



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

5.1.20

OCTOBER 7, 2024

EFFECTIVE DATE

(10-07-2024)

PURPOSE

- (1) This transmits a revised version of IRM 5.1.20, *Field Collecting Procedures, Collection Inventory*.

MATERIAL CHANGES

- (1) Revised IRM 5.1.20 text throughout for editorial changes and to update Wage and Investment (W&I) references to Taxpayer Services (TS).
- (2) IRM 5.1.20.1(6): Added stakeholders.
- (3) IRM 5.1.20.1.2: Added authority to program scope.

EFFECT ON OTHER DOCUMENTS

This IRM supersedes IRM 5.1.20 dated April 13, 2023.

AUDIENCE

SB/SE Field Collection (FC) employees.

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Director, Collection Inventory, Delivery and Selection
Small Business/Self Employed

5.1.20

Collection Inventory

Table of Contents

- 5.1.20.1 Program Scope and Objectives
 - 5.1.20.1.1 Background
 - 5.1.20.1.2 Authority
 - 5.1.20.1.3 Roles and Responsibilities
 - 5.1.20.1.4 Program Management and Reviews
 - 5.1.20.1.5 Program Controls
 - 5.1.20.1.6 Acronyms
 - 5.1.20.1.7 Related Resources
- 5.1.20.2 Inventory Delivery System Overview
 - 5.1.20.2.1 IDS Data Analytics
 - 5.1.20.2.2 IDS Business Rules
- 5.1.20.3 Collection Inventory Management Rules and Restrictions
 - 5.1.20.3.1 Cases that Bypass ACS and the Queue that go Directly to ICS
 - 5.1.20.3.2 Cases that Bypass ACS and Go to the Queue
 - 5.1.20.3.3 Cases that Cannot be Moved to the Queue
 - 5.1.20.3.4 Cases with Restricted Assignment
- 5.1.20.4 Collection Inventory Management Tools
 - 5.1.20.4.1 ENTITY Case Management System
 - 5.1.20.4.2 ENTITY Prioritization
 - 5.1.20.4.3 Integrated Collection System
- 5.1.20.5 Revenue Officer Assignments

5.1.20.1
(07-08-2019)
Program Scope and Objectives

- (1) **Purpose:** This section provides an overview of the systemic collection inventory routing systems and process including:
 - Inventory Delivery System (IDS)
 - Integrated Collected System (ICS)
 - ENTITY Case Management System (ENTITY)
- (2) Collection inventory is systemically routed using systemic scoring and routing systems and mechanisms to ensure fairness and integrity. Systemic decision making ensures that no one individual can control the enforcement selection decision-making process, which aligns with Policy Statement P-1-236.
- (3) **Audience:**
 - Small Business/Self Employed Field Collection (FC) employees including Territory Managers, Group Managers, and Revenue Officers
 - Automated Collection System (ACS) managers and employees
- (4) **Policy Owner:** Director, Headquarters Collection
- (5) **Program Owner:** Director, Collection Inventory Delivery and Selection
- (6) **Primary Stakeholders:** Headquarters Collection
- (7) **Program Goals:** Efficiently identify, route and prioritize inventory to be worked by the collection functions

5.1.20.1.1
(07-08-2019)
Background

- (1) Collection inventory that has not been resolved during the notice stream is systemically routed to the collection functions by IDS.
- (2) Field Collection uses two inventory management applications, ENTITY and ICS, to prioritize, assign and maintain inventory.
- (3) Automated Collection System employees use the ACS inventory management system to prioritize, assign and maintain inventory.

5.1.20.1.2
(10-07-2024)
Authority

- (1) The systemic collection inventory routing systems and processes are authorized and used per direction of Collection management.

5.1.20.1.3
(07-08-2019)
Roles and Responsibilities

- (1) The Director, Collection Inventory Delivery and Selection is responsible for procedures related to collection inventory delivery.
- (2) The SBSE Collection Analytics, Routing and Selection (CARS) Analysts have oversight over the program.
- (3) The SBSE Collection Case Delivery (CCD) Analysts have oversight over the ENTITY and ICS programs.
- (4) The SBSE Collection Strategic Analysis and Modeling (SAM) Analysts have oversight over the predictive models.
- (5) Field Collection Group Managers (GMs) and Revenue Officers (ROs) are responsible for maintaining their assigned inventory.
- (6) ACS Managers, leads and employees are responsible for maintaining their assigned inventory.

