DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, DC 20224

INDEPENDENT OFFICE
OF APPEALS

July 15, 2025

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Affected IRM: 8.22.7

MEMORANDUM FOR DIRECTOR, COLLECTION APPEALS
DIRECTOR, CASE SUPPORT

FROM: Steven M. Martin /s/ Steven M. Martin
Director, Operations Support

SUBJECT: Accepting transfers of Offers in Compromise (OIC) in Automated Offer in Compromise (AOIC)

This interim guidance memorandum (IG) supersedes IG AP-08-1222-0019, which expired on 12/24/2024, and serves as procedures when Offers in Compromise (OIC) are transferred from Automated Offer in Compromise (AOIC) in Collection to Appeals Technical Employees (ATEs) in Collection Due Process (CDP) cases. Please distribute this information to all affected employees within your organization.

**Purpose:** This IG provides guidance for Appeals to accept OIC transfers in AOIC from Collection in order to reflect appropriate jurisdiction of the Tax Increase Prevention and Reconciliation Act of 2005 (TIPRA) statute.

**Background/Source(s) of Authority:** Offers submitted during a CDP or Equivalent Hearing are loaded onto AOIC and assigned to the Collection function for investigation. During the investigation, Collection monitors the TIPRA statute of the CDP offer on AOIC. When Collection recommends the CDP offer be rejected, Collection forwards the administrative file to the assigned ATE and transfers the offer on AOIC from the assigned Collection Area Office to Appeals Area 21. Once transferred to Appeals Area 21, the offer remains in a queue until Appeals accepts the transfer. The TIPRA statute is monitored by Collection until Appeals accepts the transfer.

**Procedural Change:** This IG explains: 1) ATE procedures to submit requests to Account and Processing Support (APS) to accept the CDP offer transfer in AOIC when the ATE receives the CDP-OIC case back from Collection after investigation and 2) ATE procedures to return to Collection those CDP-OIC case files not under Appeals jurisdiction that were transferred to Appeals in error.

**Effect on Other Documents:** This guidance will be incorporated into the IRM within two years of the date of this memorandum.

**Effective Date:** This 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

cc: www.irs.gov

**IRM 8.22.7.10.4.5 Collection Recommends Rejection**

(2) Within five business days of receipt of Collection's CDP-OIC case file with a preliminary rejection, the ATE will:

a. Verify the OIC has its own WUNO in ACDS in accordance with IRM 8.22.7.10.2, Requesting an OIC WUNO.

b. If applicable, sign the Form 3210 that accompanied the paper OIC and transmit the acknowledged Form 3210 to the offer examiner/offer specialist (OE/OS).

c. Submit a request through the APS Request Portal to accept an OIC transfer in AOIC. Include the offer number and OIC WUNO in the request. Per IRM 8.20.6.20.3, Accepting Offer in Compromise (OIC) Transfer in Automated Offer in Compromise (AOIC), APS will return the request if there is no OIC WUNO.

(3) There are instances when Collection erroneously sends preliminary rejections to Appeals, believing the OIC to be under Appeals jurisdiction. Examples of these instances include, but are not limited to:

- Offers submitted by taxpayers who are **not** in CDP.
- New offers submitted by taxpayers after a CDP Notice of Determination or Decision Letter has been issued.
- New offers submitted by taxpayers during a U.S. Tax Court proceeding where there was no remand order to consider the new offer.
- A separate offer submitted by a taxpayer when only their spouse is in CDP.

To protect the TIPRA statue in these instances, the ATE will return the OIC to Collection within five business days of receipt and email XXXXXXXXXX the following information:

- Offer number XXXXXXXXXX is being returned.
- The reason the offer is being returned.
- The tracking information for the file with the name and address where the offer is being shipped, if applicable.
  Note: The file must be sent by a traceable shipping method.
- Request Collection Policy OIC transfer the offer back to the originating office on AOIC.

**Renumber existing IRM 8.22.7.10.4.5 (2) and (3) to IRM 8.22.7.10.4.5 (4) and (5), respectively.**