (screening) questionnaires, inquiry letters, etc., related to Form 990, Return of Organization Exempt from Income Tax. Time spent on claims surveyed at campuses is reported using Activity Code 622, Classification - Adjustments.
616	General - Direct Release Request	Time spent on Direct Release Request related activities when responding to taxpayers' requests for examination files after the examination case is closed from an employee's inventory in IMS or ERCS. ***Note:*** If the exam case is open to the employee in IMS, then the employee should charge any direct release time to the case, under "SAIN 000 Issue Does Not Exist" and add a Second Tier "001-01 - Direct Release Request" to properly track Direct Release Request time.
617	General - Project Coordination	Used by project coordinators to coordinate their specific projects. These include National Research Program (NRP), tax shelter, deferred adverse tax consequences (DATC) and other coordinators. This code is not be used for RGS coordination. Also included in this activity code is time spent by Voluntary Disclosure Program coordinators not working their cases or assisting other examiners with their cases.

Exhibit 4.9.1-1 (Cont. 15) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
618	General - LCC Case Management	Time spent by managers overseeing LCC cases in planning, developing and supervising the examination of an LCC case.
619	General - Group Management	Time devoted to management duties by group managers or persons acting in such capacity. This includes time devoted to surveys before assignment, attending meetings (except training) at territory and area levels, preparation and analysis of statistical reports, etc. Members of cadres under the Management Careers Program assigned as assistant to group managers will also charge their time to this code in a similar manner.
620	General - Quality Initiative Project	Used to report time expended by managers and examiners on all quality improvement projects and related activities.
621	Classification - Returns	Time spent on classification of returns. This includes time spent on screening discriminant function (DIF) returns, time spent by engineering and valuation revenue agents classifying returns involving engineering issues, and orientation sessions for classifiers.
622	Classification - Adjustments	Time devoted to classification of taxpayers requests for adjustments (both formal and informal) and related returns. Included in this item are classification of claims for refund, amended taxable returns, applications for tentative refunds, and other items showing an adjustment (increase or decrease) in tax liability. Form requests for adjustments include Form 843, Claim For Refund and Request for Abatement; Form 1040-X, Amended U.S. Individual Income Tax Return; Form 1120-X, Amended U.S. Corporation Income Tax Return; Form 1045, Application for Tentative Refund; and Form 1139, Corporation Application for Tentative Refund.
623	Classification - Other	Time expended on all other classification activities such as processing and reviewing Form 3449, Referral Report, and Form 966, Corporate Dissolution or Liquidation, and similar items.
624	Classification - Management	Time spent by classification personnel devoted to management functions such as planning, programming, and supervising the classification activity at areas and campuses. This includes conducting orientation sessions for classifiers, reviews of returns classified, closed case reviews and evaluation of classifiers. The Chief, Classification Section PSP and the PSP support manager will use this code except for staff assignments other than classification.

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Exhibit 4.9.1-1 (Cont. 16) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
625	Classification - Compliance Data Environment (CDE)	Used to apply time when classifying returns on the CDE System.
631	Examination Support Staff (ESS)/Examination Support Unit (ESU) - Tax Shelter	Time expended on tax shelter cases by ESS personnel.
632	ESS/ESU - Other	Time expended on cases other than tax shelter cases by ESS personnel.
641	Quality Assurance - Case Review	Time expended by TS reviewing reports of examination for compliance with the auditing standards. Includes time spent determining the accuracy of procedural and case management practices of an examination, and time expended by reviewers preparing, completing, reviewing, controlling or processing special reports, forms or the functions associated with a return under review. Examples include jeopardy assessments, NRP and DATC check sheets, approval of language for restricted consent, closing agreements, inadequate records, joint committee reports, reopening requests, and restricted interest computations. Also included is time spent on research and preparation of the reviewer's reports.
643	Quality Assurance - Notice of Deficiency (90 Day)	Time expended by TS in preparing, reviewing and signing notices of deficiency. This includes coordination of the 90 day letters with other IRS functions, such as case processing and Counsel, and time spent by reviewers answering telephone and letter inquiries from taxpayers regarding 90 day letters.

