



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

13.1.9

AUGUST 31, 2020

## EFFECTIVE DATE

(08-31-2020)

## PURPOSE

- (1) This transmits revised **IRM 13.1.9, Taxpayer Advocate Case Procedures, Executive Correspondence Case Procedures**.

## MATERIAL CHANGES

- (1) 13.1.9.1 Updated to include the Small Business Administration Office of the National Ombudsman and to incorporate Internal Controls.
- (2) 13.1.9.2 Updated to change the SFC Program Analyst to the DC LTA or the DC Analyst. Changed all references to ECMS to E-Trak. Changed IRT to Technical Advisor.
- (3) 13.1.9.2.2.1(1) Updated to remove the use of Special Case code 10.
- (4) 13.1.9.2.2.2 Updated to add reference to IRM 13.1.18.3.
- (5) 13.1.9.2.3(1) Updated to change Technical Advisor review from within 7 calendar days to 5 workdays of receipt.
- (6) 13.1.9.2.2.4 Added reference to IRM 13.1.21.1.2.
- (7) 13.1.9.2.2.4(1) Changed related issues to incidental matters for clarity and consistency.
- (8) 13.1.9.3 Changed all references to ECMS to E-Trak. Updated the E-Trak controlling office to the Executive Secretariat Correspondence Office (ESCO).
- (9) 13.1.9.4 Changed Taxpayer Account Operations to the DC LTA office.
- (10) 13.1.9.5 Added this subsection, *Small Business Regulatory Enforcement Fairness Act (SBREFA) Cases*, from IRM 13.1.10.8, as these cases belong in the Executive Correspondence Case Procedure IRM.
- (11) Exhibit 13.1.9-1 Changed Exhibit 13.1.9-1, from *Taxpayer Account Operations Briefing Transmittal* to *National Taxpayer Advocate Briefing Transmittal*.

## EFFECT ON OTHER DOCUMENTS

IRM 13.1.9 dated October 31, 2004 is superseded.

## AUDIENCE

Primarily Taxpayer Advocate Service and all Operating Divisions and Functions.

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13.1.9

Executive Correspondence Case Procedures

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13.1.9-1 National Taxpayer Advocate Briefing Transmittal

13.1.9.1  
(08-31-2020)  
**Program Scope and Objectives**

- (1) **Purpose:** This IRM section provides instructions for Executive correspondence cases in which the TAS inquiry is made directly to the National Taxpayer Advocate (NTA).

**Note:** Refer to IRM 13.1.8 , *Congressional Affairs Program*, on congressional inquiry case procedures.

- (2) **Audience:** This IRM is for all TAS Case Advocacy employees, including Intake Advocates, Case Advocates, Local Taxpayer Advocates and Analysts.
- (3) **Policy Owner:** The National Taxpayer Advocate oversees the Executive correspondence process.
- (4) **Program Owner:** DC Local Taxpayer Advocate
- (5) **Primary Stakeholders:** The offices within TAS Case Advocacy are the primary stakeholders of this IRM.

13.1.9.1.1  
(08-31-2020)  
**Background**

- (1) A taxpayer or authorized representative may contact the National Taxpayer Advocate directly for assistance. The NTA may also receive direct inquiries from the Small Business Administration Office of the National Ombudsman as part of the Small Business Regulatory Enforcement Fairness Act, the Senate Finance Committee, or the Executive Secretariat Correspondence Office on behalf of the taxpayer. In conjunction with TAMIS, additional steps are taken to track and monitor these inquiries.

13.1.9.1.2  
(08-31-2020)  
**Authority**

- (1) Consistent with IRC § 7803(c)(2)(A), the NTA will determine the appropriate office to resolve the inquiry and monitor the outcome of the case.

13.1.9.1.3  
(08-31-2020)  
**Responsibilities**

- (1) The role and responsibilities of management and employees are detailed within the subsection for each program.

13.1.9.1.4  
(08-31-2020)  
**Program Objectives and Review**

- (1) **Program Goals:** Following the processes and procedures in this IRM will ensure the issues raised by taxpayers and the government offices mentioned in this subsection are thoroughly addressed by the NTA or delegated official and the taxpayer's fundamental rights are protected. These fundamental rights are listed in the Taxpayer Bill of Rights.
- (2) **Annual Review:** The DC LTA will conduct an annual review of the processes in this IRM to ensure accuracy and efficiency.