5.1.20.1.4
(07-08-2019)

Program Management and Reviews

(1) **Program Reviews:**

- CARS Analysts complete a annual review the business rules to ensure their continued effectiveness.
- SAM Analysts complete a annual model evaluation to monitor their effectiveness and update as needed.

(2) **Program Reports:**

- CARS Analysts run weekly and monthly IDS reports to monitor case processing status and volumes.
- ENTITY contains multiple reports to monitor both Queue and FC inventory. Reports are regularly run by HQ Analysts, CCD and FC Management.

5.1.20.1.5
(07-08-2019)

Program Controls

- (1) Access to each of the inventory management systems is restricted and requires an approved BEARS request.

5.1.20.1.6
(10-07-2024)

Acronyms

- (1) This table lists commonly used acronyms and their definitions:

Acronym	Definition
A6020b	Automated 6020(b)
ACS	Automated Collection System
ALS	Automated Lien System
ASFR	Automated Substitute For Return
ATAT	Abusive Tax Avoidance Transaction
BEARS	Business Entitlement Access Request
CARS	Collection Analytics Routing and Selection
CCD	Collection Case Delivery
CCP	Centralized Case Processing
CDP	Collection Due Process
CFOL	Corporate Files On-Line
CIDS	Collection Inventory Delivery and Selection
CLC	Collection Location Code
DIAL	Delinquent Inventory Account List
ENTITY	ENTITY Case Management System
EOM	End of Month
FC	Field Collection
GM	Group Manager
ICS	Integrated Collection System

Acronym	Definition
IDS	Inventory Delivery System
NMF	Non Master File
OI	Other Investigation
OIC	Offer in Compromise
PPIA	Partial Payment Installment Agreement
RBA	Restitution Based Assessment
RO	Revenue Officer
SAM	Strategic Analysis and Modeling
SC	Service Center
TDA	Taxpayer Delinquent Account
TS	Taxpayer Services
TC	Transaction Code
TDI	Taxpayer Delinquency Investigation
TIF	IDRS Taxpayer Information File
RWMS	Workload Management System

5.1.20.1.7
(07-08-2019)
Related Resources

- (1) IRM Resources:
 - IRM 5.3.1, **ENTITY Case Management System**
 - IRM 5.19.5, **ACS Inventory**
- (2) Web Resources:
 - Document 6209: <https://serp.enterprise.irs.gov/content/6209/6209.html>
 - ICS Website: [https://irsgov.sharepoint.com/sites/SbCHqCQts_CassCs/SitePages/ICS\(1\).aspx](https://irsgov.sharepoint.com/sites/SbCHqCQts_CassCs/SitePages/ICS(1).aspx)
 - ENTITY Website: https://irsgov.sharepoint.com/sites/SbCHqCids_Entity/Pages/default.aspx

5.1.20.2
(07-08-2019)
Inventory Delivery System Overview

- (1) IDS routes collection cases that has not been resolved during the notice stream. IDS makes case routing determinations using a business rules engine through a combination of data analytics and business rules.
- (2) IDS receives cases for assignment from:
 - Taxpayer Delinquent Account (TDA) Analysis
 - Taxpayer Delinquency Investigation (TDI) Analysis
 - ACS
 - Automated Substitute for Return (ASFR)
 - Automated 6020(b) (A6020b)
 - Queue
- (3) IDS requests updated case data from:

- IDRS Taxpayer Information File (TIF)
- Corporate Files On-Line (CFOL)

(4) IDS routes cases for final prioritization and assignment to:

- FC
- Queue
- ACS
- A6020b

5.1.20.2.1
(07-08-2019)

IDS Data Analytics

(1) IDS uses advanced data analytics such as predictive modeling techniques, case grade, and routing indicators to systemically prioritize cases for routing.

Note: While IDS uses data analytics to prioritize cases for routing, IDS does not determine the priority of cases within each of the functions.

(2) Model scores are used to indicate the likelihood a predicted case outcome will occur. Scores are calculated for cases with an Master File Tax code 30, 01, 10, or 02 module and are used to prioritize certain cases for assignment. IDS also passes the scores to each function's case management system to make the final prioritization determination.

