

IRM PROCEDURAL UPDATE

DATE: 05/23/2025

NUMBER: sbse-05-0525-3332

SUBJECT: Pending IA & Financial Analysis Internal Controls

AFFECTED IRM(s)/SUBSECTION(s): 5.19.13

CHANGE(s):

IRM 5.19.13.3(3), (6) & (10) - Securing Financial Information Added procedures for when an IA can be considered in conjunction with a complete financial requirement.

(3) If the taxpayer or financial statement indicates they cannot full pay within 180 days, qualify for a Guaranteed IA, Simple Payment Plan or SIA, do the following based upon your assigned operation:

If ...	Then ...
CSCO and ACSS,	Request a Form 433-F, Collection Information Statement. Advise the taxpayer to forward the completed form, to the appropriate CSCO site (notice status only) per state mapping SERP - Service Center Addresses for Collection Operations - Who/Where (irs.gov) or to the appropriate ACSS site (status 22, 24 only) per state mapping. SERP - SB/SE Consolidated State Mapping for ACS Support and Collection Due Process - CPLG (irs.gov).
ACS call site/Field Assistance,	Secure financial information and input the financial statement on AMS financial screens.

(4) Input the financial information, clearly document all actions taken on the account and relevant financial information on AMS, **save and create history**. All applicable financial screen(s) on AMS **must** be completed prior to making a determination of the taxpayer's ability to pay.

Note: Taxpayers are **not required to prove** they are paying their housing, utilities, car payments etc. **Do not** request bank statements, pay stubs, copies of bills or contracts be sent in to complete the financial input for this reason. However, if the taxpayer claims payments on a student loan, court order (i.e. child support), or delinquent state or local tax debt, verification is required.

(5) When toll free contact is made on a financial case with an **open IDRS control in ACSS or CSCO**, advise the taxpayer to:

- a. **Contact the employee whose name and number was provided on the notice.**
- b. **Do not** allow additional time without contacting the person with the open control.
- c. If you can resolve the case **based upon the controlling person's history and the taxpayer providing the required information**, fax a Form 4442, Inquiry Referral, to the controlling tax examiner advising them of the closing action. USE the fax number per SERP Who/Where, Form 4442, Referral Fax Numbers.
- d. **DO NOT** request the taxpayer provide additional information that has **not** been requested by the person with the control base, such as bank statements, pay stubs, etc.

(6) If conducting a telephone call or face-to-face contact, verify the taxpayer has complete financial information available to make the case decision before proceeding. Most taxpayers should be able to provide income and expense information during the initial contact.

- If the taxpayer requested an IA that does not meet Simple Payment Plan or SIA criteria and you cannot secure any financial information immediately (verbally or by the Document Upload Tool (DUT) or eFax during the phone contact), follow instructions provided in (6) below.
- If the taxpayer requested an IA that does not meet Simple Payment Plan or SIA criteria and you can secure **some but not all** of the financial information immediately (verbally or by fax during the phone contact), follow the instructions in the table below.
- If financial information is needed for any other reason (possible CNC or hardship determination), follow the instructions in the table below.

Reminder: If income can be verified through internal sources or the only source of income is from Social Security or Unemployment, there is normally no need to request substantiation. Similarly, if taxpayers expenses are within local and national standards there should be no need to request substantiation. If substantiation is required, verbal substantiation of the item is normally sufficient. If the verbal explanation from the taxpayer is acceptable, thoroughly document the taxpayer's explanation in detail. **Only request paper substantiation if the taxpayer is unable to explain the discrepancy.**

Caution: You should never consider email secure. Do not include taxpayer, SBU, or PII information in email messages or attachments unless you use IRS approved encryption technology. See IRM 1.10.3.2.1, Secure Messaging & Encryption.

Instructions for when taxpayer is unable to provide all required financial information for face to face and telephone contact

If ...	Then ...
ACS,	If additional information/substantiation is needed, request it via fax or DUT while on the phone to resolve the case. - Provide the taxpayer with an appropriate deadline to submit the information being requested. If the taxpayer states they will fax or upload the information and is unable to do so while on the call – allow five days from date of telephone call. - If the taxpayer cannot fax or upload the information, advise the taxpayer to send ONLY the information that is missing or needed (i.e., substantiation) to resolve/complete the case to the appropriate ACSS site (or fax, if appropriate) and include their name and TIN with the information. Add 15 calendar days to the due date given the taxpayer. - If the taxpayer indicates they will call back, allow 5 days. - If the taxpayer indicates they will mail the required information - provide the appropriate ACSS address per state mapping. SERP - SB/SE Consolidated State Mapping for ACS Support and Collection Due Process - CPLG (irs.gov). Add 15 calendar days to the due date given the taxpayer. Note: If the taxpayer does not respond, proceed with the next action. Example: Levy, NFTL, Independent Review, LT11, Final Notice -- Notice of intent to levy and your notice of a right to a hearing (sent certified, return receipt requested), etc.
Field Assistance,	Direct the taxpayer to bring documents back to the TAC. - If they are unable to, advise them to call ACS toll-free number depending on the case status, or to send ONLY the information that is missing or needed (i.e., substantiation) to resolve/complete the case to the CSCO SERP - Service Center Addresses for Collection Operations - Who/Where (irs.gov) or ACSS site SERP - SB/SE Consolidated State Mapping for ACS Support and Collection Due Process - CPLG (irs.gov) and include their name and TIN with the information. - Provide the taxpayer with an appropriate deadline to submit the information being requested, 15 days for information being mailed.