Exhibit 4.9.1-1 (Cont. 17) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
644	Quality Assurance - Coordinator Activity	Time spent by reviewers interrelating with examination activities effecting a particular program for which TS has primary program responsibility. Examples include fraud, informants communications and rewards, and technical coordination and suspense. This item includes coordination, control, reporting and management of the program. Also included is time expended by reviewers in furnishing formal and informal technical advice and assistance to IRS personnel; gathering, processing, writing, reviewing, coordinating, and otherwise preparing material for technical or procedural publication or issuance; researching, gathering, processing, meeting, discussing, organizing, writing, reviewing, or otherwise assisting management with management studies and assignments. Examples include review digests, analysis of reviewers reports, internal management documents, and territory, area, or national publication. Time expended by reviewers furnishing information to, corresponding, working, or coordinating with other divisions, areas, HQ office or other agencies on projects, programs, assignments, returns, reports or requests for information.
646	Other - 30 Day Letter Activities	Time spent by examiners preparing, reviewing, and following up on 30 day letters. This includes time spent screening protests for adequacy.
648	Quality Assurance - Abatement of Interest	Time expended by reviewers to coordinate or work claims with respect to IRC 6404, Abatements.
649	Quality Assurance - Review Management	Time devoted to management duties as a TS manager including persons acting in such capacity.
650	Other - Tax Examiner	Time applied by tax examiners on non return related work.

Exhibit 4.9.1-1 (Cont. 18) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
660	Other - General Management	Time applied to management by technical personnel assigned permanently or acting in the following positions: • Territory Manager (LB&I only) • TS Management • Chief, Technical Support • Chief, PSP (Classification) • Other supervisory or staff personnel who cannot be identified with a specific group This item also includes time spent by non-supervisory personnel and group managers participating with field territory manager in team meetings to resolve management problems. For example, members of a task force appointed to consider solutions to problems identified by an attitude survey would charge their time to this activity code. Also to be included in this item are employees in leadership programs such as the Frontline Leadership Readiness Program and the Leadership Succession Review who are assigned to assist any of the positions listed above.
670	Other - Technical Referrals	Time spent by Examination technical personnel servicing taxpayers by participating in and preparing material for radio, television and other public appearances. Compliance technical employees working technical paper referrals from the Taxpayer Services functions which require special expertise, outside the scope of the Taxpayer Services programs (e.g., such as estate and gift taxes). Note that calls from taxpayers or representatives on filed returns not being examined must be referred to the campus for all account information, including status of closing letters.
671	Other - Taxpayer Advocate	Used by full or part time Taxpayer Advocate Service (TAS) liaisons for time spent controlling cases, making assignments, analyzing trends, reviewing cases, or coordinating cases referred by TAS. See IRM 13.1, Taxpayer Advocate Case Procedures. Also applies to case work time spent on Form 12412, Operations Assistance Request (OAR), when a return is not presently open to examination. If the return is open, charge time spent examining a return which was referred by TAS on Form 12412 to the activity code of the specific return. Charge formal details to TAS to Activity Code 826, Details Out - All Other.
675	Other - Compliance Outreach	This code is used primarily by management, but can also be used by technical personnel, who are engaged in outreach activities. See definition for Activity Code 575.

Exhibit 4.9.1-1 (Cont. 19) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
681	Training - Recruit- Classroom	Classroom time (including pre-classroom and related travel time) applied by instructors and students needed to get examiners up to the working level for that position (e.g., Revenue Agent Phases I, II, III, IV; Tax Compliance Officers Phases I, II, III; Engineer Revenue Agent Training; Estate and Gift Tax Law for Attorneys; Income Tax Law for Estate Tax Attorneys).
682	Training - Recruit-On The Job Training(OJT)	On the job time (including related travel time) is time applied to courses referred to in Activity Code 681 above. Includes all instructor OJT time for these courses and student OJT time for these courses during formal OJT workshops. Examination time (including related travel time) applied by students during OJT is charged to cases using direct examination activity codes.
683	Training - Other	Time (including related travel time) applied by instructors and students to approved training, except recruit training reported under Activity Codes 681 and 682, continuing professional education (CPE) training reported under Activity Code 684; and training for details to Taxpayer Service reported under Activity Code 811.
684	Training - Continuing Professional Education (CPE)	Time (including related travel time) applied by instructors and students for CPE training.
690	Other - Engineering and Valuation	Used by engineering revenue agents to apply time to engineering and valuation work not in connection with the examination of a specific tax return. Engineering and valuation time devoted to a specific return charged to the agents own area will be entered as DET.
695	Other - Information and Collateral Reports	Used by technical personnel to apply time devoted to information reports which do not involve a specific tax return. It also applies to time spent by revenue agents protecting the government's interest in tax liabilities arising from special events such as rock music festivals, championship boxing promotions, and other entertainment or sports events. Only time which cannot be charged to a specific return is reported under this code.
697	Other - System Administration	Computer audit specialists and computer systems analysts designated as systems administrators will use this code to report time spent on the following duties; installing system software, providing user assistance or technical support, performing security related tasks, resolving equipment problems and troubleshooting.

