



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

8.21.1

APRIL 12, 2019

## EFFECTIVE DATE

(04-12-2019)

## PURPOSE

- (1) This transmits revised IRM 8.21.1, Appeals Statute Responsibility, General Statute Responsibility.

## MATERIAL CHANGES

- (1) Revised IRM to add new subsection, IRM 8.21.1.1, **Program Scope and Objectives**, and its related sections containing internal control information required by IRM 1.11.2, **Internal Revenue Manual (IRM) Process**. As a result, all other IRM sections were re-numbered.
- (2) Throughout this document, the name of Appeals Policy has been changed to Policy, Planning, Quality and Analysis due to the realignment and merging of Appeals Policy with Planning, Quality and Analysis.
- (3) Minor editorial changes and grammatical corrections were made throughout this IRM.

## EFFECT ON OTHER DOCUMENTS

This revision supersedes IRM 8.21.1 dated October 30, 2013.

## AUDIENCE

Appeals Employees

Anita M. Hill  
Director, Case and Operations Support



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8.21.1

General Statute Responsibility

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8.21.1.1  
(04-12-2019)  
**Program Scope and Objectives**

- (1) *Purpose:* This IRM provides general statute protection guidance to all Appeals employees. The IRM defines case jurisdiction and outlines all employees' responsibilities for statute protection when the jurisdiction of the case changes. Safeguards for ensuring short statute cases are highly visible for assessment protection purposes are also provided.
- (2) *Audience:* Appeals Employees.
- (3) *Policy Owner:* Policy, Planning, Quality and Analysis is under the Director of Case and Operations Support.
- (4) *Program Owner:* Appeals Policy is the program office responsible for providing technical and procedural guidance to the Appeals organization and is under the Director of Policy, Planning, Quality and Analysis.
- (5) *Contact Information:* Appeals employees should follow established procedures on *How to Contact an Analyst*. Other employees should contact the Product Content Owner shown on the Product Catalog Information page for this IRM.

8.21.1.1.1  
(04-12-2019)  
**Background**

- (1) This IRM section provides general statute responsibility for all Appeals employees. It gives general instructions for employees to verify, update, and monitor statute dates. IRM 25.6.23, *Statute of Limitations, Examination Process - Assessment Statute of Limitations Controls*, provides Servicewide guidance for statute protection for all IRS employees.

8.21.1.1.2  
(04-12-2019)  
**Authority**

- (1) The authorities for this IRM include:
  - Internal Revenue Code Sec. 6501, *Limitations on Assessment and Collection*
  - IRM 25.6, *Statute of Limitations*
- (2) Appeals accomplishes its mission by considering protested and Tax Court cases, holding conferences, and negotiating settlements in a manner which ensures Appeals employees act in accord with the Taxpayer Bill of Rights (TBOR) in every interaction with taxpayers. IRC 7803(a)(3). See also Pub 5170, *Taxpayer Bill of Rights*.

8.21.1.1.3  
(04-12-2019)  
**Responsibilities**

- (1) The Director, Case and Operations Support (C&OS) is the executive responsible for designing, developing, delivering, and monitoring short and long range administration policies, programs, strategies, and objectives for the Appeals organization.
- (2) The Director, Policy, Planning, Quality and Analysis oversees the Appeals Policy function and is responsible for providing technical and procedural guidance to Appeals employees, establishing and maintaining policies and standard procedures for Appeals work streams.
- (3) The Policy Analyst shown on the Product Catalog page, as the originator, is the assigned author of this IRM.

8.21.1.1.4  
(04-12-2019)  
**Program Reports**

- (1) Policy, Planning, Quality, and Analysis (PPQ&A) provides trends and data analyses and detailed summary reports for Appeals. PPQ&A prepares the following report related to this program: TPP Exam Return Level Inventory Report.

8.21.1.1.5  
(04-12-2019)

#### Terms and Acronyms

- (1) See IRM Exhibit 8.1.1-1, *Common Terms Used in Appeals*, for common terms and definitions used in IRM Part 8.

