



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

13.1.21

JANUARY 24, 2024

EFFECTIVE DATE

(01-24-2024)

PURPOSE

- (1) This transmits revised IRM 13.1.21, Taxpayer Advocate Service, Taxpayer Advocate Case Processing, Closing TAS Cases.

MATERIAL CHANGES

- (1) IRM 13.1.21.1.6, Related Resources, updated resources.
- (2) IRM 13.1.21.2 Added example linking to IRM 13.1.24.6.4.6, Decide How to Advocate. IPU 23U0931.
- (3) IRM 13.1.21.2.1(3), added bullet clarifying to close all TAS IDRS controls, incorporating QRIS 11261, Closing Actions - Closing TAS Open IDRS Control Bases, dated 04/20/2023.
- (4) IRM 13.1.21.2.1(5), requirement to complete the TAMIS Case Factors Screen as part of Closing Actions was removed to incorporate IRM TAS-13-0323-0003. IPU 23U0861.
- (5) IRM 13.1.21.2.1.1, Relief Codes, removed obsolete codes and streamlined remaining codes, removed Individual versus Systemic distinction.
- (6) IRM 13.1.21.2.1.2, Relief Date, revised with current Relief Codes.
- (7) IRM 13.1.21.2.1.3, Assistance Codes, section removed.
- (8) IRM 13.1.21.2.2.2, Appeals, section updated per IPU 22U0885. Added guidance for when TAS employees should close Appeals cases with an open IRC 6532 statute and Form 907, Agreement to Extend the Time to Bring Suit.
- (9) IRM 13.1.21.2.2.8 Added exception linking to IRM 13.1.24.6.4.6, Decide How to Advocate. IPU 23U0931.
- (10) IRM 13.1.21.2.2.20, No or Partial Reply from Taxpayer, revised second request letter contents for clarity. Note added to clarify second request letters are not applicable in congressional cases.
- (11) IRM 13.1.21.2.2.23 Added exception linking to IRM 13.1.24.6.4.6, Decide How to Advocate. IPU 23U0931.
- (12) IRM 13.1.21.2.2.23.1, Pre-Refund Wage Verification Hold (PRWVH), section added and incorporates IGM TAS-13-0123-0002, dated January 19, 2023.
- (13) Exhibit 13.1.21-1, Terms, updated.
- (14) Exhibit 13.1.21-2, Acronyms, updated.
- (15) Minor formatting and grammatical changes made throughout the section, including updates per IRM Style Guide (November 2022).

EFFECT ON OTHER DOCUMENTS

This IRM supersedes IRM 13.1.21 dated April 1, 2021. IRM Procedural Updates (IPU) 22U0885, 23U0861, and 23U0931 issued between August 11, 2022, through September 1, 2023, have been incorporated into this IRM. Portions of IGM TAS-13-0123-0002, Interim Guidance on Changes to TAS Case Acceptance Criteria for

Calendar Year 2023, have been incorporated. Procedural changes of IGM TAS -13-0323-0003, Extension of Existing Interim Guidance on TAS Case Procedures have been incorporated into this IRM.

AUDIENCE

Taxpayer Advocate Service employees.

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13.1.21
Closing TAS Cases

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- 13.1.21-2 Acronyms

- 13.1.21.1
(04-01-2021)
Program Scope and Objectives
- (1) Purpose: This section provides guidance on when it is appropriate to close a TAS case.
 - (2) Audience: These procedures apply to all Case Advocacy employees working a case to closure.
 - (3) Policy Owner: The Executive Director Case Advocacy, Intake & Technical Support (EDCA-ITS), who reports to the Deputy National Taxpayer Advocate (DN TA).
 - (4) Program Owner: The Director, Technical Analysis and Guidance, who reports to the EDCA-ITS.
- 13.1.21.1.1
(04-01-2021)
Authority
- (1) Pursuant to IRC 7803(c), the Office of the Taxpayer Advocate (known as the Taxpayer Advocate Service (TAS)) shall assist taxpayers to resolve problems with the IRS.
- 13.1.21.1.2
(04-01-2021)
Responsibilities
- (1) TAS employees are responsible for working a case to closure following the procedures contained within this IRM.
 - (2) Case Advocacy managers are responsible for ensuring employees within their purview are following the procedures contained within this IRM.
- 13.1.21.1.3
(04-01-2021)
Program Reports
- (1) Reports to monitor the appropriate closing of TAS cases are derived from TAMIS and the TAS Case Quality Review System (CQRS).
 - a. The CQRS generates monthly and fiscal year cumulative reports as well as specific queries for data analysis.
 - b. TAS uses Business Objects Enterprise (BOE) to generate reports to monitor office inventory levels and case closures.
- 13.1.21.1.4
(04-01-2021)
Terms
- (1) See Exhibit 13.1.21-1 for a list of terms and their definitions used throughout this IRM.
- 13.1.21.1.5
(04-01-2021)
Acronyms
- (1) See Exhibit 13.1.21-2 for a list of acronyms and their definitions used throughout this IRM.
- 13.1.21.1.6
(01-24-2024)
Related Resources
- (1) This is a list of relevant resources TAS employees will use when closing a case:
 - IRM 1.2.1.6.16, Policy Statement 5-97, Stay of Collection - Offer in Compromise cases.
 - IRM 3.17.79, Accounting Refund Transactions.
 - IRM 4.13.3.8.2, Closing Procedures - Partial Disallowance.
 - IRM 4.13.3.8.3, Closing Procedures - Full Disallowance.
 - IRM 4.10.11.4.9, Audit Reconsiderations - Partially Disallowed.
 - IRM 5.8.1, Offer in Compromise, Overview.
 - IRM 5.8.3, Offer in Compromise, Centralized Offer in Compromise Transfers, Perfection and Case Building.
 - IRM 5.8.4.6, Initial Compliance Screening.
 - IRM 5.8.4.7, Initial Offer Actions.
 - IRM 5.15.1, Financial Analysis Handbook.

- IRM 5.16.1.2.9, Hardship.
- IRM 5.19.1, Balance Due.
- IRM 5.19.1.3.5, For Other Account Issues Requiring Referrals or Redirect.
- IRM 5.19.1.5.13, Criminal Investigation Division Indicators (CID) on Balance Due Cases.
- IRM 5.19.13.3, Securing Financial Information.
- IRM 5.19.17, Campus Procedures for Currently Not Collectible and Offers in Compromise.
- IRM 13.1.5.10, Handling a Nonstandard Disclosure Case.
- IRM 13.1.6.5, Apology.
- IRM 13.1.7-4, Case Criteria Crosswalk to 7811 and Regulations.
- IRM 13.1.10, Special Processes.
- IRM 13.1.10.9, Inquiries on Open Cases with Criminal Investigation Involvement.
- IRM 13.1.11.2.1.4, Document Attachments.
- IRM 13.1.18, Resolving TAS Cases.
- IRM 13.1.20, TAS Taxpayer Assistance Orders (TAOs).
- IRM 13.1.24.6.4.6, Decide How to Advocate.
- IRM 13.3.1.3, Steps to Take in Specific Situations.
- IRM 21.4.1.4.4, Refund Issued But Lost, Stolen, Destroyed or Not Received.
- IRM 21.4.1.5.7.1, Direct Deposit of Refunds.
- IRM 21.4.1.5.7.5, Non-Receipt of Direct Deposited Refunds - "Refund Inquiry Employees".
- IRM 21.4.2, Refund Trace and Limited Payability.
- IRM 21.4.2.3, Refund Trace Process.
- IRM 21.4.2.4.12, Bureau of the Fiscal Service (BFS) Claims.
- IRM 21.4.2.4.12.1, Undeliverable Bureau of the Fiscal Service (BFS) Form FS 1133.
- IRM 21.4.4, Manual Refunds.
- IRM 21.5.2.4.8.3, Clearance Tolerances.
- IRM 21.5.6.4, Freeze Code Procedures.
- IRM 21.5.6.4.52, -Z Freeze.
- IRM 21.5.7.4.6.6, Payment Applied to a Different Taxpayer's Account/TIN.
- IRM 21.5.8.4.3, IMF Notices of Credit Posting/Reversal Adjustment.
- IRM 21.6.2.2, What Are TIN-Related Problems?
- IRM 25.4.1, Potentially Dangerous Taxpayer.
- IRM 25.23.1, Identity Protection and Victim Assistance - Policy Guidance.
- IRM 25.30.4, Service Level Agreement between the Criminal Investigation Division and the Taxpayer Advocate Service
- *TAMIS User Guide*

13.1.21.2
(01-24-2024)
Closing Criteria

- (1) TAS can generally play a role in any tax matter within the IRS's control. TAS should keep the case open until all issues are completely resolved, and all incidental matters are addressed, including related issues.
- (2) There will be some situations in which TAS no longer has a role and resolution of the issue cannot be expedited. These cases should be closed.

Example: Cases involving litigation should not generally be worked by TAS, since the government's interests are being handled by the Office of Chief

Counsel or the Department of Justice, and jurisdiction is in the court. Employees must obtain managerial approval before closing these types of cases to ensure all advocacy avenues have been explored. See IRM 13.1.10.10.1, Requests for Assistance in Which Counsel or the Department of Justice has Jurisdiction.

