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Department of the Treasury
Internal Revenue Service

25.15.8

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EFFECTIVE DATE

(01-27-2023)

PURPOSE

- (1) This transmits revisions to IRM 25.15.8, Relief from Joint and Several Liability, Revenue Officer Procedures for Working Innocent Spouse Relief Cases.

MATERIAL CHANGES

- (1) IRM 25.15.8.6.2.1 **Non-Mirrored Modules** updated guidance.

EFFECT ON OTHER DOCUMENTS

This version supersedes IRM 25.15.8 dated November 13, 2014.

AUDIENCE

Revenue officers in SB/SE Collection.

Kristen Bailey
Director, Collection Policy

25.15.8

Revenue Officer Procedures for Working Innocent Spouse Relief Cases

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25.15.8.1
(09-19-2018)
Program Scope and Objective

- (1) This IRM section provides guidance to revenue officers in Field Collection (FC) to handle a case involving a taxpayer's request for relief from joint and several liability as an **innocent spouse**. This IRM:
 - defines FC employee responsibilities for handling innocent spouse cases,
 - discusses the responsibilities of other employees for handling innocent spouse cases, and
 - provides specific procedures for FC employees to process a request for innocent spouse relief.
- (2) Audience. The procedures and guidance apply to IRS Field Collection Employees and Group Managers.
- (3) Policy Owner. The Director, Collection Policy.
- (4) Program Owner. SB/SE Collection Policy.
- (5) Primary Stakeholders. Field Collection and Cincinnati Centralized Innocent Spouse Operation are the primary stakeholders.
- (6) Program Goal. By following the direction in this IRM section, the employees will be able to apply these procedures to appropriately handle an innocent spouse request.

25.15.8.1.1
(09-19-2018)
Background

- (1) A taxpayer has the right to request relief from the liability under the innocent spouse provisions based upon the Internal Revenue Code (IRC), Service policy, and case law. Generally, married taxpayers who file a joint income tax return are jointly and severally liable for the tax arising from the return. Both spouses are equally responsible for paying the full amount of tax, penalties, and interest due on a joint return.
- (2) If a taxpayer qualifies for innocent spouse relief, he/she may be relieved of part or all of the joint liability. The determination to relieve one spouse from the liability for which he/she is jointly and severally liable takes into consideration all the relevant facts and circumstances.
- (3) The Service has centralized innocent spouse case processing at the Cincinnati Centralized Innocent Spouse Operation (CCISO). Timely case processing is essential to the expeditious handling of an innocent spouse case so all employees must follow the appropriate procedures to ensure timely case processing.

25.15.8.1.2
(09-19-2018)
Authority

- (1) A request for relief may be filed to claim relief under three sections of IRC 6015 Relief from joint and several liability on joint return:
 1. IRC 6015 (b) Procedures for relief from liability applicable to all joint filers
 2. IRC 6015 (c) Procedures to limit liability for taxpayers no longer married or taxpayers legally separated or not living together
 3. IRC 6015 (f) Equitable relief

Additionally, a request may be filed under IRC 66 (c). Refer to IRM 25.15.5 , Relief from Community Property Laws, about taxpayers who file a separate return that live in a community property state.

25.15.8.1.3
(09-19-2018)
Responsibilities

- (1) The Director, Collection Policy is the executive responsible for the policies and procedures in this IRM.
- (2) Field Group Managers are responsible for ensuring the guidance and procedures described in this IRM are complied with.

25.15.8.1.4
(09-19-2018)
Program Management and Review

- (1) Program Reports
 - National Quality Review System (NQRS)
 - Integrated Collection System (ICS)
 - Innocent Spouse Tracking System (ISTS) provides information regarding the current status of the case.
- (2) Program Effectiveness. The program effectiveness is measured by the following review type and by level of management.
 - Case reviews are conducted by Group Managers and recorded into the Embedded Quality Review System (EQRS) to ensure compliance with the IRM.
 - Operational reviews are conducted by Territory Managers and Area Directors annually to evaluate program delivery and conformance to administrative and compliance requirements.
 - Program reviews are conducted by headquarters analysts annually to evaluate program delivery and conformance to administrative and compliance requirements.

25.15.8.1.5
(09-19-2018)
Program Control

- (1) The Cincinnati Centralized Innocent Spouse Operation (CCISO) provides control and support to Field Collection see IRM 25.15.8.5.3.2 CCISO Processing.
- (2) The Area Innocent Spouse Coordinator (ISC) provides Field Collection support.

25.15.8.1.6
(09-19-2018)
Acronyms

- (1) The following is a list of acronyms found throughout this IRM.

Acronym	Definition
CCISO	Cincinnati Centralized Innocent Spouse Operation
CSED	Collection Statute Expiration Date
FC	Field Collection
FPLP	Federal Payment Levy Program
ISC	Innocent Spouse Coordinator
ISTS	Innocent Spouse Tracking System
NRS	Non-Requesting Spouse
OIC	Offer In Compromise
RS	Requesting Spouse

Acronym	Definition
TEFRA	Tax Equity and Fiscal Responsibility Act

25.15.8.1.7
(01-27-2023)
Related Resources

- (1) While many topics are touched upon in this chapter, comprehensive guidance about all of them cannot be included here. As you use this chapter, remain alert for references, such as related IRMs and access that guidance as needed to ensure a thorough understanding of topics.
- IRM 25.15.2.4.2, Innocent Spouse Indicator Transaction Code (TC) 971/972
 - IRM 25.15.15.4.1, Exceptions to Mirroring Modules
 - IRM 5.14.4.4, Joint and Several Liability Relief Under IRC Section 6015 and Installment Agreement Requests
 - IRM 25.15.3.10.1, Preliminary Determination Letters .
 - IRM 25.15.3.10.2, Final Determination Letters
- Note:** Once a final determination letter has been issued, the appeal rights have expired, and the taxpayer must petition Tax Court.
- IRM 8.7.12, Appeals Innocent Spouse Case Procedures
 - IRM 25.15.3.5.1, Collection Activity, lists actions by the Service which constitute “collection activity.”
 - IRM 25.15.1.6.2, Time Period for Making the Request, provides further information on the two-year statute.
 - IRM 25.15.1.2.7, Offer in Compromise (OIC)
 - IRM 25.15.1.9.2, Authorized Disclosure Rules
 - IRM 25.15.18.9.2, Phones

25.15.8.2
(09-19-2018)
Innocent Spouse Relief Procedures

- (1) This IRM section contains initial processing procedures and taxpayer rights associated with Innocent Spouse Relief requests.

25.15.8.2.1
(01-27-2023)
Request for Relief from Joint and Several Liability

- (1) A taxpayer may request relief from joint and several liability by submitting one of the following to the IRS:
- Form 8857, Request for Relief from Joint and Several Liability, **or**
 - a statement similar to Form 8857 which contains the same information as Form 8857 **and** is signed under penalties of perjury.
- Note:** A duly authorized representative may sign Form 8857 on behalf of a taxpayer. A representative becomes authorized by submitting a properly completed Form 2848, Power of Attorney and Declaration of Representative, or equivalent documentation to the IRS.
- (2) The filing of a request:
- is evidenced by Transaction Code (TC) 971 with Action Code (AC) 065 (i.e., TC 971 AC 065)
 - is reversed by a TC 972 AC 065

Note: This IRM uses the terms “request for relief,” “request for relief from joint and several liability,” and Form 8857 interchangeably.

