



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

4.10.16

JULY 23, 2024

## EFFECTIVE DATE

(07-23-2024)

## PURPOSE

- (1) This transmits revised IRM 4.10.16, *Examination of Returns, Examination Operational Automation Database (EOAD)*.

## MATERIAL CHANGES

- (1) Minor editorial changes have been made throughout this IRM. Also, website addresses and IRM references were reviewed and updated as necessary.
- (2) Updated exhibits to reflect current codes in effect.
- (3) IRM 4.10.16.1 added to conform to the new internal control requirements described in IRM 1.11.2, *Internal Controls*.
- (4) IRM 4.10.16.2 Wage & Investment division renamed to Taxpayer Services.
- (5) IRM 4.10.16.2.1 deleted and moved to internal controls.
- (6) IRM 4.10.16.2.2.1 (2) added telephone number.
- (7) IRM 4.10.16.2.2.2 (1) added Administrative Issues, Statutory Issue, General Income Issue, and Declassified Issue.
- (8) IRM 4.10.16.2.2.2 (2) bullet list changed to a table.
- (9) IRM 4.10.16.2.2.3 (3) a added note for NRP cases.
- (10) IRM 4.10.16.2.2.3 (3) c added Agreed amount.
- (11) IRM 4.10.16.2.2.4 (1) added see IRM 4.10.15 for additional information on Form 5344.
- (12) IRM 4.10.16.2.3 (1) deleted verbiage related to IMS standup and copying cases to external media.
- (13) IRM 4.10.16.2.4 (1) added state for clarity.

## EFFECT ON OTHER DOCUMENTS

This material supersedes IRM 4.10.16, dated March 23, 2016.

## AUDIENCE

Employees in the Small Business and Self-Employed (SB/SE), Large Business and International (LB&I), Tax Exempt and Governmental Entities (TE/GE), and Taxpayer Services operating divisions who conduct examinations of income tax returns (Forms 1040, 1120, 1120S, and 1065).

Timothy J. Bilotta  
Director, Examination Operations, Performance Planning and  
Analysis  
Small Business/Self-Employed Division



4.10.16

Examination Operational Automation Database (EOAD)

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4.10.16.1  
(07-23-2024)  
**Program Scope and Objectives**

- (1) **Purpose:** This IRM section provides guidance on record keeping for examination results and tracks the effectiveness of the examination classification process. Examination Operational Automation Database (EOAD) provides data that tracks examination results by issue. This data is used to enhance the ability to identify specific areas of non-compliance based on examination results and track the effectiveness of the examination classification process. EOAD is used to track examination results for National Research Program (NRP) examinations and analyzed by the Government Accountability Office (GAO) and Treasury Inspector General for Tax Administration (TIGTA) as part of their audits of IRS examination activities. In addition, EOAD data is used to fulfill disclosure of examination results under agreements with state and local taxation agencies.
- (2) **Audience:** These procedures apply to all examinations of Individual (Form 1040), Corporate (Form 1120), S Corporation (Form 1120S), and Partnership (Form 1065) returns.
- (3) **Policy Owner:** The Director, Examination Planning Performance and Analysis – Small Business/Self Employed is responsible for EOAD.
- (4) **Program Owner:** Examination Planning Performance and Analysis – Small Business/Self Employed is the program owner of EOAD.
- (5) **Primary Stakeholders:**
  - Taxpayer Services
  - SB/SE
  - LB&I
  - TE/GE
  - Independent Office of Appeals (Appeals)
- (6) **Program Goals:** Identify specific areas of non-compliance based on examination results and track the effectiveness of the examination classification process.

4.10.16.1.1  
(07-23-2024)  
**Background**

- (1) EOAD electronically extracts data from Report Generating Software (RGS), collected by Correspondence Examination Automation Support (CEAS) and the Issue Management System (IMS) at the time cases are closed electronically.

4.10.16.1.2  
(07-23-2024)  
**Authority**

- (1) Authority and purpose is pursuant to IRC 6103(h)(1) which provides for disclosure of returns and return information to officers and employees of the Department of the Treasury (including IRS) whose official duties require access for tax administration.

4.10.16.1.3  
(07-23-2024)  
**Responsibilities**

- (1) Capture of EOAD data is mandatory for all examinations of Individual (Form 1040), Corporate (Form 1120), S Corporation (Form 1120S), and Partnership (Form 1065) returns.
- (2) EOAD data must be entered for **all** examined issues, both adjusted and non-adjusted items, as well as all classified issues including those that are no-changed or subsequently declassified.

4.10.16.1.4  
(07-23-2024)  
**Program Management  
and Review**

- (1) **Program Reports** include:
- Issue Frequency Report
  - Issue Report
  - No-Change Analysis Report
  - Penalty Amount Report
  - Tax Credit Amount Report
  - Taxpayer Report
- (2) **Program Effectiveness:** The data collection process from RGS is tested annually. The closed cases on EOAD are matched against closed cases on the Audit Information Management System (AIMS) monthly to determine the rate of collection of EOAD data. Collection rates below 95% are investigated further to determine if systemic issues are preventing data collection.

4.10.16.1.5  
(07-23-2024)  
**Program Controls**

- (1) EOAD relies on the General Support Systems (GSS) common controls associated with the IRS Enterprise Active Directory domain structure to uniquely identify and verify the identity of each user. Direct access to the server is currently limited to the System Administrators and EOAD programmers.
- (2) Dissemination of EOAD data to internal customers is done via a shared drive controlled by Information Technology (IT). Password protected data files for respective business operating divisions are placed in separate folders on the shared drive. Each data file has a unique password. Requests to access the data are submitted via WebAD\Qwert system and are reviewed by the EOAD business contact. Upon approval, the internal customer is approved for access to the drive. Once access is approved, the mapping instructions and password are shared with the customer.

4.10.16.1.6  
(07-23-2024)  
**Terms/Acronyms/  
Definitions**

- (1) The following table defines terms relevant to this program that are used throughout this IRM section:

***Terms***

<b>Term</b>	<b>Definition</b>
Audit Information Management System (AIMS)	The Audit Information Management System is a computer system used by Appeals, Examination, and TE/GE to control returns, to input assessment/adjustments into the Master File and to provide management reports. IRM 4.4 covers Examination's use of AIMS and describes the data elements for AIMS.
Internal Revenue Code (IRC)	The Internal Revenue Code is prepared and published by the Office of the Law Revision Counsel ("OLRC") of the U.S. House of Representatives pursuant to 2 U.S.C. 285b. The Code contains the general and permanent laws of the United States, organized into titles based on subject matter.

Term	Definition
Issue Management System (IMS)	The Issue Management System is an electronic case management application for examiners, specialists, managers and others. IMS is a program that uses 2 different interfaces. One is a Web based application that requires no program installation and the other is a client-based application requiring installation by Information Technology. It supports existing and new examination processes. The application provides the Estate and Gift Tax program with case management tools needed to support planning, selection and examination. IMS is an official electronic record-keeping system used to store federal electronic records.
Report Generating Software (RGS)	RGS is a audit software program that is used by Examination, it supports an electronic case file and is used from pre-audit through case closure.
Standard Audit Index Number (SAIN)	The SAIN is a numbering system for examination issues.
Uniform Issue List (UIL)	The Uniform Issue List is a list of codes used to track examination issues for various reports.

- (2) The following table defines acronyms frequently used throughout this IRM section:

**Acronyms**

Acronym	Definition
AIMS	Audit Information Management System
BMF	Business Master File
CCP	Centralized Case Processing
CEAS	Correspondence Examination Automation Support
EOAD	Examination Operational Automation Database
GAO	Government Accountability Office
GSS	General Support Systems
IIC	International Individual Compliance
IMF	Individual Master File
IMS	Issue Management System
IT	Information Technology
LAN	Local Area Network

Acronym	Definition
LB&I	Large Business & International
MFT	Master File Tax
NAICS	North American Industry Classification System
NRP	National Research Program
PBA	Primary Business Activity
POD	Post of Duty
RGS	Report Generating Software
SAIN	Standard Audit Index Number(s)
SB/SE	Small Business/Self-Employed
SSSN	Secondary Social Security Number
TE/GE	Tax-Exempt and Government Entities
TIGTA	Treasury Inspector General for Tax Administration
TIN	Taxpayer Identification Number
UIL	Uniform Issue List

4.10.16.1.7  
(07-23-2024)

#### Related Resources

- (1) The following IRMs are related to workpapers and reports:
  - IRM 4.10.9, Workpaper System and Case file Assembly
  - IRM 4.10.15, Examination of Returns, Report Generation Software (RGS)
  - IRM 4.46.6, LB&I Examination Process, Workpapers and Reports Resources
  - IRM 1.1.16.6.1.6, Examination System and Projects
  - IRM 1.1.16.5.4.3, Examination Data Management (EDM)

4.10.16.2  
(07-23-2024)

#### Examination Operational Automation Database (EOAD)

- (1) EOAD provides data that tracks examination results by issue. This data is used to enhance the ability to identify specific areas of non-compliance based on examination results and track the effectiveness of the examination classification process. EOAD is used to track examination results for NRP examinations and analyzed by GAO and TIGTA as part of their audits of IRS examination activities. In addition, EOAD data is used to fulfill disclosure of examination results under agreements with state and local taxation agencies. Therefore, it is important that data inputs are accurate.
- (2) Data is captured by Small Business/Self-Employed (SB/SE), Large Business & International (LB&I), and Taxpayer Services examiners for examinations of all Forms 1040, 1120, 1120S, and 1065 using Report Generation Software (RGS) and Issue Management System (IMS) software.
- (3) The focus of this IRM is on data entries in RGS and IMS that are captured by EOAD but generally do not affect tax computations. It is very important that examiners take great care in properly entering EOAD data since there is no subsequent review process to correct EOAD errors.