13.1.9.1.5  
(08-31-2020)  
**Terms and Acronyms**

- (1) The following table lists the definitions for commonly used terms and acronyms as used throughout this IRM:

Term or Acronym	Definition
BOD	Business Operating Division
CA	Case Advocate
DC Analyst	Tax Analyst in the DC LTA office

## 13.1 Taxpayer Advocate Case Procedures

Term or Acronym	Definition
DC Intake Advocate	Intake Advocate in the DC LTA office
DC LTA	LTA in Washington, DC
DEDCA	Deputy Executive Director Case Advocacy
E-Trak	A system developed using Commercial-Off-The-Shelf (COTS) product Entellitrak for case management solutions and business process management solutions
ECD	Estimated Completion Date
EDCA	Executive Director Case Advocacy
ESCO	Executive Secretariat Correspondence Office
ITAP	Internal Technical Advisor Program
LCA	Lead Case Advocate
LTA	Local Taxpayer Advocate
NCD	Next Contact Date
NTA	National Taxpayer Advocate
NTA-HQ	National Taxpayer Advocate headquarters
OAR	Operations Assistance Request
ONO	Office of the National Ombudsman
SBA	Small Business Administration
SBREFA	Small Business Regulatory Enforcement Fairness Act
SFC	Senate Finance Committee
TAGM	Taxpayer Advocate Group Manager
TAMIS	Taxpayer Advocate Management Information System
TAO	Taxpayer Assistance Order
TAS	Taxpayer Advocate Service

### 13.1.9.2 (08-31-2020) Introduction Senate Finance Committee (SFC) Case Procedures

- (1) In September 1997, the Senate Finance Committee (SFC) held oversight hearings on allegations of IRS abuse of taxpayers and their rights. The hearings encouraged taxpayers that felt mistreated by the IRS to come forward.
- (2) As a result of the hearings, the NTA initiated the Senate Finance Committee Task Force to develop procedures, review SFC cases, control the work, and monitor the project's success.

- (3) The task force worked with Taxpayer Advocates in the districts and campuses to resolve taxpayers' complaints and problems. The NTA also charged the task force with identifying the underlying causes of these problems and determining why they were not addressed at the earliest possible opportunity.
- (4) The SFC Task Force became the SFC Program, permanently located within the Taxpayer Account Operations Office in 1999.
- (5) After meeting with the Commissioner and the SFC Chairman to discuss the negative feedback received from constituents, the NTA made procedural changes to establish an independent review process and ensure everything that could be done for taxpayers was considered and no case would be closed until all actions were completed.
- (6) The SFC cases are now controlled and monitored in the DC LTA office.
- (7) The chairmanship of the SFC changes as the majority in the Senate changes. Therefore, procedural changes may need to be made to accommodate the requests of the Ranking Majority Chairman and staff.

13.1.9.2.1  
(08-31-2020)  
**How SFC Cases are  
Received**

- (1) A taxpayer writes to the SFC regarding a tax matter or the behavior of an IRS employee. The SFC office determines if the correspondence should be referred to TAS for resolution. The SFC office informs the taxpayer by letter that the correspondence will be forwarded to TAS within 14 days unless the taxpayer objects to the referral. If the taxpayer does not object, the correspondence is forwarded to TAS for review.
- (2) The NTA will read the incoming correspondence of the taxpayer, as well as the concerns expressed in the cover letter sent by the chairman of the SFC. The NTA will forward the correspondence along with any concerns to the District of Columbia (DC) LTA.

13.1.9.2.2  
(08-31-2020)  
**SFC Case Processing  
Procedures**

- (1) The DC LTA will ensure that the incoming correspondence is date stamped. The DC Analyst will research the Integrated Data Retrieval System (IDRS), the E-Trak system, and the Taxpayer Advocate Management Information System (TAMIS). The DC LTA will determine the appropriate office to work the case.
- (2) The DC Analyst will prepare and send an acknowledgement letter to the taxpayer advising receipt of the correspondence from the SFC and provide the address and phone number of the LTA's office where the case is assigned. If the taxpayer objects to the LTA handling his or her case after receiving the acknowledgement letter, the DC LTA will contact the appropriate Executive Director Case Advocacy (EDCA) or Deputy Executive Director Case Advocacy (DEDCA) to request the case be worked by a member of the DEDCA staff or by another local TAS office. The DC Analyst will also prepare an acknowledgement letter to the chairman of the SFC, for the signature of the NTA. A copy of the acknowledgement letter sent to the taxpayer will be enclosed with the letter to the chairman. Refer to IRM 11.3.4, *Congressional Inquiries*, for information on disclosure of taxpayer information to members and committees of Congress.
- (3) SFC cases are governed by the general case processing rules detailed in IRM 13.1.18, *Processing TAS Cases*, in addition to the special guidelines in this section.