(3) IDS uses established case grading business rules to determine the predicted grade level of cases.

Note: Cases not graded by IDS will continue to receive their grade from Resources and Workload Management System (RWMS). IRM 1.4.50-1 reflects the criteria used by RWMS to determine the case grade.

(4) IDS creates a higher precedence routing indicator for some cases. This indicator is later utilized by the business rules in some routing decisions.

5.1.20.2.2
(07-08-2019)

IDS Business Rules

(1) IDS business rules are used to route cases to the collection functions. Collection Policy establishes the rules to support the collection program objectives.

(2) IDS uses the business rules to route cases to:

- a. Field Collection (Direct assignment)
- b. Queue
- c. ACS
- d. A6020b

(3) IDS also uses the business rules to shelve cases due to resource limitations:

- Predicted to be inactive or unproductive (TC 530 CC 39)

5.1.20.3
(07-08-2019)

Collection Inventory Management Rules and Restrictions

(1) Cases with certain conditions are systemically limited or restricted from movement via established business rules.

5.1.20.3.1

(04-13-2023)

Cases that Bypass ACS and the Queue that go Directly to ICS

- (1) The following cases are assigned directly to FC from notice status, bypassing both ACS and the Queue. These cases are assigned directly to the manager's hold file in ICS:

Case Type
Any Non Master File (NMF) account
IRS Employee
Transaction Code (TC) 148-9 (Letter 903) with balance greater than \$50,000
Special Project Code cases assigned to Abusive Tax Avoidance Transaction (ATAT)
Estate and Gift cases assigned to ATAT
Quick or Prompt assessment
Taxpayer Services (TS) case transferred to SB/SE campus or case transferred outside of current campus with an imbedded field assignment number or last Master File Status was Status 26
Possible problem/duplicate case where there is no Service Center (SC) History and the case is NOT being transferred and the last Master File Status 26
Open BAL DUE or DEL RET already assigned to ICS – new module added
Current IDRS assignment number to ICS and no open BAL DUE or DEL RET Example: CIP, OI, etc.
Defaulted IBTF IA's
Defaulted PPIA asset cases
Cases with Sub Code = 601, 602, 603 (Taxpayer Requested Contact)
Cases with Sub Code = 604 (Large \$ Case)
Any cases returning from Appeals (Status 72) - the most recent prior assignment was FC

5.1.20.3.2

(11-02-2016)

Cases that Bypass ACS and Go to the Queue

- (1) The following cases are assigned to the Queue from notice status, bypassing ACS:

- Special Non Compliance (TC 148-5, 6, 7)
- Any DEL RET where the case code is 914 or 3949
- Offer in Compromise (OIC) acceptance year is significant
- Windfall Profit Tax (MFT 03 and the delinquent module filing requirement is 6 or 7)
- MFT 12, 15, 52, 61, 63, 64, 77, or 78

Note: For DEL RET, MFT must be 12, 52, 61, 63, or 64

- Innocent Spouse (Left hand freeze code L-)
- Any installment agreement needing financial review
- Taxpayer Services case transferred to SB/SE campus or case transferred outside of current campus with an imbedded queue assignment or last Master File Status = Status 24
- Master File Collection Location Code (CLC) housekeeping or possible problem/duplicate case where there is no SC Status history and the case is NOT being transferred and the last Master File Status = Status 24

5.1.20.3.3
(04-13-2023)

Cases that Cannot be Moved to the Queue

- (1) The following cases (whether when directly assigned or later routed to ICS) are restricted from moving to the queue:
- a. Any Non Master File (NMF) account
 - b. IRS Employee
 - c. Federal Employee/Retiree Delinquency Initiative (FERDI)
 - d. Refund Hold (DEL RET) case
 - e. TC 148- 9 (Letter 903) if balance is greater than \$50,000, reverse with a TC 149 as appropriate
 - f. Secondary DEL RET Code I
 - g. DEL RET notice code T (duplicate request)
 - h. Taxpayer cases, with some or all modules, under Appeals jurisdiction for a CDP or equivalent hearing

Note: This restriction from moving to the queue is not systemic

- i. Taxpayer cases with a module Collection Statue Expiration Date (CSED) expiring within six months

Note: Most of these cases are currently identifiable by ICS and are blocked up-front. Those cases not blocked will return to ICS or show up on the ICS/ ENTITY Quality Analyst (IQA) listing.