Example: Cases involving potential schemes as described in IRM 13.1.24.6.4.6, Decide How to Advocate.

- (3) Address all incidental matters before closing the case. Examples of incidental matters (not all inclusive) to advise the taxpayer of:
- The need to file any delinquent returns. See IRM 13.1.21.2.2.8(3), Claims.
 - Any balance due amounts owed on other tax modules, when appropriate.
- Note:** See IRM 21.5.2.4.8.3, Clearance Tolerances, for details on addressing accrued balances under tolerance.
- Any offsets, if applicable.
 - Any freeze conditions, except Criminal Investigation (CI) freeze codes as appropriate per IRM 21.5.6.4, Freeze Code Procedures. See IRM 13.1.10.9, Inquiries on Open Cases with Criminal Investigation Involvement, for more information.
- (4) If, after advising the taxpayer of other incidental matters involving their tax account, the taxpayer requests that TAS stay involved to help resolve those issues, add the issue as a Secondary Core Issue Code (SCIC), and keep the case open until it is resolved.
- (5) If the resolution of the taxpayer's problem will impact an unrelated taxpayer, the case advocate must also address the unrelated taxpayer's issue to completely resolve the TAS case, even if the impact on the taxpayer is not immediate. Caution must be exercised if the unrelated taxpayer is contacted via correspondence. This correspondence should not be attached to the original TAMIS case since it belongs to a different taxpayer. Consider opening a separate TAS case. If needed, the case advocate must contact their manager to open a new case for the unrelated taxpayer, to document all history related to this separate account and attach any correspondence sent to the unrelated taxpayer.

Example: Taxpayer A contacts TAS because they have been unsuccessful in getting a missing payment applied to their account. TAS determines that the payment was applied incorrectly to Taxpayer B's account. After moving the payment to the correct Taxpayer A's account, TAS must advise Taxpayer B of the action taken on the account because this action may result in a revised balance due Taxpayer B. See IRM 21.5.7.4.6.6(1), Payment Applied to a Different Taxpayer's Account/TIN and IRM 21.5.8.4.3(5), IMF Notices of Credit Posting/Reversal Adjustment, for detailed information.

13.1.21.2.1
(01-24-2024)

Closing Actions

- (1) Before closing a case, review the action plan (found either on the TAMIS Action Plan or History screen) documentation to ensure all actions on the action plan have been completed and all incidental matters addressed.

Note: If the case can be closed **within five (5) workdays** of the Date Assistance Request Received in TAS (DART), formerly known as the Taxpayer Advocate Received Date, and the taxpayer has not been notified of TAS handling, use one contact, preferably by telephone, to notify the taxpayer of both TAS involvement and problem resolution. If you are not able to reach the taxpayer by telephone, send a letter by the fifth workday after the DART.

- (2) TAS must provide the taxpayer or representative with a clear, complete, and correct explanation of what was done to resolve the problem. If the taxpayer has a representative or appointee, TAS employees must verify the Form 2848, Power of Attorney and Declaration of Representative or Form 8821, Tax Information Authorization, has been processed and appears on CFINK to adhere to disclosure guidelines. If either form has not been processed, the TAS employee should initiate actions to determine the delay. If the taxpayer, representative or appointee requests a written response, TAS must provide one. The closing contact **must:**

- a. Address all balance due situations, when appropriate. Include specific dollar amounts of taxes owed, adjustment(s), and penalty and interest accruals as of a specific date. See IRM 13.1.21.2.2.6, Balance Due, for additional information.

Note: There may be situations where it would not be appropriate to provide balance due information. For example, when the taxpayer is involved in litigation or bankruptcy proceedings, the case advocate is unable to accurately calculate the amount due. Balance due information also should not be provided for accounts below tolerance because the IRS does not include those accounts in balance due notices to taxpayers. See IRM 21.5.2.4.8.3(2), Clearance Tolerances.

- b. Discuss the possible consequences of balance due situations and provide payment options including installment agreements (IA), currently not collectible (CNC), and offer in compromise (OIC), as appropriate.
- c. Provide or discuss avenues of appeal or audit reconsideration, when appropriate, ensuring taxpayers are aware of and understand how to exercise their right to appeal an IRS decision in an independent forum.
- d. Address all refund situations, including exact amount of refund, separate interest amount, exact date of refund depending on paper or direct deposit, and warn of possible offset if there is an offset indicator on IDRS. Advise the taxpayer interest is taxable in the year received.
- e. Research the account for imminent statute issues. If applicable, educate the taxpayer on Refund Statute Expiration Date (RSED) issues and the taxpayer's Right to Pay No More than the Correct Amount of Tax. See IRM 13.1.21.2.2.8(3), Claims.
- f. Include an explanation that would educate the taxpayer if it is apparent they did not understand what caused the problem.
- g. Explain preventative actions, if appropriate.
- h. Give "recourse" to an unsatisfied taxpayer if they indicate that the resolution does not provide what they requested. "Recourse" includes providing the taxpayer with whatever choice or options are available to the taxpayer given their situation, *e.g.*, speaking with a manager.

- i. Give an apology specific to the taxpayer's concern. See IRM 13.1.6.5, Apology, for additional information.
- j. Verify applicable TBOR rights were discussed with the taxpayer.
- k. Document closing actions and contact in TAMIS per IRM 13.1.21.2.1 (4), Closing Actions.

Note: Closing actions are distinct from closing contacts. The closing contact must be completed before closing the case on TAMIS.

(3) The following actions must be completed before closing the case:

- Ensure adjustments are posted (not pending) -- Check CC IMFOL/ BMFOL.
- Release notice or enforcement holds as appropriate.
- Close all **TAS** IDRS control bases.

Note: "As appropriate," is defined as releasing holds that TAS, itself, set on the account or requested from the Automated Collection System (ACS) or from the Revenue Officer (RO). Any other holds placed on the account by other functions will remain on the account, unaltered and unreleased. If any such hold remains on the account, the TAS employee should notate the reason the hold remains on the account in the TAMIS history, for example, "TAS STAUP released; remaining hold not part of TAS current case matter."

- Contact Compliance, if applicable, including assigned Compliance employees on actions taken and case resolution.
- Attach a copy of applicable returns to TAMIS and remove any original returns and send them to be refiled. A TC 290 for .00 for a refiled DLN does not have to post before closing. If the returns are voluminous, only attach the pertinent sections that are needed to support any decisions made regarding the case.
- Delete case related e-mails from Outlook and other documents that were successfully uploaded to TAMIS from your SBU folder. See IRM 13.1.11.2.1.4, Document Attachments.
- Remove any unnecessary paperwork from the case file.
- Conduct a thorough IDRS review to ensure all related issues have been resolved and addressed. At a minimum, confirm that the entity information is correct, adjustments are posted (not pending), and no modules appear with other issues that need to be addressed.

(4) Employees must document TAMIS with all actions taken and load copies of all closing correspondence to TAMIS, when applicable. If a closing contact was made, by letter or telephone, document a summary including a clear, concise and correct explanation of how the problem was resolved in the TAMIS History. Use the Closing Action Screen 1, to document the closing contact date and resolution of the case. All taxpayer correspondence must be attached to TAMIS or remain in the case file when too voluminous to attach to TAMIS.

(5) Take the following closing actions on TAMIS (See *TAMIS User Guide*), after the case is resolved:

- Check the accuracy of the Taxpayer Issue Code, Primary Core Issue Code (PCIC), and Secondary Core Issue Code (SCIC), and update TAMIS if necessary.
- Update the Relief Code.
- Input any other applicable special codes.

- Verify that the TP Entity/POA/Congressional Entity is correct.
- Verify that the Outreach Indicator is correct.
- Verify that any other special codes are correct.

(6) It is only appropriate to use the **No Customer Survey Contact Box** in the following limited situations:

- When the taxpayer/representative requests to not be included in the survey.
- When the taxpayer/representative has made threats (verbal, physical, stalking); see IRM 25.4.1, Potentially Dangerous Taxpayer (PDT).
- When the National Taxpayer Advocate has determined a specific case, or group of cases, should be excluded from survey contact due to extended delays (for example, cases involving Return Preparer Misconduct where IRS delays in developing procedures to provide relief in response to appealed Taxpayer Assistance Orders (TAOs) resulted in excessive delays to taxpayers.)

Note: Check this box to indicate that this taxpayer (or representative) should not be contacted for the customer satisfaction survey conducted by TAS. Only permission level 4 or 5 users can check this box.

(7) An IRC 7811, Significant Hardship Determination must be made prior to closing the case. If no IRC 7811, Significant Hardship Determination has been made, make an IRC 7811, Significant Hardship Determination before closing the case. Refer to Exhibit in IRM 13.1.7-4, Case Criteria Crosswalk to 7811 and Regulations.