4.10.16.2.1  
(04-26-2011)  
**Capture of EOAD Data  
Using RGS**

- (1) EOAD data is captured by RGS from examiners' inputs on the following screens in RGS:
- Create Case screen
  - Case Information screen
  - Contacts screen
  - Issue screen
  - Tax Computation (IMF) and Create Report (BMF) screens
  - Form 5344
  - Compliance Evaluation screen

4.10.16.2.1.1  
(07-23-2024)  
**Create Case, Case  
Information, and  
Contacts Screens**

- (1) **Create Case screen** - the following data is captured:
- Taxpayer identification number (TIN)
  - Secondary social security number (SSSN)
  - Form type
  - Master file tax (MFT) code
  - Tax period
  - Source code
  - Activity code
  - Project code
  - Tracking code
  - Post of duty (POD) code
  - Audit Information Management System (AIMS) assignee codes

- (2) **Case Information screen** - the following data is captured:

- Name
- Telephone number
- Address
- Filing state code
- Filing zip code

Based on the examiner's inputs in:

- Return due date
- Extended due date
- Received date
- Substitute for return checkbox

RGS will generate a delinquency indicator for EOAD to indicate:

- The return was filed timely
- A valid extension was filed
- The return was delinquent (filed late)
- A return was not filed (i.e. substitute for return cases)

- (3) **Contacts screen** - captures identification and contact information for the return preparer and representative(s). The proper completion of this information allows the ability to identify and address egregious return preparers.

4.10.16.2.1.2  
(07-23-2024)  
**Issue Selection Screen**

- (1) The examiner creates issues in RGS using the drop down "Actions" menu to select the option that best describes the issue. The menu options are:

- **Administrative Issues** - Are automatically created by RGS (can also be added manually if necessary). Administrative lead sheets automatically insert into administrative issues.
- **New Issue** – This is an issue that has been identified by the examiner who has determined that it warrants additional inspection. New Issues are not Classified Issues nor are they directly related to a Classified Issue.
- **Classified Issue** – This is an issue that has been identified through the issue classification process and appears on a Classification Check Sheet. **All** Classified Issues must be added and commented upon even if they are subsequently declassified. If a Classified Issue is declassified, check the declassified box on the issue adjustment screen. Add an adjustment record with the issue categorized as though it was examined. Enter the issue amount from the return in both the Per Return and Per Exam fields and select a Declassified Issue Reason Code.
- **New Issue Resulting From Classified Issue** – This is an issue that can be directly traced back to a classified issue. For example, a classified balance sheet item could lead to one or more profit and loss items. These subsequent Profit and Loss issues would be identified as New Issue Resulting From Classified Issue.
- **Statutory Issue** – This issue is created by RGS when a tax computation is run. These issues cannot be deleted and are assigned a "Reference" code of 599.
- **General Income Issue** -This issue is created by RGS from examiner entries in "General Income" on the 1040 workcenter. These issues are assigned a "Reference" code in the 5xx series.
- **Declassified Issue** - This issue is created by the examiner declassifying a classified issue.

**Note:** Issues from different lines on a tax return must be created separately using the appropriate issue code and should not be combined.

- (2) Once an issue is added, the examiner uses a pull-down menu in the **IMF Code** field to identify the issue. See Exhibit 4.10.16-1 for a complete list of IMF Issue Codes. The initial drop down menu selections are:

Menu Selection	Definition
Form 1040 Exemptions and Income	Self-explanatory
Form 1040 Taxes and Credits	Self-explanatory
Premium Tax Credit and Health Care	Self-explanatory
Schedule A	Self-explanatory
Schedule C	Self-explanatory
Schedule D	Self-explanatory
Schedule E	Self-explanatory
Schedule F	Self-explanatory

Menu Selection	Definition
Form 2106	Self-explanatory
Generic Income, Expense and Tax Credits	Self-explanatory
999999 - Statutory Adjustment	Self-explanatory
699999 - Impact of DeMinimus Issues	Self-explanatory
Campus/Service Center	Self-explanatory
4NRP - Q Table	Self-explanatory
99999 - Change/No Change	Self-explanatory
Miscellaneous Issues	Self-explanatory

- (3) BMF issues are identified using the drop down menus in the **SAIN**, Standard Audit Index Number, field. See Exhibit 4.10.16-2, and Exhibit 4.10.16-3, respectively, for complete lists of sub-chapter S and partnership SAIN Codes. See IRM 4.46.6, *LB&I Examination Process, Workpapers and Reports Resources*, for a complete list of Corporate SAIN codes.

4.10.16.2.1.3  
(07-23-2024)  
**Issue Adjustment  
Screen**

- (1) Once issues are identified, the Issue Adjustment screen is accessed using the “Add” function box.
- (2) To promote accuracy and reduce time spent, EOAD fields should be completed concurrently with the examination of issues to the greatest extent possible.
- (3) The following fields are captured by EOAD on the Issue Adjustment screen:
- Categorization** - this selection determines how RGS will calculate the tax resulting from the adjustment. “The RGS Issue Reference Guide” is available for download at the Exam System Knowledge Base. This guide provides detailed instructions to examiners on how to properly categorize an adjustment based upon the IMF Issue Code selection to ensure RGS performs a proper tax calculation and that accurate EOAD data is captured.

**Note:** For NRP Cases follow the NRP Issue Reference Guide located on the NRP Website -<https://nrp.web.irs.gov/training.html#tab=tab1>.

- Per return, Per exam** amounts.
- Agreed amount** - is the amount of the adjustment the taxpayer agrees with. If the taxpayer does not agree to all or part of the adjustment, modify or remove the agreed amount.
- Reason Code** – a two-digit code that identifies the reason for the adjustment, why the issue was no changed, or declassified. The examiner should follow the drop down menus in RGS to select the code that best describes the reason the issue was or was not adjusted. See Exhibit 4.10.16-4.

**Note:** Adjustments to Earned Income Credit issues or originating from Flow Through Entities require the selection of specific Reason

Codes. Reason Codes for adjustments from Flow Through Entities are further divided to identify the Flow Through case as either NRP or Non NRP. For all other issues, select the code that best fits the reason the issue was or was not adjusted.

- e. **Uniform Issue List (UIL) Code** - SB/SE examiners are **not** required to complete this field.
- f. **Rental Type Code** – This field is completed for Form 1040 - Schedule E Rental Issues only in RGS. The drop down menu for this field is only activated on issues with Schedule E Rental IMF Issue Codes. Select the code that best describes the rental from the categories Residential, Vacation, or Commercial Rental. See Exhibit 4.10.16-5 for a complete list of Rental Type Codes.
- g. **PBA/NAICS Code Per Return (Issue)** – For all Form 1040 Schedule C or F and all Forms 1065, 1120, and 1120S issues, this field should be completed to reflect the code as reported by the taxpayer. The North American Industry Classification System (NAICS) will be used for returns for tax periods after 199811. The Primary Business Activity (PBA) Codes will be used for tax periods prior to 199812. The four-digit PBA Code should be expanded to six digits by placing two zeroes (00) before the code.
- h. **PBA/NAICS Code Per Exam (Issue)** – For all Form 1040 Schedule C or F and all Forms 1065, 1120, and 1120S issues, enter the NAICS code from the series of pull-down menus that best identifies the type of business for the issue being examined. NAICS codes will be used for returns for tax periods after 199811. PBA codes will be used for tax periods prior to 199812. The four-digit PBA code should be expanded to six digits by placing two zeroes (00) before the code. Code “000000” should be selected for issues involving Form 1040 Schedule E income subject to self-employment tax.

**Note:** If the examiner is fully disallowing the schedule or return, such as in an IRC 183 adjustment, they should choose “D” to remove the NAICS code.

4.10.16.2.1.4  
(07-23-2024)

**Completion of RGS Tax Computation and Form 5344**

- (1) Before the Compliance Evaluation Screen can be completed certain RGS actions must be taken. The **tax computation must be completed using RGS** and all required fields in the RGS Form 5344 must be completed. Then the Form 5344 must be validated. See IRM 4.10.15, Examination of Returns, Report Generation Software (RGS) for additional information on Form 5344.

4.10.16.2.1.5  
(01-02-2013)

**Completion of the Compliance Evaluation Screen**

- (1) **PBA/NAICS Code Per Return** – This code reflects the principal business of the taxpayer and can be found on the return. In the case of Forms 1040 with multiple Schedules C or F, it is the code for the schedule with largest gross receipts per the return. North American Industry Classification System (NAICS) codes will be used for returns for tax periods after 199811. Primary Business Activity (PBA) codes will be used for tax periods prior to 199812. The four-digit PBA code should be expanded to six digits by placing two zeroes (00) before the code.
- (2) **PBA/NAICS Code Per Exam** – This is the corrected code, based on the examiner’s determination for the principal business of the taxpayer. In the case of Forms 1040 with multiple Schedules C or F, it is the code for the schedule with largest gross receipts after completion of the examination. RGS provides a

series of pull-down menus to assist the examiner in selecting the correct code. NAICS codes will be used for returns for tax periods after 199811. PBA codes will be used for tax periods prior to 199812. The four-digit PBA code should be expanded to six digits by placing two zeroes (00) before the code.

- (3) **Primary Occupation Code (Form 1040 only)** – This is a three-digit code that identifies the occupation of the taxpayer with the largest source of wage income for the year being examined. This code should be selected based on the taxpayer's largest source of wage income per exam regardless of whether the largest source is from the primary or secondary taxpayer. This field will be completed where the taxpayer is both a wage earner and self-employed. If no wages are earned, no code is entered. RGS provides a series of pull-down menus to assist the examiner in selecting the correct code.
- (4) **Amount Paid at Closing** – This is the total amount paid for the applicable tax period at the time the examination was concluded or before the examination case is closed from the group.
- (5) **Study Type** – This field will be left blank currently. It is a three-digit field that will be used to track cases for special surveys or research studies (not the same as current project codes).
- (6) Upon completion of all fields, the Compliance Evaluation screen must be validated, saved, and printed. The printed copy must be placed in the case folder on top of the case file.

