



INDEPENDENT OFFICE  
OF APPEALS

DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, DC 20224

April 16, 2025

Control No. AP-08-0425-0002  
Expiration Date: 04/16/2027  
Affected IRM: 8.20.5; 8.20.7

MEMORANDUM FOR: DIRECTOR, ACCOUNT AND PROCESSING SUPPORT, COLLECTION

FROM: Steven M. Martin /S/ *Steven M. Martin*  
Director, Operations Support

SUBJECT: Appeals APS Paperless Procedures for Doubt as to Liability (DATL)  
Offers in Compromise (OIC) from Small Business/Self-Employed  
(SB/SE) Field Examination

**Purpose:** This memorandum serves as interim guidance for APS Tax Examiners (TEs) carding-in and closing electronic (paperless) DATL OIC from SB/SE Field Examination. Please ensure this information is distributed to all affected employees within your organization.

This guidance does not apply to appeals of rejected DATL offers from SB/SE Campus Examination or Specialty Collection Offer in Compromise (SCOIC) DATL Unit or Collection Due Process (CDP) DATL offers.

Paper DATL offers already in Appeals will not be converted to a paperless or electronic file and will continue to be managed as paper DATL offers.

**Background/Source(s) of Authority:** Pursuant to Interim Guidance Memorandum AP-08-0923-0008, dated September 23, 2023, Appeals fully implemented a permanent paperless process for the cases originating from SB/SE Field Examination, including DATL offers.

**Procedural Change:** SB/SE Field Examination will scan, upload, and organize all relevant DATL offer documents in an accessible format to Report Generation Software (RGS)/Correspondence Examination Automation Support (CEAS) and transmit the case to Appeals via the Appeals Electronic Case Receipts (ECR) SharePoint site.

When closing accepted OICs, TEs will date Form 7249, Offer Acceptance Report, and acceptance Letter 5521, Offer in Compromise Acceptance - Doubt as to Liability, and upload them in a PDF portfolio with other closing documents to Monitoring Offer in Compromise (MOIC) via SB/SE's SharePoint site and Appeals Centralized Database System (ACDS).

TEs will continue to mail the dated acceptance Letter 5521 to the taxpayer (and representative, if applicable) with all required enclosures.

APS will not ship closed paperless SB/SE Field Exam DATL offers back to physical locations, such as Field Exam offices or Technical Services.

APS will ship closed paper DATL offer cases back to the originating offices according to the procedures already published in the IRM.

**Effect on Other Documents:** This guidance will be incorporated into IRM 8.20.5, Account and Processing Support (APS) - Carding New Receipts, and IRM 8.20.7, Account and Processing Support (APS) - Closing Procedures, within two years from the date of this memorandum.

**Effective Date:** This interim guidance is effective as of the date of this memorandum.

**Contact:** Appeals employees should follow existing procedures to elevate questions through their management chain and follow established procedures on How to Contact an Analyst.

Attachment: Updated IRM procedures

cc: [www.irs.gov](http://www.irs.gov)

## **Paperless OIC Receipts**

8.20.5.31 (MM-DD-YYYY)

### **Offer in Compromise (OIC) Case Carding**

Add (x)): If APS receives a systemic email notification that SCOIC or Field Exam uploaded a paperless OIC to Appeals via the *Appeals Electronic Case Receipts (ECR) SharePoint intake site*, APS will:

- a. Access ECR via the Appeals Hub & Electronic Case Receipts tab on Appeals intranet home page.
- b. Card in case to Appeals Centralized Database System (ACDS) and create a Work Unit Number (WUNO), using the information in the electronic attachments.
- c. Attach the electronic documents received from SCOIC to ACDS.
- d. **Add feature code PL (paperless) to WUNO.**
- e. **If the case is a DATL offer, enter "ECFI" in the LOC 7 Field in ACDS.**

Add (x)): If the tax periods are open on AIMS in Status 81, update to Status 80 upon receipt in Appeals when carding in.