- a. For any case meeting IRC 7811, where TAS is unable to provide the relief requested by the taxpayer, TAS must provide a written response. For economic hardship cases (criteria 1-4), where relief is not warranted, the Local Taxpayer Advocate (LTA) will sign the letter. In other situations, where partial relief has been provided, case advocates can sign the letter. All letters will explain why relief is not being granted.

Example: Taxpayer contacts TAS for a lien release. Taxpayer believes they have an economic burden and needs the lien released to sell the house. The taxpayer's accounts are in status 53, Currently Not Collectible (CNC). TAS determines IRC 7811 applies to the taxpayer. TAS research indicates the lien was filed timely and appropriately, and there are no provisions in the law to allow the release of the lien. The taxpayer would need to request a discharge. There is no basis for TAS to issue a TAO. The law prevents the IRS from releasing the lien in this situation. Relief is not warranted under the law. The case advocate will send the taxpayer a no relief letter signed by the LTA.

- b. Give the taxpayer an opportunity to speak with the LTA when not granting relief.

Caution: If some relief has been provided, it is not necessary for the LTA to sign the letter.

13.1.21.2.1.1
(01-24-2024)
Relief Codes

- (1) Relief Codes are based on the relief requested by the taxpayer. The Relief Requested Field on Taxpayer Screen 2 of TAMIS is the main source of this information, although the TAS employee may clarify the relief requested during the initial/first taxpayer contact. The relief requested is distinct from the problem that caused the taxpayer to meet TAS case acceptance criteria. For cases involving multiple issues, TAS will code the case based upon the total case resolution, not only the relief initially requested by the taxpayer. TAS employees will use Relief Codes to indicate the type of relief provided to the taxpayer when TAS determines the case meets IRC 7811. See Exhibit 13.1.7-4, Case Criteria Crosswalk to 7811 and Regulations.

Code	Description
07	TAO Issued - BOD/Function Complied
08	TAO Issued - BOD/Function Appealed; TAO Sustained
09	TAO Issued - BOD/Function Appealed; TAO Modified
10	TAO Issued - BOD/Function Appealed; TAO Rescinded
60	Full Relief
70	Partial Relief
50	No Relief - Law Prevents
52	No Relief - No Response
53	No Relief - BOD/Function Already Provided Relief
54	No Relief - Taxpayer Withdraws Relief Request
55	No Relief - Not an Internal Revenue Law Issue
56	No Relief - Other

- (2) When a TAO has been issued, TAS employees will enter Relief Codes 07, 08, 09, or 10 based upon the disposition of the TAO. TAO Relief Codes are not required on the TAMIS Closing Screen but must be entered on the TAMIS TAO Screen (Taxpayer Screen 6). The resolution of a TAO will **always** take precedence over all other Relief Codes. When TAS issues multiple TAOs to resolve a case, the Relief Code will be based upon the resolution of the first TAO issued.

Reminder: Only TAMIS users with permission levels 4 and 5 may enter Relief Codes 07, 08, 09, and 10 in the Relief Code Field.

- (3) When TAS has resolved **all** the issues the taxpayer agreed to work with TAS to resolve, and has not issued a TAO, TAS will use Relief Code 60 when closing the case.

Example: Relief Code 60, Full Relief: Taxpayer has an economic burden caused by a bank levy and requests a release of the levy as relief. The TAS employee discovers that there are three balance due accounts causing the collection activity. TAS successfully advocates for the levy release, return of any money that should not have been taken, and an installment

agreement (IA) on the three balance due accounts. TAS did not issue a TAO. Upon closing the case, the TAS employee uses Relief Code 60.

- (4) There are times when TAS is unable to relieve all the taxpayer's issue(s) but is able to resolve a portion of the taxpayer's issue(s). A portion of the relief requested by the taxpayer may include but is not limited to:
- A partial levy release of the amount requested.
 - Abatement on some, but not all, tax periods requested.
 - A refund of only a portion of the requested or expected amount.
 - A partial claim allowance.
 - Full relief on one or more issues, but no relief on other issues.

Note: Merely educating the taxpayer about why they are not entitled to relief, does not in and of itself constitute relief when selecting the appropriate Relief/No Relief Code.

- (5) When TAS is able to resolve a portion of the taxpayer's issue(s) and TAS has not issued a TAO, TAS will use Relief Code 70 when closing the case.

Example: Relief Code 70, Partial Relief: Taxpayer has an economic burden caused by a bank levy and requests TAS assistance to release the levy and complete an Offer in Compromise (OIC) to resolve the balance due as relief. The TAS employee discovers that there are three balance due accounts causing the collection activity. TAS secures the bank levy release, but the taxpayer fails to respond to TAS's requests proposing an OIC to prevent future enforcement action on the balance due accounts. TAS did not issue a TAO. Upon closing the case, the case advocate uses Relief Code 70.

- (6) When TAS is unable to grant the taxpayer the relief requested or is unable to resolve any of the taxpayer's issues and has not issued a TAO, TAS will close the case using Relief Codes 50, 52, 53, 54, 55, or 56.

Example: Relief Code 50, No Relief - Law Prevents: Taxpayer contacts TAS for a lien release. The taxpayer's accounts are in status 53, Currently Not Collectible (CNC). TAS research indicates the lien was filed timely and appropriately, and there are no special circumstances that would lead TAS to recommend a release, withdrawal, subordination, discharge, subrogation, or non-attachment. There is no basis for TAS to issue a TAO. The law prevents the IRS from releasing the lien in this situation. Upon closing the case, TAS uses No Relief Code 50.

Example: Relief Code 52, No Relief - No Response: The taxpayer contacted TAS after receiving an eviction notice because they need their refund immediately to avoid being evicted in four days. The taxpayer has not filed a return because of a balance owed for previous years and is afraid the IRS will apply the refund to the past debt. Believing the taxpayer qualifies for an OBR, TAS asks the taxpayer to file a return with the IRS and provide TAS with a copy of the eviction notice. The taxpayer agrees to send the information to the TAS employee that day. TAS attempts to contact the taxpayer the following day because the taxpayer failed to send the requested information to TAS. The taxpayer does not answer call. TAS follows up with a written request and allows a reasonable amount of time for the taxpayer to respond. However, the taxpayer does

not respond or provide the necessary information. There is no basis for TAS to issue a TAO and the taxpayer isn't eligible for an OBR without proof of the economic hardship. TAS closes the case using No Relief Code 52.

Example: Relief Code 53, No Relief - BOD/Function Already Provided Relief: The taxpayer contacts TAS regarding a request for an installment agreement (IA). The taxpayer submitted a written request for an IA 60 days ago and has had no response. After contact with the taxpayer, TAS researched IDRS and determined an IA had been established. When TAS calls the taxpayer regarding the information found on IDRS, the taxpayer states they received the IA confirmation yesterday. There is no basis for TAS to issue a TAO. TAS closes the case using No Relief Code 53.

Example: Relief Code 54, Taxpayer Withdraws Relief Request: The taxpayer contacts TAS after responding to a math error notice more than 120 days ago and the IRS has not responded. TAS determines that this is an audit reconsideration issue, not a math error notice issue. Further research indicates that the IRS had previously denied two of the taxpayer's dependent deductions and removed withholding claimed on the return. TAS researches IRPTR but is unable to verify the wages and withholding claimed on the return. TAS contacts the taxpayer. The taxpayer denies any problems with the IRS and does not want TAS assistance. There is no basis for TAS to issue a TAO. TAS closes the case using No Relief Code 54.

Example: Relief Code 55, No Relief - No Internal Revenue Law issue: The taxpayer contacts TAS stating that the IRS levied their bank account and it is causing a hardship. TAS researches IDRS but could not find a balance due for the taxpayer or any attempted collection action on the part of the IRS. The taxpayer is adamant the IRS levied the bank account and agrees to mail a copy of the letter that was received from the IRS to TAS. Upon receipt of the letter from the taxpayer, TAS determines that it was not the IRS that had levied the taxpayer's account; it was the State of Maine, Revenue Services. TAS explains to the taxpayer that this was a State of Maine tax liability and TAS can only assist with federal tax liabilities. There is no basis for TAS to issue a TAO. TAS closes the case using No Relief Code 55.

Example: Relief Code 56, No Relief - Other: the taxpayer contacts TAS stating the IRS had levied \$20,000 from a bank account and does not know why. TAS researches IDRS and did not find a balance due or any collection activity on the taxpayer's account. The TAS employee asks the taxpayer to provide a copy of the letter the taxpayer received from the bank. The taxpayer tells TAS that the taxpayer runs a check cashing business. TAS works with a technical advisor and determines that this issue may involve a reclamation credit. TAS sends an OAR with the letter from the bank to IVO. In response to the OAR, IVO confirms that the money deducted from the taxpayer's bank account by the Treasury was for the purpose of repaying funds from cashing multiple refund checks. This occurs when a taxpayer files a claim against the Government for a lost refund check. The Bureau of the Fiscal Service (BFS) is responsible for collecting all funds from each responsible party's bank account. The

bank is responsible for alerting their customer(s) of the actions taken at the time of the deduction. BFS also notifies the individual when a determination is made to collect on these claims filed by taxpayers for cashing their refund check without their permission. The IRS considers this issue a personal matter, and the taxpayer must file a suit against the bank to obtain the names of the customers identified by BFS. The IRS cannot provide this information under the Disclosure laws. There is no basis for TAS to issue a TAO. TAS provides the taxpayer with BFS's telephone number. TAS closes the case using No Relief Code 56.