13.1.9.2.2.1  
(08-31-2020)

#### SFC Case Assignment

- (1) Once the DC LTA determines which TAS office will work the case, the DC Analyst will control the case on TAMIS and E-Trak. The correspondence and the acknowledgement letter will be scanned into E-Trak. If necessary, copies of the correspondence and any related documents will be shipped by overnight or priority mail. The DC LTA will maintain a copy of the taxpayer correspondence in headquarters and will associate a copy of the final letter upon closure. A SFC case is identified on TAMIS Taxpayer Screen by a **"21398" in the local use field** on the Taxpayer Screen. The E-Trak control number will be added to TAMIS Taxpayer Screen in the ECMS/e-trak Control # field. The TAMIS case file number will be added to E-trak using the other identification number field. After the case has been created on TAMIS and E-trak, the DC Analyst will transfer the case to the office that will work the case. The LTA or manager then assigns the case and updates TAMIS to the assigned employee number. **SFC cases will be assigned to Lead Case Advocates (LCAs), Analysts, or management staff members.**

13.1.9.2.2.2  
(08-31-2020)

#### SFC Initial Case Actions

- (1) Within 5 workdays (3 workdays if criteria 1-4), review the SFC case and IDRS. Conduct any other necessary research and request all necessary internal documents, such as administrative files, tax returns, open or closed Taxpayer Delinquency Account (TDA) records, etc. Research E-Trak to determine if additional correspondence has been received by TAS from other congressional offices. Input complete updates and histories on TAMIS. In addition, enter the history highlights on E-Trak.
- (2) **Within 5 workdays** of date of the TAS acknowledgement letter from the DC Analyst (**3 workdays if criteria 1-4**):
  - a. Make initial contact with the taxpayer by telephone, if possible, and request any documentation needed to resolve the issue. Refer to IRM 13.1.18.3, *Initial Contact*.
  - b. When appropriate, suspend all notices and any IRS enforcement actions. Be sure to extend STAUPS and ACS holds. Contact revenue officers as needed. If you are unable to suspend a notice or enforcement action prior to issuance, notify the taxpayer immediately.
  - c. Establish an IDRS control on the affected account(s).
- (3) When the issues are beyond the expertise of the assigned employee, solicit the assistance of a Technical Advisor. See IRM 13.1.12, *Technical Advisors and the Virtual Team Process*.

13.1.9.2.2.3  
(08-31-2020)

#### Subsequent Actions on SFC Cases

- (1) If you request additional information from the taxpayer and do not receive it by the requested date, contact the taxpayer by telephone, if possible.
  - a. If the taxpayer states the information requested was already mailed, wait an additional **5 workdays**. If additional time is needed, provide the taxpayer with a next contact date (NCD).
  - b. If the information is not received after the 5th workday or later documented date, contact the taxpayer again by telephone and request that a second copy of the information be mailed or faxed. Send a letter to the taxpayer to follow-up your telephone request unless the taxpayer indicates it will be faxed or mailed **within 2 days**. The letter will serve to document and verify your request. Include a due date for receipt of the information, allowing at least 5 workdays. Consider mail time to and from the taxpayer's location when setting the due date. State what the conse-



quences of non-response will be if the taxpayer does not provide the information. Provide the amount due on the taxpayer's accounts, including penalty and interest, and provide the date to which the figures are computed. Update TAMIS with all actions taken and all information received both orally and in writing.

- (2) If the taxpayer states that he or she needs more time to provide the requested information, grant a reasonable period of time and update TAMIS. If the taxpayer states that it is not possible to provide the additional information:
  - a. Work the case with the available information if possible;
  - b. Update TAMIS;
  - c. Explain to the taxpayer the consequences involved in resolving the issue without the information requested;
  - d. Establish and inform the taxpayer of the NCD and revised Estimated Completion Date (ECD) if TAS is able to take further action with the information available; and
  - e. Record the new NCD and revised ECD on TAMIS.
- (3) When you receive the information needed to resolve the case, take the action(s) within your authority.
- (4) Consult or negotiate with Operating Division or Functional Unit contacts to resolve taxpayer issues beyond your authority. See IRM 13.1.19, *TAS Operations Assistance Request (OAR) Process* for more information on this issue.
- (5) If you and the Operating Division or Functional Unit contacts cannot agree on the resolution, forward your documented case and recommendation to your manager timely per IRM 13.1.19.6, *OARs - Operating Division or Functional Unit Disagrees - Action Not Taken*. If appropriate, issue a TAO. Follow procedures outlined in IRM 13.1.20, *TAS Taxpayer Assistance Order (TAO) Process*.
- (6) Update TAMIS with any actions taken within the time frames noted in IRM 13.1.18, *Processing TAS Cases*.