Reminder: A statement similar to Form 8857 is treated as a Form 8857 if it contains the same information as Form 8857 and is signed under penalties of perjury.

25.15.8.2.2
(11-13-2014)
**Collection Policy
Decision**

- (1) Field Collection (FC) employees are not authorized to determine the merits of a request for relief, including whether or not the claim is timely. The claim must be forwarded to the Cincinnati Centralized Innocent Spouse Operation (CCISO) for consideration. The Service has centralized innocent spouse case processing at CCISO. If a taxpayer's claim is denied, including denial for an untimely claim for relief, CCISO will process the denial of the claim by sending the preliminary and final determination letters to the taxpayer. This policy decision relieves FC employees from the responsibility for monitoring a case for 30 or 90 days to determine if a taxpayer will file a timely appeal.
- (2) Even though you won't be determining the merits of a request for relief, according to the following procedures, you will be required to process any claim you receive, including taking some or all of the following actions:
 - a. determine the jurisdiction of a claim. IRM 25.15.8.4.3.
 - b. determine if a claim is premature. IRM 25.15.8.5.
 - c. determine the processability of a claim. IRM 25.15.8.5.2.
 - d. annotate Form 3449, Referral Report, as to whether the two-year period for filing the claim has or has not expired. IRM 25.15.8.5.3.1.

25.15.8.2.3
(01-27-2023)
Taxpayer Rights

- (1) The Taxpayer Bill of Rights (TBOR) are discussed in Pub 1 and 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 rights. **See** IRC 7803(a) (3), Execution of Duties in Accord with Taxpayer Rights. For additional information about the TBOR, **see** <https://www.irs.gov/taxpayer-bill-of-rights>.
- (2) Ensure the taxpayer has received Publication 1 as directed in IRM 5.1.10, Taxpayer Contacts, and Pub 971, Innocent Spouse Relief.
- (3) Take the following actions if the taxpayer asks questions about innocent spouse relief.
 - a. Point out the pertinent innocent spouse provisions in Publication 1 to the taxpayer.
 - b. Answer any questions the taxpayer may have with respect to innocent spouse relief.
- (4) Discuss innocent spouse relief with a taxpayer when you determine he/she might qualify for relief, even if the taxpayer has not asked any questions about relief.
- (5) Document any discussion(s) regarding innocent spouse relief in the case history.

25.15.8.2.4
(01-27-2023)
Appeal Rights

- (1) A taxpayer has appeal rights with respect to innocent spouse relief.
 - a. The requesting spouse (RS) has administrative appeal rights if his/her request for relief from liability under the innocent spouse provisions is denied, in whole or in part.
 - b. The non-requesting spouse (NRS) also has administrative appeal rights if the request for relief from liability under the innocent spouse provisions is granted, in whole or in part.
- (2) Refer to the following IRM sections for additional information regarding innocent spouse appeals:
 - IRM 25.15.3.10.1, Preliminary Determination Letters .
 - IRM 25.15.3.10.2, Final Determination Letters

Note: Once a final determination letter has been issued, the appeal rights have expired, and the taxpayer must petition Tax Court.

 - IRM 8.7.12, Appeals Innocent Spouse Case Procedures

25.15.8.2.4.1
(09-19-2018)
Time Period for Appeal

- (1) A taxpayer must exercise his/her right to appeal within a certain time period. The time period is either 30 days or 90 days for administrative or judicial appeal:
 - a. **30-day period** for Administrative Appeal Upon the issuance of a preliminary determination letter, the Cincinnati Centralized Innocent Spouse Operation (CCISO) will suspend processing pending an appeal within the 30-day period after the preliminary determination letter.
 - b. **90-day period** for Judicial Appeal Upon the issuance of a final determination letter, CCISO will suspend processing pending an appeal (filing a petition with the United States Tax Court) within the 90-day period after issuance of the final determination letter.
- Note:** Requests for relief are also considered in open examinations and taxpayers are afforded the same appeal and petition rights in those cases as part of the exam.

25.15.8.3
(09-19-2018)
Timeliness of Claim for Relief

- (1) Taxpayers seeking relief under IRC 6015 (b) and IRC 6015 (c) must file a request no later than 2 years from the first "collection activity" occurring after July 22, 1998, against the requesting spouse (RS). See IRC 6015 (b)(1)(E) and IRC 6015 (c)(3)(B). See IRM 25.15.3.5.1, Collection Activity, for definition of **collection activity**. For claims filed under IRC 6015 (f), the claim is timely as long as the refund statute or collection statute is open.
- (2) Requests for relief in the form of a refund must also be filed within the normal time frame for filing a claim for refund, which is the refund statute expiration date (RSED). In order to be timely, a claim must be filed within the later of:
 - 2 years from the date of payment, or
 - 3 years from the date the return is filed.
- (3) Refunds are not permitted under IRC 6015 (c). Refunds are permitted under IRC 6015(b) and IRC 6015 (f) as long as the RS made payments and the requirements of IRC 6511 have been met.

Note: The RS response on Form 8857 to the question regarding a request for refund will be considered in determining if the RS wants payments (e.g., TC 610, TC 670, etc.) refunded. When a RS's overpayment was offset to the year for which he/she is requesting relief, assume he/she wants a refund of the offset.

25.15.8.4
(09-19-2018)
Form 8857 — Initial Processing

- (1) A taxpayer may file a request for relief:
 - a. directly with you, or
 - b. with another Service employee.
- (2) Follow the applicable procedures below when you receive a request for relief directly from a taxpayer or receive a request for relief from a taxpayer who originally submitted the request to another Service employee. See IRM 25.15.8.4.1 and IRM 25.15.8.4.2.

25.15.8.4.1
(08-17-2010)
Claim Filed with the Revenue Officer

- (1) Take the following steps within ten business days of receipt when a taxpayer files a request for relief directly with you.
 1. Date stamp Form 8857 or its equivalent with the official "Received" date stamp upon receipt.
 2. Determine who has jurisdiction over the claim. Refer to IRM 25.15.8.4.3.

Reminder: Timely case processing is essential to the expeditious handling of an innocent spouse case.

25.15.8.4.2
(08-17-2010)
Claim Filed with another Service Employee

- (1) If a taxpayer files a claim for relief with another Service employee, other than a CCISO employee, and the taxpayer's account/module is assigned to you, that employee should date-stamp the claim for relief and forward the claim to you (CCISO will not forward a claim which they receive). See IRM 25.15.8.5.1.
- (2) Take the following steps within ten business days of receipt of a claim for relief from a taxpayer which was filed with another Service employee.
 1. Date stamp Form 8857 or its equivalent with the official "Received" date stamp upon receipt (if it is not already date-stamped).
 2. Determine who has jurisdiction over the claim. IRM 25.15.8.4.3.

Reminder: Timely case processing is essential to the expeditious handling of an innocent spouse case.