Reminder: If the taxpayer meets IRC 7811, and TAS determines that the relief requested by the taxpayer is not appropriate, TAS must provide a written response to the taxpayer explaining why relief is not being granted. If it is an economic burden case (criteria 1-4), the LTA must sign the written response. See IRM 13.1.21.2.1(7)(a).

- (7) When making a relief determination, it does not matter whether the relief was provided by TAS directly (within our statutory or delegated authority) or provided by the BOD/Function via an Operations Assistance Request (OAR).

13.1.21.2.1.2
(01-24-2024)

Relief Date

- (1) The Relief Date is a required field for all cases when the **7811** determination equals "Y" **AND** if the Relief Code is:

- 07 - TAO Issued - BOD/Function Complied.
- 08 - TAO Issued - BOD/Function Appealed; TAO Sustained.
- 09 - TAO Issued - BOD/Function Appealed; TAO Modified.
- 60 - Full Relief.
- 70 - Partial Relief.

- (2) The Relief Date is the later of the closing contact date or the date TAS advised the taxpayer of the relief action.

13.1.21.2.2
(04-01-2021)

Examples of Closed Case Points

- (1) The following subsections provide unique closing clarification.

13.1.21.2.2.1
(04-01-2021)

Adjustment Cases

- (1) The TAS case is closed when the corrective input is posted on IDRS and the taxpayer is informed of the amount of the adjustment.

- (2) When moving money (including from Excess Collection) close the TAS case when all transfers are fully posted.

- (3) See IRM 13.1.21.2.2.6, Balance Due, if a balance due remains.

13.1.21.2.2.2
(01-24-2024)

Appeals

- (1) Close cases involving Appeals issues in the following situations, being mindful of processing and remaining statute timeframes for IRC 6532, regardless of whether the taxpayer and the IRS signed Form 907, Agreement to Extend the Time to Bring Suit. These examples represent only a handful of situations involving Appeals issues that come to TAS:

- a. If the issue is solely to get an appointment, close the TAS case once the appointment is set and the taxpayer or representative is informed of the appointment time.

Note: In situations where the taxpayer is facing economic burden, the case can remain open to ensure Appeals expedites the case through their process.

Exception: If the appointment relates to the appeal of a claim disallowance, keep your case open until the IRS or Appeals makes its determination (and issues any applicable refund plus interest) about the appeal of the claim disallowance, regardless of whether the taxpayer and the IRS signed a Form 907. TAS keeps these cases open to ensure Appeals protects the IRC 6532 statute.

- b. If the TAS case arises because the taxpayer's problem is that they were not afforded appeal rights due to a determination by an Operating Division (OD), close the TAS case when Appeals makes a determination whether or not to grant such appeal rights and the taxpayer or representative is advised of the Appeals' determination.

Exception: If the appeal relates to a claim disallowance, keep your case open until the IRS or Appeals makes its determination (and issues any applicable refund) about the appeal of the claim disallowance, even if no Form 907 was signed. TAS keeps these cases open to ensure Appeals protects the IRC 6532 statute.

- c. TAS will close the case when in agreement with Appeals' determination and satisfied that all appropriate options have been considered.
- d. If TAS disagrees with Appeals' final determination or finds Appeals has not considered all the taxpayer's documentation and the taxpayer is facing significant hardship as defined by IRC 7811, TAS should consider issuing a TAO. Refer to IRM 13.1.20, TAS Taxpayer Assistance Orders (TAOs).
- e. If the issue is a delay or non-responsiveness of Appeals, the TAS case must remain open until the issue is resolved. TAS must ensure that the taxpayer or representative is informed of Appeals' decisions, *etc.*
- f. If the outcome involves an adjustment, the account must reflect the posted adjustment on IDRS and the taxpayer or representative must be informed about the adjustment before the case is closed.

- (2) Penalty Appeal cases should follow the same closing guidelines as in paragraph (1) above.

13.1.21.2.2.3
(04-01-2021)
Appointments Only

- (1) If the sole issue of a TAS case is the taxpayer's or representative's inability to obtain an appointment with an Operating Division, close the TAS case when the appointment date is confirmed with the taxpayer or representative.

13.1.21.2.2.4
(01-24-2024)
Audit Reconsiderations

- (1) Close the TAS case when the following three steps have been completed:
- Step 1 - the reopened examination has been completed.
 - Step 2 - the taxpayer or representative has been notified of the results.
 - Step 3 - the adjustments (including any TC 971s) are posted on IDRS.

- (2) At the time of closing, transactions **not** related to the TAS case, are also required to be fully posted **IF** they will impact tax, credits, or other adjustments to an account balance. Generally, if the taxpayer will be adversely impacted (*e.g.*, experience delays or receive a decreased refund or a balance due notice) if the adjustment were to go unpostable, TAS should hold the case open until that adjustment posts to prevent the taxpayer from having to contact TAS again to resolve a new issue.

Example: TAS is working a 2020 audit reconsideration issue. The audit is now closed, and all necessary adjustments related to the reconsideration have posted. The taxpayer will still owe a balance and TAS was going to establish a streamlined installment agreement (IA) for the taxpayer. In reviewing the taxpayer's accounts prior to inputting the IA, TAS discovered the taxpayer filed their 2021 return (TC 150) which is pending and shows a balance due. In this situation, TAS is required to advise the taxpayer the IRS received and is processing the 2021 return. TAS will hold the case open until the 2021 return posts prior to establishing the IA because if TAS establishes the IA for the 2020 account only, the IA will default when the 2021 return posts with a balance due.

- (3) In campus audit reconsiderations, close the case once ALL the following have occurred:
- The IRS issues Letter 3340C, per IRM 4.13.3.8.2, Closing Procedures - Partial Disallowance, or IRM 4.13.3.8.3, Closing Procedures - Full Disallowance.
 - The partial or full disallowance adjustment (*e.g.*, TC 29X) posts on the taxpayer's account.
 - TC 971 with AC 5XX posts on the taxpayer's account.
- (4) In field audit reconsiderations, close the case once ALL three steps in paragraph (1) have been completed. Steps 1 and 2 happen concurrently. However, when the taxpayer requests a timely appeal, Step 3 happens much later after Appeals has heard the appeal and a back-end function inputs the Appeal determination. See IRM 4.10.11.4.9(7), Audit Reconsiderations - Partially Disallowed.

13.1.21.2.2.5
(04-01-2021)
**Backup Withholding
(BWH)**

- (1) Close the TAS case when the BWH has been lifted (*i.e.*, indicator is updated) and the payers have been notified, or an explanation of why the BWH is correct has been provided to the taxpayer or representative.

13.1.21.2.2.6
(04-01-2021)
Balance Due

- (1) For cases which have a balance due at the completion of case processing, TAS must address the following before closing the case:
- a. Advocate for the taxpayer by investigating and determining the cause of a taxpayer's balance due and working with the taxpayer to address the cause(s) of the balance due, when applicable. For example, the underlying balance maybe the result of an EITC audit that the taxpayer never participated in or an adjustment for a cancellation of debt issue where the taxpayer was indigent. It could be advocating for help with penalty relief. Document the cause and actions taken to address any balance due in TAMIS. See IRM 13.1.21.2.1, Closing Actions.
 - b. Inform the taxpayer or representative about the balance owed with accruals as of a specific date. Offer a breakdown of tax, penalties, and

interest. If applicable, provide adjustment and offset amounts. Inform the taxpayer that a notice will be forthcoming with the balance due amount. Interest will continue to accrue until the account has been satisfied. The penalty(ies) will accrue until the maximum penalty, by law, has been assessed.

Note: If the taxpayer requests a breakdown of the balance due, compute the balance due. Be aware of situations that may require manual computations and use IDRS Command Code INTST. Do not use the balance due provided by Accounts Management System (AMS) as the AMS calculations do not include a breakdown of both assessed and accrued failure to pay penalty and interest.

Example: A Case Advocate is getting ready to close a case as “no response”. The taxpayer has not resolved the balance due. If the unpaid assessed balance is \$56,800 but the balance with accruals was \$58,400, the second request letter would include a caution to the taxpayer that they are very close to meeting the passport revocation threshold of an unpaid assessed balance of over \$59,000 for tax year 2023. Providing the CC INTST payoff amount, which includes a breakdown of assessed versus accrued failure to pay penalties and interest, would have added value to the taxpayer as opposed to providing the AMS calculation which would not show a breakdown and would only show the balance of \$58,400. Providing the AMS calculation may lead to confusion as to whether the taxpayer is or is not subject to passport revocation.