Reminder: Defaulted/terminated PPIA asset/no asset cases may be moved to the queue if appropriate.

5.1.20.3.4
(07-08-2019)

Cases with Restricted Assignment

- (1) The following cases (whether directly assigned or later routed to ICS) are restricted from moving from their present assignment. These cases cannot be sent to the queue and they are not transferable, etc., when the following conditions are present:

- Disaster code 2, or 3
- Any IMF case with a Killed in Terrorist Action (KITA) indicator 2
- Restrictive Conditions listed in *Section 8, Part 5 of Document 6209*

Note: If any restrictive conditions are present on a module/account, IDRS will not update the status or resume balance due notice/ TDA issuance until all restrictive conditions are removed. These conditions must be taken into consideration when a command code or transaction code are input to reactivate the balance due notice/TDA routine.

5.1.20.4
(11-02-2016)
**Collection Inventory
Management Tools**

- (1) Two inventory management applications available to Field Collection are ENTITY and ICS.
- (2) ENTITY supports essential FC activities:
 - Inventory Management - case data, reports and queries available in ENTITY can be used by GMs and ROs to manage inventory.
 - Case Selection/Assignment - The GM Case Assignment function in ENTITY is the primary method Field Collection GMs use to assign inventory from the Queue to ROs in their group.
 - Time Reports – FC End of Month (EOM) reports are generated and approved in ENTITY.
- (3) ICS supports essential FC workload management:
 - Electronic case management – assignments, open and close case actions
 - Electronic case documentation – contact and history recordation
 - Electronic Notice of Federal Tax Lien requests – requests extracted to Automated Lien System (ALS)

5.1.20.4.1
(11-02-2016)
**ENTITY Case
Management System**

- (1) ENTITY is a current database of Field Collection ; Field Offer in Compromise and Advisory inventories. The ENTITY application receives data from ICS for open, closed and return to queue cases; the Delinquent Inventory Account List (DIAL) for queue cases; and the Automated Lien System (ALS) for lien information on all cases.
- (2) ENTITY data and report are used by FC management to manage inventory. ENTITY reports can be run at the revenue officer, group, territory, area or national levels depending on the ENTITY user's profile.
- (3) The GM Case Assignment function available in ENTITY is the primary method Field Collection GMs use to assign inventory from the Queue to ROs in their group. Predictive productive model data is used to prioritize TDA and TDI cases for selection.

5.1.20.4.2
(11-02-2016)
ENTITY Prioritization

- (1) ENTITY uses the business rules and case characteristics to present inventory for assignment from the following priority levels and categories:
 - 99, Accelerated
 - 101 - 108, High Priority

Note: Many Priority 100 cases are transfers from ACS assigned directly to the GM Hold file

 - 201 – 208, Medium Priority
 - 301 – 303, Low Priority

Exception: Priority 399 is the default priority level for non-IDRS assignments and is not associated with the priority of the case. For example, an OI issued by Centralized Case Processing (CCP) for collection on a pyramiding in-business taxpayer may be assigned priority level 399 but is a high priority case.

5.1.20.4.3
(11-02-2016)
**Integrated Collection
System**

- (1) ICS provides workload management, case assignment/tracking, inventory control, electronic processing, and case analysis tools to support the SB/SE organization collection fieldwork. ICS is a Windows based software application. Its architecture consists of two layers of hardware and software. The first tier consists of the ICS mainframe and is located at the Tennessee Computing Center. The second tier consists of Windows based software on Workstations which are located at each person's workspace.

5.1.20.5
(11-02-2016)
**Revenue Officer
Assignments**

- (1) Revenue Officer assignments consist of the following:
- Balance Due Accounts (BAL DUEs)
 - Delinquent Return Investigations (DEL RETs)
 - Other (Courtesy) Investigations (OIs)
 - Federal Tax Deposit Alerts (FTD Alerts)
 - Offers in Compromise (Form 656, *Offer in Compromise*)
 - Compliance Initiative (or Improvement) Projects (CIPs) (formerly known as Returns Compliance Programs)