(7) If the taxpayer cannot provide **any** information while on a call, they may either:

- Call back with the information - allow five days; or

- Complete and mail a paper Form 433-F, Collection/Information Statement, to appropriate CSCO site (notice status only) based on state mapping SERP - Service Center Addresses for Collection Operations - Who/Where (irs.gov) or appropriate ACSS site (status 22, 24 only) based on state mapping SERP - SB/SE Consolidated State Mapping for ACS Support and Collection Due Process - CPLG (irs.gov) - add 15 calendar days to the due date given the taxpayer.

Exception: If the call is related to a hardship levy release: **SB/SE** is required to address the issue over the phone, for Taxpayer Services (TS) (formerly Wage and Investment (W&I) follow IRM 5.19.4.4.10(4), Levy Release: General Information.

(8) Once financial information is provided, CSCO and ACSS employees are required to control and work all cases to completion. This includes attempts to obtain verification or required substantiation. See IRM 21.3.3.4.1, Case Control and Inventory Management.

(9) For paper case processing, immediately associate taxpayer responses with the suspended case and resolve. If unable to resolve, do the following:

If ...	Then ...
ACSS,	a. Attempt to contact the taxpayer by phone or issue the appropriate correspondex letter to request additional information; if making a phone attempt and contact is not made with the taxpayer, you must follow-up with a letter requesting additional information. Allow 30 days from the date of the letter issuance for the taxpayer to respond. b. Update current AMS control to S status with a follow-up for 45 days then suspend case. Suspend the case on ACS for the appropriate number of cycles; Input "TOS5, XX,IAPND or TOS4, XX, SUBRQST" (XX = the number of days the case will be in suspense (45). c. If the taxpayer does not respond by the end of the suspense period of 45 days, follow instructions in paragraph (10) below.
CSCO,	a. Attempt to contact the taxpayer by phone or issue the appropriate Correspondex letter to request additional information; if making phone attempt and contact is not made with the taxpayer, you must follow-up with a letter requesting additional information. Allow 30 days from the date of the letter issuance for the taxpayer to respond. b. Update current AMS control to "S" status with follow-up for 45 days then suspend case. Note: A manual CC STAUP is not normally required; AMS is programmed to take the appropriate action(s).

If ...	Then ...
	c. If the taxpayer does not respond by the end of the suspense period, follow instructions in paragraph (11) below.

(10) A complete collection information statement (CIS) must be provided, when required, for an IA to be considered pending.

Note: A completed CIS can be provided verbally or in writing and must include sufficient information to make an initial collection decision. If required, substantiation may be provided at a later time. See IRM 5.19.1.2.6.4, Financial Analysis, Verification and Substantiation.

When corresponding with the taxpayer, provide a contact name, hours of operation, return address, and a telephone number for contact. Leave AMS history regarding the information/substantiation requested and why the information has been requested, IRM 5.19.1.6.4.7, Pending IA Criteria. ACSS employees should provide your contact information when available or your team's contact information.

Note: CSCO and ACSS employees receiving information requested during phone contact should complete the financial analysis. Do not forward the information to an ACS employee who previously worked with the taxpayer. **Only** CSCO and ACSS employees control and work financial cases to resolution.

IRM 5.19.13.3.4(9) - Making the Collection Decision Added language pertaining to when a Pending IA should be input.

(9) If the taxpayer **refuses** to liquidate or borrow against assets (and the circumstances in paragraph (3) above do not apply), and the request **meets** Pending IA criteria. A pending IA is an installment that cannot be immediately input.

Example: The taxpayer has provided complete financial information for an IA to be considered but has not provided substantiation, when required. See IRM 5.19.1.6.4.72(d), Pending IA Criteria for additional information. then follow Independent Review procedures. See IRM 5.19.1.6.4.10, Proposal to Reject IA to Independent Review.

Exception: If it appears the taxpayer is trying to delay collection (and the circumstances in paragraph (3) above do not apply), follow instructions in IRM 5.19.1.6.4.9, IA Rejection Criteria.