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Exhibit 4.9.1-1 (Cont. 20) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
698	Other - Computer Audit Specialists (CAS) ADP Projects	Time of computer audit specialists revenue agents, and computer systems analysts devoted to computer application work that is not in connection with the examination of a specific return. Computer audit specialists will also use this code for time spent on all area office approved ADP projects which are not case related.
699	Other - CAS ADP Evaluations	Computer audit specialists will use this code to report time spent on all ADP evaluations performed when the taxpayer's return is not currently under examination.
720	Other - Offers in Compromise	Time spent by technical personnel in the examination, quality assurance and disposition of offers in compromise.
730	Other - Administrative Duties	The time reported in this item pertains to duties such as: • Combined Federal Campaign • Participation in attitude surveys (survey and meetings) • Commissioner representative duties • National Treasury Employees Union (bank and official, which includes time spent by designated union representatives as provided for in the union contract) • Special emphasis program time • Computer breakdowns and refresh (the sub-category code of "IT" can be entered on ERCS and IMS to further classify the time) • Mandatory briefings (e.g. Unauthorized Access (UNAX), Privacy, Information Protection and Disclosure, etc.) • Performance discussions with managers (e.g. revenue agent/tax compliance officer workload reviews, etc.) • Time of technical personnel engaged in personnel investigations and interviewing applicants • Time expended on assignments for the Office of Personnel Management or the Resources Management Division The time of technical personnel acting as: • Executive Secretary or as a member of the Office of Personnel Management Panel • Secretary or as a member of the Incentive Awards Committee and Performance Rating Committee

Exhibit 4.9.1-1 (Cont. 21) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
731	Training - Recruit New Hires	Examination employees who participate in recruiting new hires should charge time to this activity code. This code is also used when visiting college campuses, preparing for visits, and any activity directly related to the recruitment of new hires.
732	Other - Innocent Spouse	Time charged by TS when performing the streamline review process for innocent spouse cases. The term reviewing is used in the traditional sense i.e., reviews that take place outside the group.
733	Details Out of Division or Area to: Large Business & International	Time applied by technicians detailed to assist or management assigned to act for the LB&I operating division.
734	Details Out of Division or Area to: Small Business Self Employed	Time applied by technicians detailed to assist or management assigned to act for the SB/SE operating division.
735	Other- Individual TIN /Certifying Acceptance Agent (CAA) Compliance Program	SB/SE examiners conducting compliance checks with CAAs must charge their time to this activity code. A CAA is an individual, business or organization authorized by the IRS to assist alien individuals and other foreign persons in obtaining ITINs. They are subject to suitability checks (Federal Bureau of Investigation and tax compliance) and must renew their agreement every four years. A CAA has added responsibilities, including: certain records retention and being subject to IRS compliance checks.
740	General - Group Management Case Review	Used by managers for activities directly related to taxpayers' cases. Activity Code 619 will continue to be used for the traditional management activities within the group. This code will **not** include activities already chargeable to other current time codes such as Compliance Outreach, Leave, etc. Activity Code 740 time shall **not** be included as part of time charged by examiners to a case. Examples of where managers would charge time to this activity code include; pre-assignment case reviews and case surveys, (meeting, discussing, and reviewing) cases with revenue agents, tax compliance officers, tax examiners; meeting/discussing cases with other IRS representatives (appeals officer, special agent), and other governmental or third party representatives; meeting/ discussing cases with taxpayers or their representatives, on-site visits with taxpayers and examiners, post closing case review and researching issues on taxpayers cases.
741	General - Referral Mail (R-mail)	Technical employees temporarily assigned or formally detailed to work R-mail.

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Exhibit 4.9.1-1 (Cont. 22) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
742	General - Electronic Tax Law Administration (ETLA)	Technical employees temporarily assigned or formally detailed to ETLA.
743	General - Volunteer Income Tax Assistance (VITA)	Technical employees providing support on Taxpayer Education Programs such as VITA, Tax Counseling for the Elderly, Small Business Programs; Workshops, Your Business Tax Kit, Individual Tax education; workshops, practitioners institutes, school programs, and fundamentals of tax preparation and understanding taxes.
744	General - Disaster Assistance Program	Time devoted to Disaster Assistance and Emergency Relief Programs such as assisting taxpayers at Federal Emergency Management Agency Disaster Recovery Centers assisting affected taxpayers with the preparation of amended returns, etc.
750	Other - Furlough	Used to apply time during a furlough for employees who apply time in ERCS and IMS.
811	Details Out of Practice Area or Area to: Taxpayer Services - Taxpayer Service / Taxpayer Assistance	Examination technical personnel assigned or formally detailed to Taxpayer Services who are required to complete a Form 5311, Taxpayer Service Activity Report, will also report time under this code. An assignment or formal detail to Taxpayer Services includes: • Examination employees formally detailed to Taxpayer Services and performing taxpayer service assistance duties. This may include assisting walk-in taxpayers or taxpayer telephone inquiries. • Examination employees in small posts of duty who perform duties, such as walk-in or telephone, when the Taxpayer Services employee is not available. • Employees specifically assigned to be technical backup employees for Taxpayer Services, located within the taxpayer assistance area or in the Examination area. This includes responding to taxpayers who have been referred from the taxpayer assistance area (either walk-ins or telephone calls). These referrals are technical in nature on subject clearly within the scope of the Taxpayer Assistance Program but which cannot be responded to by front-line Taxpayer Services employees because of lack of expertise. • Formal field assistance training time for instructor and participating technical personnel.

