

Section 12. Examination/EP-EO/ Appeals

1 *Discriminant Function (DIF)*

Discriminant Function (DIF) is a mathematical technique used to classify individual income tax returns as to Examination potential. Under this concept, formulas are developed based on available TCMP data and are programmed into the computer to classify returns by assigning weights to certain basic return characteristics. These weights are added together to obtain a composite score for each return processed. This score is used to rank the returns in numerical sequence (highest to lowest). The higher the score the higher the probability of significant tax change. The highest score returns are made available to Examination upon request.

The DIF-system involves computer classification to mathematically determine the Examination potential of returns, and manual screening to set the scope of examinations and to select needed workload.

2 *PCS—Partnership Control System*

Note: See also:

IRM 48(11)0, Partnership Control System (PCS) Handbook, and

LEM 3(25)(184)0, Partnership Control System.

PCS is a real-time system that establishes, links, and controls flow-through returns and their investors. It interfaces with AIMS, Master File and the Centralized Authorization File (CAF).

PCS identifies returns subject to TEFRA examination procedures; controls TEFRA and non-TEFRA statutes; generates required statutory correspondence for TEFRA investors including the Notice of Beginning of an Administrative Proceeding, 60-Day Letter, schedule of adjustment, FPAA/FSAA, and Appeals settlement correspondence. PCS produces National directories, data base maintenance reports, statute reports, action reports, and management information reports.

PCS has ten command codes which are input realtime:

- PCSMY Provides MFT and TXPD for all occurrences of unedited TIN. Also provides whether record is Partner or Partnership. (Effective 7-1-1995)
- TSLOD establishes and links returns on PCS, generates NBAP'S, requests returns from Master File, and establishes TC424's on AIMS when the investor to be linked resides within the key case service center's jurisdiction. Each time a new link is established, TC421 and TC424 will be generated to post to Master File.
- TSCHG changes PICF data elements.
- TSCLS releases the AIMS freeze on investor closure. It is used only as a part of final investor AIMS closure activity.
- TSDEL deletes erroneous linkages. Linkages are marked for deletion via realtime, but are deleted during weekly batch processing.
- TSINQ researches accounts on PCS displaying PICF, AIMS and CAF information.

- TSNOT marks key case records for generation of TEFRA notices during realtime, but notices are generated after weekly batch processing.
- TSUMY displays summarized research for linked key case and their investors.
- MSCHG changes certain PICF/AIMS data elements of all investors linked to a particular key case. The command code is input realtime, but the update is performed via batch processing for all affected accounts, both within and outside the service center.
- TSPCD marks an account for systemic correction of the PICF Code on AIMS. It accesses the AIMF to set the PICF Code to 9. It will be reset to the proper value during batch processing.

PCS uses realtime processing to update the PICF when establishments and updates are made on the IDRS terminal. Only MSCHG and TSDEL are processed in the batch mode. Changes made outside the service center are reflected on all service center's PICF after centralized batch processing at the Martinsburg Computing Center.

Weekly batch processing includes: updating records nationwide, maintaining the PCS data base, producing error registers, and generating extracts for PCS reports, and TEFRA notices.

Partnership Investor Control File (PICF) Codes

- 0 no PICF data.
- 1 TEFRA key case record.
- 2 non-TEFRA key case record.
- 5 investor with at least one open TEFRA key case linkage.
- 6 investor with at least one open non-TEFRA key case linkage but no open TEFRA key case linkage.
- 7 investor with at least one closed TEFRA key case linkage but no open linkage.
- 8 investor with at least one closed non-TEFRA key case linkage but no closed TEFRA key case linkage nor open linkage.
- 9 to correct erroneously assigned PICF codes to key cases and investors

3 AIMS File Content

(1) General

Audit Information Management File (AIMF) contains all data elements used by the AIMS System. These data elements are described separately in IRM 104.3 and 3.25.86 ,Audit Information Management Systems (AIMS).

AIMS will allow each Service Center to maintain its own master file of cases under Examination jurisdiction; to readily access and update the status of any return via computer terminals; and to produce timely control and management reports for its jurisdictional area. Collection, EP/EO and Appeals use the system to control their examination cases.

The AIMS command codes which authorize the terminal operator to input or receive information to or from the system are found in IRM 3.25.86.

(2) Organization Code

A code which describes the exact location of an Examination case. This is a four digit entry. Organization code 1000 thru 1999 indicates Revenue Agents; 2000 thru 2999 indicates Tax Auditors; and

5000 thru 5999 are used by the Service Center. Organization Code 7000 thru 7999 are used by EP and EO Cases.

Position Explanation

- 1 Identifies the major Function immediately below division level.
- 2 Identifies the branch (or equivalent) within a Function.
- 3 & 4 Identifies the group (or equivalent) within a branch.

Codes 1999 and 2999 are reserved for cases being transferred.

Codes 1998 and 2998 are reserved for PSP.

(3) Source Codes—Grouped by Category (effective 1/94)

This is a two digit entry to identify the type of program being examined. All source codes are valid for district Examination Functions. Service Center Examination Branches can only use the source codes marked by asterisk (*).