8.21.1.1.6  
(04-12-2019)

#### Related Resources

- (1) The following IRMs provide Appeals employees with additional information for statute responsibility, including verification, monitoring, updating, and protection:
  - IRM 8.21.3, *Appeals Technical Employees Statute Responsibility*
  - IRM 8.21.4, *Appeals Management Statute Responsibility*
  - IRM 8.21.7, *Barred Statute Procedures*
  - IRM 25.6, *Statute of Limitations*

8.21.1.2  
(04-12-2019)

#### All Employee Responsibility

- (1) This manual provides guidance to Appeals employees by defining their responsibility for verifying, updating, and monitoring statute dates.
- (2) The procedures presented, in this IRM, represent the minimum standard that each employee is expected to follow when handling cases in Appeals.
- (3) All employees should be alert to possible statute situations or problems and take action, whenever possible, to prevent barred assessments.

**Note:** When monitoring his/her monthly statute report and timesheet, the employee should be alert to situations such as cases that may have been closed and are still on the employee's timesheet.

- (4) Employees should always be aware of the statute dates on cases in their physical possession. They must continue to monitor the statute dates as long as the case is in their possession.

8.21.1.3  
(04-12-2019)

#### Case Jurisdiction

- (1) Case jurisdiction does not merely mean having physical possession of a case. The employee charged with jurisdiction is accountable for verifying and monitoring the statute date on a case while it is in that employee's jurisdiction.
- (2) Jurisdiction changes as a case travels through Appeals. When a case is first received in Appeals, jurisdiction of the case is with Account and Processing Support (APS) when they acknowledge receipt of the case, using Form 3210, **Document Transmittal**. APS will use Form 3210 to release jurisdiction for all case movement out of APS. Jurisdiction of the case remains with APS until the Appeals Team Manager (ATM) acknowledges receipt by signing Form 3210 and promptly returning it to APS. Jurisdiction is with the ATM from the time the Form 3210 is received by APS until the assignment of the case to an Appeals Technical Employee (ATE). The ATM should timely assign the case to an ATE.

**Note:** For a definition of technical employee, see IRM 8.21.3.2, **General Guidelines for Appeals Technical Employees**.

- (3) Once a case is assigned to a technical employee, the action code CR (Case Received) will be input on the Case Activity Record (CAR) and jurisdiction shifts to that employee. Jurisdiction can transfer from one technical employee to another numerous times. The technical employee reflected on Appeals Centralized Database System (ACDS) will be responsible for verifying and monitoring the statute while the case is assigned to him/her.

- (4) Jurisdiction remains with the technical employee until the case is submitted to the ATM. The technical employee will input the ACDS action code AC (submitted to Manager) when the case is submitted to their ATM for review and approval.
- (5) When an ATM approves a case for closing via the ATM Closing Menu on ACDS, the ATM will input the ACAPDATE and the case is automatically entered on the Processing Employees Automated System (PEAS). Jurisdiction shifts to APS when the case assignment is made on PEAS. When the case is returned to APS for closing, jurisdiction shifts back to APS and will remain with APS until an assessment is made.
- (6) Jurisdiction can remain with one employee while another employee has physical possession of the case file. Although the employee with physical possession is not responsible for verifying the statute date, that employee controls the movement of the case and therefore, must monitor the statute date while the case is in his/her possession.

**Example:** 1) When issuing a statutory notice of deficiency, jurisdiction remains with the technical employee until the notice is issued. However since APS has physical possession of the case before the notice is issued, they must monitor the statute date to ensure the notice is issued timely.

**Example:** 2) When sending a case to the Tax Computation Specialist (TCS) for a tax computation, jurisdiction remains with the technical employee. However since the TCS has physical possession of the case, they must monitor the statute date to ensure the work is completed in a timely manner.

- (7) Any employee having jurisdiction of a case shares accountability for verifying and monitoring the statute with his or her manager. Any employee having physical possession of a case file shares accountability for monitoring the statute with his or her manager.

8.21.1.4  
(04-12-2019)  
**Statutes Expiring Within  
180 Days**

- (1) All tax returns with assessment periods expiring within 180 days or less are considered short statute cases. To ensure these returns are highly visible;
  - a. Place case file in a plain red folder. Complete and attach the fillable, electronic Form 10364-A, *Statute Expiration Case Notice*, to the front of the red folder.
  - b. Attach a pink expedite tag to the folder for high priority processing.
- (2) When necessary, employees need to take additional actions to protect the assessment period on these cases. It may be necessary to hand-carry the file from one location to another. If the file is being sent to a location outside of the local office, use express mail or fax.