25.15.8.4.3
(11-13-2014)
Jurisdiction

- (1) Jurisdiction over a claim is determined by the current case assignment:
 - a. Jurisdiction of an innocent spouse claim for relief is retained by FC if the taxpayer's account/module is assigned to FC at the time the claim is filed (i.e., a FC employee is assigned to work an open balance due module of the taxpayer requesting "innocent spouse" relief when the claim is received).
 - b. Jurisdiction of an innocent spouse claim for relief is not retained by FC if the taxpayer's account/module is not assigned to FC at the time the claim is filed (i.e., a FC employee is not assigned to work an open balance due module of the taxpayer requesting "innocent spouse" relief when the claim is received).

- (2) Determine who has jurisdiction over the claim:

If	Then
The taxpayer's account/module is assigned to you.	Retain jurisdiction.
The taxpayer's account/module is not assigned to you.	Do not retain jurisdiction.

- (3) Follow the applicable procedures depending upon whether you retain or do not retain jurisdiction. Refer to IRM 25.15.8.4.3.1 or IRM 25.15.8.4.3.2.

25.15.8.4.3.1
(11-13-2014)

Jurisdiction Retained by FC

- (1) Retain the original, date-stamped Form 8857 (or equivalent request for relief) in the case file if the taxpayer's account/module is assigned to you.
- (2) Do not make any determination on the merits of the claim, including the issue of whether the claim was timely.

Reminder: You are not authorized to determine the merits of a request for relief. You do not need to determine whether the claim for relief was timely for purposes of determining jurisdiction. Refer to IRM 25.15.8.2.2 and IRM 25.15.8.3.

- (3) Continue processing the claim for relief. See IRM 25.15.8.5.

25.15.8.4.3.2
(11-13-2014)

Jurisdiction not Retained by FC

- (1) Send the original, date-stamped Form 8857 (or equivalent request for relief) by mail immediately (i.e., within three business days of receipt) to the Cincinnati Centralized Innocent Spouse Operation (CCISO) if the taxpayer's account/module is not assigned to you.
- (2) Mail the request to:

IRS - Cincinnati Centralized Innocent Spouse Operation (CCISO)
201 W. Rivercenter Blvd., Stop 840F
Covington, KY 41011

25.15.8.5
(11-13-2014)

Determining if a Claim for Relief is Premature

- (1) For FC purposes, a request for relief (i.e., Form 8857 or equivalent request) will not be processed if the request for relief is premature. A request for relief is premature if it involves a deficiency for a tax year prior to the receipt of a notification of an audit or a letter or notice indicating there may be an outstanding liability with regard to that year. A request for relief involving an underpayment filed any time after the filing of a balance due return is not premature.

Example: An example of a premature request for relief is when there is an open audit on a Tax Equity Fiscal Responsibility Act (TEFRA) partnership return but there has not been any proposed deficiency to the taxpayer.

25.15.8.5.1
(08-17-2010)
**Premature Request
Determination**

- (1) The Service will not consider a premature request for relief. You will reject a premature claim and return it to the taxpayer, retaining copies of the submitted request for relief and the notification of rejection for the collection file. The taxpayer is not entitled to appeal a rejection decision.

Note: A premature claim is considered nonqualifying; it is not considered unprocessable.

- (2) Follow the applicable procedures once you have determined if the claim for relief is premature or non-premature. See IRM 25.15.8.5.1.1 and IRM 25.15.8.5.1.2.

25.15.8.5.1.1
(08-17-2010)
**Premature Request
Rejection**

- (1) Do not continue to process a request for relief if you determine it is premature.
- (2) Reject a premature request for relief by following these steps:

1. Retain a photocopy of the original, date-stamped premature request for relief in the case file.
2. Return the original request to the taxpayer in the following manner:
 - a. Circle the received date in ink, and
 - b. Use Letter 3657, Non-qualifying Innocent Spouse Claim Letter, to explain that you are returning the Form 8857 because it is premature.

Note: Select the paragraph on Letter 3657 that notifies the requesting spouse he/she does not meet basic eligibility requirements because the claim is premature (currently there is no balance due and the IRS has not made or proposed any additional assessments for the tax year for which he/she is requesting for relief) and his/her claim will be closed as specified in the letter.

- c. Complete the appropriate section on Letter 3657 to advise the taxpayer that the request was premature.
- d. Mail Letter 3657 to the RS.

25.15.8.5.1.2
(08-17-2010)
**Non-Premature Request
Processing**

- (1) If the submitted innocent spouse relief request is not premature, follow the steps below to determine if the request is processable.

Reminder: Timely case processing is essential to the expeditious handling of an innocent spouse case. Refer to IRM 25.15.8.5.2.

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25.15.8.5.2
(01-27-2023)
Processability

- (1) Determine if the request (Form 8857 (or equivalent request for relief)) is processable or unprocessable according to the information displayed in the table below: **Form 8857 — Processability**

Form 8857, (or Equivalent Request for Relief)	Required Items
Processable	<ul style="list-style-type: none">• a valid signature,• tax period(s), and• taxpayer identification numbers (TINs). <p>Note: A valid signature means the Form 8857 contains an original signature of the requesting spouse (RS) or his/her duly authorized Power of Attorney. The Service accepts photocopy signatures and fax signatures in some situations. See paragraph 4 of IRM 25.15.18.5.1.2, Initial Screening.</p> <p>Note: A processable Form 8857 (or equivalent request for relief) contains all of the required items.</p>
Unprocessable	<ul style="list-style-type: none">• a valid signature,• tax period(s), and• taxpayer identification numbers (TINs). <p>Note: An unprocessable Form 8857 (or equivalent request for relief) is missing one or more of the required items.</p>

- (2) Follow the applicable procedures depending on whether the Form 8857 (or equivalent request for relief) is processable or unprocessable. See IRM 25.15.8.5.2.1 or IRM 25.15.8.5.2.2.

25.15.8.5.2.1
(08-17-2010)
Unprocessable Form 8857

- (1) Take the following action within ten business days of receipt if you determine the Form 8857 (or equivalent request for relief) is unprocessable.
- (2) Attempt to perfect Form 8857 (or equivalent request for relief) to make it processable.
- a. Contact the taxpayer and request he/she correct Form 8857 or equivalent request for relief to make it processable.
 - b. Retain a photocopy of the original, date-stamped request for relief in the case file.
 - c. Return the unprocessable claim to the taxpayer.
- Note:** Do not return the claim to the taxpayer if you and the taxpayer agree to meet to resolve the issues.
- (3) Allow a reasonable amount of time for the taxpayer to perfect the claim for relief to make it processable.
- Note:** A general guideline for a reasonable amount of time could be within a week. However, as cases vary, this is a judgment call.

- (4) Do not allow more than 15 calendar days for the taxpayer to perfect the claim for relief to make it processable.
- (5) Return the original request to the taxpayer in the following manner if the attempt at perfection is unsuccessful:

- a. Circle the received date in ink, and
- b. Prepare Letter 3658, Unprocessable Innocent Spouse Claim Letter to explain why you are returning Form 8857.

Note: Letter 3658 notifies the requesting spouse (RS) his/her claim cannot be processed as submitted, points out the problem(s), and explains the action required for the claim to proceed.