- c. Solicit payment and provide payment instructions.
- d. Discuss payment alternatives such as Installment Agreements (IA) and Offer in Compromise (OIC). See IRM 5.19.1, Balance Due, for additional payment alternative information.
- e. If the taxpayer has indicated they cannot pay, discuss whether they meet a non-collectible hardship status and the necessity of completing a collection information statement to determine eligibility. See IRM 5.19.17.2.1.4, CNC Unable to Pay - Hardship, IRM 5.19.13.3, Securing Financial Information, IRM 5.16.1.2.9, Hardship, or IRM 5.15.1, Financial Analysis Handbook, for additional information.
- f. If the taxpayer does not want further assistance from TAS, refer the taxpayer to the appropriate Operating Division for assistance and document TAMIS accordingly.
- g. Inform the taxpayer or representative that normal collection procedures may resume unless the taxpayer takes steps to address the balance due.

13.1.21.2.2.7
(04-01-2021)
**Bureau of the Fiscal
Services (BFS) - Limited
Payability**

- (1) When a refund check being traced is **over 14 months and 15 days old**, the case must remain open until the determination is made whether to reissue the check and, if reissued, the reissued refund posts to the account and the account is in zero balance. See IRM 13.1.21.2.2.18, Lost, Stolen or Not Received Refund Checks for more information.

13.1.21.2.2.8
(01-24-2024)
Claims

- (1) There are four processes involved with claims - Acceptance, Denial, Examination, and Delay. The closing criteria will depend on which process is involved in the TAS case.

- a. **Acceptance of Claim** - Close the TAS case when the adjustment is posted and the taxpayer or representative has been notified of the change.
- b. **Denial of Claim** - Close the TAS case when the taxpayer or representative has been notified of the denial, given appeal rights, was issued one of the appropriate claim disallowance letters such as a Letter 105C or 106C, and TC 290 for .00 has posted.
- c. **Selected for Examination** - Close the TAS case when the taxpayer or representative has been notified that the claim has been selected for examination. If the claim is subject to a field examination, provide the examiner's name, address, telephone number, and confirmed appointment date and time. If the claim is subject to a campus correspondence examination, provide the correspondence examination toll-free number, mailing address and expected next contact date. See the SERP references for correspondence examination toll-free numbers. Whether the TAS case remains open once the appointment is scheduled will depend on the facts and circumstances of the case.

Example: A taxpayer submits a Form 1040X, Amended U.S. Individual Income Tax Return, meeting Category A (CAT A) criteria. The taxpayer came into TAS to obtain help in processing the Form 1040X. The amended return is selected for field examination. Close the TAS case once the taxpayer is notified of the examination appointment date and time, and provide the taxpayer with the examiner's name, address and telephone number.

- d. **Delay in Processing** - If the TAS case involves a problem with the examiner's work on the claim, the TAS case **must** be kept open until the taxpayer's problem has been resolved.

Example: A taxpayer contacts TAS regarding the Form 1040X the taxpayer filed to claim a refund. The taxpayer has not received any response from the IRS. TAS researches IDRS and determines Examination has an open AIMS control on the Form 1040X. Close the TAS case when a determination is made, applicable adjustments post, or if the claim was denied, a TC 290 for .00 posts and the taxpayer is notified of the determination and appeal rights.

- (2) If a determination was made on a TAS case and the taxpayer or representative subsequently disagrees with the decision and wishes to exercise appeal rights, TAS should exercise judgment as to whether the case should remain in TAS or be closed. TAS cases involving Appeals do not have to be held open unless the taxpayer requests that TAS assist with the Appeals process. In deciding whether to close such a case, TAS should use common sense and good judgment as to the likelihood that there will be a continuing dispute that warrants TAS's ongoing assistance. If the case is closed, remind the taxpayer that if they find the Appeals process is not working, they can re-contact TAS.

Note: When closing a case where the taxpayer's account will be in active collection status, see IRM 13.1.21.2.2.9, Collection Cases - Active Collection Status.

- (3) Consider Refund Statute Expiration Date (RSED) issues and the taxpayers' Right to Pay No More than the Correct Amount of Tax. Note whether the claim/return was timely filed based on IRC 6511. IRC 6511 provides the RSED is the date by which a taxpayer must file their claim with the IRS to obtain a credit or

refund of an overpayment. Generally, the claim for credit or refund must be filed within three years from the date the return was filed, or two years from the date the tax was paid, whichever is later. But remember that there are many exceptions to the general rule. Look for instances where there is no record of the IRS receiving the return(s). Consider advising the taxpayer to file the original or amended return again to the proper IRS filing location in a way that gives the taxpayer proof of timely mailing. Do not advise the taxpayer to file their return with TAS. See IRM 13.1.18.8.3, Taxpayers Delivering Returns to TAS and TAS Date Stamp. The IRS can issue a refund after the RSED as long as the claim is timely filed with the proper filing location.

13.1.21.2.2.9
(04-01-2021)

**Collection Cases -
Active Collection Status**

- (1) A collection case in which the taxpayer has substantiated an inability to full pay the outstanding tax delinquencies generally requires the application of a collection alternative prior to closing the case. These alternatives can take the form of a traditional Installment Agreement (IA), Partial Payment Installment Agreement (PPIA), Offer in Compromise (OIC), or Non-Collectible status (CNC hardship, Defunct Corporation, etc.). TAS has an advocacy role to ensure when cases involve situations where the taxpayers have substantiated the inability to full pay, case closure should not be considered closed until after TAS has provided the taxpayer with collection alternatives. See IRM 5.19.1, Balance Due, or IRM 5.19.17, Campus Procedures for Currently Not Collectible and Offers in Compromise, for additional collection alternative information. Advocate by determining and addressing with the taxpayer the cause of the balance due and preventative measures, when applicable.

13.1.21.2.2.10
(01-24-2024)

**Criminal Investigation
(CI) Freeze**

- (1) Within this subsection, when a taxpayer's return has been included in a potential "refund scheme," and a determination is made that the taxpayer has filed a legitimate return, then that taxpayer is determined to have filed a "true return." If the case involves a "true return," the case remains open until a resolution is reached.
- (2) Following the guidance provided in IRM 25.30.4, Service Level Agreement between the Criminal Investigation Division and the Taxpayer Advocate Service, CI must be notified via Operations Assistance Request (OAR) that the taxpayer has contacted TAS. Case closure becomes contingent on CI's advice to TAS on case actions, which differs from case to case. See IRM 13.1.10.9, Inquiries on Open Cases with Criminal Investigation Involvement and *Case Assistance by Issue Code (CABIC) 950*, Criminal Investigation, for OAR routing guidance.

Reminder: When completing any case closure actions, TAS needs to use caution **not** to discuss or disclose CI involvement with the taxpayer or representative.

- (3) For balance due inquiries, follow procedures in IRM 5.19.1.5.13, Criminal Investigation Division Indicators (CID) on Balance Due Cases, and IRM 5.19.1.3.5(4), For Other Account Issues, where CI "Z" freezes exist.

13.1.21.2.2.11
(04-01-2021)

Entity Merges

- (1) Close the TAS case when the merge is processed, and the TC 011 is fully posted on IDRS.

- 13.1.21.2.2.12
(04-01-2021)
Erroneous Refunds
- (1) Erroneous Refunds (Unassessable, Category B or D) - In cases involving a refund resulting from mistakes (usually clerical or ministerial) and not involving a redetermination of the tax liability, the TAS case will remain open until:
 - a. The taxpayer repays the erroneous refund and the payment has posted to IDRS; or
 - b. The erroneous refund package is sent to the campus Accounting Office and an IDRS control category "ERRF" is reflected on IDRS.
 - (2) Erroneous Refunds (Assessable - Category A1, A2 or C) - In cases requiring a recalculation of the tax liability, the case will remain open until:
 - a. The taxpayer either repays the erroneous refund within the demand period and the payment has posted to IDRS or the TC 845 has posted to IDRS; or
 - b. The adjustment to correct the account has posted to IDRS, if the taxpayer does not repay; or
 - c. The taxpayer has entered into an installment agreement (IA) to repay the erroneous refund and it has been input for systemic or manual monitoring.
- 13.1.21.2.2.13
(01-24-2024)
Identity Theft
- (1) Take all steps necessary to perfect the account as outlined in IRM 25.23.1, Identity Protection and Victim Assistance - Policy Guidance. This includes verifying that the TC 971 AC 501/506 posted to CC ENMOD for each tax year impacted by identity theft and for which the taxpayer provided identity theft substantiation. Verify the address on CC ENMOD is correct.
- 13.1.21.2.2.14
(04-01-2021)
Innocent Spouse Cases
- (1) An Innocent Spouse TAS case can be closed when:
 - a. The OD/Function makes a determination and completes any necessary adjustments including TC 972 AC 065, and all adjustments are posted.
 - b. The Innocent Spouse issue is in litigation. See IRM 13.1.10.10.1, Request for Assistance in Which Counsel or the Department of Justice has Jurisdiction.
 - c. Cases going to Appeals will not be closed until Appeals makes a determination on the appeal and the taxpayer or representative is informed. If the outcome involves an adjustment, the adjustment *must* be posted (not pending) on IDRS or NMF.
 - d. Cases requiring NMF action will not be closed until the required transactions are posted (not pending) on the NMF system (MARS) or under MFT 31.
 - e. Cases regarding only the status or receipt of the Innocent Spouse claim can be closed when the information is provided to the taxpayer.
- 13.1.21.2.2.15
(04-01-2021)
Installment Agreements (IA)
- (1) When a TAS case involves a taxpayer, who had been unable to secure an IA but TAS secures an acceptable IA, the case will remain open until the IA is input for systemic or manual monitoring and applicable TC 971 action codes posted.
 - (2) If the IA request is rejected, the case is referred to Operations using OAR procedures. Refer to IRM 5.19.1.6.4.10.1, Independent Reviewer Responsibility. If the independent reviewer upholds the rejection, the taxpayer is entitled to appeal the decision. The case will remain open until the independent review is completed and the taxpayer has been given appeal rights (via an IDRS

generated Letter 2272C, Installment Agreement Cannot be Considered/ Extension to Pay Cannot be Considered).