13.1.9.2.2.4  
(08-31-2020)  
**SFC Case Pre-Closing  
Actions**

- (1) Before you close a case, review your action plan to ensure all actions have been completed and all incidental matters addressed. If the resolution of your taxpayer's problem will impact a non-related taxpayer, you must also address the non-related taxpayer's issue to completely resolve the TAS case.
- (2) You are responsible for providing the taxpayer or representative with a clear, complete and correct explanation of what was done to resolve the problem. **A written closing response is required.** Refer to IRM 13.1.21.1.2, *Closing Actions*. You may use the *IRS Style Guide* to assist with drafting the closing letter.
- (3) TAMIS must be documented with all actions taken. The case file must include copies of all correspondence.
- (4) The following actions need to be completed before you forward your case for review:
  - a. Adjustments must be posted (not pending) — Check CC IMFOL/BMFOL;

- b. Retain a copy of applicable returns in the file, but remove any original returns and send them to be refiled. In situations that require a TC 290 for .00 for a refiled DLN, the transaction does not have to post before closing; and
  - c. Forward any new Powers of Attorney to the Centralized Authorization File (CAF) unit for input and retain a copy in the file. (Notate on the copy that the original was sent/faxed to the CAF Unit and the date it was sent or attach a copy of the FAX confirmation.) TC 960 must be posted for any POA forms forwarded for processing by TAS before closing the case.
- (5) The assigned TAS employee will prepare a draft closing letter for the signature of the NTA and forward the draft closing letter to the local or servicing TAS Technical Advisor Independent Review Team for review. **The closing letter will not be dated or mailed at this time.**

13.1.9.2.3  
(08-31-2020)  
**Independent Review  
Process-SFC Cases**

- (1) A Technical Advisor will review SFC cases and their corresponding draft closing letters within **5 workdays** of receipt. The Technical Advisor will conduct an independent review of the case and the closing letter. Neither the LTA or any Technical Advisor who worked on the case will be allowed to review the draft closing letter.
- (2) SFC Independent Review Team Criteria:
- An independent review from the perspective of an advocate.
  - The letter states that an independent review was conducted.
  - A technically and procedurally correct conclusion.
  - All incidental matters addressed.
  - All IRS errors acknowledged.
  - Where appropriate, alternative solutions considered and explained.
  - Complaints regarding employees addressed.
  - Appropriate tone used in response.
  - Sufficient documentation. (Would a third party from outside the IRS be able to determine what happened? Why?)
  - Documentation supports the conclusion/resolution reached.
  - Documentation shows corrective actions completed.
  - LCA or Technical Advisor's name, title, address, employee ID number, phone number, fax number and office hours in the letter.
  - An appropriate apology is provided in the closing letter.
  - Taxpayer contact was made by telephone. If a telephone number was available, the reasons why telephone contact was not possible are fully documented (for non-closing contacts only).
  - The case file and TAMIS contains documentation that all promised actions were taken.
  - When appropriate, TAS has provided or discussed avenues of appeal or examination reconsideration, ensuring taxpayers are aware of and understand how to exercise their right to appeal an IRS decision in an independent forum.
- (3) Upon completion of the independent case review, the Technical Advisor will take one of the following actions:
- a. If the Technical Advisor agrees with the closing letter and how the case was worked, the letter will be forwarded to the DC LTA along with a copy of the file by overnight express for approval and signature by the NTA.

- b. If the Technical Advisor does not agree with the closing letter, the Technical Advisor will contact the LCA to discuss any areas of concern and agree upon necessary actions.

- (4) A draft cover letter addressed to the Chairman of the SFC, for the signature of the NTA, will be prepared by the DC Analyst and forwarded to the DC LTA for review. The DC LTA will review the cover letter and forward it, along with the draft closing letter, to the NTA.

13.1.9.2.4  
(08-31-2020)  
**SFC Case Closing  
Actions**

- (1) The case will be closed on TAMIS when the letter is signed by the NTA. A copy of the signed closing letter will be sent by fax or secured email back to the assigned case advocate.
- (2) When closing the case on TAMIS ensure the issue codes, case factors and TAO/Relief code are correct. Enter one of the following codes in the **Local-Use** field on the **TAMIS Case Screen**:

**Note:** The determination as to which code to use is based on the actions that occurred after the date of the taxpayer's letter to the SFC. The purpose of the code is to determine if the change is a result of the taxpayer's letter to the SFC.