- c. Mail Letter 3658 and Form 8857 to the taxpayer.
- (6) Continue appropriate collection action unless you receive a perfected Form 8857 from the RS.

25.15.8.5.2.2
(09-19-2018)
Processable Form 8857

- (1) Take the following action within ten business days of receipt if you determine the Form 8857 (or equivalent request for relief) is processable.
- (2) Make a referral to the Cincinnati Centralized Innocent Spouse Operation (CCISO). See IRM 25.15.8.5.3.

Exception: Tax period(s) in Field Examination are referred to the Area Innocent Spouse Coordinator (ISC). See (3) below for additional guidance.

- (3) For tax periods in field exam refer requests to the Area Innocent Spouse Coordinator (ISC)
- (4) Use this link to determine the Area ISC: <http://mysbse.web.irs.gov/examination/examorg/hq/ecs/fieldexamretsel/31466.aspx> . See IRM 25.15.8.5.3.3.
- (5) Prepare Form 4844, Request for Terminal Action, to ensure the timely input of request on the Integrated Data Retrieval System (IDRS) of Transaction Code (TC) 971 with Action Code (AC) 065 (i.e., TC 971 AC 065) to the joint account to identify the account as an innocent spouse case.
- (6) Take the following action if the case / module is on ICS:
 - a. Select "Innocent Spouse" from the Module Detail Menu to upload the TC 971 AC 065 to IDRS on the appropriate SSN and generate Form 4844.
 - b. Forward the completed Form 4844 to update the IDRS Innocent Spouse Tracking System. See IRM 25.15.8.5.2.2.1.
- (7) TC 971 AC 065 accomplishes the following:
 - a. identifies the spouse filing the request for relief
 - b. tracks the possible suspension of the CSED
 - c. triggers the generation of Freeze Code "L-" which prevents credit offsets into the module.

Note: Generation of Freeze Code "L-" could allow "erroneous refunds" to the non-requesting spouse (NRS).

- d. automatically generates TC 130 on the NRS to prevent an "erroneous refund".

Note: TC 130 identifies the TIN of the NRS and identifies the tax year to which any overpayment should be applied. Since TC 130 is systematically posted when the TC 971 AC 065 posts, it should not be necessary to request TC 130 on the non-requesting spouse (RS).

- e. causes systemic reversal of TC 971 AC 060

Note: AC 060 is generated to denote FMS Continuous Levy Program (Federal Payment Levy Program (FPLP)).

AC 061 is used to inactivate a module previously sent to FMS – also for TC 972 (reversal).

AC 062 is generated by FPLP.

- (8) Check the account to ensure the TC 130 posts on the account of the non-requesting spouse once the TC 971 AC 065 posts to the system, refer to the following IRMs for additional guidance, IRM 25.15.2.4.2, Innocent Spouse Indicator Transaction Code (TC) 971/972, IRM 25.15.2.4.3, TC 130 Entire Account Frozen from Refunding, IRM 25.15.8.8 and IRM 25.15.8.8.1.

25.15.8.5.2.2.1 (09-19-2018)

IDRS Innocent Spouse Tracking System

- (1) The inventory and progress of all requests for relief from joint and several liability cases will be tracked through the Innocent Spouse Tracking System (ISTS). The system provides information regarding the current status of the case. As a case involving relief from joint and several liability reaches various stages, the Campus employee with control over the request will immediately update the account on ISTS to reflect the case progress using command code “ISTSR” within three business days of the case reaching the next processing stage. Refer to IRM 25.15.14.4, Processing Stages, for details on the various stages and the required inputs.
- (2) The Area Innocent Spouse Coordinator (ISC) monitors and is involved with requests worked by field exam, as noted in IRM 25.15.8.5.2.2.
- (3) Requests for assistance and status updates can be made through the Area ISC or the Area Technical Services Innocent Spouse Reviewer.
- (4) Use this link to determine the Area ISC: <http://mysbse.web.irs.gov/examination/examorg/hq/ecs/fieldexamretsel/31466.aspx>.

25.15.8.5.3 (09-19-2018)

Referral to CCISO

- (1) Timely case processing is essential to the expeditious handling of an “innocent spouse” case.
- (2) Date stamp the processable Form 8857 (or equivalent request for relief) upon receipt and take the following actions within three business days upon receipt of a processable Form 8857 (or equivalent request for relief):
- Prepare a referral to CCISO using Form 3449 according to the following instructions.
 - Fax the referral to CCISO at: Fax: (855)233-8558. Attn: Innocent Spouse Coordinator

Note: CCISO will date stamp the faxed Form 8857 and may acknowledge receipt if requested via a return fax.

25.15.8.5.3.1
(09-19-2018)

**Preparing the Form 3449
Referral to CCISO**

- (1) This section provides step-by step instructions for completing Form 3449.
- (2) Prepare Form 3449, Referral Report.
- (3) Mark Form 3449 in red ink in the top margin: "Expedite — Innocent Spouse Case."
- (4) Annotate clearly on Form 3449 whether the two-year statute for filing the claim has or has not expired.
- (5) Mark Form 3449 in red ink in the top margin, as applicable:
 - a. "Two-Year Statute not Expired — Statute Date = ____."
 - b. "Two-Year Statute Expired — Date of Expiration = ____."
- (6) Annotate clearly on Form 3449 whether the Collection Statute Expiration Date (CSED) of the non-requesting spouse (NRS) is within 12 months or more.
- (7) Mark Form 3449 in red ink in the top margin, as applicable:
 - a. "CSED of NRS > 12 months. CSED = ____"
 - b. "CSED of NRS < 12 months. CSED = ____"
- (8) Retain the original documents.
- (9) Include copies of the following documents in the fax referral to CCISO:
 - Form 3449, Referral Report
 - Form 8857
 - Original return, if available
- (10) Include other pertinent information in the fax referral to CCISO at (855)233-8558 Attn: Innocent Spouse Coordinator :
 - collection history items (including copies of electronic files or paper documents)
 - other information relevant to the relief determination process
- (11) Other information could include information such as the following:
 - telephone number and address of the NRS
 - evidence that the joint filing status is erroneous
 - whether the RS has any balance due for tax years after the years involved in the claim
 - details of any prior communications with the RS
 - information regarding the finances of the RS
 - any indications of the existence of disqualified assets

25.15.8.5.3.1.1
(08-17-2010)

Follow Up with CCISO

- (1) CCISO will make the required notifications to the assigned revenue officer by secure e-mail.
- (2) Follow up with CCISO, when necessary, i.e., if no acknowledgement by secure e-mail (or return fax) is received within ten business days.

25.15.8.5.3.1.2
(09-19-2018)
**Referral Preparation
Additional Guidance**

- (1) Refer to IRM 25.15.3.8.2.6, Disqualified Assets, if you require additional guidance to determine if there are any indications of the existence of disqualified assets.
- (2) Contact the Area Innocent Spouse Coordinator (ISC) if you require additional guidance when gathering the necessary information to complete the referral.

Note: The Area Innocent Spouse Coordinator (ISC) is only involved with requests worked by field exam.

