



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

7.14.1

JUNE 3, 2021

EFFECTIVE DATE

(06-03-2021)

PURPOSE

- (1) This transmits revised IRM 7.14.1, Employee Plans EDS User Manual, Introduction.

MATERIAL CHANGES

- (1) Added IRM 7.14.1.1.3, Responsibilities.
- (2) Updated IRM 7.14.1.1.2 (2) to reflect a revised hyperlink. The old link featured words in capital case, and under current IT policy, all links on *irs.gov* must be in lower case.
- (3) Updated for plain language.

EFFECT ON OTHER DOCUMENTS

This supersedes IRM 7.14.1 dated September 17, 2019.

AUDIENCE

Tax Exempt and Government Entities
Employee Plans

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7.14.1

Introduction

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7.14.1.1
(12-05-2018)
Program Scope and Objectives

- (1) **Purpose:** This IRM introduces the general functions of the EP/EO Determination System (EDS).
- (2) **Audience:** Employee Plans (EP) Determinations and Quality Assurance (QA) staff
- (3) **Policy Owner:** Director, EP
- (4) **Program Owner:** EP
- (5) **Program Goals:** The goal of EP Determinations is to ensure that plans are in compliance with the tax laws by reviewing applications for Determination Letters (DL), opinion letters, and to protect the public interest by applying the tax law with integrity and fairness to all.

7.14.1.1.1
(12-05-2018)
Background

- (1) EDS was previously used to process determination letter (DL) applications from their establishment in the system to their closing. However, now EP uses the Tax Exempt Determination System (TEDS) as its primary system. While EP uses TEDS for most of its DL application processing, we continue to close and generate DLs in EDS.
- (2) EDS is divided into six subsystems, one being the **Inventory Control System (ICS)**.
 - a. **Data Transcription System (DTS)** - generates EP Applications and Transmittal sheets. (See IRM 7.14.2, *Data Entry*.)
 - b. **Letter Generation System (LGS)** - generates additional information letters and final determination letters. You can reprint any letter you created on EDS. (See IRM 7.14.4, *Letter Generation*.)
 - c. **Inventory Control System (ICS)** - available options: case assignment, status update, closing data, re-sending EDS and MPS unpostable information, and research capabilities. (See IRM 7.14.5, *Inventory Control System*.)
 - d. **Management Information System (MIS)** - generates inventory and employee reports. (See IRM 7.14.6, *Management Information System (MIS)*.)
 - e. **File Maintenance System (FMS)** - updates control files for operating EDS. These control files, for example, are the Employee Plans Master File and System Parameter files for DTS and LGS. Find instructions for using these files in the File Maintenance Manual. This manual has been distributed to select individuals who administer EDS.
 - f. **Master File Pipeline System (MPS)** - receives and validates the EDS data in the service center before it transfers the data to the Employee Plans Master File (EPMF) and Detroit Computing Center. (See IRM 7.13.8, *EDS Unpostables*, for a complete description of MPS and correcting unpostables.)
- (3) EDS is a menu-driven system. You can choose functions from a list of available options. When you select a valid option, it will display an input screen or another submenu. When you complete an option, the higher level menu is displayed so you may select another option or exit EDS.
- (4) If you have questions regarding EDS, put in a service request through OS Get Services or contact the Operations Support Customer Assistance Line (Help Desk) at 1-866-743-5748. Ask that your request be assigned to TOPS-EDS.

7.14.1.1.2
(06-03-2021)

Authority

- (1) Delegation Order 7-1, IRM 1.2.2.8.1, states the Director, Employee Plans has authority to issue favorable DLs on the qualified status of:
 - a. Pension, profit-sharing, stock bonus, annuity, and employee stock ownership plans under IRC 401, IRC 403(a), IRC 409, IRC 4975(e)(7).
 - b. The status for exemption of any related trusts or custodial accounts under IRC 501(a).
- (2) Find a complete list of delegation orders governing EP Rulings and Agreements at <https://www.irs.gov/privacy-disclosure/delegation-orders-and-policy-statements-by-process>
- (3) See IRM Exhibit 7.1.1-1 for a complete list of the major EP revenue procedures currently in effect.

7.14.1.1.3
(06-03-2021)

Responsibilities

- (1) The Director, EP supervises and is responsible for:
 - a. EP Rulings and Agreements
 - b. EP Examination functions
 - c. EP Program Management Staff
- (2) The Director, EP Examination, supervises and is responsible for:
 - a. EP Examinations
 - b. EP Examinations, Area Managers

7.14.1.1.4
(06-03-2021)

Acronyms

- (1) The table lists acronyms used in this IRM and their definitions.