CODE	DETERMINATION
<b>d</b>	No Change (No Change from previous IRS Determination)
<b>l</b>	No Change — Law (Law Prevents Change)
<b>f</b>	Full Change
<b>p</b>	Partial Change

- (3) The E-Trak coordinator will scan the closing letter into E-Trak and close the E-Trak case.
- (4) The assigned TAS employee will close the TAS IDRS control bases and release any notice or enforcement holds.

13.1.9.3  
(08-31-2020)  
**E-Trak**

- (1) E-Trak is a web based Servicewide document tracking application. It is the official tracking system used to process controlled IRS correspondence received in the Executive Secretariat Correspondence Office (ESCO). See IRM 1.10.1.2, *e-Trak*, for additional information.
- (2) In general, controlled correspondence includes letters, reports and memorandums that may have an impact on IRS policy and procedures and require coordination. This includes IRS correspondence addressed to the:
  - President;
  - Treasury Secretary;
  - IRS Commissioner;
  - IRS Deputy Commissioners; and
  - Director, Legislative Affairs.
- (3) Business Unit (BU) correspondence includes letters from:

- Congressional offices
- Trade groups/associations
- State/federal government agencies
- IRS governmental liaisons
- Treasury Executive Secretariat
- Treasury Legislative Affairs
- Taxpayers (if ESCO decides a review of the response if necessary)

(4) General (G) correspondence includes letters from:

- Taxpayers
- White House referrals
- Treasury referrals
- Taxpayer assistance calls (TPAC)

13.1.9.3.1  
(08-31-2020)  
**E-Trak Control  
Principles**

- (1) Each TAS office will have access to E-Trak and at a minimum, two trained employees on the E-Trak system.
- (2) E-Trak controls should be checked daily by each office for new receipts and to ensure time frames are kept current.
- (3) All TAS E-Trak controls should be identified, printed and date stamped by the E-Trak contact person in each office.
- (4) All TAS E-Trak cases should be controlled on TAMIS. The TAMIS case file number should be annotated in the TAMIS field of the E-Trak case.
- (5) The E-Trak case number should be input on TAMIS Taxpayer Screen 5 in the ECMS/e-trak Control # field.
- (6) **For G correspondence only:**
  - a. TAS will close the case within two business days of assignment from ESCO.
  - b. TAS will close the case using the following ESCO/TAS approved language in the E-Trak Case Event Log:
    - Case opened in TAMIS, case number #####. For status of the case, please contact TAS E-Trak coordinators.
- (7) TAS will follow the same initial assignment procedures for G correspondence reassigned from other BODs.

13.1.9.3.2  
(08-31-2020)  
**E-Trak Case Processing**

- (1) Cases are to be worked under general guidelines in IRM 13.1.18, *Processing TAS Cases*.
- (2) E-Trak cases are transferred to the local TAS office based on the taxpayer's zip code.
- (3) Before transferring a control to another office, verification should be made by calling the office to which you are transferring the case. When transferring the control, do not close the E-Trak case. Reassign the case to the correct office.

**Note:** At no time should a control be reassigned to an office within two workdays of the due date without an interim action being taken.

- (4) If an E-Trak case has not been closed by the E-Trak due date, the due date must be updated to reflect a new due date. The E-Trak contact person will require the following information before updating E-Trak:
  - a. Requested new due date (cannot exceed 30 calendar days from current due date);
  - b. Method used to inform taxpayer of the current status of the case (letter, phone contact);
  - c. If interim letter is sent, a hard copy of the correspondence, or a copy of the Word document via E-mail, should be provided for the E-Trak contact person to scan/attach to the E-Trak case; and
  - d. Justification for the needed extension.

**Note:** ESCO will not extend the due date on G correspondence.

- (5) TAMIS history must be updated with extension contact information and new NCD.
- (6) Additional guidelines relating to correspondence are contained in IRM 1.10.1, *Office of the Commissioner of Internal Revenue Service, IRS Correspondence Manual*.

13.1.9.3.3  
(08-31-2020)  
**E-Trak Closing Actions**

- (1) Follow the guidelines in IRM 13.1.21.1, *Closing Criteria*, to determine when it is appropriate to close the case.
- (2) If closing contact by telephone, detailed documentation addressing all the taxpayer's issues must be input on E-Trak.
- (3) If closing contact is written, the closing letter should be given to the E-Trak contact person in the appropriate office to be scanned or attached to the E-Trak case.
- (4) All tax account related E-Trak inquiries that meet TAS criteria are subject to the same standards as any other TAS criteria case and will be part of the Quality Review sample.