- (3) Use this link to determine the Area ISC: <http://mysbse.web.irs.gov/examination/examorg/hq/ecs/fieldexamretsel/31466.aspx> for cases in which the taxpayers are undergoing examination in the field.

25.15.8.5.3.2
(09-19-2018)
CCISO Processing

- (1) As noted above, the Service has centralized “innocent spouse” case processing at the Cincinnati Centralized Innocent Spouse Operation (CCISO). CCISO will:
 - a. make most determinations of whether to grant relief upon receipt of a referral from Collection.
 - b. generally make the determinations on Collection cases, but sometimes unusual situations will call for the case to be worked in Field Examination.
 - c. only send a case to Examination if there is already an open case in the field, or a unique situation exists. See IRM 25.15.8.5.3.3, Field Examination Processing.
- (2) CCISO will notify the non-requesting spouse (NRS) regarding:
 - a claim has been filed by the RS,
 - the preliminary determination,
 - the right to appeal, and
 - the final determination of the case.

Note: The NRS has to be notified of the final determination in all circumstances. Refer to Treasury Regulation 1.6015-6(a)(2) and/or Page 2 of the instructions for Form 8857 for more information.

Exception: The NRS is not notified when the claim is nonqualifying.

- (3) CCISO will notify the assigned RO if requested via secure e-mail regarding:
 - the initial status of the case,
 - the updated status of the case via monthly updates every 30 days, and
 - the final determination of the case.

25.15.8.5.3.3
(09-19-2018)
**Field Examination
Processing**

- (1) If Field Examination has an open exam and is considering the request for relief, Field Examination may request Collection assistance to secure the necessary documents, address account problems, and prepare the case for a prompt resolution of the claim for relief. The examiner can:
 - a. provide periodic updates about the status of the case, and
 - b. advise when the case is forwarded to Technical Services.

- (2) Coordinate with Field Examination when you:
 - a. receive a request for assistance from the assigned examiner.
 - b. require guidance gathering the necessary information.

25.15.8.6
(09-19-2018)
**Claim for Relief —
Impact on the Collection
Statute Expiration Date**

- (1) Under current law, the Collection Statute Expiration Date (CSED) is suspended by the filing of any claim. In general, the CSED is suspended for the period the IRS is prohibited from collecting, plus an additional 60 days. Collection is prohibited from the date of filing the claim for relief until the earlier of one of the following three events:
 - 1. Form 870-IS, Waiver of Collection Restrictions in Innocent Spouse Cases, is filed, and signed by the Service. See IRM 25.15.3.11, Waivers, for more information.
 - 2. the expiration of the 90-day period for filing a Tax Court petition, or
 - 3. If a Tax Court petition is filed, the Tax Court decision becomes final.
- (2) Refer to IRM 25.15.1.8, Statute of Limitations on Collection, for information about suspension of the statute. See also, IRM 25.15.8.6.1.1 and IRM 25.15.8.6.1.2.

25.15.8.6.1
(08-17-2010)
**Effect of Amendments to
IRC 6015 on the CSED**

- (1) IRC 6015 (e) was amended by the Tax Relief and Health Care Act of 2006 on December 20, 2006. Most claims for relief made solely under IRC 6015 (f), Equitable relief, result in a prohibition on collection and a suspension of the CSED. As a result, the Service revised Form 8857 as of June 2007 so that it no longer asks a RS to specifically state under which subsection(s) of IRC 6015 he/she is seeking relief. The Service now considers relief under multiple subsections when a claim for relief is received on a Form 8857 with a revision date of June 2007 (or later):
 - 1. IRC 6015 (b) ,
 - 2. IRC 6015 (c) , and
 - 3. IRC 6015 (f) .
- (2) IRM 25.15.8.5.2.2 for TC 971 codes to prohibit collection action and TC 972 codes to permit collection action.
- (3) Refer to IRM 25.15.2.4.2, Innocent Spouse Indicator Transaction Code (TC) 971/972, for additional guidance on the TC 971/972 procedures.

25.15.8.6.1.1
(08-17-2010)
**Claims Filed On or After
December 20, 2006**

- (1) Any claim for relief filed on or after December 20, 2006, regardless of the revision date of Form 8857 used by the RS, will:
 - a. be treated as a claim for relief under all subsections of IRC 6015
 - b. prohibit collection action and suspend the CSED from the date the claim was received

25.15.8.6.1.2
(08-17-2010)
**Claims Filed Before
December 20, 2006**

- (1) Depending on the type of relief claimed, claims filed before December 20, 2006, will prohibit collection action and suspend the CSED in either of the following ways:
 - a. beginning on December 20, 2006, not on the date the claim for relief was received, if the RS only requested relief under IRC 6015 (f).

- b. beginning on the date the claim for relief was received if the RS requested relief under IRC 6015 (f) and also requested relief under IRC 6015 (b) or IRC 6015 (c).

25.15.8.6.2
(09-19-2018)

**Case Considerations
Regarding Non-Mirrored
Modules**

- (1) Generally only one MFT 31 account (not “mirrored”) is set-up when only one spouse has a TAS case, agrees to the tax increase, or petitions Tax Court.
- (2) Certain case conditions require the establishment of “mirrored” modules. When a joint MFT 30 assessment is mirrored, independent MFT 31 modules are created for each spouse and the mirrored modules have independent CSEDs. “Mirroring” can occur with the following types of case conditions:
 - a. Bankruptcy filed by only one spouse
 - b. Innocent Spouse Claim

Note: Mirroring is no longer “required” for all Innocent Spouse Claims. See IRM 25.15.18.5.2.11(6), Accounts Management Services for additional guidance.

 - c. Offer in Compromise (OIC) filed by only one spouse
 - d. Joint OIC defaulted by only one spouse
 - e. Taxpayer Advocate Case on only one spouse
- (3) Some cases cannot be mirrored. IRM 25.15.15.4.1 , Exceptions to Mirroring Modules, lists situations preventing mirroring of modules.

25.15.8.6.2.1
(01-27-2023)

Non-Mirrored Modules

- (1) The CSED may be an issue when a module is not mirrored.
- (2) The systemic recodation of the statute on IDRS on a joint module (MFT 30) is extended during the request for relief consideration period or after the consideration period if the request is denied. However, you will need to determine the correct CSED for both spouses separately before taking any enforcement action since the CSED should not be extended for the non-requesting spouse.
- (3) Once the relief determination has been processed:
 - When full relief is granted an MFT 31 for the NRS is present and the MFT 30 account is closed.
 - If partial relief is granted the separate liability of the NRS is shown as an MFT 31. The remaining liability is retained on the joint MFT 30 liability and treated as a joint liability
 - If relief is denied in full, the joint liability stays on the MFT 30 account and the NRS CSED appears to share the same CSED as the RS on the joint (MFT 30) module. You will need to determine the correct CSED for both spouses separately before taking any enforcement action since the CSED should not be extended for the non-requesting spouse. IRM 5.1.19.3.6 Relief From Joint And Several Liability On Joint Returns/ Innocent Spouse for additional guidance.

25.15.8.6.2.1.1
(09-19-2018)

**Non-Mirrored Module
Procedures**

- (1) Refer to IRM 25.15.15.4.1, Exceptions to Mirroring Modules, for additional guidance.