Exhibit 4.9.1-1 (Cont. 23) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
812	Details Out of Practice Area or Area to: Collection Division	Time of technical personnel detailed to Collection for activities including participating in the primary area's actions to protect the Government's interest in tax liabilities arising from special events such as rock music festivals, championship boxing promotions, and other entertainment or sports events.
814	Details Out of Practice Area or Area to: TE/GE	Time of technical personnel detailed to assist Employee Plan or Exempt Organizations.
815	Details Out of Practice Area or Area to: Grand Jury - Non Narcotics Related	Used by technical personnel detailed to Criminal Investigation (CI) and assigned to a Grand Jury investigation which does not involve narcotics related activities or participation in the Drug Enforcement Task Force Program.
816	Details Out of Practice Area or Area to: Grand Jury - Drug Enforcement Task Force Case	Used by technical personnel detailed to CI and assigned to a Grand Jury investigation involving the Drug Enforcement Task Force Program.
817	Details Out of Practice Area or Area to: Grand Jury - Narcotics Related - Other	Used by technical personnel detailed to CI and assigned to a Grand Jury investigation which involves narcotics related activities but does not involve participation in the Drug Enforcement Task Force Program.
818	Details Out of Practice Area or Area to: CI	Time of technical personnel detailed to CI not included in Activity Codes 815-817.
820	Details Out of Practice Area or Area to: Examination Branch Campus	Time of technical personnel while assisting Campus Examination on classification or other aspects of campus programs. Time applied to classification of area office programs is to be charged to Activity Codes 621-625.
821	Details out of Practice Area or Area to: Trial Assistance	Time applied to the preparation of cases for trial, including expert witness time and time applied to cases located in fraud suspense; applies only when the return is not assigned to an Examination group. Time spent on trial assistance on a return charged to an Examination group is charged to the activity code of the return.
822	Details out of Practice Area or Area to: Appeals Division	Time of technical personnel detailed to assist Appeals. Used when additional information is requested from Appeals and the case is not returned.
823	Details out of Practice Area or Area to: Headquarters	Time of technical personnel detailed to assist HQ office.
826	Details out of Practice Area or Area to: All Other	Time of technical personnel assigned to details other than time applied to Activity Codes 811–823, 827, and 828.

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Exhibit 4.9.1-1 (Cont. 24) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
827	Details out of Practice Area or Area to: Disclosure	Time applied by employees assisting the Disclosure Officer. Employees who are appointed as part time Disclosure Officers or who are assigned on a part time basis to assist a full time Disclosure Officer will use this code. Full time Disclosure Officers will **not** prepare a daily time sheet. Examination personnel not detailed as a part time Disclosure Officer or not detailed to assist a full time Disclosure Officer will not use this code. Any time applications by non-detailed technical personnel will use Activity Codes 613 and 614.
828	Details out of Practice Area or Area to: Return Preparer Program	Time spent prior to assignment of returns for examination, such as activity in obtaining list of preparer's clients returns, assisting Criminal Investigation in identifying suspect preparers, time spent with special agents during interviews and obtaining witness affidavits, and Examination coordinator's time spent managing the program. Time spent on classification is not to be charged to this activity code.

Exhibit 4.9.1-1 (Cont. 25) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
830	General - Leave	All leave granted to technical personnel. This activity code requires a leave code. Valid leave (and SETR) codes are as follows: • A - annual leave (59501) • AA - advanced annual leave (59501) • ADE - administration/employee relations (disciplinary) (59561) • AS - advance sick leave (59502) • BCO - building closure (other than weather) (59512) • BCT - building closed, telework site unsafe (59514) • BCW - building closure (weather) (59511) • BD - blood donation (59568) • BEN - benefits (59562) • BOT - building open, telework site unsafe (59515) • BOU - building open, conditions unsafe for travel (59513) • C - court/jury duty (59565) • CA - compensatory time off in lieu of overtime pay taken (59821) • CAR - comp religious (59825) • CAT - travel comp time in lieu of overtime (59824) • CRT - credit hours taken (59831) • CVA - COVID Vaccine Administrative (85540) • D - bone marrow, organ donor (59575) • EL - emergency leave transfer (59578) • F - Federal Employees' Compensation Act (FECA) continuation of pay (COP) (on the job traumatic injury) (59505) • FEA - FECA annual leave (59571) • FER - FECA restored annual leave (59576) • FES - FECA sick leave (59572) • FLB - Family and Medical Leave Act (FMLA) leave bank hours (59523) • FLT - FMLA leave transfer hours (59524) • FMA - FMLA annual leave (59521) • FMR - FMLA restored annual leave (59525) • FMS - FMLA sick leave (59522) • H - holiday (59503) • HL - home leave earned overseas (59508) • LB - use of leave share/leave bank (59509) • LH - local holiday (used for Inauguration Day holiday for qualified employees) (59577) • LT - leave share (59579)