**Note:** E-Trak cases that are not congressional do not need to be closed through Legislative Affairs.

- (5) **For G correspondence only**, TAS will follow the steps below to record the closing language in E-Trak:
  - Go to Case Event log, new case event log, select close control from the drop down menu.
  - Enter the closing language in the comments section, click save.
  - Go to Case Closure, new case closure, select no action necessary from the drop down menu and click save.
- (6) If ESCO received additional information on the closed case, ESCO will:
  - Reopen the case and add the additional information if it has been closed fewer than 30 days.
  - Create a new case with the additional information if it has been closed for 30 or more days.

13.1.9.3.4  
(08-31-2020)  
**Congressional E-Trak Cases**

- (1) Congressional cases on E-Trak are worked under the general guidelines of IRM 13.1.8 , *Congressional Affairs Program*, specifically IRM 13.1.8.4.2 , *Congressional Inquiries Received By Legislative Affairs and Routed to Local TAS Office*.

13.1.9.4  
(08-31-2020)  
**National Taxpayer Advocate Cases**

- (1) The NTA reviews all correspondence addressed to the National Taxpayer Advocate. The NTA may request that a case be opened on TAMIS. Depending on the request, a briefing, case status, or additional information may be requested by the NTA. The NTA will designate whether the DC LTA or a local office should retain jurisdiction of the case assignment. The NTA may also request assistance of a specific attorney advisor. These cases are identified as NTA-HQ cases.

13.1.9.4.1  
(08-31-2020)  
**NTA-HQ Case Control Principles**

- (1) After identification as an NTA-HQ case by the NTA, the case is transferred to the appropriate TAS office to be worked.
- (2) All NTA-HQ cases are controlled on TAMIS. On TAMIS, the literal **NTAHQ** is added to the **N.O. Use** field on the Taxpayer Screen 5.
- (3) The DC Analyst will contact the DEDCA and the LTA to advise that a NTA-HQ case has been initiated. A copy of the correspondence will be forwarded to both offices.

13.1.9.4.2  
(08-31-2020)  
**NTA-HQ Case Assignment**

- (1) The DC LTA office will assign cases to the designated local TAS office through TAMIS.
- (2) Generally, cases are assigned within two workdays from the date the DC LTA office receives the information from the NTA. If a case for the taxpayer currently exists on TAMIS, the local intake advocate will add the NTAHQ designation on the current case.
- (3) The DC Analyst will provide assistance to the designated LTA, LCA, or Case Advocate assigned to the case.

13.1.9.4.3  
(08-31-2020)  
**NTA-HQ Case Processing**

- (1) Cases are worked under general guidelines in IRM 13.1.18, *Processing TAS Cases*.
- (2) Unless specifically assigned to the DC LTA office, the DC LTA staff transfers the NTA-HQ case to a local TAS office based on the location of the taxpayer, the best interest of the taxpayer, prior case activity, open controls and the location of centralized IRS work processes.
- (3) The designated LTA will review all written responses and ensure adherence to quality standards on tax account related inquiries.

13.1.9.4.4  
(08-31-2020)  
**NTA-HQ Case Closing Actions**

- (1) The CA, TAGM, LTA, or an analyst involved on the case will complete an NTA briefing document. See Exhibit 13.1.9-1, *National Taxpayer Advocate Briefing Transmittal*. The briefing is reviewed by the LTA in the local office and then sent by secured email to the DC LTA.
- (2) A draft closing letter may be needed for the NTA signature if requested. Guidance from the DC Analyst is available in these circumstances.



- (3) Once the NTA approves and signs the requested closing letter, a copy is sent from the DC Analyst to the local TAS office for the case file.

13.1.9.5  
(08-31-2020)  
**Small Business  
Regulatory Enforcement  
Fairness Act (SBREFA)  
Cases**

- (1) The U.S. Small Business Administration (SBA) Office of the National Ombudsman (ONO) was created by Congress in 1996 as part of the Small Business Regulatory Enforcement Fairness Act (SBREFA). The ONO works with federal offices to assist small businesses with unfair and excessive federal regulatory enforcement, such as repetitive audits or investigations, excessive fines, penalties, retaliation or other unfair regulatory enforcement action by a federal agency. The ONO receives complaints and comments from small businesses and forwards that information to the appropriate federal agency for a high-level review. Each year the SBA Ombudsman submits a Report to Congress rating the responsiveness of each federal agency.
- (2) The ONO may receive three types of comments or complaints regarding the IRS:
  - **Case Specific Comments** indicate that the IRS has taken some action against the taxpayer (small business) and the taxpayer disagrees with such action. These actions include complaints about collection actions, account problems, audits, misapplied payments, unpaid accounts, penalties and tax assessments. Case-specific comments are assigned to a Case Advocate as a TAS SBREFA case.
  - **Systemic Comments** identify systemic problems that happen on a regular basis. The TAS Office of Systemic Advocacy responds to these comments.
  - **General Comments** involve questions about tax law, regulations, compliance initiatives, complaints about IRS employee misconduct, letters identifying tax fraud, questions about the burden imposed on taxpayers by certain laws or procedures, and information requests. The Headquarters Stakeholder Liaison responds to these comments.