- (2) Take any appropriate collection action on the non-requesting spouse. You may need to update the CSED on the joint module non-mirrored module(s). The CSED is systemically computed on the mirrored modules.
- (3) Ensure you take no collection action against the requesting spouse while you retain the module until one of the three events which end the suspension of the CSED occurs. See IRM 25.15.8.6.

25.15.8.6.3
(08-17-2010)
Updating the CSED

- (1) The decision to update the CSED of a collection case assigned to you is at your discretion, however, certain conditions must apply:
 - a. future collection potential against the RS must exist, and
 - b. the ability to monitor the case must exist.
- (2) See IRM 25.15.2.4.2, Innocent Spouse Indicator Transaction Code (TC) 971/972, for guidance about when and how the CSED should be updated.
- (3) Take appropriate collection action on the non-requesting spouse.
- (4) Ensure you take no collection action against the requesting spouse until one of the three events which end the suspension of the CSED occurs. See IRM 25.15.8.6.

25.15.8.7
(09-19-2018)
Collection Action While the Request is Pending

- (1) IRC 6015 (e)(1)(B) generally prohibits levies (or seizures) and judicial collection proceedings against the requesting spouse (RS) while a claim for relief is pending. However:
 - a. Refund offsets are not prohibited by statute.
 - b. The Service has made a policy decision not to offset refunds while a claim is pending.
 - c. The collection prohibition does not apply if a termination assessment under IRC 6851 or a jeopardy assessment under IRC 6861 has been made.
- (2) See IRM 5.17.15, Termination and Jeopardy Assessments and Jeopardy Collection.
- (3) At any time, regardless of whether the Service has mailed a notice of final determination to the RS, the RS may waive the restrictions on collection.
 - a. See IRM 25.15.3.11, Waivers.
- (4) Routine case processing calls for the discontinuance of collection action against the RS during the pendency of the claim for relief. However, the Territory Manager (TM) may approve the continuance of collection action against the RS if collection is in jeopardy.
- (5) Review all of the pertinent facts of the case to determine whether or not collection is in jeopardy.
- (6) Seek guidance from your group manager (GM) and/or coordinate with Advisory and/or Counsel, as necessary, to make this determination. Follow the IRM procedures to determine if a jeopardy assessment is appropriate. See IRM 25.15.8.7.2.

- 25.15.8.7.1
(08-17-2010)
Application of Payments While Claim is Pending
- (1) Follow the applicable procedures below when you have a case where:
- the non-requesting spouse (NRS) makes a payment — IRM 25.15.8.7.1.1.
 - the taxpayer is due a refund — IRM 25.15.8.7.1.2.
 - the requesting spouse (RS) has an existing installment agreement (IA) — IRM 25.15.8.7.1.3.
- 25.15.8.7.1.1
(08-17-2010)
Application of Payments from NRS
- (1) Apply any involuntary payments and/or undesignated voluntary payments received from the NRS and/or from his/her assets in the order below:
- individual liability
 - joint liability
- 25.15.8.7.1.2
(01-27-2023)
Impact on Refund Offset Procedures
- (1) The Service has made a policy decision not to offset the RS's refund while an innocent spouse request is pending. See IRM 25.15.3.5.1, Collection Activity. If you secure a return from the RS for which a refund is due or obtain information indicating a refund is due the RS, the refund will not offset to any balance due module for which the claim was filed (because of the TC 971 AC 065 input and the resulting TC 130 refund freeze).
- (2) See IRM 5.1.12.9, Innocent Spouse, and IRM 5.1.12.21, Refund Offset, for guidance on refunds.
- (3) Take the appropriate action to issue a refund to the RS to the extent that an overpayment exceeds any balance due on tax modules not under consideration for IRC 6015 relief.
- 25.15.8.7.1.3
(09-19-2018)
Impact on an Installment Agreement
- (1) When the requesting spouse (RS) has an existing installment agreement (IA), he/she will need to decide whether to maintain, renegotiate, or default the IA.
- (2) Discuss the IA with the RS. Do not unilaterally default an existing IA with the RS because of the request for relief.
- (3) Try to ensure the RS understands that the decision to maintain, renegotiate, or default the IA will have significant consequences.
- Refer to IRM 25.15.2.2.1, Installment Agreements in Effect, for an explanation of these consequences.
 - Refer to IRM 5.14.4.5, Joint and Several Liability Relief Under IRC Section 6015 and Installment Agreement Requests, for additional guidance in innocent spouse cases.
- (4) Do not route a request for an IA to CCISO if the RS requests an IA after submission of Form 8857.
- (5) Follow the procedures in IRM 5.19.1.6.3, Full Pay Within 60 or 120 Day Agreement, and IRM 5.14.4.5, Joint and Several Liability Relief Under IRC Section 6015 and Installment Agreement Requests, to process an installment agreement for the RS after submission of Form 8857 or if the NRS requests an installment agreement.

25.15.8.7.2
(08-17-2010)

Collection in Jeopardy

- (1) Document the case file regarding the results of your review and your determination that collection is in jeopardy.
- (2) Take the following steps to secure approval from the TM to continue collection action against the RS.
 - a. Prepare a report memorandum in electronic format.
 - b. Include all of the pertinent facts of the case to show how you determined collection is in jeopardy.
 - c. Prepare an e-mail message requesting your GM to forward the report memorandum to the TM.
 - d. Include the report memorandum as an attachment to the message.
 - e. Send the message to your GM via **secure** e-mail.

Note: Management action is required:

- (3) The GM must:
 - a. decide whether or not to forward the message to the TM, and
 - b. include the assigned RO's name on the Cc line of the message if he/she forwards the report, or
 - c. advise the assigned RO that he/she will not forward the report and provide a rationale for the decision.
- (4) The TM must:
 - a. decide whether or not to approve the continuance of collection action against the RS, and
 - b. inform the GM of his/her decision.
 - c. document the ICS case history with approval or disapproval of continuing collection action against the RS.
- (5) Discontinue all collection action on the years included in the claim for relief against the RS until you receive approval from the TM to continue collection action.
- (6) Continue collection action against the requesting spouse on the tax period(s) not included in the claim for relief.
- (7) Continue collection action against the non-requesting spouse (NRS) on:
 - a. the tax years included in the claim for relief, and
 - b. tax years not included in the claim for relief.
- (8) Create a separate name line on ICS with only the name of the NRS. This will ensure any requests contain only the name of the NRS, including the filing of NFTL(s) on the NRS.
- (9) Make no master file changes to the entity name.
- (10) Follow the applicable procedures, depending on whether the TM disapproves or approves. See IRM 25.15.8.7.2.1 and IRM 25.15.8.7.2.2

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25.15.8.7.2.1
(08-17-2010)
**Territory Manager
Disapproves**

- (1) Continue collection action:
 - a. on the NRS for all applicable periods
 - b. on the RS for tax years not included in the claim for relief
- (2) Follow the applicable procedures if the TM disapproves the continuance of collection action against the RS. See IRM 25.15.8.7.2.2.1, Suit to Reduce Tax Claim to Judgment, IRM 25.15.8.9, Collection Action — While an Appeal is Pending and IRM 25.15.8.5.3, Collection Action — After the Final Determination.