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Exhibit 4.9.1-1 (Cont. 26) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
		• M - military (59506) • ME - emergency military leave (59504) • O - Other/administrative leave Miscellaneous (59566) • OPM - Office of Personnel Management (59574) • PBL - Parental Bereavement Leave (59553) • PLA - Paid Parental Leave (PPL) Adoption Placement (59612) • PLB - PPL Birth (59611) • PLF - PPL Foster Placement (59613) • R - Restored annual leave (59507) • RL - relocation (59573) • S - sick leave (59502) • SAP - sick leave for adoption purposes (59529) • SDT - self directed training (59564) • SFB - sick leave general family bereavement (59527) • SFM - sick leave general family medical (59528) • SSH - sick leave family serious health (59526) • TOA - time off for award (59540) • V - voting (59567) • VOT - volunteer activities (59563)
831	General - Leave without Pay	This activity code requires a leave code. Valid leave (and SETR) codes for LWOP are as follows: • AW - unapproved leave (59841) • L - LWOP, on board employee only (59811) • LC - Office of Workers' Compensation Programs LWOP (59813) • LFM - LWOP FMLA (59812) • LS - AWOL suspension action (59845) • LSF - LWOP seasonal furlough (59815)
840	Hours worked for Overtime, Credit Hours and Comp Time	Used to account for how an employee will be compensated for time worked over the employee's scheduled work hours. This activity code requires a time code. Valid ERCS (and SETR) time codes are as follows: • CRW - credit hours worked (9) • CW - comp hours worked (4) • CWR - religious comp (R) • CWT - comp for travel (T) • FL - FLSA law enforcement (2) • FS - FLSA overtime (2) • FT - FLSA travel overtime (2) • OT - overtime (2)
901	Total Direct Examination Time	The sum of time charged to Activity Codes less than 600. This is automatically generated on ERCS when the SETTS information is extracted.

Exhibit 4.9.1-1 (Cont. 27) (10-18-2024)
Definitions of Miscellaneous Examination Activity Codes

Activity Code	Title	Definition and or Use
903	Total Time (Direct and Non Direct)	The sum of all the time charged in the cycle, excluding Activity Code 840 (Hours worked for Overtime, Credit Hours and Comp Time). This is automatically generated on ERCS when the SETTS information is extracted.
905	Total Time Accounted for by Area Examination Division Personnel	Activity Code 903 time less the time charged to Activity Code 840. This is automatically generated on ERCS when the SETTS information is extracted. This is the total hours the employee worked during the cycle. It should match the number of hours the employee is scheduled to work in the same cycle.

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Exhibit 4.9.1-2   (10-18-2024)
Direct Examination/ Compliance SSCs

The SSC on returns is set by the ERCS programs when returns are added to the system based on other fields on the return such as project code, source code, tracking code, etc. If any code used to set the SSC is changed, the ERCS programs reset the SSC to align with the new values. The SSC on the time charge is set by the ERCS programs during the process of time entry. It contains the SSC on the return when the time is applied with the exceptions of the Special Feature Codes of 1, 3, and 9 which may not match the return.

Only SSCs associated with fraud, LCC, compliance, and international are used for breakouts on Table 37. The following three tables show how the SSC is set for each of the three parts of the SSC; monitoring, category, and feature. If a return falls into more than one group, the SSC is set based on the higher priority. The priority for the program monitoring code is: 429871536. The priority for the category is: 6528137940. The priority for special feature is: 451362870. If the return does not meet the criteria for any of the priorities, the SSC is set to 500.