Note: If a determination was made on a TAS case and the taxpayer or representative subsequently disagrees with the decision and wishes to exercise appeal rights, TAS should exercise judgment as to whether the case should remain in TAS or be closed. TAS cases involving appeals do not have to be held open unless the taxpayer requests TAS assist with the Appeals process. If the case is to be closed, remind the taxpayer that if they find the Appeals process is not working, they can re-contact TAS. In deciding whether to close such a case, a TAS employee should use common sense and good judgment as to the likelihood that there will be a continuing dispute that warrants TAS's ongoing assistance.

(3) Upon closing, taxpayers should be educated on other methods to address their balances, such as the Offer in Compromise (OIC) program.

13.1.21.2.2.16
(01-24-2024)
**Interest Abatement
Claims**

(1) Close the TAS case after a decision is made, the adjustment is completed and posts, or a TC 290 for .00 posts and the taxpayer or representative has been notified. If a determination was made on a TAS case and the taxpayer or representative subsequently disagrees with the decision and wishes to exercise appeal rights, TAS should exercise judgment as to whether the case should remain in TAS or be closed. TAS cases involving Appeals do not have to be held open unless the taxpayer requests that TAS assist with the Appeals process. In deciding whether to close such a case, TAS should use common sense and good judgment as to the likelihood that there will be a continuing dispute that warrants TAS's ongoing assistance. If the case is to be closed, remind the taxpayer that if they find the Appeals process is not working, they can re-contact TAS.

13.1.21.2.2.17
(04-01-2021)
International Taxpayers

(1) When a TAS case involves an international taxpayer, expecting a refund, close the TAS case after the taxpayer has confirmed receipt of the refund.

Example: The taxpayer has filed a Form 843, Claim for Refund and Request for Abatement, to request a refund. The taxpayer's claim was allowed in full and a refund issued. TAS closes the case after confirming from the taxpayer the refund was received.

(2) If the taxpayer is not available by telephone to confirm receipt of the refund, a letter must be sent to verify the taxpayer received the refund check. The TAS letter will advise the taxpayer to contact TAS by a specific date if the refund is not received by that date. Grant a minimum of 30 days to taxpayers or their representatives outside of the continental United States. Include the exact amount of refund with interest stated separately, and if indicated on IDRS, warn of possible offset. Close the TAS case if no response from the taxpayer or their representative by the date stated on the letter.

13.1.21.2.2.18
(04-01-2021)
**Lost, Stolen or Not
Received Refund
Checks**

(1) Lost or stolen refund check inquiries will be handled in accordance with IRM 21.4.2, Refund Trace and Limited Payability, and IRM 21.4.1.4.4, Refund Issued But Lost, Stolen, Destroyed or Not Received, unless economic burden exists, and can generally be closed once the IRS has no further influence and the taxpayer must communicate with BFS. These include, but are not limited to, the following situations:

- a. **Refund Inquiry - No Form 3911, Taxpayer Statement Regarding Refund, Filed by Taxpayer** - Close this case when either the Form 3911 has been sent to the taxpayer or the IDRS CC CHKCL has been input per oral statement criteria and the IDRS control has been opened with the appropriate campus's Refund Inquiry Unit IDRS number. Oral statement criteria applies to all filing statuses. For Married Filing Joint (MFJ) taxpayers, the caller must verify that neither spouse cashed the refund check. This verification must be notated as a history item on AMS.
 - b. **Refund Inquiry - Form 3911 Previously filed by Taxpayer or Taken by Oral Testimony from Taxpayer (CC CHKCL previously input or TC 971 with appropriate AC present)** - TAS must obtain information regarding the disposition of the refund from BFS. Based on procedures in IRM 21.4.2, Refund Trace and Limited Payability, take appropriate action to resolve the taxpayer's refund trace inquiry, including advising the taxpayer to contact BFS.
- (2) If the check has been cashed, close the TAS case when either the IRS or BFS has sent a copy of the cancelled check and Form FS 1133, Claim Against the United States for the Proceeds of a U.S. Treasury Check (Letter 206C, Refund Inquiry; Copy of Check Requested/Check Being Traced (Form FS 1133)), to the taxpayer (status code 11 or 14). If a print of the cashed refund check has been provided to the taxpayer from Payments, Claims and Enhanced Reconciliation (PACER) on-line and a Form 3911 has been provided, the case can be closed.
 - (3) Once the Form FS 1133 has been sent out, the taxpayer will be advised to direct all further inquiries regarding the status of the refund trace through the BFS Check Claims Branch at 1-855-868-0151. See IRM 21.4.2.4.12(2), Bureau of the Fiscal Service (BFS) Claims.
 - a. IRM 21.4.2.4.12.1, Undeliverable Form FS 1133, should be followed when the taxpayer states a copy of the Form FS 1133 was not received from BFS.
 - b. Provide the taxpayer with the check symbol and number. Use CC IMFOL# to find the check symbol and number.
 - (4) If the check has not been cashed, there are two options:
 - a. Wait until the money comes back to the IRS from BFS, an action which automatically reissues the check, closing the case when the TC 846 has posted, and the account shows a zero balance; or
 - b. Verify the credit is on the module then issue a manual refund, closing the case when the TC 840 has posted, the module shows a zero balance, and the taxpayer has received the check.
 - (5) Refund Inquiry - Non-Receipt of Direct Deposited Refunds - take appropriate action based on IRM 21.4.1.5.7.5, Non-Receipt of Direct Deposited Refunds - "Refund Inquiry Employees".
 - a. If issuing a manual refund, close the case when the TC 840 has posted, the module shows a zero balance, and the taxpayer has received the check (plus any applicable interest).
 - b. If taxpayer or their representative caused the error and the financial institution will not return the credit, close the case once the taxpayer is notified that the IRS does not have the authority to demand the return of

the refund from the designated financial institution because the refund deposit went into the account listed on the tax return; or

- c. If a direct deposit was diverted as a means of theft by an IRS employee or someone impersonating an IRS employee, close the case after making a referral to Treasury Inspector General for Tax Administration (TIGTA) following IRM 21.4.1.5.7.1, Direct Deposit of Refunds, IRM 21.4.1.5.7.5, Non-Receipt of Direct Deposited Refunds - "Refund Inquiry Employees", and IRM 21.4.2.3, Refund Trace Process.

- (6) Taxpayer filed Form 13818, Limited Payability Claim - When a refund check being traced is over 14 months and 15 days old, the case must remain open until the determination is made whether to reissue the check and, if reissued, the reissued refund check posts to the account and the account is in zero balance.

13.1.21.2.2.19
(04-01-2021)

Manual Refunds

- (1) Close the TAS case after the taxpayer has been notified, the TC 840 has posted, the account has a zero balance and TAS verifies the taxpayer received the refund (except in cases that would not be expected to go to zero balance such as bankruptcy, Social Security Administration (SSA) tax for foreign students, third party claims, *etc.*)

Example: TAS assisted the taxpayer in securing a manual refund for their return via direct deposit. Once the refund was released, TAS noticed an address change input by Accounts Management, which the taxpayer confirmed with TAS was a new address. TAS can close the case without waiting for the address change to post, as it will not have an impact on the delivery of the refund.

- (2) If the taxpayer is not available by telephone, a letter must be sent to verify the taxpayer received the refund check. The TAS letter will advise the taxpayer to contact TAS by a specific date if the refund is not received by that date. Include the exact amount of refund with interest stated separately, and if indicated on IDRS, warn of possible offset. Close the TAS case after a reasonable time frame for receipt after the time stated on the letter. Take into consideration the location of the taxpayer, foreign, local or cross country, in determining what is a reasonable time frame. Generally, two weeks or less is reasonable, but grant a minimum of 30 days to taxpayers or their representatives outside of the continental United States.

- (3) When a TAS case results in the issuance of a manual refund by TAS, document the issuance on TAMIS by selecting the Manual Refund button on the TAMIS Closing Action Screen. Check the Manual Refund box whether the manual refund was provided by TAS directly (within our statutory or delegated authority) or was provided by the IRS Operating Division or Functional Unit via an OAR.

Note: When the TAS case is received and there is a manual refund already input or pending by the IRS OD/Function, without intervention from TAS, do not check the Manual Refund box on the TAMIS Closing Action Screen.

