APPEALS

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

May 10, 2017

Control No. AP-08-0517-0006
Expiration Date: 5/10/2019
Affected IRM: IRM 8.20.7, 8.23.4

MEMORANDUM FOR: Director, Collection Appeals
Director, Examination Appeals
Director, Account and Processing Support
Director, Specialized Examination Programs & Referrals

FROM: Anita M. Hill /s/ Anita M. Hill
Director, Case & Operations Support

SUBJECT: Electronic Storage of Offer in Compromise (OIC) Public Inspection Files (PIF)

This memorandum provides guidance to Appeals employees who will create, upload and review electronic PIF for an OIC accepted by Appeals.

This memorandum issues guidance on the Electronic Storage of OIC PIF until IRM 8.20.7 and 8.23.4 are published. Please ensure that this information is distributed to all affected employees within your organization.

**Purpose:** SBSE moved the storage of PIF from physical locations to an electronic storage system using SharePoint. Appeals is required to upload the PIF for all OIC cases accepted by Appeals. This memorandum establishes procedures for implementing that process.

**Background/Source(s) of Authority**: Treasury Regulation 601.702(d) (8) requires that PIF of all accepted OIC cases be available for inspection for one year from the date of acceptance in the location determined by the Compliance Area Director within the Small Business and Self-Employed Division (SBSE). In response to an audit by the Treasury Inspector General for Tax Administration (TIGTA), SBSE created a SharePoint site to electronically store the OIC PIF. Appeals will begin uploading the PIF for each OIC accepted by Appeals to the SharePoint site effective the date of this guidance.

**Procedural Change:** Tax Examiners (TE) in Appeals Account & Processing Support (APS) who previously mailed the OIC PIF to the physical PIF location will now upload the file to the Appeals Library on the SharePoint site. In addition, this guidance implements a review of the electronic PIF by the Appeals SharePoint gatekeeper to ensure the PIF is properly dated and redacted.

**Effect on Other Documents**: This guidance will be incorporated into IRM 8.20.7, *Account and Processing Support (APS), Closing Procedures* and IRM 8.23.4, *Offer in Compromise, Acceptance, Rejection, Withdrawal and Default Procedures for Non-Collection Due Process (CDP) Offers* within two years from the date of this memo.

**Effective Date:** This guidance is effective on June 1, 2017.

**Contact:** If you have any questions, please follow established procedures on "How to Contact an Analyst".

cc: www.irs.gov

Attachment
Interim Guidance AP-08-0517-0006

The IRM sections below include new instructions for APS to upload the Accepted OIC case Public Inspection File (PIF) to the Appeals Library SBSE PIF SharePoint**.** The upload of the Accepted OIC PIF to the Appeals Library on SharePoint, replaces the previous methods used to transmit the PIF via mail or fax.

**IRM 8.20.7.17.17.1.2 (MM-DD-YYYY)**
**Accepted OIC – Appeals Considered**

**(11)** APS will upload the **Public Inspection File** – to the Appeals Library on the SBSE Public Inspection File (PIF) on SharePoint.

a. Redacted Form 7249, *Offer Acceptance Report* signed and dated by the ATE, approving official, and/or Counsel, with the date the offer was accepted affixed in the upper right hand corner by APS.
b. Redacted transcript(s)

**IRM 8.20.7.45.2 (MM-DD-YYYY)**
**Collection Originated OIC Acceptance Procedures**

**(9)** APS will upload the following electronic documents (OIC Public Inspection File (PIF)) to the Appeals Library on the SBSE Public Inspection File (PIF) on SharePoint:

a) Redacted Form 7249, *Offer Acceptance Report* signed and dated by the ATE, approving official, and/or Counsel, with the date the offer was accepted affixed in the upper right hand corner by APS.
b) Redacted transcript(s)

**IRM 8.20.7.45.5.2 (MM-DD-YYYY)**
**Examination or Specialty Originated OIC Acceptance Procedures**

**(4)** Closing actions taken by APS on the date the case is closed on ACDS:

a) Date and mail the acceptance letter to the taxpayer and/or POA and include copies of the Form 656 or amended Form 656 and any collateral agreements as attachments.
b) Copy the acceptance letter with attachments for the administrative file
c) Upload the dated and redacted Form 7249, *Offer Acceptance Report* and the redacted transcripts to the Appeals Folder on the SBSE OIC PIF SharePoint site.
d) Close PEAS (cc 03) with a completion date = to the date all closing actions were completed.
e) Forward the closed file to MOIC in Memphis or Brookhaven.

f) Forward any OIC payments to the campus OIC unit. After the case is closed, the taxpayer will send payments directly to the campus OIC unit.

The IRM section below includes new instructions for Appeals' gatekeeper to review and upload the accepted OIC case Public Inspection File (PIF) to the correct SBSE PIF SharePoint folder**.**

**IRM 8.23.4.2.3 (New Section)**
**Gatekeeper's Review of the Public Inspection File (PIF)**

**(1)** Treasury Regulation 601.702(d) (8) requires that PIF of all accepted OIC cases be available for inspection for one year from the date of acceptance in the location determined by the Compliance Area Director within the Small Business and Self-Employed Division (SBSE).

**(2)** SBSE has established a SharePoint site for the electronic storage of PIF.

**(3)** Tax Examiners in Appeals Processing and Support (APS) will load the electronic PIF to the SharePoint site. After the electronic PIF has been uploaded to the SharePoint site, Appeals employees identified as gatekeepers will access the PIF and review the file to:

a. Ensure that Form 7249 has been dated in the upper right hand corner of the form.
b. Verify that the date stamped is the date the offer was accepted.
c. Ensure that Form 7249 has been properly redacted (IRM 5.8.8.8(2)).
d. Ensure that the account transcripts have been properly redacted. (IRM 5.8.8.7(6)).

**(4)** If the PIF has been properly dated and redacted, the gatekeeper will move the PIF from the Appeals library to the correct PIF location folder and correct PIF date sub-folder.

**(5)** If the PIF file has not been dated properly, the gatekeeper will send an email to the TE notifying them of the error and will return the file to the TE for correction.

**(6)** If the PIF file (either Form 7249 or the account transcripts) has not been redacted properly, the gatekeeper will send an email to the Appeals Technical Employee (ATE) advising them of the error and will return the file to the approving official to have the document corrected.

**(7)** If the PIF file is returned to either the TE or ATE for correction, they will make the necessary corrections and return the document to the gatekeeper via secure email. The gatekeeper will upload the corrected PIF to the correct SharePoint folder.