13.1.9.5.1  
(08-31-2020)  
**SBREFA Case  
Assignment**

- (1) When the SBA Ombudsman receives a case specific complaint against the IRS, the SBA Ombudsman will forward the complaint, by fax or by email, to the DC LTA. The package from the SBA Ombudsman will include a letter from the SBA Ombudsman, the SBA's Federal Agency Appraisal Form, any correspondence provided by the small business owner, and a Form 8821, *Tax Information Authorization*. The original documents are later mailed to the DC LTA office.
- (2) Within **five** workdays of receipt by the DC LTA office, the DC Analyst reviews the incoming documents to determine if a referral to a local TAS office is appropriate.
- (3) If a referral is appropriate, the DC Analyst routes the documents to the DC Intake Advocate to create a case on TAMIS using special case code "60".
- (4) Within **five** workdays of receipt by the DC LTA office, the DC Analyst will transfer the case on TAMIS and forward the SBA Ombudsman package to the local TAS office. The DC Analyst will notify the LTA and the Area SBREFA Analyst that a new SBREFA case has been transferred to the local office.
- (5) Upon receipt, the designated LTA will assign the case to a Case Advocate.
- (6) Original SBA correspondence will remain in the DC LTA office.

13.1.9.5.2  
(08-31-2020)  
**SBREFA Case  
Processing Procedures**

- (1) The taxpayer must complete a Form 8821, *Tax Information Authorization*, to allow TAS to disclose tax-related information to SBA. The Case Advocate should review the Form 8821 to ensure that all tax years and tax returns are included for disclosure to the SBA Ombudsman. The taxpayer must identify the SBA Ombudsman as the "Appointee" on line (2), and check the box on line (4) of Form 8821 for specific use not recorded on CAF. Refer to IRM 13.1.23.3, *General Disclosure Rules*, for additional information on Form 8821.

**Note: The Form 8821 is not forwarded to the CAF function.**

- (2) In general, a SBREFA case will be worked as a Criteria 7 TAS case, following procedures in IRM 13.1.18, *Processing TAS Cases*. The only modifications to those procedures are as follows:
  - a. Within **five** workdays of receipt, the LTA will prepare a letter to the SBA Ombudsman to acknowledge receipt of the SBA correspondence and provide the assigned Case Advocate's contact information.
  - b. Within **five** workdays of assignment, the Case Advocate will make initial contact with the taxpayer or POA, following the procedures in IRM 13.1.18.3, *Initial Contact*. The initial contact, whether by telephone or in writing, will include a statement that the taxpayer's complaint filed with SBA has been referred to TAS for resolution.
  - c. The initial contact will include a request for a properly completed Form 8821, if necessary.
  - d. Consult ITAP, if necessary, to ensure all avenues of advocacy are considered.
  - e. Any remaining balance should be resolved. Assist the taxpayer with an installment agreement, offer in compromise or currently not collectable determination if appropriate.
  - f. The Case Advocate will prepare an interim response letter to the SBA Ombudsman every **30 days** from the date of the LTA acknowledgement letter, to update the SBA Ombudsman on the progress of the case.
  - g. The closing contact with the taxpayer, whether by telephone or in writing, will include a statement that a separate closing letter to the SBA Ombudsman will be signed by the DC LTA. See IRM 13.1.9.5.3 for the procedures on the closing letter to the SBA Ombudsman.

13.1.9.5.3  
(08-31-2020)  
**Closing Letter to the  
SBA Ombudsman**

- (1) When all casework is complete, a draft closing letter to the SBA Ombudsman will be forwarded by secure email to the DC Analyst.
- (2) The draft closing letter to the SBA Ombudsman may be prepared by the Case Advocate, a Technical Advisor or an Area Analyst for the DC LTA's review and signature. The letter is prepared from an advocate's perspective in a plain, straightforward language. The *IRS Style Guide* may be used to assist with drafting the closing letter. The draft closing letter must:
  - a. contain plain language with no IRS jargon, technical language on IRS procedures, or a complex explanation of technical tax law;
  - b. provide a summary of the taxpayer's complaint. If the complaint filed with SBA is vague, the Case Advocate should clarify the exact issue, such as lien release, installment agreement, penalty abatement, etc., during the initial contact with the taxpayer;
  - c. provide a comprehensive, but concise, chronological summary of relevant facts. A good summary will provide exact dates of significant actions, and the correct number and title of IRS forms, letters and notices;