- (4) Refer to IRM 21.4.4, Manual Refunds, and IRM 3.17.79, Accounting Refund Transactions, for additional information on TAS manual refund procedures.

13.1.21.2.2.20
(01-24-2024)

No or Partial Reply from Taxpayer

- (1) When additional information from the taxpayer or representative is required because the information is not available through internal sources, two attempts **must** be made (the second must be in writing) to obtain the information or documents. The second request **must** provide:
- a specific date the response is due;
 - the consequences of no response or a partial response;
 - the balance due on the accounts, including accruals computed through a specific date; and
 - list the specific document(s) needed to assist in case resolution.

Note: Second request letters are not applicable in congressional cases.

- (2) If there is no response to the second request by the date requested in the letter, close the TAS case. Document an explanation if longer or shorter time frames are agreed upon with the taxpayer or representative, and reasons for requesting information from the taxpayer or representative that could not be obtained from the IRS. Grant a minimum of 30 days to taxpayer or representative outside of the continental United States.
- a. If TAS must contact a third party (*e.g.*, bank, employer, *etc.*) for information and does not receive a reply, tell the taxpayer of the lack of response, and give them a reasonable amount of time to furnish the information before closing the case.
- (3) Allow sufficient time for taxpayer or representative responses. Consider the following factors when setting response dates:
- Type of information requested;
 - Source of the documents;
 - Volume of documentation requested;
 - Taxpayer's ability to obtain the documentation;
 - Taxpayer is not represented and reliant upon their own resources in securing documentation;
 - Statutory of OD/Function deadlines; and
 - Taxpayer's specific circumstances.

13.1.21.2.2.21
(04-01-2021)

Non-Master File (NMF) and MFT 31

- (1) Payments and adjustments fully satisfying NMF accounts must post to the taxpayer's account. A current NMF transcript reflecting the posted transactions must be obtained prior to closing the case for documentation purposes.
- (2) Payments and adjustments fully satisfying MFT 31 accounts must post prior to the taxpayer's account. An IDRS print of the MFT 31 account reflecting the posted transactions must be obtained prior to closing the case for documentation purposes.
- (3) There are other situations that involve more than one MFT. In multiple MFT situations, TAS must verify posting of the credit transfer on both MFT modules before closing the case. It doesn't matter which issue brought the taxpayer to TAS.

Example: TAS is working a case including the posting of a tax return with an overpayment and a liability for the Shared Responsibility Payment (SRP). TAS must verify the posting of the MFT 30 TC 896 debit and MFT 35 TC 796 credit posting before closing the case. It does not matter whether

the SRP issue was the problem that brought the taxpayer to TAS. The posting of the liability and offset to MFT 35 are part of the posting of the return.

13.1.21.2.2.22
(01-24-2024)
**Offer in Compromise
(OIC)**

- (1) There are three main processes involved with OICs:
 - a. Processability determination;
 - b. Offer investigation; and
 - c. Appeals Review.
- (2) The general case closing criteria listed below applies to OICs where there is doubt as to collectibility or doubt as to liability. If the sole issue is whether to stay collection while the offer investigation is pending (or during a subsequent Appeals Office review), close the TAS case when the appropriate collection stay determination has been made. TAS should ensure adherence to IRM 1.2.1.6.16, Policy Statement 5-97, IRM 5.8.4.6, Initial Compliance Screening, and IRM 5.8.4.7, Initial Offer Actions. The collection stay will generally be evident by IDRS Master File Status Code (SC) 71 (MF) and SC 89 (NMF).
- (3) If an OIC determination was made on a TAS case and the taxpayer or representative disagrees with the decision and wishes to exercise appeal rights, TAS should exercise judgment as to whether the case should remain open in TAS or be closed. TAS should consider the request and the benefit to the taxpayer. The case does not have to be held open unless the taxpayer requests that TAS provide assistance with the Appeals process. In deciding whether to close such a case, TAS should use common sense and good judgment as to the likelihood that there will be a continuing dispute that warrants TAS's ongoing assistance. If the case is to be closed, remind the taxpayer they can re-contact TAS if they find the Appeals process is not working.

13.1.21.2.2.22.1
(04-01-2021)
**Processability
Determination**

- (1) If the issue involves solely the IRS's OIC processability determination, close the TAS case when either the taxpayer's offer becomes processable and is taken into the program for full investigation and review (this includes IDRS TC 480 posted to every affected tax module), or the taxpayer is notified in writing as to why the offer is unprocessable and the taxpayer cannot or declines to meet processability criteria. The TAS case will remain open to allow the taxpayer a reasonable amount of time (based upon the facts and circumstances of the taxpayer's case. Document TAMIS for the reason for allowing time beyond 14 days or 30 days for taxpayers or representatives outside the continental U.S.) to resubmit an offer that is processable. TAS will ensure processability determinations following the guidelines in IRM 5.8.3, Offer in Compromise, Centralized Offer in Compromise Transfers, Perfection, and Case Building, and on Form 656, Offer in Compromise. These guidelines preclude IRS personnel from using subjective criteria (*e.g.*, questions concerning allowable taxpayer expenses or the value of taxpayer property) when determining offer processability.
- (2) When the function determines the offer is not processable, TAS has an opportunity to exercise their role as advocates by reviewing the documentation provided by the taxpayer. If the review indicates the information provided supports processing the OIC, TAS should advocate for the taxpayer and consider use of a TAO. See IRM 13.1.20, TAS Taxpayer Assistance Orders (TAOs).

13.1.21.2.2.22.2
(04-01-2021)

Offer Investigation and Review

- (1) If the taxpayer's problem involves the actual offer investigation and review, close the TAS case as follows:
- Close the TAS case on accepted offers when the taxpayer has been notified of the acceptance and TC 780 has posted to all compromised tax modules.
 - Close the TAS case on rejected offers when the taxpayer has been notified of the rejection and given the right to appeal, and 1) the taxpayer or representative chooses to pursue the acceptance of the offer within Appeals; or 2) TAS assists the taxpayer in securing another payment alternative (*e.g.*, installment agreement (IA), currently not collectible (CNC), *etc.*). See IRM 13.1.21.2.2.8, Collection Cases - Active Collection Status.
- Note:** If TAS determines that the IRS rejection of the OIC is inconsistent with Policy Statement P-1-100, and the procedural guidance in IRM 5.8.1, Offer in Compromise - Overview, and objects to the rejection, the TAS case should not be closed until the disagreement has been fully addressed. See IRM 13.1.21.2.2.22.3, OIC Appeals Review,
- Close the TAS case on withdrawn offers when the taxpayer's request for withdrawal has been acknowledged and TC 482 has posted to all affected tax modules.

13.1.21.2.2.22.3
(04-01-2021)

OIC Appeals Review

- (1) If the taxpayer's problem involves the Appeals Office review of a rejected offer, close the TAS case after Appeals appropriately accepts or rejects the offer and the appropriate IDRS transactions have posted to all affected modules, *e.g.*, TC 780 for accepted offers and TC 481 for rejected offers.

13.1.21.2.2.23
(04-01-2021)

Processing Returns

- (1) When the issue in the TAS case is the processing of a return, close the TAS case when TAS verifies there is a TC 150 showing on CC IMFOL or BMFOL and the taxpayer has been advised of any refund or balance due.

13.1.21.2.2.23.1
(01-24-2024)

Pre-Refund Wage Verification Hold (PRWVH)

- (1) If a return selected by the Pre-Refund Wage Verification Hold (PRWVH) filters can be verified with information available through Command Code (CC) IRPTR or if the taxpayer provides supporting documentation to resolve any discrepancies, the case can be closed once a systemic refund is generated. If a manual refund is issued, refer to IRM 13.1.21.2.2.19, Manual Refunds.
- (2) If the taxpayer needs to file an amended return to resolve the PRWVH issue, the case can be closed after the TAS employee explains the reason for the refund hold and instructs the taxpayer to file an amended return using the ICT/IVO process:
- a. Write the phrase "ICT/IVO" on the top of the Form 1040X.
 - b. Mail the amended return to the Internal Revenue Service, Stop 360, 310 Lowell St., Andover, MA 01810.
 - c. Advise the taxpayer to contact TAS again if their amended return has not been processed within 90 days of filing to discuss re-opening their case.