4.10.16.2.1.6  
(03-23-2016)  
**Forwarding EOAD Data  
using RGS**

- (1) SB/SE and LB&I, International Individual Compliance (IIC) examiners will forward **all** closed cases by Local Area Network - Report Generating Software (LAN-RGS) unless that functionality is unavailable. The EOAD data is included in the electronic case file by the forwarding process.
- (2) Forms 1040, 1120, 1120S, and 1065 examinations which could not be completed using LAN-RGS must be noted as such on the Form 3198, *Special Handling Notice for Examination Case Processing*. Any cases not fulfilling the requirements of IRM 4.4.12.11, *EOAD Data Capture Procedures*, will be returned to the originating examination group.

4.10.16.2.2  
(07-23-2024)  
**Capture of EOAD Data  
Using IMS**

- (1) The IMS system captures the EOAD data in a format that can be shared with state and local taxation agencies.
- (2) EOAD data is automatically extracted by IMS at case closure based upon examiners' inputs on various IMS screens. Instructions detailing the proper input of data in IMS can be found in the IMS Client program.
- (3) For cases completed using IMS, EOAD data is included in the electronic case file by the forwarding process.

4.10.16.2.3  
(07-23-2024)  
**Forwarding EOAD  
Manually - Centralized  
Case Processing (CCP)  
Responsibility**

- (1) If a disclosure is made to a state agency whose code is manual or not compatible with AIMS, or if the disclosure is of Non-Master File (NMF) information, the reporting will be done manually by preparing Form 5466-B, *Multiple Record of Disclosure*. Additional information regarding disclosure reporting requirements can be found at IRM 11.3.37, Record keeping and Accounting for Disclosures.

- (2) State agency codes can be found in IRM Exhibit 11.3.37-4, *State Agency Codes*.
- (3) Instructions for Form 5466-B, preparation can be found at IRM Exhibit 11.3.37-6, *Multiple Record of Disclosure*.

**Exhibit 4.10.16-1 (07-23-2024)**

**IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
41007	Wages, Salaries and Tips, etc.
41008	Taxable Interest
41009a	Ordinary Dividends
41009b	Qualified Dividends
41010	State Refunds, Credits, or Offsets
41011	Alimony Income
41014	Other Gains or Losses From Form 4797
41015	IRA Distributions
41016	Pensions and Annuities
41019	Unemployment Compensation
41019a	Unemployment Compensation Exclusion
41020	Social Security Benefits
41021	Other Income
41021a	Form 2555 Foreign Income
41021b	NOL Carryback
41021c	NOL Carryforward
41021d	MSA Taxable Payments
41021e	MED+MSA Taxable Payments
41021f	LTC Taxable Payments
41021g	Form 4563 Income
41021h	Income Excluded from Puerto Rico
41021i	HSA Taxable Distributions
41021j	HSA Qualified Distributions
41021k	Gambling Winnings
41021l	Section 461(l) Excess loss
41021m	Net Section 965 Inclusion
41021n	GILTI (Global Intangible Low-Taxed Income)
41021o	Section 962 Election
4CX01	Sch C - Gross Receipts or Sales

**Exhibit 4.10.16-1 (Cont. 1) (07-23-2024)****IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
4CX01a	Sch C - Gross Receipts/Sales Merch/3rd Party
4CX01b	Sch C - Other Gross Receipts or Sales
4CX01c	Sch C - Income Reported on Form W-2
4C101z	Sch C-EZ - Gross Receipts
4CX02	Sch C - Returns and Allowances and Oth. Adj.
4CX06	Sch C - Other Income
4CGL	Schedule C Net Gain/Loss
4D001	Sch D - Short-Term Gain/Loss
4D004	Sch D - ST Gain/Loss - Forms 6252/4684/6781/8824
4D005	ST Gain/Loss-Prtnrship/S-Corp/Estate/Trust - Sch K1
4D006	Sch D - Short-Term Capital Loss Carryover
4D008	Sch D - Long-Term Gain/Loss
4D011	Sch D - LT Gain/Loss-4797/2439/6252/4684/6781/8824
4D012	LT Gain/Loss-Prtnrship/S-Corp/Estate/Trust - Sch K1
4D013	Capital Gain or Loss Where Sch D Not Required
4D013d	Capital Gain Distribution
4D014	Sch D - Long-Term Capital Loss Carryover
4EX03	Sch E - Rents Received
4EX03a	Sch E - Merchant Card/3rd Party Payments Received
4EX03b	Sch E - Other Payments Received
4EX04	Sch E - Royalties Received
4EX23	Sch E - Real Estate Loss After Passive Limitation
4E131	Sch E - Inc/Loss-Prtnrship/S Corps-Passive/Non-Passive
4E136	Sch E - Inc/Loss-Estates/Trusts-Passive/Non-Passive
4E138	Sch E - REMIC Income or Loss
4E139	Sch E - Net Farm Rental Income or Loss
4FX01	Sch F - Sales-Livestock/Oth. Items Purch for Resale
4FX01a	Sch F - Specified Sales-Livestock/Other Resale
4FX01b	Sch F - Other Sales-Livestock/Other Resale
4FX02a	Sch F - Specified Sales of Raised Products
4FX02b	Sch F - Other Sales of Raised Products



**Exhibit 4.10.16-1 (Cont. 2) (07-23-2024)**

**IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
4FX04	Sch F - Sales-Raised Livestock/Produce/Grains/etc.
4FX05	Sch F - Cooperative Distributions
4FX06	Sch F - Agricultural Program Payments
4FX07a	Sch F-Commodity Credit Corporation Loans Reported
4FX07b	Sch F-Commodity Credit Corporation Loans Forfeited
4FX08	Sch F - Crop Insurance and Disaster Payments
4FX08a	Sch F - Spec. Custom Hire (Machine Work) Income
4FX08b	Sch F - Other Custom Hire Income
4FX09	Sch F - Custom Hire (Machine Work) Income
4FX09a	Sch F - Other Specified Income
4FX10	Sch F - Other Income
4FGL	Schedule F Net Gain/Loss
4NRP	Q Table
4TH01	Other Write in Income
4Z101a	Sch C-EZ-Gross Receipts/Sales Merch/3rd Party
4Z101b	Sch C-EZ-Other Gross Receipts or Sales
4Z101c	Sch C-EZ-Income Reported on Form W-2
51006a	Exemptions-Self/Spouse
51006c	Dependent Children-Live with Taxpayer
51006d	Dependent Children-Do Not Live with Taxpayer
51006e	Dependent-Parents
51006f	Dependent-Other
51006g	Dependent-Other Displaced Individual
51023	IRA Deduction
51024	Student Loan Interest Deduction
51025	Archer MSA Deduction
51026	Moving Expenses
51027	Deductible Part of SE Tax
51028	Self-Employed Health Insurance
51029	Self-Employed SEP, Simple, and Qualified Plans

**Exhibit 4.10.16-1 (Cont. 3) (07-23-2024)****IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
51030	Penalty on Early Withdrawal of Savings
51031	Alimony Paid
51032	Educator Expenses
51033	Tuition and Fees Deduction
51035	Domestic Production Activities Deduction (F8903)
51036	Standard Deduction
51036a	Charitable Contributions for Standard Deduction
51037	Other Adjustments Affecting AGI
51037a	"WBF" for the Deduction for Whistleblower Fees
51037b	Jury Duty Fees
51037c	Foreign Income Housing Deduction
51037d	Personal Property Rental Expenses
51037e	Reforestation Amortization
51037f	Repayment of Supplement Unemployment Benefits
51037g	Contributions to Section 501(c) Plans
51037h	Contributions to Section 403(b) Plans
51037i	Deduction for Clean-fuel Vehicles
51037j	Unlawful Discrimination Claim Fees
51038	Certain Business Expenses from F2106(EZ )
51039	Health Saving Account Deduction (F8889)
51040	Qualified Business Income Deduction (QBID)
52101	Vehicle Expense
52102	Parking/Tolls/Transportation - Not Away From Home
52103	Travel Expense - Away From Home Overnight
52104	Other Business Expenses
52105	Meals and Entertainment
52107	Expense Reimbursement – Not Reported
5A001	Medical and Dental
5A003	Medical and Dental AGI Percentage
5A005a	State and Local Income Taxes
5A005b	State and Local General Sales Taxes

**Exhibit 4.10.16-1 (Cont. 4) (07-23-2024)**

**IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
5A006	Real Estate Taxes
5A007	Personal Property Taxes
5A008	Other Taxes
5A009	Qualified Motor Vehicle Taxes
5A010	Home Mortgage Interest and points From Form 1098
5A011	Home Mortgage Interest Not From Form 1098
5A012	Points Not From Form 1098
5A013	Investment Interest
5A014	Qualified Mortgage Insurance Premiums
5A015	Cash Contributions
5A016	Non-Cash Contributions
5A017	Contributions Carryover
5A019	Casualty and Theft Loss
5A020	Other Unreimbursed Employee Expenses
5A021	Tax Preparation Fees
5A022	Other Expenses Subject to 2% AGI Limitation
5A027	Other Miscellaneous Deductions
5A028	Gambling Losses
5CX04	Sch C - Cost of Goods Sold
5CX08	Sch C - Advertising
5CX09	Sch C - Bad Debts From Sales or Services
5CX10	Sch C - Car and Truck Expenses
5CX11	Sch C - Commissions and Fees
5CX12	Sch C - Depletion
5CX13	Sch C - Depreciation and Sec. 179 Expense
5CX14	Sch C - Employee Benefits Programs
5CX15	Sch C - Insurance (Other Than Health)
5CX16a	Sch C - Interest - Mortgage
5CX16b	Sch C - Interest - Other
5CX17	Sch C - Legal and Professional Services