25.15.8.7.2.2
(08-17-2010)
**Territory Manager
Approves**

- (1) Follow these procedures after the TM has documented approval in the ICS case history.
- (2) Continue collection action against the RS on:
 - a. tax years included in the claim for relief, and
 - b. tax years not included in the claim for relief.
- (3) Consider instituting and carrying out a lawsuit to protect the government's interests. See IRM 5.17.4, Suits by the United States.

25.15.8.7.2.2.1
(11-13-2014)
**Suit to Reduce Tax
Claim to Judgment**

- (1) When the RS has made any payments on the liability, a successful claim under IRC 6015 (b) or IRC 6015 (f) may result in a refund to the RS without adequate time to collect from the NRS. In these circumstances, a suit to reduce the tax claim/assessment to a judgment may be necessary to protect the government's interest.
- (2) Consider recommending that the Department of Justice file a suit to reduce the tax assessment(s) to a judgment against the NRS if the RS has made any payments on the liability.
 - a. See IRM 5.17.4.7, Suit to Reduce Tax Claim to Judgment, for a discussion of this type of suit.
 - b. See IRM 25.3.2, Suits by the United States, to assist in determining if it is feasible to recommend reducing a tax claim to judgment.
- (3) Coordinate with Advisory and/or Counsel, as necessary.

25.15.8.8
(08-17-2010)
**Collection Action —
While Collection Action
is Pending upon Receipt
of a Claim**

- (1) Follow the appropriate IRM procedures if you determine that collection is in jeopardy. See IRM 25.15.8.7.2.
- (2) Follow the applicable procedures depending on whether the TM disapproves or approves. Refer to IRM 25.15.8.7.2.1 or IRM 25.15.8.7.2.2.
- (3) Make the final determination regarding the release of pending collection action according to the information displayed in the table below. **Release of Pending Collection Action**

If	Then
...the TM determines the pending collection action should not be released...	Do not release any levy(ies) or seizure(s), including any continuous wage levy(ies), served prior to the claim for relief
...the TM determines the pending collection action should be released...	Release any levy(ies) or seizure(s), including any continuous wage levy(ies), served prior to the claim for relief.

- (4) Release any levy(ies) or seizure(s), including any continuous wage levy(ies), served prior to the claim for which funds have not been remitted, unless the Territory Manager (TM) determines they should not be released.
- (5) Do not release any levy(ies) or seizure(s), including any continuous wage levy(ies), served prior to the claim for relief if the TM determines they should not be released.

25.15.8.8.1
(08-17-2010)

**Required Action —
Federal Payment Levy
Program (FPLP)**

- (1) Determine if a module covered by a pending claim for relief is subject to an active FPLP levy.
 - a. Look for the presence of TC 971 AC 062 on IDRS.
Reminder: AC 062 should be generated by FPLP after the input of TC 971 AC 065 results in systemic reversal of TC 971 AC 060.
- (2) Release the FPLP levy, if necessary.
 - a. Do not use Form 668-D, Release of Levy/Release of Property from Levy, as a means to release a FPLP levy.
 - b. Refer to IRM 5.11.7.2.6.1, Requesting Assistance from the FPLP Coordinator on Certain Emergency Levy Release Situations.

25.15.8.9
(08-17-2010)

**Collection Action —
While an Appeal is
Pending**

- (1) It is Service policy not to begin collection action after a notice of appeal is filed unless the expiration of the statute of limitations is imminent or collection will be jeopardized by the delay.
- (2) Collection action may be resumed while an appeal is pending from the date the RS files a timely notice of appeal of the Tax Court's decision unless the RS files an appeal bond pursuant to the rules of IRC 7485.
- (3) Determine if either of the following apply when the RS has not filed an appeal bond:
 - a. the expiration of the statute of limitations is imminent, or
 - b. collection will be jeopardized by the delay during the pendency of the appeal.
- (4) Follow IRM 25.15.8.7.2 if you determine the statute is imminent or collection will be jeopardized.

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25.15.8.10 (09-19-2018) **Collection Action — After the Final Determination**

- (1) As discussed above, CCISO will notify Collection of the final determination by sending an informal statement via secure e-mail. See IRM 25.15.8.5.3.2.
 - a. See IRM 25.15.7.4, Collection for CCISO procedures coordinating with other functions in Collection.
- (2) Collection action may be resumed after any of the following have occurred:
 - 90 days have elapsed from issuance of the final determination letter on the claim and no notice is received of a Tax Court petition filing
 - The Tax Court decision becomes final
 - The taxpayer has waived the collection restrictions. Refer to IRM 25.15.3.11, Waivers and IRM 25.15.6, Field Examination Procedures for additional guidance.
 - The collection of the tax is in jeopardy
- (3) Granting relief relieves the RS of personal liability for the applicable joint income taxes. However, community property of the RS remains subject to collection against the NRS. Refer to IRM 25.15.3, Technical Provisions of IRC 6015 and IRM 25.15.5, Relief from Community Property Laws, for technical and procedural guidance on relief from joint and several liability and relief from the application of community property laws.
- (4) Refer to IRM 25.15.1.8, Statute of Limitations on Collection, and IRM 5.1.19.3.6, Relief from Joint and Several Liability on Joint Returns/Innocent Spouse, for information on the collection statute.

25.15.8.10.1 (11-13-2014) **Balance Due Module Re-issuance**

- (1) The final determination on the taxpayer's claim for relief may affect the entity and the original balance due module(s).
- (2) The table below displays:
 - a. the impact of the final relief determination upon the entity and the original balance due module(s)
 - b. the entity changes CCISO will make, if any, because of the relief determination

Note: CCISO will make any necessary entity (name & address) changes whether relief is granted or not. CCISO will correct the name line and filing status when it is determined the joint election was invalid.

Relief Impact on the BAL DUE(s)

If	Then
No relief is granted (the IRC 6015 relief provisions do not apply.)	CCISO will make any necessary entity changes even if no relief is granted.
Full relief is granted (the IRC 6015 relief provisions fully apply.)	CCISO will transfer the Master File or Non-Master File balance due module(s) to the NRS. FC is not required to take any action to make the entity change.

If	Then
Partial relief is granted (the IRC 6015 relief provisions partially apply.)	<p>CCISO will transfer the joint balance due module (MFT 30) to the campus showing the corrected amount owed by both taxpayers.</p> <p>FC is not required to take any action to make the entity change.</p> <p>The campus will issue:</p> <ul style="list-style-type: none"> • separate balance due module(s) (MFT 31) for the portion of the original assessment for which the RS is separately liable, if any. • separate balance due module(s) (MFT 31) for the portion of the original assessment for which the NRS is separately liable.

- (3) Continue appropriate collection action against the NRS.
- (4) Take any appropriate collection action after the final determination. Refer to IRM 25.15.8.10.1.2, Collection Action after a No Relief Determination, IRM 25.15.8.10.1.3, Collection Action after a Full Relief Determination and IRM 25.15.8.10.1.4, Collection Action after a Partial Relief Determination for additional guidance on this topic.