Acronym	Definition
DL	Determination Letter
DTS	Data Transcription System
EPMF	Employee Plans Master File
EP	Employee Plans
EDS	EP/EO Determination System
FMS	File Maintenance System
ICS	Inventory Control System
LGS	Letter Generation System
MIS	Management Information System
MPS	Masterfile Pipeline System
QA	Quality Assurance Staff
TEDS	Tax Exempt Determination System

7.14.1.2
(12-05-2018)
**Initial Processing
Procedures**

- (1) When establishing cases on the primary system of TEDS, the IRS uses the following process:
 - a. All EP application Form 5300, Form 5307, Form 5309, Form 5310, Form 5310-A and Form 5316 are received by the Receipt and Control Branch, Extraction Unit at the Cincinnati Submissions Processing Center (CSPC).
 - b. The TE/GE Deposit Unit processes the user fee on the Letter and Information Network User-fee System (LINUS) using the procedures outlined in IRM 3.45.1.10.6.2, TE/GE Processing, Processing Employee Plan and Exempt Organization Determination Applications and User Fees.
 - c. The application is then established on TEDS using the procedures in IRM 3.45.1.11. The user fee information is then uploaded from LINUS to TEDS.
 - d. An Acknowledgement Notice 3335C is created and sent to the taxpayer. A copy is saved in TEDS.
 - e. All of the information from TEDS is then uploaded to EDS.
- (2) In certain circumstances, DL applications will not be established in TEDS but will be established in EDS (paper cases). TEDS cases may also be converted to paper cases. See IRM 7.14.2.5, Employee Plans EDS User Manual, Data Entry, for instructions on how to establish an application only on EDS.

7.14.1.3
(12-05-2018)
Screen Functions

- (1) See these definitions to understand EDS screen functions.
 - a. Cursor - A special symbol (usually a square block or blinking underline) displayed on the screen to indicate where the next character will appear when you enter data.
 - b. Field/Item - A group of continuous characters on the screen.
 - c. Input Field - A field in which data can be entered. Sometimes called an UNPROTECTED field.
 - d. Display Field - A field in which data cannot be entered, but is displayed for information. Also called a PROTECTED field.
 - e. Menu - A screen from which several options can be selected.
 - f. Transaction - In DTS, the related data entered for one application form.

7.14.1.4
(12-05-2018)
Screen Fields

- (1) EDS screen contains four types of input fields:
 - a. Alphanumeric - Allows you to enter all characters on the keyboard. If you enter lowercase characters (a-z) on a screen, they are added to the database in uppercase except where noted.
 - b. Numeric - Allows you to enter only digits 0 through 9. Omit leading zeros, except where noted.
 - c. Alphabetic - Allows you to enter only letters A-Z and blank spaces.
 - d. Decimal - Allows you to enter only digits 0 through 9. Omit leading zeros and zeros after a decimal point.

7.14.1.5
(12-05-2018)
Keyboard Functions

- (1) The following describes the effect of pressing various keys in EDS.
 - a. Left Arrow - Moves the cursor to the beginning of the current field. If the cursor is already at the beginning, it will be moved to the beginning of the preceding field.
 - b. Right Arrow - Moves the cursor one position to the right. If the cursor is already at the last position of the current field, it will be moved to the beginning of the next field.

- c. Up Arrow - Moves the cursor to the first input field of the line immediately above.
- d. Down Arrow - Positions the cursor at the first input field following the current line.
- e. Backspace - Moves the cursor one position to the left.
- f. Home - Positions the cursor at the first input field on the screen.
- g. Tab - Moves the cursor to the next field.
- h. Return/Enter - Same as Tab, above.
- i. Del/Delete - Erases all characters on the current field from the cursor to the end of the field and replaces them with underlines.
- j. Esc/Escape - Turns off the insert mode of the F9 key. See F9, below.
- k. F1 - Execute key. Indicates you completed your input for the current screen.
- l. F2 through F6 - Function varies depending on the EDS option you use. The system describes each function key. The most common functions are:

F2	Next Page
F3	Previous Page
F6	Help

- m. F7 - Redraw key. Redraws the current screen on the terminal to clear system messages, mail messages, or transmission problems displayed in the middle of a screen.
- n. F8 - Delete key. Deletes a character at the current cursor position.
- o. F9 - Insert key. You may only use this key on alpha or alphanumeric fields. If you enter subsequent characters, they will be inserted before the cursor. To turn off the insert mode, press the Esc key. The insert mode is automatically turned off at the end of a field.
- p. F10 - Cancel/Exit key. In DTS, F10 will cause all data you entered for the current transaction to be deleted. All other times, F10 exits a screen and returns to the previous menu.
- q. F11 - Print key. Prints the information displayed on the screen. The system will prompt for the printer number/method (1-9, s, t or n) to print the screen image.

7.14.1.6
(12-05-2018)
Screen Operation

- (1) In a typical session, the following steps occur:
 - a. The system displays a screen.
 - b. Enter the responses to the screen prompts in the input fields.
 - c. Use the arrow and other keys to skip over fields.
 - d. Use these same keys when an input field is not completely filled, so that the cursor is positioned in the next input field.
 - e. Press F1 (or other key if so indicated) when you have entered all required data fields.
 - f. Wait because the system is processing the data you entered and will display "WAIT" at the bottom right corner of the screen to indicate that you should not hit any key until the "WAIT" sign is turned off.
 - g. The system performs edit and consistency checks to ensure that the data you entered is correct.
 - h. If an error is detected, the terminal will beep, an error message is displayed on the last line of the screen, and the cursor is positioned at the field in error. Enter the correct data and press F1.

- i. Repeat the above error correction procedure until all errors have been corrected. The next screen, if any, will then be displayed.