- d. include the name and title of each TAS employee involved in the case and the specific actions taken to advocate for the taxpayer; and,
  - e. answer each specific question in the SBA Ombudsman's letter. The Ombudsman interacts with more than 35 federal regulatory agencies, and the SBA Ombudsman's letter to TAS is not tailored to the individual taxpayer, the taxpayer's complaint, or to the IRS. The answers to these questions will be relevant and brief.
- (3) The draft closing letter may be reviewed by a Technical Advisor, Taxpayer Advocate Group Manager or the LTA. However, the **draft must be reviewed by the Area SBREFA Analyst**. The draft needs to be reviewed for accuracy in the presentation of the IRS processes and procedures, clarity of content, and issues related to the NTA's Annual Report to Congress.
  - (4) After review, as described in (3) above, the draft closing letter is forwarded to the DC Analyst by secure email.
  - (5) The case will be placed in **Monitor** status on TAMIS and remain open until the closing letter, signed by the DC LTA, is received from the DC Analyst.

**Note:** The CA will continue to send the interim letter to the SBA Ombudsman every 30 days until the DC LTA issues the closing letter..

13.1.9.5.4  
(08-31-2020)  
**Actions by the DC Analyst**

- (1) The DC Analyst will review the draft closing letter and consult with the Case Advocate or a Technical Advisor, as appropriate, to resolve any questions and request copies of additional documentation secured while working the case. The DC Analyst will update the case history on TAMIS with appropriate comments as the case is forwarded and reviewed by the DC LTA.
- (2) The DC Analyst will address any issues and forward the draft closing letter to the DC LTA by secure email.
- (3) When the closing letter is signed by the DC LTA, the DC Analyst will send the letter to the SBA Ombudsman by fax or secure email. The original will be mailed directly from the DC LTA office. The DC Analyst will forward a copy of the closing letter to the Case Advocate, the LTA and the Area Analyst by secure email.

13.1.9.5.5  
(08-31-2020)  
**SBREFA Closing, Withdrawal and Reopening Actions**

- (1) A SBREFA case will be closed in the same manner as a TAS Criteria 7 case, as provided in IRM 13.1.21, *TAS Case Closing and Reopen Case Procedures*, subject to the additional items identified earlier. The case will remain open until the closing letter to the SBA Ombudsman is signed by the DC LTA.
- (2) A SBREFA case may be closed as a withdrawal, as provided in IRM 13.1.21.1.3.25, *Withdrawal of TAS Cases*, and will be addressed in the draft closing letter to the SBA Ombudsman.
- (3) If the taxpayer withdraws the complaint filed with the SBA Ombudsman, the DC Analyst will contact the SBA ONO for a determination if a closing letter is necessary.
- (4) A SBREFA case may be reopened, as provided in IRM 13.1.21.3, *Reopening Cases*, either through correspondence from the SBA Ombudsman, direct contact from the taxpayer, or as directed by the NTA.

13.1.9.5.6  
(08-31-2020)  
**Other SBREFA  
Information**

- (1) Further guidance on working a SBREFA case can be obtained from the DC Analyst.
- (2) Additional information on the SBA ONO can be found on the SBA website at, <http://www.sba.gov/ombudsman>, and Publication 4689, *Your Rights as a Small Business Owner (under the Small Business Regulatory Enforcement Fairness Act (SBREFA))*.
- (3) Other SBREFA information is on the IRS Intranet under **SBREFA**.

Exhibit 13.1.9-1 (08-31-2020)

National Taxpayer Advocate Briefing Transmittal

**National Taxpayer Advocate  
BRIEFING TRANSMITTAL**

<b>Reason for Briefing:</b>
<b>Date of Response:</b>

**Taxpayer(s):****Location/Address:****POA:****TAMIS CF #:****TAS Received Date/To Whom and How Received** (indicate received by telephone call, letter, e-mail, referral, etc.):**When and How Taxpayer Acknowledged** (date of telephone call, letter, e-mail, referral, etc.):**Major Issue(s):****Background:****Taxpayer Advocate Service Efforts to Date** (timeline of actions taken):**Date Closed and How** (if case is not closed, indicate open, monitor and/or pending status and why. Indicate plan of action whenever possible):**Assigned to** (if case referred, indicate to whom and office assigned to):