25.15.8.10.1.1
(11-13-2014)
Case Closing Letter

- (1) In addition to any other necessary action when you close a case, a case closing letter needs to be issued to the taxpayer(s) (and any authorized representative(s), as applicable), when you have concluded the collection investigation on the taxpayer entity.
- (2) See IRM 5.1.1.5, Case Closing Letters.

25.15.8.10.1.2
(09-19-2018)
Collection Action after a No Relief Determination

- (1) Resume appropriate collection against the RS on all outstanding module(s) upon notification of the determination of no relief after any of the four following events:
 - a. 90 days have elapsed from issuance of the final determination letter on the claim and no notice is received that the taxpayer filed a Tax Court petition.
 - b. The Tax Court decision becomes final.
 - c. The taxpayer has waived the collection restrictions. See IRM 25.15.3.11, Waivers and IRM 25.15.6, Field Examination Procedures.
 - d. FC determines that the collection of the tax is in jeopardy and has secured proper approval from the TM. See IRM 25.15.8.7.2.

25.15.8.10.1.3
(08-17-2010)
Collection Action after a Full Relief Determination

- (1) Resume collection against the RS on any other outstanding module(s) when notified of the full relief determination in favor of the RS:
 - a. Take **no** collection action against the RS on any applicable period(s) (i.e., period(s) with full relief granted).
 - b. Request any necessary adjustments to the account. See IRM 25.15.8.10.2.
 - c. Request partial or full lien releases, when necessary. See IRM 25.15.8.4.3.1.

- d. Continue appropriate collection activity against the RS on any applicable period(s) (i.e., period(s) with no relief granted).
 - (2) Do not take any collection action against the RS on any module(s) when full relief was granted in favor of the RS on those module(s).
- 25.15.8.10.1.4
(08-17-2010)
Collection Action after a Partial Relief Determination

 - (1) Resume collection against the RS on any applicable outstanding module(s) when notified of the partial relief determination in favor of the RS:
 - a. Take appropriate collection action against the RS on any applicable period(s) (i.e., period(s) with Partial Relief granted).
 - b. Request any necessary adjustments to the account. See IRM 25.15.8.10.2.
 - c. Request partial lien releases, when necessary. See IRM 25.15.8.4.3.1.
 - d. Continue appropriate collection activity against the RS on any applicable period(s) (i.e., period(s) with no relief granted).
- 25.15.8.10.2
(08-17-2010)
Necessary Refund Action

 - (1) Request release of the TC 130 freeze immediately after a determination that relief is fully granted and there are no other liabilities to which funds can be applied.
 - (2) Monitor the case to ensure the systemic refund of the residual amount to the taxpayer.
 - (3) Request offset of refunds immediately after final determination that the claim is fully or partially denied and the RS's claim is no longer being considered by the Service or a court, if necessary.
- 25.15.8.10.3
(08-17-2010)
CCISO Processing - After the Final Determination

 - (1) Refer to the following IRM sections, IRM 25.15.8.10.3.1, Modules not Mirrored and IRM 25.15.8.10.3.2, Mirrored Modules for information about Cincinnati Centralized Innocent Spouse Operation (CCISO) procedures for processing innocent spouse cases after the request was determined to be:
 - disallowed,
 - partially disallowed,
 - nonqualifying, or
 - allowed in full.
- 25.15.8.10.3.1
(08-17-2010)
Modules not Mirrored

 - (1) Refer to IRM 25.15.9, Account Processing of Requests for Relief from Joint and Several Liability , for information.
- 25.15.8.10.3.2
(08-17-2010)
Mirrored Modules

 - (1) Refer to IRM 25.15.15, Mirror Modules for Requests for Relief from Joint and Several Liability for information.
- 25.15.8.11
(03-21-2008)
Notice of Federal Tax Lien

 - (1) A Notice of Federal Tax Lien (NFTL) may have been filed on a joint income tax balance due module before a claim for relief was made. The original NFTL will remain in force until the relief determination is made. If innocent spouse relief is denied, no change to the original NFTL is necessary.

- (2) Follow the applicable procedures below depending on whether the claim is pending or a final determination has been made.
- 25.15.8.11.1
(01-27-2023)
NFTL — While the Claim is Pending
- (1) Do not request release of any NFTL against the requesting spouse (RS) while the request for relief is pending.
- Note:** Advisory will not release or modify a NFTL until a determination is made.
- (2) Consider the provisions of Policy Statement 5-16 prior to filing a NFTL when a taxpayer has filed a claim for relief from joint and several liability and the determination is pending. Refer to IRM 1.2.14.1.4 , Policy Statement 5-16, for guidance.
- (3) Create a separate name line on ICS with only the name of the NRS. This will ensure any requests contain only the name of the NRS, including the filing of NFTL(s) on the NRS.
- (4) Make no master file changes to the entity name.
- (5) File a NFTL against the non-requesting spouse (NRS), if needed.
- 25.15.8.11.2
(09-19-2018)
NFTL — After the Final Determination
- (1) Notify the Centralized Lien Operation (CLO) that NFTL action is required depending on whether full or partial relief is granted.
- Note:** ALS is programmed to systemically partially release a NFTL(s) based on the relief determination and after the account has been adjusted to show that relief was allowed.
- (2) Follow the applicable procedures depending on whether the full or partial relief is granted. See IRM 25.15.8.11.2.1 or IRM 25.15.8.11.2.2
- 25.15.8.11.2.1
(09-19-2018)
Full Relief Granted
- (1) Notify the Centralized Lien Operation (CLO) that the balance due module(s) is(are) now satisfied for the requesting spouse (RS) only.
- Note:** ALS is programmed to issue a partial NFTL release(s) for the RS when it receives systemic confirmation of allowed relief and after the account has been adjusted to show that relief was allowed.
- (2) CLO will not release the original NFTL.
- (3) Monitor the case to ensure that the partial release comes through.
- Note:** There may be a circumstance where you need to request an immediate partial release. In that case, you will need to work directly with CLO.
- a. Contact CLO for an immediate partial release, when applicable.
- Note:** There may be an occasional circumstance where it will assist the RS to have a certificate of nonattachment. This is a manual process and should be carefully considered because it duplicates the partial NFTL release.
- b. Request a partial release of the lien through ALS with regard to the requesting spouse (RS) only, so that the non-requesting spouse (NRS) remains liable.

Note: An NFTL is originally filed bearing both names. Later, when the RS gets innocent spouse relief, the NFTL is partially relieved as to that spouse.

- c. Request a certificate of nonattachment for the RS via manual processing, when applicable.

Note: A partial Lien release is generally more appropriate than the filing of a certificate of non-attachment.

- d. See IRM 5.12.10.13, Certificate of Nonattachment for guidance.
- e. Contact CLO for assistance if you need help.

- (4) Do not take any collection action on the module(s) for which relief is granted.

25.15.8.11.2.2
(08-17-2010)

Partial Relief Granted

- (1) Take the following action upon notification that partial relief is granted:
 - a. Treat the reissued joint assessment as if there had been a partial abatement of the original balance due module.
 - b. Do not take action on the original NFTL until the reissued joint liability is fully paid.
 - c. Release the lien(s) when the module(s) is(are) fully satisfied.