## **Closures of Paperless OICs**

### **Add new section:**

8.20.7.49.4.2.X (MM-DD-YYYY)

### **Paperless SB/SE Field Examination DATL OIC Acceptance Procedures**

- (1) The APS Processing Team Manager (PTM) checks the PEAS or ACDS 2.0 unassigned report and assigns the case to a TE.
- (2) All closing documents will have same date as the date case is closed in ACDS.
- (3) APS will date the approved Form 5402 and save in ACDS.
- (4) From the MOIC Portfolio attached to ACDS, APS will:
  - 1) date the Form 7249 and save it to MOIC portfolio,
  - 2) date the Letter 5521 acceptance letter, and print and mail to taxpayer, and if applicable, POA, with copy of accepted Form 656-L and any amended offers,
  - 3) save the dated acceptance letter to the MOIC Portfolio, and
  - 4) save the MOIC portfolio to ACDS.
- (5) APS will upload the MOIC portfolio containing the following documents to the SB/SE SharePoint site with the following naming convention: name control, OIC # and acceptance date (for example, BART 1001000000 03252024).
  - Original Form 656-L, Offer in Compromise – Doubt as to Liability, and any amended offer.

Attachment AP-08-MMY-00XX, Paperless Offer in Compromise (OIC) procedures for Account & Processing Support (APS)

- Approved Form 7249, Offer Acceptance Report, dated with acceptance date.
- Signed acceptance Letter 5521, dated with acceptance date.
- Appeals Case Memorandum (ACM).

(6) APS will close acceptance DATL cases in ACDS and AOIC using current procedures.

(7) APS will notate in the AOIC Remarks tab that the paperless Appeals closing documents are located in ACDS as attachments.

Add (x): If the tax periods are open on AIMS, input AMCLSA at final closure to close controls.

**Added new section**

8.20.7.49.4.3.1 (MM-DD-YYYY)

**Paperless SB/SE Field Examination DATL OIC Withdrawn Procedures**

- (1) TE will date, print, and mail the Appeals OIC withdrawal Letter 241, Offer in Compromise Withdrawal, to the taxpayer, and if applicable, POA, at same time case is closed in ACDS and attach a copy of dated Letter 241 to ACDS.
- (2) APS will close withdrawn DATL cases in ACDS and AOIC using current procedures.
- (3) APS will notate in the AOIC Remarks tab: "NOTE - "Withdrawn paperless DATL closed in AOIC and Appeals closing documents reside in ACDS."

Add (x): If the tax periods are open on AIMS, input AMCLSA at final closure to close controls.

**Added new section**

8.20.7.49.4.4.1 (MM-DD-YYYY)

**Paperless SB/SE Field Examination DATL OIC Sustaining Rejection Procedures**

- (1) TE will date, print, and mail the Appeals OIC rejection Letter 5197, Offer in Compromise Rejection, to the taxpayer, and if applicable, POA, at same time case is closed in ACDS and attach a copy of dated Letter 5197 to ACDS.
- (2) APS will close sustained DATL rejections in ACDS and AOIC using current procedures.
- (3) In AOIC, TE will add in Remarks tab: "NOTE - "Rejected paperless DATL closed in AOIC and closing documents reside in ACDS."

Attachment AP-08-MMYX-00XX, Paperless Offer in Compromise (OIC) procedures for  
Account & Processing Support (APS)

Add (x): If the tax periods are open on AIMS, input AMCLSA at final closure to close controls.

8.20.7.49.3.2.1 (MM-DD-YYYY)

**AOIC Closing Procedures for Premature Referrals**

Add (x): For paperless DATL offers from SB/SE Field Examination, APS will note in Remarks tab

- the IRM reference for the premature referral that ATE indicates in Form 5402, Remarks.
- "NOTE - "Premature referral of paperless DATL, Appeals documents reside in ACDS."

Add (x): If tax periods are open on AIMS and updated back to Exam (Technical Services), update the AIMS status back to Status 20.