**Exhibit 4.10.16-1 (Cont. 5) (07-23-2024)****IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
5CX18	Sch C - Office Expenses
5CX19	Sch C - Pension and Profit-Sharing Plans
5CX20a	Sch C - Rent/Lease - Vehicles/Machinery/Equip.
5CX20b	Sch C - Rent/Lease - Other Business Property
5CX21	Sch C - Repairs and Maintenance
5CX22	Sch C - Supplies
5CX23	Sch C - Taxes and Licenses
5CX24a	Sch C - Travel
5CX24b	Sch C - Meals and Entertainment
5C124c	Sch C-EZ-Optnl Non-Deductible Meals/Entertainment
5C124z	Sch C-EZ-Optional Meals & Entertainment
5CX25	Sch C - Utilities
5CX26	Sch C - Wages
5CX27	Sch C - Other Expenses
5CX30	Sch C - Expenses for Business Use of Home
5CX35	Sch C - Beginning Inventory
5CX36	Sch C - CGS - Purchases
5CX37	Sch C - CGS - Cost of Labor
5CX38	Sch C - CGS - Materials and Supplies
5CX39	Sch C - CGS - Other Costs
5CX41	Sch C - Ending Inventory
5C150	Sch C-EZ - Total Expenses – Lines 2a/2b not used
5C150z	Sch C-EZ - Optional Other Expenses
5CX60	Sch C - Contract labor
5EX05	Sch E - Advertising
5EX06	Sch E - Auto and Travel
5EX07	Sch E - Cleaning and Maintenance
5EX08	Sch E - Commissions
5EX09	Sch E - Insurance
5EX10	Sch E - Legal and Other Professional Fees
5EX11	Sch E - Management Fees

**Exhibit 4.10.16-1 (Cont. 6) (07-23-2024)**

**IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
5EX12	Sch E - Mortgage Interest
5EX13	Sch E - Other Interest
5EX14	Sch E - Repairs
5EX15	Sch E - Supplies
5EX16	Sch E - Taxes
5EX17	Sch E - Utilities
5EX18	Sch E - Other Expenses
5EX20	Sch E - Depreciation Expense or Depletion
5EX21	Sch E - Royalty Expenses
5FX01d	Sch F - Cost/Other Basis of Livestock/Other
5FX02	Sch F - Cost/Oth. Basis of Livestock&Oth. Items-Ln1
5FX12	Sch F - Car and Truck Expenses
5FX13	Sch F - Chemicals
5FX14	Sch F - Conservation Expenses
5FX15	Sch F - Custom Hire (Machine Work)
5FX16	Sch F - Depreciation and Section 179 Expense
5FX17	Sch F - Employee Benefit Programs
5FX18	Sch F - Feed Purchases
5FX19	Sch F - Fertilizer and Lime
5FX20	Sch F - Freight and Trucking
5FX21	Sch F - Gasoline, Fuel, and Oil
5FX22	Sch F - Insurance (Other Than Health)
5FX23a	Sch F - Interest - Mortgage
5FX23b	Sch F - Interest - Other
5FX24	Sch F - Labor Hired
5FX25	Sch F - Pension and Profit-Sharing Plans
5FX26a	Sch F - Rent/Lease - Vehicles/Machinery/Equipment
5FX26b	Sch F - Rent or Lease - Other
5FX27	Sch F - Repairs and Maintenance
5FX28	Sch F - Seeds and Plants Purchased

**Exhibit 4.10.16-1 (Cont. 7) (07-23-2024)****IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
5FX29	Sch F - Storage and Warehousing
5FX30	Sch F - Supplies Purchased
5FX31	Sch F - Taxes
5FX32	Sch F - Utilities
5FX33	Sch F - Veterinary, Breeding and Medicine
5FX34	Sch F - Other Expenses
5FX46	Sch F - Beginning Inventory
5FX49	Sch F - Ending Inventory
5TH01	Other Deduction/Expense
61001	Filing Status
61040a	Tax from Form 8814
61040b	Tax from Form 4972
61040c	Other Write-ins to Tax
61041	Alternative Minimum Tax
61042	Additional Taxes
61043	Foreign Tax Credit
61044	Child or Dependent Care Credit
61045	Elderly or Disabled Credit
61046	Education Credit - Issue Name must be a SSN
61047	Rate Reduction Credit
61048	Child Tax Credit
61048a	Credit for Other Dependents
61049	Adoption Credit From Form 8839
61050	Other Credits Not From Forms 3800, 8396, 8801, 8859
61050a	Other Credits From Form 3800
61050b	Other Credits From Form 8801
61050c	Other Credits From Form 8396
61050d	Other Credits From Form 8859
61050e	Section 45R Credit for Health Care
61050f	Clean Vehicles Credit (Form 8936)
61050g	Previously Owned Clean Vehicles Credit (Form 8936)

**Exhibit 4.10.16-1 (Cont. 8) (07-23-2024)**

**IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
61051	Retirement Savings Contribution Credit
61052	Residential Energy Credit From Form 5695
61052a	Residential Clean Energy Credit (Form 5695)
61052b	Energy Efficient Home Improvement Credit (Form 5695)
61053	Self-Employment Tax
61054	SS and Medicare Tax on Tip Income From Form 4137
61055	Tax on Qualified Plans
61056	Advance Earned Income Credit payments
61057	Household Employment Taxes
61058	Uncollected SS & Medicare Tax on Wages (F8919)
61059	W-2/1099 Federal Income Tax Withholding
61060	Est. Tax Pymts/Pr Yr Overassessment - not posted
61061	Earned Income Tax Credit
61061b	NonTaxable Combat Pay Election
61062	Excess Social Security and RRTA Tax Withheld
61063	Additional Child Tax Credit
61063a	Refundable Child Tax Credit
61064	Amt Paid w/Extension to File - not posted to TP's Acct
61065	Frozen Refund
61065a	Form 2439
61065b	Form 4136
61065c	Form 8885
61065d	Form 8801, Refundable Credit
61065e	Other Write-ins to Refundable Credits
61065f	Qualified Sick/Family Leave Credits
61065g	Deferral for Certain Sch H or SE filers
61065h	Refundable Child or Dependent Care Credit
61065i	Claim of Right Credit
61066	Other Taxes
61066a	FTHBC Recapture

**Exhibit 4.10.16-1 (Cont. 9) (07-23-2024)****IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
61066b	Taxes from Form 8959
61066c	Taxes from Form 8960
61066d	Section 965 Net Tax Liability from Form 965-A
61066e	Additional Tax from Schedule 8812
61067	Making Work Pay/Govt Retiree Credit
61068	Refundable American Opportunity Credit
61069	First-time Homebuyer Credit From Form 5405
61070	Recovery Rebate Credit
61070a	Recovery Rebate Credit (CARES Act)
61071	Federal Telephone Excise Tax Credit
61072	Refundable Adoption Credit
62001	Health Care - Shared Responsibility Payment
62002	Premium Tax Credit (PTC)
62003	Excess Advance PTC (APTC) Repayment
62401	Accuracy Related Penalty - 6662
62402	Fraud Penalty - 6663
62403	Delinquency Penalty - 6651
62404	Estimated Tax Penalty - 6654
62405	Promoter Penalties
62406	Erroneous Claim for Refund or Credit Penalty - 6676
62410	Other Penalties (includes FBAR)
699999	Impact of DeMinimus Issues
6TH01	Other Tax/Credit
76150	User Specified 1 (Issue name and 4318 description required)
76200	User Specified 2 (Issue name and 4318 description required)
76250	User Specified 3 (Issue name and 4318 description required)
76300	User Specified 4 (Issue name and 4318 description required)
76350	User Specified 5 (Issue name and 4318 description required)
76400	User Specified 6 (Issue name and 4318 description required)
76450	User Specified 7 (Issue name and 4318 description required)
7C10X	Sch C-1 - IRC 183



**Exhibit 4.10.16-1 (Cont. 10) (07-23-2024)**

**IMF Issue Codes**

<b>Code</b>	<b>Issue</b>
7C1F	Sch C-1- Accounting Method
7EX0X	Sch E - IRC 183
7FX0X	Sch F - IRC 183
7FXC	Sch F - Accounting Method
99999	Change/No Change
999999	Statutory Adjustment

**Note:** For all the Schedule C, Schedule E, and Schedule F issues, the **IMF Code** displays an **X** to indicate the number of the schedule being adjusted, for example, 4C101, 4C201 or 4C301.