13.1.21.2.2.24
(04-01-2021)
**Revenue Protection
Strategy (RPS)**

- (1) Examination RPS cases include open examinations, requests to reopen examinations, and prior-year revenue protection projects. Open RPS cases may be identified by an “L” freeze indicator and a RPS Project Code like the 600 or 099 series project codes on CC AMDISA.
- (2) Close a TAS Examination RPS case when either the documentation has been received from the taxpayer that validates the Fuel Tax Credit, the EITC or the dependency eligibility, or the taxpayer agreed with the assessment; and
 - a. IDRS and AIMS research indicates that the L, P, or R freezes have been released; and
 - b. The taxpayer has been notified that the information has been accepted, and the date the refund can be expected (if applicable).
- (3) If the taxpayer submits the information after the first request from TAS but the information is not sufficient to validate the Fuel Tax Credit, the EITC or the dependency eligibility, TAS must advise the taxpayer that additional information is needed. This required second request **must** be in writing and must specifically indicate to the taxpayer what information is missing and the consequences if there is no reply. TAS may determine that a telephone call to the taxpayer explaining what specifically is needed would assist in clarifying the documents needed to resolve the taxpayer’s problems. After the telephone call, the written second request would memorialize the telephone conversation by stating “Per our conversation today, I need the following information to move forward on your case.” If the information requested in the second contact is not received by the specified time frame, forward the information previously submitted by the taxpayer to the Correspondence Examination Unit on Form 4442, Inquiry Referral, then close the TAS case.
- (4) If the taxpayer submits no information after two TAS requests (second request **must** be in writing), close the TAS case.
- (5) If the OD/Function determines the taxpayer’s information submitted does not merit an allowance, and TAS agrees with the OD/Function’s decision, close the TAS case when the taxpayer or representative has been notified of the denial and given appeal rights. Prior to closing the TAS case, TAS will ensure the taxpayer received a 30-day letter as well as Pub 5, Your Appeal Rights and How To Prepare a Protest If You Don’t Agree. The 30-day letter will afford the taxpayer an opportunity to request an Appeals conference. If the taxpayer decides to go to Appeals, the TAS case should remain open at least until the taxpayer is provided an appointment date and time. Whether the TAS case remains open once the appointment is scheduled will depend on the facts and circumstances of the case. For example, if the taxpayer is facing economic harm, the TAS case will remain open to ensure Appeals expedites the case. See IRM 13.1.21.2.2.2, Appeals.

Note: If the taxpayer does not want to go to Appeals, ensure the Statutory Notice of Deficiency (SNOD) (90-day letter) is issued. Before closing the TAS case, TAS should educate the taxpayer about the significance of the 90-day letter. When appropriate, inform the taxpayer about Low Income Taxpayer Clinics (LITCs) that may be able to assist the taxpayer if the taxpayer chooses to petition the United States Tax Court in response to the 90-day letter. Under section 1402 of the Taxpayer First Act, you may now refer the taxpayer to a particular LITC. Pub 4134, Low Income Taxpayer Clinic List contains a list of all LITCs and their contact numbers.

- (6) If a manual refund is issued, TAS must verify:
- the L, P, or R freezes have been released;
 - closing criteria for manual refunds have been followed (*e.g.*, TC 840 is posted to the MF, the account has a zero balance, and verification that the taxpayer has received the refund check).

13.1.21.2.2.25
(01-24-2024)

Scrambled SSNs

- (1) Close a TAS scrambled SSN case when all affected modules are correctly posted to the temporary number, the taxpayers have been issued letters regarding their account and their temporary TINs, and Form 3857, Request for SSN Clarification, has been sent to the Social Security Administration (SSA) by the Scrambled SSN Coordinator in Operations. Non-TAS taxpayers must be addressed as a related issue.

Example: A TAS taxpayer (a taxpayer who contacted TAS) and a non-TAS taxpayer have both been sent Letter 239C, advising of actions being taken to correct a scrambled SSN. The TAS taxpayer responds and TAS determines the TAS taxpayer is a valid taxpayer. The non-TAS taxpayer has received an erroneous refund on the valid tax ID number. The non-TAS taxpayer is moved from the valid number to a temporary tax ID number. Before the TAS employee closes the case, TAS will completely resolve the TAS taxpayer's accounts. TAS will verify the non-TAS taxpayer has been informed of the erroneous refund, any balance due, the time frame for paying the money back, and the need to contact SSA. Verify the non-TAS taxpayer has been advised to use the temporary tax ID number given and has been educated on their tax status and information to prevent future tax problems.

- (2) If the case resulted in a mixed entity, refer to IRM 21.6.2.2, What Are TIN-Related Problems?

13.1.21.2.2.26
(01-24-2024)

Withdrawal or Requested Closure of TAS Case

- (1) If the taxpayer or representative requests their case be withdrawn, closed with no further action by TAS, or indicates they only want to work with the Operating Division employee, close the TAS case after a letter is issued to the taxpayer or representative stating that TAS is closing the TAS case by their request. The closing letter must state that the taxpayer may recontact TAS if any further assistance is necessary.

Caution: If a taxpayer or the representative declines to take the steps necessary to come into compliance with federal tax laws and that is why they want the case to be withdrawn, remember to follow the procedures in IRM 13.1.5.10, Handling a Nonstandard Disclosure Case, to determine whether a disclosure to the IRS should be made.

13.1.21.3
(04-01-2021)

Retention, Disposition and Security of TAS Case Files, Records and Reports

- (1) Refer to Document 12990, Records and Information Management Records Control Schedules for issues regarding maintenance, retention, disposition and security of open and closed TAS case files, TAS records, reports and internal documents.

Exhibit 13.1.21-1 (01-24-2024)**Terms**

Terms	Definition
Closing Contact	A contact between the TAS employee assigned the TAS case and the taxpayer or representative where TAS provides a clear, complete, and correct explanation of what was done to resolve the taxpayer's problem and how to avoid the problem in the future.
Date Assistance Request Received in TAS (DART)	The date TAS received the taxpayer's inquiry. Formerly Taxpayer Advocate Received Date.
Primary Core Issue Code (PCIC)	Also known as Primary Issue Code (PIC). The Primary Core Issue Code (PCIC) is a three-digit code that defines the most significant issue, policy or process within the IRS that underlies the cause of the taxpayer's problem.
Relief Code	A code used to identify the relief provided by TAS based upon the relief requested by the taxpayer. In cases involving multiple issues, TAS will code the case based upon the total case resolution, not only the relief initially requested by the taxpayer.
Refund Statute Expiration Date (RSED)	The date by which a taxpayer must file their claim with the IRS to obtain a credit or refund of an overpayment.
Secondary Core Issue Code (SCIC)	Also known as Secondary Issue Code (SIC). The Secondary Core Issue Code (SCIC) is a three-digit code used when there are multiple issues to resolve on a case. TAS uses the SCIC to identify multiple issues involved in the case that TAS spent time researching or working to resolve.
Taxpayer Advocate Management Information System (TAMIS)	TAS uses TAMIS to record, control, and process cases and to analyze the issues that bring taxpayers to TAS
Taxpayer Assistance Order (TAO)	A statutory tool used by TAS to order the IRS to take certain actions, cease certain actions, or refrain from taking certain actions. A TAO can also be issued to require the IRS to expedite consideration of the case; reconsider its determination in the case; or review the case at a higher level in the organization. See IRC 7811 and IRM 13.1.20, TAS Taxpayer Assistance Order (TAO).
Taxpayer Bill of Rights (TBOR)	The Taxpayer Bill of Rights (TBOR) lists rights that already existed in the tax code, putting them in simple language and grouping them into 10 fundamental rights. Employees are responsible for being familiar with and acting in accord with taxpayer's rights. See IRC 7803 (a)(3), Execution of Duties in Accord with Taxpayer Rights.
Relief Date	The date relief action was initiated and the taxpayer was advised of such action.

Exhibit 13.1.21-2 (04-01-2021)**Acronyms**

Acronym	Definition
ACS	Automated Collection System
AIMS	Audit Information Management System
AMS	Accounts Management System
BFS	Bureau of the Fiscal Service
BOD	Business Operating Division
BOE	Business Objects Enterprise
BWH	Backup Withholding
CC	Command Code
CNC	Currently Not Collectible
CQRS	Case Quality Review System
DART	Date Assistance Request Received in TAS, formerly known as Taxpayer Advocate Received Date
DLN	Document Locator Number
DNTA	Deputy National Taxpayer Advocate
EDCA-ITS	Executive Director Case Advocacy, Intake & Technical Support
EITC	Earned Income Tax Credit
IA	Installment Agreement
IDRS	Integrated Data Retrieval System
IVO	Integrity and Verification Operations
LITC	Low Income Taxpayer Clinic
MFJ	Married Filing Joint
MFT	Master File Tax (Code) - identifies module transaction posted
NMF	Non-Master File
OAR	Operations Assistance Request
OBR	Offset Bypass Refund
OD	Operating Division
OIC	Offer in Compromise
PACER	Payments, Claims and Enhanced Reconciliation
PCIC	Primary Core Issue Code
POA	Power of Attorney

Exhibit 13.1.21-2 (Cont. 1) (04-01-2021)**Acronyms**

Acronym	Definition
PRWVH	Pre-Refund Wage Verification Hold
RO	Revenue Officer
RPS	Revenue Protection Strategy
RSED	Refund Status Expiration Date
SCIC	Secondary Core Issue Code
SNOD	Statutory Notice of Deficiency (90-Day Letter)
SSA	Social Security Administration
SSN	Social Security Number
TAMIS	Taxpayer Advocate Management Information System
TAO	Taxpayer Assistance Order
TAS	Taxpayer Advocate Service
TBOR	Taxpayer Bill of Rights
TC	Transaction Code
TIGTA	Treasury Inspector General for Tax Administration