Fourth Digit	Program Monitoring Code Definition
0	No Program Monitoring Code. Used with records with Activity Codes 501-520, 522-529, 544-547, 549-559, 561, 562, 586, and 589–598.
1	Frivolous Filer/Non Filer Program. Returns with Project Codes 0310, 0311 or 0312.
2	LCC. Returns where the return has been identified on ERCS as a LCC return.
3	DIF/DIF Related. Returns with Source Codes 02, 05, 10, or 12.
4	Fraud/Enforcement. Returns with Source Codes 88, 89, or 90 or Project Codes 0001-0006, 0017, 0076, 0095, 0096,0135, 0133, 0146, 0147, 0216-0218, 0442, 0691, 1168, or 1261 or Status Codes 17 or 18.
5	Local Source. Returns with project codes in the area's or practice area's local file, "proj_uip". This code is also used as the default if the return does not fall into any other monitoring code group.
6	Campus Contacts/IRP. Returns with Source Codes 03, 04, 06, 08, 11, 14, 23, 25, 26, 48, 70 or 85.
7	Shelters. Returns with Source Codes 17 or 39.
8	NRP/ Compliance Studies. Returns with Source Codes 80 or 91 or Project Codes 0262, 0637 or 0675.
9	Training. Returns with Project Code 0204.

Exhibit 4.9.1-2 (Cont. 1) (10-18-2024)
Direct Examination/ Compliance SSCs

Fifth Digit	Category Code Definition
0	No Category - Returns not covered by Categories 1 thru 9 as defined below.
1	Fraud, Regular - Returns with Project Codes 0017, 0076, 0095, 0096, 0133, 0135, 0216-0218, 0146, 0147, 0442, 0691, 1168 or 1261 or Source Code 90 or Status Codes 17 or 18.
2	All SEP. Returns with Source Codes 88 or 89.
3	Joint Committee - Returns with Project Code 0077 or where the return has been identified on ERCS as a joint committee return.
4	FHWA - Fed State Motor Fuel Project. Returns with Project Codes 0137 or 0139.
5	Non Drug Enforcement Administration (DEA) Class 1 Violations - Returns with Project Codes 0004, 0005, or 0006.
6	DEA Class 1 Violations - Returns with Project Codes 0001, 0002, or 0003.
7	Compliance Research/Strategies - Returns with Project Codes 0674 or 0675.
8	Nonfiler - Returns with Source Codes 12, 24, 25, 44, or 65 or Project Codes 0149, 0154, 0156, 0277, 0437, 0438, 0449, 0453, 0655, 0669, or 1503 or TC 424 Push Codes 020, 021, 036, 037, 050, or 051.
9	Claims - Returns with a dollar or more in the amount claim field, or a Source Code 30 or 31, or an "AA" statute.

Sixth Digit	Special Feature Code Definition
0	No Feature - Used for returns not covered by Special Feature Codes 1 thru 9 as defined below.
1	LCC Case - LCC Returns identified as the primary area of examination. Also applies to time charges to LCC returns if the examiner is assigned to the same PBC of the return. Only valid for Program Monitoring Code of 2.
2	NRP - Returns with Source Codes 80 or 91.
3	LCC Case - LCC Returns identified as the support area of examination. Also applies to time charges to LCC returns if the examiner is assigned to the different PBC than on the return. Although it is rare for a return to have this code, it is common for a time charge.
4	Narcotics Case - Returns with Project Codes 0001 or 0004.
5	Narcotics Case - Returns with Project Codes 0002 or 0005.
6	Innocent Spouse - Returns with Project Code 0014 or Tracking Code 9914.
7	Tax Shelters - Returns with Source Codes 17 or 39.
8	Compliance Studies - Returns Project Codes 0262, 0637, or 0675.

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Exhibit 4.9.1-2 (Cont. 2) (10-18-2024)
Direct Examination/ Compliance SSCs

Sixth Digit	Special Feature Code Definition
9	Foreign Controlled Corporation - This code is not set on the return, but on the ERCS time charge when time is charged by International Specialist (with Position Code 115) to returns which have international features.

Exhibit 4.9.1-3   (10-18-2024)
SSCs for Activity Code 548

The following table lists the SSCs and descriptions for Activity Code 548, *Certified Professional Employer Organization* (CPEO).

SSC	Description
000	CPEO Non-case Related
110	CPEO Application Compliance
111	CPEO Quarterly Compliance
112	CPEO Annual Compliance
113	CPEO e-File Wavier
115	CPEO Tax Reconciliation Compliance
116	CPEO Annual Financial Statement Compliance
117	CPEO Bond Compliance
118	CPEO Account Update
119	CPEO Enforcement Module
210	Responsible Individual Application Compliance
211	Responsible Individual Account Update
212	Responsible Individual Annual Compliance

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Exhibit 4.9.1-4   (10-18-2024)
SSCs for Activity Code 575

The following two tables list the SSCs and descriptions for Activity Code 575, *Compliance Outreach*. The first table is for the fourth digit (the monitoring code), and the second table is for the fifth and sixth digits which represent market segment codes:

Fourth Digit	Definition
0	Audit Techniques Guide Writing and Coordination
1	Taxpayer Services
2	Small Business Self Employed
3	Large Business & International
4	Tax Exempt
5	Employment
6	Estate and Gift
7	Trust
8	World Class Customer Service
9	Alternative Treatment Revenue Projects