**Exhibit 4.10.16-2 (07-23-2024)****Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
000	Issue does not exist
001	Precontact Analysis
002	Pre - Exam Conference
003	Preliminary Examination Time
004	Preparing Examination Plan
005	Coordination
006	Travel Time
007	Report Preparation
008	Examination Critique
009	Meetings
010	Review Protest / Prepare Rebuttal
010-01	Fast Track
011	Penalty Consideration
012	Form 5699 (Information Document Request Log)
013	Issue Control Sheet - Form 5701 (Notice of Proposed Adjustments)
014	Referrals to Specialists
015	Financial Interest
016	Correspondence
017	POA / Form 8821 (Tax Information Authorization)
018	Statute of Limitations
020	Prior Revenue Agent Report
021	Prior Appeals Report
022	Joint Committee Reports
024	Risk Analysis
030	Administrative Lead Sheet
031	LB&I Quality Measurement System Check Sheet
032	LB&I Joint Audit Planning Process Tool
033	Pre-audit Interview History Lead Sheet
034	Examiner's RRA 98 Compliance Guide
035	Team Manager Check Sheet

**Exhibit 4.10.16-2 (Cont. 1) (07-23-2024)**

**Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
060	Claims
061	Self-Audit Adjustments (Affirmative Adjustments)
080	Planning File
100	Balance sheet (no balance sheet attached)
101	Cash
102	Trade notes & accounts receivable
102-01	Allowance for Bad Debts
103	Inventories
104	U.S. government obligations
105	Tax-exempt securities
106	Other current assets
107	Loans to shareholders
107-01	Loans to persons related to shareholders
108	Mortgage & real estate loans
109	Other investments
110	Buildings & other depreciable assets
110-01	Accumulated depreciation
111	Depletable assets
111-01	Accumulated depletion
112	Land (net of any amortization)
113	Intangible assets
113-01	Accumulated amortization
114	Other assets
216	Accounts payable
217	Mortgages, notes, bonds payable in less than 1 year
218	Other current liabilities
218-01	Related Party Accruals
219	Loans from shareholders
219-01	Loans from persons related to shareholders
220	Mortgages, notes, bonds payable in 1 year or more

**Exhibit 4.10.16-2 (Cont. 2) (07-23-2024)****Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
221	Other liabilities
322	Capital stock
323	Additional paid-in capital
325	Retained earnings
325-01	Reconciliation of retained earnings
326	Cost of treasury stock
327	Adjustment to shareholders' equity
401	Gross receipts or sales
401-01	Sales to related entities
401-02	Merchant card and third party payments
402	Returns and allowances
409	Net gain (loss) from Form 4797, Part II
410	Other income (loss)
410-01	Partnership income (loss) (Tiered Entity)
410-02	Cancellation of Debt Income
502	Cost of goods sold (No Sch. A or F1125-A detail)
502-01	Inventory (Beginning)
502-02	Purchases
502-03	Cost of labor
502-04	Additional IRC 263A costs
502-05	Other costs
502-10	Inventory (Ending)
512	Compensation of officers
513	Salaries & wages
514	Repairs & maintenance
515	Bad debts
516	Rents
517	Taxes & licenses
518	Interest
519	Charitable contributions
520	Depreciation

**Exhibit 4.10.16-2 (Cont. 3) (07-23-2024)**

**Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
521	Depreciation (other than page 1 Form 1120S)
522	Depletion
523	Advertising
524	Pension, profit sharing plans, etc. plans
525	Employee benefit programs
526	Other deductions (no schedule attached)
526-01	Administrative fees
526-02	Amortization
526-03	Automobile expense
526-04	Bonus expense
526-05	Consulting fees
526-06	Contract labor
526-07	Commissions
526-08	Computer expense
526-09	Dues & subscriptions
526-10	Education expenses
526-11	Equipment rental
526-12	Fringe benefits
526-13	Fuel expense
526-14	Gifts & awards expenses
526-15	Insurance expenses
526-16	Janitorial services
526-17	Leasing expense
526-18	Legal & professional fees
526-19	License & permit expenses
526-20	Maintenance & cleaning
526-21	Management & director fees
526-22	Meals & entertainment
526-23	Meeting, seminars & conventions
526-24	Miscellaneous expenses

**Exhibit 4.10.16-2 (Cont. 4) (07-23-2024)****Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
526-25	Other expenses
526-26	Outside services
526-27	Postage & courier expense
526-28	Proposal or bidding expense
526-29	Public relations expense
526-30	Publication expense
526-31	Recruiting & training
526-32	Research & development
526-33	Royalty expense
526-34	Security expense
526-35	Shipping, freight & handling
526-36	Supplies - office
526-37	Supplies - tools & factory
526-38	Telephone expense
526-39	Travel expense
526-40	Utility expense
527	Domestic Production Activities
528	Schedule M-1 (Book vs. Tax)
528-01	Schedule M-2 (AAA Analysis)
528-02	Schedule M-2 (Other Adjustments Account Analysis)
528-03	SH Undistributed PTI
531	Energy Efficient Commercial Buildings
604-10	IRC 45R credit for health care
610-04	Lookback Interest
622-01	Excess net passive income tax
622-02	Tax from Schedule D (Built-In Gains)
622-03	Additional taxes - LIFO reserve recapture tax
622-04	Qualified opportunity fund - Form 8996
623-01	Payments
623-02	Tax deposits
623-04	Refundable credit - Form 8827, Line 8c

**Exhibit 4.10.16-2 (Cont. 5) (07-23-2024)**

**Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
623-05	Other write-ins to refundable credits
623-06	Fuel tax credit
623-07	Telephone Excise Tax credit
624-01	Accuracy Related Penalty - IRC 6662
624-02	Fraud Penalty - IRC 6663
624-03	Delinquency Penalty - IRC 6699
624-04	Estimated Tax Penalty - IRC 6655
624-05	Promoter Penalties
624-10	Other penalties (includes FBAR)
625	BBA AAR imputed underpayment
633	Interest due under the look-back method - completed long term contracts
634	Interest due under the look-back method - income forecast method
701	Minutes & other records
703	Acquisitions, mergers & reorganizations
703-01	Schedule M-2
706	IRC 482 potential
707	Method of accounting
708	Initial return
709	Final return
710	Related party transactions
713	Mandatory compliance checks
713-01	Related returns
713-02	Prior & subsequent returns
713-03	Minimum inventory checks
713-04	Minimum income probe
713-05	Other filing checks
723	Changes in ownership
724	TEFRA/BBA/ILSC
725	Character of income (separately stated items)
726	Potentially abusive schemes

**Exhibit 4.10.16-2 (Cont. 6) (07-23-2024)****Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
726-01	Form 8275 disclosure statement
726-02	Form 8886 reportable transaction
726-03	Transaction lacks economic substance
727	Termination or Invalid S Election
728	Reconcile Schedule K-1 to Schedule K
729	Losses and deduction claimed in excess of stock and debt basis
730	Passive activity losses and material participation
731	IRC 465 - at risk limitation
732	Corporate level limits
743	IRC 183 - hobby loss
801	Statistical sampling procedures
802-01	Computer audit specialist (CAS)
802-02	Employment tax examiner
802-03	International examiner
802-04	Engineer
802-05	Exempt organization examiner
802-06	Excise tax examiner
802-07	Financial products examiner
802-08	Economist
802-09	Actuary
802-10	Employee Plans
802-11	Appraisers
802-12	Exam Tech/Audit Aides
802-13	Contracting Officer's Technical Representative (COTR)
802-14	Tax Computation Specialist
803-01	Life insurance examiner
803-02	Property & Casualty insurance examiner
804	Other Classified Issue 1
805	Other Classified Issue 2
806	Other Classified Issue 3
807	Other Classified Issue 4



**Exhibit 4.10.16-2 (Cont. 7) (07-23-2024)**

**Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
808	Other Classified Issue 5
809	Other Classified Issue 6
901-01	Ordinary income (loss) from trade or business
902	Net income (loss) from rental real estate
903	Other Gross Rental Income
903-01	Expenses from other rental activities
904-01	Interest income
904-02	Dividend income
904-03	Qualified dividend income
904-04	Royalty income
904-05	Net short-term capital gain (loss)
904-06	Net STCG / loss (>5-3-03) '03 only
904-07	Net long-term capital gain (loss)
904-08	Net LTCG / loss (28%)
904-09	Net LTCG / loss (5 Year)
904-10	Net LTCG / loss (>5-3-03) '03 only
904-11	Other portfolio income (loss)
904-12	Unrecaptured IRC 1250 gain
905	Net IRC 1231 gain (loss) from Form 4797
905-01	Net IRC 1231 gain (loss) (>5-3-03) '03 only
906	Other income (loss)
908	IRC 179 expense deduction
909	Deductions related to portfolio income
910	Other deductions
911	Interest expense on investment debts
911-01	Investment income (portfolio income)
911-02	Investment expenses (portfolio income)
912-01	Credit for alcohol used as a fuel
912-02	Low income housing credit IRC 42(j)(5)
912-03	Low income housing credit - other

**Exhibit 4.10.16-2 (Cont. 8) (07-23-2024)****Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
912-06	Qualified rehab expense - rental activity
912-07	Credits - rental real estate activities
912-08	Credits - other rental activities
913	Other credits and credit recapture
914-01	AMT - Depreciation adjustment
914-02	AMT - Adjusted gain (loss)
914-03	AMT - Depletion (other than oil and gas)
914-05	AMT - Gross inc. - oil/ gas/ geothermal properties
914-06	AMT - Deductions - oil/ gas/ geothermal properties
914-07	AMT - Other adjustments / tax preference items
915	Name of foreign country or U.S. possession'
915-01	Gross income from all sources
915-02	Gross income sourced at SH level
915-03	Foreign gross income - passive
915-04	Foreign gross income - general
915-05	Foreign gross income - other
915-06	Allocable deductions SH - interest
915-07	Allocable deductions SH - other
915-08	Allocable deductions corp - passive
915-09	Allocable deductions corp - general
915-10	Allocable deductions corp - other
915-11	Total foreign taxes paid
915-12	Reduction in taxes available for credit
915-13	Total foreign taxes accrued
915-14	Foreign gross income - section 951A category
915-15	Foreign gross income - foreign branch category
915-16	Allocable deductions corp - section 951A category
915-17	Allocable deductions corp-foreign branch category
916-01	IRC 59(e)(2) expenditures
916-02	Type of expenditures
917	Tax-exempt interest income