Exhibit 4.9.1-4 (Cont. 1) (10-18-2024)
SSCs for Activity Code 575

Fifth and Sixth Digits	Definition
08	Farm Business
09	Construction (Building Trade Contractors)
10	Construction (All Other)
11	Manufacturing
12	Mining and Minerals
13	Agricultural Services (Forestry)
15	Wholesale Trade
16	Retail Trade (Direct Sales to Households, Individuals, etc.)
17	Retail Trade (Auto Dealers, Service Stations, Boat Dealers)
18	Retail Trade (Food, Beverage, Eating, Drinking Places)
19	Retail Trade (Apparel, Accessories, Furniture, General Merchandise)
20	Retail Trade (All Other)
21	Fire (Real Estate)
22	Fire (All Other)
23	Transportation and Utilities (Air, Bus, Taxi, Passenger)
24	Transportation and Utilities (All Other)
25	Services (Amusement, Recreation)
26	Services (Medical, Health)
28	Services (Business, Personal)
29	Services (Other)
89	Services (Miscellaneous)
99	Non Market Segment

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Exhibit 4.9.1-5   (10-18-2024)
SSCs for Activity Code 599

The following three tables list the SSCs and descriptions for Activity Code 599, *Industry Specialist Program*. The first table is for the fourth and fifth digits (the monitoring code), the second table is for the sixth digit (the category code) which is valid for all monitoring codes except 98, and the third table is for the sixth digit which is valid only for Monitoring Code 98:

Fourth and Fifth Digits	Program Monitoring Definitions
01	Issue Practice Network (IPN) Jurisdiction to Tax - International Individual Compliance (IIC) Outbound
02	IPN Offshore Arrangements
03	IPN Foreign Tax Credit - IIC
04	IPN Foreign Entities
05	Offshore Compliance Initiative - IIC (only valid with Category 0)
10	Financial Service - Industry Specific Knowledge (only valid with Category 8)
11	IPN U.S. Business Activities
12	IPN U.S. Investment Activities
20	Natural Resource and Construction - Industry Specific Knowledge (only valid with Category 8)
21	Issue Practice Groups (IPG) Partnerships & TEFRA
22	IPG S Corporations & Cooperatives
23	Practice Network GHW
24	IPG Trust
30	Communication, Technology, and Media - Industry Specific Knowledge (only valid with Category 8)
31	IPG Compensation & Benefits
32	IPG Corporate Distributions & Adjustments
33	IPG Corporate Income & Losses
40	Retail, Food, Transportation, and Healthcare - Industry Specific Knowledge (only valid with Category 8)
41	IPG 3Rs & Banking
42	IPG Financial Instruments
43	IPG Life Insurance
44	IPG Non Life Insurance
50	Heavy Manufacturing and Pharmaceutical - Industry Specific Knowledge (only valid with Category 8)

Exhibit 4.9.1-5 (Cont. 1) (10-18-2024)
SSCs for Activity Code 599

Fourth and Fifth Digits	Program Monitoring Definitions
51	IPG Deductible & Capital Expenditures
61	IPG Inventory & 263A
62	IPG Methods of Accounting & Timing
71	IPG Business Credits
72	IPG Energy Credits
73	IPG Penalties
81	IPN Income Shifting - Outbound
82	IPN Deferral Planning
83	IPN Foreign Tax Credit Management
84	IPN Repatriation
85	IPN Organization/Restructuring
91	IPN Jurisdiction to Tax - International Business Compliance
92	IPN Income Shifting - Inbound
93	IPN Inbound Financing
94	IPN Repatriation/Withholding
95	IPN Information Gathering
96	IPN Foreign Currency
97	IPN Treaties
98	Senior Revenue Activities/Tasks (only valid with senior revenue agent categories)

The following category codes are valid for Activity Code 599, except for Monitoring Code 98.

Sixth Digit	Category Definition
0	Other
1	Customer Assistance
2	Technical Guidance Development
3	Plan/Conduct IPG/IPN and Community Meetings
4	Design, Develop, and Deliver Technical Training
5	Coordinator Duties
6	Special Projects
7	External Communications

Exhibit 4.9.1-5 (Cont. 2) (10-18-2024)
SSCs for Activity Code 599

Sixth Digit	Category Definition
8	Industry Specific Knowledge
9	Technical Specialist Transition Time

The following category codes are valid with Activity Code 599 and Monitoring Code 98. These codes are used exclusively by GS-512-14 Senior Revenue Agents (SRA)s for the activities detailed in the table below. The use of these activity codes will allow LB&I to measure the resources deployed to these activities by LB&I SRAs as captured in the SETTS data. All GS-512-14 SRAs who perform the tasks outlined in the *LB&I Senior Revenue Agent GS-14 (SRAs) Job Aid* and do not use other 599XXX activity codes when assigned to a practice network, should begin using the associated 59998X activity code effective immediately. For further information regarding the guidance for these code, please contact the Strategy, Policy and Governance Office in Assistant Deputy Commissioner Compliance Integration.