**Exhibit 4.10.16-2 (Cont. 9) (07-23-2024)**

**Sub Chapter S SAIN Codes**

<b>Code</b>	<b>Issue</b>
918	Other tax-exempt income
919	Non-deductible expenses
920	Distributions
920-01	Non-cash distributions
920-02	Disproportionate distributions
920-03	Repayments of Loans from Shareholders
920-04	Distributions of Earnings & Profits
920-05	Distribution in Excess of Basis
920-06	Distribution of Property or Bargain Sale
921	Other items & amounts to be reported separately
922	Total dividend distributions from E & P
923	Investment income
924	Investment expenses
925	Qualified business income deduction - Section 199A
76150	User Specified 1 (Issue name and 4318 description required)
76200	User Specified 2 (Issue name and 4318 description required)
76250	User Specified 3 (Issue name and 4318 description required)
76300	User Specified 4 (Issue name and 4318 description required)
76350	User Specified 5 (Issue name and 4318 description required)
76400	User Specified 6 (Issue name and 4318 description required)
76450	User Specified 7 (Issue name and 4318 description required)

**Exhibit 4.10.16-3 (07-23-2024)****Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
000	Issue does not exist
001	Precontact Analysis
002	Pre - Exam Conference
003	Preliminary Examination Time
004	Preparing Examination Plan
005	Coordination
006	Travel Time
007	Report Preparation
008	Examination Critique
009	Meetings
010	Review Protest / Prepare Rebuttal
010-01	Fast Track
011	Penalty Consideration
012	Form 5699 (Information Document Request Log)
013	Issue Control Sheet - Form 5701 (Notice of Proposed Adjustments)
014	Referrals to Specialists
015	Financial Interest
016	Correspondence
017	POA / Form 8821(Tax Information Authorization)
018	Statute of Limitations
020	Prior Revenue Agent Report
021	Prior Appeals Report
022	Joint Committee Reports
024	Risk Analysis
030	Administrative Lead Sheet
031	LB&I Quality Measurement System Check Sheet
032	LB&I Joint Audit Planning Process Tool
033	Pre-audit Interview History Lead Sheet
034	Examiner's RRA 98 Compliance Guide
035	Team Manager Check sheet

**Exhibit 4.10.16-3 (Cont. 1) (07-23-2024)**

**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
060	Claims
061	Self-Audit Adjustments (Affirmative Adjustments)
080	Planning File
100	Balance sheet
101	Cash
102	Trade notes & accounts receivable
102-01	Allowance for bad debts
103	Inventories
104	U.S. government obligations
105	Tax-exempt securities
106	Other current assets
107	Loans to partners
107-01	Loans to persons related to partners
108	Mortgage & real estate loans
109	Other investments
110	Buildings & other depreciable assets
110-01	Accumulated depreciation
111	Depletable assets
111-01	Accumulated depletion
112	Land (net of any amortization)
113	Intangible assets
113-01	Accumulated amortization
114	Other assets
216	Accounts payable
217	Mortgages, notes, bonds payable in less than 1 year
218	Other current liabilities
218-01	Related party accruals
219-01	All nonrecourse loans
220	Mortgages, notes, bonds payable in 1 year or more
220-01	Loans from partners

**Exhibit 4.10.16-3 (Cont. 2) (07-23-2024)**  
**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
220-02	Loans from persons related to partners
221	Other liabilities
321	Partners' capital accounts
321-01	Final Schedule K-1 with Unresolved Negative Capital Account
321-02	Analysis of partner's capital account (Sch M-2)
400	Profit & loss statement
401	Gross receipts or sales
401-01	Sales to related entities
401-02	Merchant card and third party payments
402	Returns and allowances
403	Ordinary income (loss) from partnerships, etc.
403-01	Net farm profit (loss)
409	Net gain (loss) from Form 4797, Part II
410	Other income (loss)
410-01	Partnership income (loss) (Tiered entity)
410-02	Cancellation of debt income
502	Cost of goods sold (No Sch. A or F1125-A Detail)
502-01	Inventory (beginning)
502-02	Purchases
502-03	Cost of labor
502-04	Additional IRC 263A costs
502-05	Other costs
502-10	Inventory (ending)
510	Guaranteed payments to partners
510-01	Capital versus ordinary expense
510-02	Character of payment to retiring partner
513	Salaries & wages
514	Repairs & maintenance
515	Bad debts
516	Rent
517	Taxes & licenses

**Exhibit 4.10.16-3 (Cont. 3) (07-23-2024)**

**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
518	Interest
519	Charitable contributions
520	Depreciation
521	Depreciation (other than page 1 Form 1065)
522	Depletion
523	Advertising
524	Retirement plans, etc.
525	Employee benefit programs
526	Other deductions (no schedule attached)
526-01	Administrative fees
526-02	Amortization
526-03	Auto & truck expenses
526-04	Bonus expense
526-05	Consulting fees
526-06	Contract labor
526-07	Commissions
526-08	Computer expense
526-09	Dues & subscriptions
526-10	Education expenses
526-11	Equipment rental
526-12	Fringe benefits
526-13	Fuel expense
526-14	Gifts & awards expenses
526-15	Insurance expenses
526-16	Janitorial services
526-17	Leasing expense
526-18	Legal & professional fees
526-19	License & permit expenses
526-20	Maintenance & cleaning
526-21	Management & director fees

**Exhibit 4.10.16-3 (Cont. 4) (07-23-2024)**  
**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
526-22	Meals & entertainment
526-23	Meeting, seminars & conventions
526-24	Miscellaneous expenses
526-25	Other expenses
526-26	Outside services
526-27	Postage & courier expense
526-28	Proposal or bidding expense
526-29	Public relations expense
526-30	Publication expense
526-31	Recruiting & training
526-32	Research & development
526-33	Royalty expense
526-34	Security expense
526-35	Shipping, freight & handling
526-36	Supplies - office
526-37	Supplies - tools & factory
526-38	Telephone expense
526-39	Travel expense
526-40	Utility expense
527	Domestic Production Activities
528	Schedule M-1
531	Energy efficient commercial buildings
604	Credits
604-10	IRC 45R credit for health care
609-10	Corporate Alternative Minimum Tax (CAMT)
610-02	Other taxes
610-04	Lookback Interest
623-01	Payments
623-07	Telephone Excise Tax credit
624-01	Accuracy Related Penalty - IRC 6662
624-02	Fraud Penalty - IRC 6663



**Exhibit 4.10.16-3 (Cont. 5) (07-23-2024)**

**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
624-03	Delinquency Penalty - IRC 6698
624-04	Estimated Tax Penalty
624-05	Promoter Penalties
624-10	Other Penalties (includes FBAR)
625	BBA AAR imputed underpayment
633	Interest due under look-back method - completed long term contracts
634	Interest due under the look-back method - income forecast method
700-01	Administrative
700-02	Pre-Audit/Interview/History
700-03	Required Filing Checks
700-05	Cost of Sales
700-06	Penalties
700-08	TEFRA Consideration
701	Partnership agreement & other records
703	Acquisitions, mergers & reorganizations
703-01	Schedule M-2
706	IRC 482 potential
707	Method of accounting
708	Initial return - IRC 195, 246, 1060
709	Final return - distributions
710	Related party transactions
712	Distributions in excess of basis
713	Mandatory compliance checks
713-01	Related returns
713-02	Prior & subsequent returns
713-03	Minimum inventory checks
713-04	Minimum income probe
713-05	Other filing checks
720	Initial return
721	Final return

**Exhibit 4.10.16-3 (Cont. 6) (07-23-2024)**  
**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
722	Related party transactions
723	Changes in ownership
724	TEFRA/BBA/ILSC
725	Character of income (separately stated items)
726	Potentially abusive schemes
726-01	Form 8275 Disclosure Statement
726-02	Form 8886 Reportable Transaction Disclosure Statement
726-03	Transaction lacks economic substance
728	Reconcile Schedule K-1 to Schedule K
729	IRC 704(d) - losses and or deductions claimed in excess of basis
730	IRC 469 - passive activity losses and material participation
731	IRC 465 - At risk limitation
735	IRC 707 - disguised sales
736	IRC 704(c) & IRC 737
737	IRC 754 - election
737-01	IRC 743(b) - basis adjustment
737-02	IRC 734(b) - basis adjustment
738	IRC 708 - partnership terminations
739	IRC 704(b) - special allocations
739-01	Use of tax neutral partners (i.e. tax exempt or foreign)
740	Family partnership inconsistent with IRC 704(e)
741	IRC 752 - partner's share of liabilities
741-01	Nonrecourse
741-02	Qualified nonrecourse
741-03	Recourse/Other
742	IRC 741 - sale of partnership interest / Form 8308
742-01	IRC 751 Ordinary income recapture
742-02	IRC 755 - Allocation basis
743	IRC 183 - hobby loss
801	Statistical sampling procedures
802	Other Classified Issue 2

**Exhibit 4.10.16-3 (Cont. 7) (07-23-2024)**

**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
802-01	Computer audit specialist (CAS)
802-02	Employment tax examiner
802-03	International examiner
802-04	Engineer
802-05	Exempt organization examiner
802-06	Excise tax examiner
802-07	Financial products examiner
802-08	Economist
802-09	Actuary
802-10	Employee Plans
802-11	Appraisers
802-12	Exam Tech/Audit Aides
802-13	Contracting Officer's Technical Representative (COTR)
802-14	Tax Computation Specialist
803	Other Classified Issue 3
803-01	Life insurance examiner
803-02	Property & Casualty insurance examiner
804	Other Classified Issue 1
805	Other Classified Issue 2
806	Other Classified Issue 3
807	Other Classified Issue 4
808	Other Classified Issue 5
809	Other Classified Issue 6
901-01	Ordinary income (loss) from trade or business
902	Net income (loss) from rental real estate
903	Other gross rental income
903-01	Expenses from other rental activities
903-02	Portfolio income (loss) from ordinary dividends
903-03	Portfolio income (loss) from royalty income
903-04	Net short-term capital gain (loss)