Sixth Digit	Category Definition	Explanation
0	Training/Workshops Skill Transfer	Activities relating to coordination, development and delivery of training and workshops
1	Senior Revenue Agents Mentoring Activities	Activities relating to mentoring and coaching
2	Campaign Execution	Activities relating to non-case specific campaign execution
3	Internal Communication/Collaboration	Activities relating to internal communication and collaboration such as with Appeals, Counsel, and other BODs
4	External Communication/Collaboration	Activities relating to external communication and collaboration such as with Tax Executive Institutes, industry organizations, American Bar Association, etc.
5	Team Management Assistance	Activities relating to leadership skills in assisting manager in team management functions
6	Special Project Assignment	Activities relating to practice area and LB&I-wide projects such as executive briefings, special projects, etc.
7	Technical/Administration Guidance Development	Activities relating to providing technical guidance, procedural guidance, and suggested audit techniques to develop issue
8	Other Project Guidance Development	Activities relating to working other projects such as responding to TIGTA and GAO inquiries, etc.
9	Coaching Activities	-

Exhibit 4.9.1-6   (10-18-2024)
Acronyms

This table lists commonly used acronyms and their meanings:

Acronym	Meaning
AAC	AIMS Assignee Code
ACIS	AIMS Centralized Information System
ADP	Automated Data Processing
ARC	Aging Reason Code
AIMS	Audit Information Management System
ATI	Abusive Transaction Investigation
BEARS	Business Entitlement Access Request System
BOD	Business Operating Division
BSA	Bank Secrecy Act
CAA	Certifying Acceptance Agent
CAS	Computer Audit Specialists
CDE	Compliance Data Environment
CIC	Coordinated Industry Case
CI	Criminal Investigation
COB	Close of Business
COBRA	Consolidated Omnibus Budget Reconciliation Act
CPEO	Certified Profession Employer Organization
DATC	Deferred Adverse Tax Consequences
DCN	Document Control Number
DEA	Drug Enforcement Administration
DESY	Direct Examination Staff Year
DET	Direct Examination Time
DIF	Discriminant Function
DOJ	Department of Justice
EITC	Earned Income Tax Credit
EO	Exempt Organization
ERCS	Examination Returns Control System
ESS	Examination Support Staff
ESU	Examination Support Unit

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Exhibit 4.9.1-6 (Cont. 1) (10-18-2024)
Acronyms

Acronym	Meaning
ETLA	Electronic Tax Law Administration
FBAR	Foreign Bank and Financial Accounts
FECA	Federal Employees' Compensation Act
FHWA	Federal Highway Administration
FMLA	Family and Medical Leave Act
GHW	Global High Wealth
ID	Employee Identification Number
IIC	International Individual Compliance
ILOH	In Lieu of Holiday
IMS	Issue Management System
IPG	Issue Practice Groups
IPN	Issue Practice Network
IRC	Internal Revenue Code
IRP	Information Returns Processing
ISP	Industry Specialization Program
LB&I	Large Business & International
LCC	Large Corporate Compliance
LDC	Lead Development Center
LWOP	Leave Without Pay
MCC	Martinsburg Computing Center
MFT	Masterfile Tax Code
NRP	National Research Program
OJT	On The Job Training
NOL	Net Operating Loss
PBBA	Partnership Bi-Partisan Budget Act
PBC	Primary Business Code
POD	Post of Duty
P of RB	Protection of Revenue Base
PPL	Paid Parental Leave
PSP	Planning and Special Programs
PTIN	Preparer Tax Identification Number

Exhibit 4.9.1-6 (Cont. 2) (10-18-2024)
Acronyms

Acronym	Meaning
RBP	Revenue Base Protection
RGS	Report Generation Software
RPO	Return Preparer Office
SB/SE	Small Business/Self Employed
SEP	Special Enforcement Program
SETR	Single Entry Time Reporting
SETTS	Summary Examination Time Transmission System
SSC	Second Segment Code
SRA	Senior Revenue Agents
TAS	Taxpayer Advocate Service
TE/GE	Tax Exempt/Government Entities
TEFRA	Tax Equity and Fiscal Responsibility Act
TIN	Taxpayer Identification Number
TRM	Technical Reference Manual
TS	Taxpayer Services
TS	Technical Services
UNAX	Unauthorized Access
VITA	Volunteer Income Tax Assistance
WSP	Work Schedule Profile

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