**Exhibit 4.10.16-3 (Cont. 8) (07-23-2024)**  
**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
903-05	Net long-term capital gain (loss)
903-06	Other portfolio income (loss)
904-01	Portfolio income (loss) from interest income
904-02	Portfolio income (loss) from ordinary dividends
904-03	Portfolio income (loss) from qualified dividends
904-04	Portfolio income (loss) from royalty income
904-05	Net short-term capital gain (loss)
904-06	Net STCG / loss (>5-3-03) '03 only
904-07	Net long-term capital gain (loss)
904-08	Net LTCG / loss (28%)
904-09	Net LTCG / loss (5 year)
904-10	Net LTCG / loss (>5-3-03) '03 only
904-11	Other portfolio income (loss)
904-12	Unrecaptured 1250 gain
904-13	Dividend equivalents
905	Net IRC 1231 gain (loss) from Form 4797
905-01	Net IRC 1231 gain (loss) (>5-3-03) '03 only
906	Other income (loss)
906-01	Cancellation of indebtedness (COD) - IRC 61(a)(12)
908	IRC 179 expense deduction
908-01	Section 179 expense deduction
908-02	Deductions related to portfolio income
908-03	Other deductions
909	Deductions related to portfolio income
910	Other deductions
911	Interest expense on investment debts
911-01	Investment income included in portfolio income
911-02	Investment expense-deductions related to portfolio income
912-01	Credit for income tax withheld
912-02	Low income housing credit IRC 42(j)(5)
912-03	Low income housing credit - other

**Exhibit 4.10.16-3 (Cont. 9) (07-23-2024)**

**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
912-04	Credits related to rental real estate activities
912-05	Credits related to other rental activities
912-06	Qualified Rehabilitation Expenses - rental real estate activities
912-07	Credits related to rental real estate activities
912-08	Credits related to other rental activities
913	Other credits and credit recapture
914	Other credits
914-01	AMT - Depreciation adjustment
914-02	AMT - Adjusted gain (loss)
914-03	AMT - Depletion (other than oil and gas)
914-05	AMT - gross inc. - oil/gas/geothermal properties
914-06	AMT - Deductions - oil/ gas/ geothermal properties
914-07	AMT - Other adjustments / tax preference items
915	Name or foreign country or U.S. possession
915-01	Gross income from all sources
915-02	Gross income sourced at partner level
915-03	Foreign gross income - passive
915-04	Foreign gross income - listed categories
915-05	Foreign gross income - general limitation
915-06	Allocable deductions partner - interest
915-07	Allocable deductions partner - other
915-08	Allocable deductions partnership - passive
915-09	Allocable deductions partnership - listed
915-10	Allocable deductions partnership - general
915-11	Total foreign taxes paid
915-011	Net earnings (loss) from self-employment
915-12	Reduction in taxes available for credit
915-13	Total foreign taxes accrued
915-14	Foreign gross income - section 951A category
915-15	Foreign gross income - foreign branch category

**Exhibit 4.10.16-3 (Cont. 10) (07-23-2024)**  
**Partnership SAIN Codes**

<b>Code</b>	<b>Issue</b>
915-16	Allocable deductions partnership - section 951A category
915-17	Allocable deductions partnership - foreign branch category
915-18	Other foreign tax information
915-021	Gross farming or fishing income
915-031	Gross nonfarm income
916-01	IRC 59(e)(2) expenditures
916-02	Type of expenditures
917	Tax-exempt interest income
918	Other tax-exempt income
919	Non-deductible expenses
920	Distributions
920-01	Distributions of property other than money
920-02	Distributions in excess of basis
920-03	Distributions of money (cash & securities)
920-04	Distribution of property or bargain sale
920-05	Distribution of cash and securities
921	Other items & amounts to be reported separately
923	Investment income
924	Investment expenses
925	Qualified business income deduction - Section 199A
76150	User Specified 1 (Issue name and 4318 description required)
76200	User Specified 2 (Issue name and 4318 description required)
76250	User Specified 3 (Issue name and 4318 description required)
76300	User Specified 4 (Issue name and 4318 description required)
76350	User Specified 5 (Issue name and 4318 description required)
76400	User Specified 6 (Issue name and 4318 description required)
76450	User Specified 7 (Issue name and 4318 description required)

**Exhibit 4.10.16-4 (07-23-2024)**

**Reason Codes**

<b>Categorization</b>	<b>Code</b>	<b>Description</b>	<b>Example/Definition</b>
Issue Changed - No Issue Penalty Asserted	02	Taxpayer unaware of tax laws or record keeping requirements	Taxpayer may lack formal education or have a language barrier that prevents understanding requirements.
Issue Changed - No Issue Penalty Asserted	03	Disregarded record keeping rules	Taxpayer understood law and requirements but taxpayer's poor record keeping contributed to the errors and inability to substantiate amounts claimed on the return.
Issue Changed - No Issue Penalty Asserted	05	Action or advice of Return Preparer - No Penalty asserted	The error resulted from action or advice of paid preparer. The nature or amount of adjustment was not sufficient to warrant a penalty.
Issue Changed - No Issue Penalty Asserted	06	Inadvertent understatement or overstatement of income or deductions	Taxpayer understood the law but inadvertently misstated items on the return.
Issue Changed - No Issue Penalty Asserted	14	Taxpayer entered item on the wrong form, schedule, or line	Self-explanatory.
Issue Changed - No Issue Penalty Asserted	17	Intentional disregard of tax laws - No penalty asserted	Taxpayer made intentional decision to understate income or overstate deductions, credits, or prepayments. However, the nature or amount of the adjustment was not sufficient to warrant a penalty.
Issue Changed - No Issue Penalty Asserted	18	Relied on advice of IRS Staff or Publications	Taxpayer indicates the error was based upon advice from IRS personnel or information in IRS publications.
Issue Changed - No Issue Penalty Asserted	20	Taxpayer relied on tax preparation software	The error resulted from taxpayer's improper data entry in software program.
Issue Changed - No Issue Penalty Asserted	21	Used 'gray area' in the law or regulations	Taxpayer/return preparer took position on issue on interpretation of law.
Issue Changed - Issue Penalty Asserted	07	Intentional misstatement of income, deductions, credits, or prepayments	Self-explanatory.
Issue Changed - Issue Penalty Asserted	10	Income/expenses entered on wrong form to reduce tax or increase credits	For example, moving deductions from Schedule A to Schedule C to avoid SE tax.

**Exhibit 4.10.16-4 (Cont. 1) (07-23-2024)****Reason Codes**

<b>Categorization</b>	<b>Code</b>	<b>Description</b>	<b>Example/Definition</b>
Issue Changed - Issue Penalty Asserted	19	Action or advice of Return Preparer - Penalty asserted	The error resulted from action or advice of paid preparer and was sufficiently blatant to warrant a penalty.
Issue Changed - Issue Penalty Asserted	32	Fraud	The taxpayer omitted income or overstated deductions, credits, or prepayments with the intent to evade taxes.
Issue Changed - Issue Penalty Asserted	33	Abusive Schemes	The taxpayer asserts standard frivolous filer arguments or has used other abusive schemes.
Issue Changed - Earned Income Credit Issue	60	No earned income	Self-explanatory.
Issue Changed - Earned Income Credit Issue	61	Filing status changed to married filing separate status	Self-explanatory.
Issue Changed - Earned Income Credit Issue	62	Requirement for filing Form 2555 met or Form 2555 filed	Self-explanatory.
Issue Changed - Earned Income Credit Issue	63	Non-resident alien	Self-explanatory.
Issue Changed - Earned Income Credit Issue	64	Investment income exceeds maximum	Self-explanatory.
Issue Changed - Earned Income Credit Issue	65	Taxpayer/spouse is qualifying child of another	Self-explanatory.
Issue Changed - Earned Income Credit Issue	66	Primary/secondary does not have a valid SSN for employment	Self-explanatory.
Issue Changed - Earned Income Credit Issue	67	'Relationship test' for child claimed on Schedule EIC not met	Self-explanatory.
Issue Changed - Earned Income Credit Issue	68	'Residency test' for child claimed on Schedule EIC not met	Self-explanatory.
Issue Changed - Earned Income Credit Issue	69	'Age test' for child claimed on Schedule EIC not met	Self-explanatory.



**Exhibit 4.10.16-4 (Cont. 2) (07-23-2024)**

**Reason Codes**

<b>Categorization</b>	<b>Code</b>	<b>Description</b>	<b>Example/Definition</b>
Issue Changed - Earned Income Credit Issue	70	EITC qualifying child does not have a valid SSN for employment	Self-explanatory.
Issue Changed - Earned Income Credit Issue	71	Taxpayer/spouse is eligible to be claimed as dependent by another	Self-explanatory.
Issue Changed - Earned Income Credit Issue	72	Main home outside United States for 6 months or more	Self-explanatory.
Issue Changed - Earned Income Credit Issue	73	Increase to earned income or AGI or modified AGI (beginning Tax Year 2001)	Self-explanatory.
Issue Changed - Earned Income Credit Issue	74	Decrease to earned income or AGI or modified AGI (beginning Tax Year 2001)	Self-explanatory.
Issue Changed - Earned Income Credit Issue	75	Taxpayer denied, tie-breaker rule	Self-explanatory.
Issue Changed - Earned Income Credit Issue	76	Change in qualifying children - Increase	Self-explanatory.
Issue Changed - Earned Income Credit Issue	77	IRS processing error	Self-explanatory.
Adjustments from Flow Through Entities - NRP	04	Adjustment to 1040 due to basis limitation on 1120S - NRP	Adjustment was made to limit the shareholder's loss due to insufficient basis in the NRP S corporation.
Adjustments from Flow Through Entities - NRP	08	Adjustment to 1040 due to at-risk limitation on 1120S - NRP	Adjustment was made to limit the shareholder's loss due to the amount at risk in the NRP S corporation.
Adjustments from Flow Through Entities - NRP	09	Adjustment to 1040 due to passive activity limitation on 1120S - NRP	Adjustment was made to limit the shareholder's loss from the NRP S corporation due to passive activity rules.
Adjustments from Flow Through Entities - NRP	12	Adjustment to 1040 due to basis limitation on 1065 - NRP	Adjustment was made to limit the partner's loss due to insufficient basis in the NRP partnership.
Adjustments from Flow Through Entities - NRP	13	Adjustment to 1040 due to at-risk limitation on 1065 - NRP	Adjustment was made to limit the partner's loss due to the amount at risk in the NRP partnership.

**Exhibit 4.10.16-4 (Cont. 3) (07-23-2024)****Reason Codes**

<b>Categorization</b>	<b>Code</b>	<b>Description</b>	<b>Example/Definition</b>
Adjustments from Flow Through Entities - NRP	15	Adjustment to 1040 due to passive activity limitation on 1065 - NRP	Adjustment was made to limit the partner's loss from the NRP partnership due to passive activity rules.
Adjustments from Flow Through Entities - NRP	16	Adjustment to 1040 due to passive activity limitation on trust - NRP	Adjustment was made to limit the owner/beneficiary's loss from the NRP trust due to passive activity rules.
Adjustments from Flow Through Entities - NRP	27	Due to change in S corp income/(loss) item - NRP	Adjustments resulting from the audit of the NRP S corporation that affected the shareholder's share of ordinary income/(loss) and/or separately stated items.
Adjustments from Flow Through Entities - NRP	28	Due to change in trust/estate income/(loss) item - NRP	Adjustments resulting from the audit of the NRP trust/estate that affected the owner/beneficiary's share of ordinary income/(loss) and/or separately stated items.
Adjustments from Flow Through Entities - NRP	29	Due to change in partnership income/(loss) item - NRP	Adjustments resulting from the audit of the NRP partnership that affected the partner's share of ordinary income/(loss) and/or separately stated items.
Adjustments from Flow Through Entities - NRP	86	Investor Level Statute Control (ILSC) - NRP	Investor Level Statute Control (ILSC) issue on an NRP case.
Adjustments from Flow Through Entities - NRP	87	TEFRA - Settlement Agreement - NRP	NRP Case - Partner signed a Form 870-P, PT, L, or LT agreeing to the partnership adjustments binding the partners to their share of the adjustments.
Adjustments from Flow Through Entities - NRP	88	TEFRA - Defaulted FPAA - NRP	NRP Case - Partner neither agrees nor petitions the Court resulting in the flow-through of the partnership adjustments to the partner.
Adjustments from Flow Through Entities - NRP	89	TEFRA - Court Decision - NRP	NRP Case - Court issues a decision relative to the partnership adjustments allowing flow-through of adjustments to the partner.
Adjustments from Flow Through Entities - NRP	90	TEFRA - Bankruptcy - NRP	NRP Case - Partner has petitioned the Bankruptcy Court and partnership items are converted to non-partnership items allowing the immediate flow-through of adjustments to the partner's return.

**Exhibit 4.10.16-4 (Cont. 4) (07-23-2024)**

**Reason Codes**

<b>Categorization</b>	<b>Code</b>	<b>Description</b>	<b>Example/Definition</b>
Adjustments from Flow Through Entities - NRP	91	TEFRA - AAR - NRP	NRP Case - Tax Matters Partner (TMP) or partner has filed an Administrative Adjustment Request (AAR), which is an amended return for TEFRA partnerships. If accepted by the Service, these changes can be made at the request of the TMP or the partner.
Adjustments from Flow Through Entities - Non NRP	24	Due to change in S corp income/(loss) item	Adjustments resulting from the audit of the S corporation that affected the shareholder's share of ordinary income/(loss) and/or separately stated items.
Adjustments from Flow Through Entities - Non NRP	25	Due to change in trust/estate income/(loss) item	Adjustments resulting from the audit of the trust/estate that affected the owner/beneficiary's share of ordinary income/(loss) and/or separately stated items.
Adjustments from Flow Through Entities - Non NRP	26	Due to change in partnership income/(loss) item	Adjustments resulting from the audit of the partnership that affected the partner's share of ordinary income/(loss) and/or separately stated items.
Adjustments from Flow Through Entities - Non NRP	34	Adjustment to 1040 due to basis limitation on 1120S	Adjustment was made to limit the shareholder's loss due to insufficient basis in the S corporation.
Adjustments from Flow Through Entities - Non NRP	35	Adjustment to 1040 due to at-risk limitation on 1120S	Adjustment was made to limit the shareholder's loss due to the amount at risk in the S corporation.
Adjustments from Flow Through Entities - Non NRP	36	Adjustment to 1040 due to passive activity limitation on 1120S	Adjustment was made to limit the shareholder's loss from the S corporation due to passive activity rules.
Adjustments from Flow Through Entities - Non NRP	37	Adjustment to 1040 due to basis limitation on 1065	Adjustment was made to limit the partner's loss due to insufficient basis in the partnership.
Adjustments from Flow Through Entities - Non NRP	38	Adjustment to 1040 due to at-risk limitation on 1065	Adjustment was made to limit the partner's loss due to the amount at risk in the partnership.
Adjustments from Flow Through Entities - Non NRP	39	Adjustment to 1040 due to passive activity limitation on 1065	Adjustment was made to limit the partner's loss from the partnership due to passive activity rules.

**Exhibit 4.10.16-4 (Cont. 5) (07-23-2024)****Reason Codes**

<b>Categorization</b>	<b>Code</b>	<b>Description</b>	<b>Example/Definition</b>
Adjustments from Flow Through Entities - Non NRP	40	Adjustment to 1040 due to passive activity limitation on trust	Adjustment was made to limit the owner/beneficiary's loss from the trust due to passive activity rules.
Adjustments from Flow Through Entities - Non NRP	92	Investor Level Statute Control (ILSC)	Investor Level Statute Control (ILSC) issue.
Adjustments from Flow Through Entities - Non NRP	93	TEFRA - Settlement Agreement	Partner signed a Form 870-P, PT, L, or LT agreeing to the partnership adjustments binding the partners to their share of the adjustments.
Adjustments from Flow Through Entities - Non NRP	94	TEFRA - Defaulted Final Partnership Administrative Adjustment (FPAA)	Partner neither agrees nor petitions the Court resulting in the flow-through of the partnership adjustments to the partner.
Adjustments from Flow Through Entities - Non NRP	95	TEFRA - Court Decision	Court issues a decision relative to the partnership adjustments allowing flow-through of adjustments to the partner.
Adjustments from Flow Through Entities - Non NRP	96	TEFRA - Bankruptcy	Partner has petitioned the Bankruptcy Court and partnership items are converted to non-partnership items allowing the immediate flow-through of adjustments to the partner's return.
Adjustments from Flow Through Entities - Non NRP	97	TEFRA - Administrative Adjustment Request (AAR)	Tax Matters Partner (TMP) or partner has filed an Administrative Adjustment Request (AAR), which is an amended return for TEFRA partnerships. If accepted by the Service, these changes can be made at the request of the TMP or the partner.
Issue No Changed / Declassified	51	No Change - Taxpayer Substantiated the Issue	The issue was examined and substantiated.
Issue No Changed / Declassified	52	No Change - De Minimis	The issue was examined and closed for lack of potential, immaterial change, or no-changed due to timing issues.
Issue No Changed / Declassified	53	Issue Accepted as Filed	Examiner - identified issue that does not warrant further examination. <b>Should never be used for NRP examinations.</b>
Issue No Changed / Declassified	54	No Change - 1120S Study	The issue was examined and accepted as filed as part of the 1120S NRP Study.

**Exhibit 4.10.16-4 (Cont. 6) (07-23-2024)**

**Reason Codes**

<b>Categorization</b>	<b>Code</b>	<b>Description</b>	<b>Example/Definition</b>
Issue No Changed / Declassified	84	Declassified - Employee not trained on classified issue	Employee is unable to examine issue due to lack of training or experience.
Issue No Changed / Declassified	85	Declassified - No Audit Potential	Classified issue that was not examined after a determination that it lacked audit potential.
Other	11	No Show / No Response / Undeliverable Mail	Used for adjustments where the taxpayer did not keep any appointments or respond to contact attempts or where mail to the taxpayer was returned undelivered.
Other	22	Statutory Adjustment	Automatic adjustments due to changes to income/other limits. This code is automatically generated by the report writing software.
Other	23	Change due to adjustment in another year, financial and tax accounting differences, or entity types - not intentional	Self-explanatory. Do not use for adjustments resulting from flow-through entities.
Other	43	Audit reconsideration	Adjustment based upon reconsideration of previous examination or IRS action. This includes Substitute For Return (SFR) assessment being corrected based upon the receipt of a filed return from the taxpayer.
Other	44	Computation or 'per return' Service Center error	An adjustment necessary to correct a computational error on the return or incorrect transcription during return processing.

**Exhibit 4.10.16-5 (07-23-2024)****Rental Type Codes**

<b>Category</b>	<b>Code</b>	<b>Description</b>
Residential	11	Single family house
Residential	12	Apartment or townhouse
Residential	13	Duplex house
Residential	14	Small apartment building - less than 5 apartments
Residential	15	Medium apartment building - 5 to 9 apartments
Residential	16	Large apartment building - more than 10 apartments
Vacation	21	Single family house
Vacation	22	Apartment or townhouse
Vacation	23	Duplex house
Vacation	24	Small apartment building - less than 5 apartments
Vacation	25	Medium apartment building - 5 to 9 apartments
Vacation	26	Large apartment building - more than 10 apartments
Commercial	31	Single store
Commercial	32	2 to 4 stores
Commercial	33	More than 4 stores
Commercial	34	Warehouse
Commercial	35	Factory
Commercial	36	Office Space
Commercial	37	Land
Commercial	38	Self-Rental
Commercial	40	Other commercial