Computer Identified Returns

- 01 Tax Shelters—Automatic IMF, Automatic BMF Source returns
- 02 DIF (Discriminant Function)

Service Center Initiated Examination Program

- 03* Unallowable items
- 04* Multiple Filers
- 06* Correspondence Examination
- 08* Self-Employment Tax
- 11* Studies, Tests, and Research Programs
- 14* IRP—High Underreporter
- 23* IRA Recovery
- 24* Nonfiler/Refusal to File TDI
- 25* Substitute for Return
- 26* Minimum Tax Program
- 48* Related to SC Unallowable

DIF Related

- 05 Pickup Related—DIF Related
- 10 Multi-Year Examination—DIF Related
- 12 Delinquent Return—DIF Related

Non-DIF Related

- 40 Multi-Year Related to Non-DIF
- 44 Delinquent Return Related to Non-DIF
- 50 Pickup Related to Non-DIF
- 64* Pickup Related Other

Claims

- 30* Claims for Refund
- 31* Paid Claims for Refund
- 32* Carryback Refund
- 35* Administrative Adjustment Request

Tax Shelters

- 17* Tax Shelter Program
- 39* Tax Shelter Related Pickup

Classification

- 20* Regular Classification

Fraud

- 88 Special Enforcement
- 90 Fraud Regular

Research and Reference

- 45* Reference and Information
- 80* TCMP—Current
- 91* TCMP—Related Returns

Miscellaneous Sources (Other than DIF)

- 46* Employee Returns
- 49 Preparer of Returns
- 62 Information Gathering Projects.
- 73* Taxpayer Requests

Information Items

- 60 Information Reports

Referrals

- 65* Collection
- 70* Referrals
- 77 State Information

IRP

- 85* Information Document Match

(4) Status and Location

Provides capability for more rapid responses to inquiries concerning returns assigned to Examination. IDRS users through inquiry into the AIMS System can quickly ascertain whether the taxpayer's problem is related to an audited return and the current location of the return in the Examination Division. This is a two digit code.

District Office Status Codes

Appears on Form 5546 as Item 30.

Location	Status Code	Definition
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Chief, PSP	00	Returns in Transit— (Computer Generated)—Assembly on hand and return not yet available to the district. Not included in inventory reports. Generated for all bulk ordered returns with no assigned status code. Automatically generated two cycles later if the Source Code is 01 or 02 and there is no prior status code.
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Location	Status Code	Definition
	01	Claims and Other Returns in Transit—Claims selected by Service Center for examination in District Offices, and other returns selected by Service Center and which should be associated with related returns prior to forwarding to District Offices. Immediately upon receipt, the District must update the status code appropriately.
	05	SOI
	06	Awaiting Classification— (Computer Generated)—Returns or related documents awaiting association in the Service Center Control Reports Unit or returns in hands of Return Program Manager which have not been classified or screened. Never update returns to a higher status until it has been selected for examination.
	07	Local Definition
	41	PSP Suspense—
Central Storage	08	Selected—Not Assigned— Returns on hand that have been selected for examination but not yet assigned to a branch or group.
Examination Group	09	Local Definition
	10	Assigned—No Time Applied— Returns on hand at group (including integrated groups) and branch levels but not yet assigned to an examiner, and returns assigned to an examiner but with no direct examination time (Technical) applied. The use of this status code is optional for returns on which initial taxpayer contact has been made for tax auditors.
	12	Started— Returns under examination by a revenue agent with direct examination time (Technical) applied or where initial taxpayer contact has been made for the Tax Auditor or the return is assigned to a Tax Auditor group.
	13	30-Day— All returns awaiting the issuance of a 30-day letter in the group, or in the group 30-day suspense file.
	17	Fraud— Use only when prescribed by district or regional instructions.
Quality Measurement Staff	20	Mandatory Review— All returns subject to mandatory review, including management selected cases, either awaiting review or in the process of being reviewed. (IRM 4414.1).
	22	30-Day Letter— All returns awaiting issuance of a 30-day and 60-day Letter and 30-day and 60-day Letter awaiting response from taxpayers. TEFRA— The status code should be updated to 22 by Quality Measurement when they forward the 60-Day package to the ESU.
	23	Sample Review— All sample selected or management identified returns either awaiting review or in the process of being reviewed. (IRM 4418).
	24	90-Day Letter— (Notice of Deficiency)—All 90-day Letter and FPAA/FSAA awaiting response from taxpayers. TEFRA— The status code should be updated to 24 by Quality Measurement when they receive confirmation that the FPAA/FSAA has been issued.
	25	Pre 90-Day Letter— All returns awaiting issuance of 90-day letter and FPAA and FSAA. TEFRA— The status code should be updated to 25 by Quality Measurement when they transmit the FPAA/FSAA package to the ESU.

Location	Status Code	Definition
Suspense	30	Form 1254— Used only for returns where a Form 1254 (Examination Suspense Report) is in the case file.
	32	General Fraud— This includes returns except SEP cases where a joint investigation has been completed and awaiting settlement of criminal aspects.
	36	Grand Jury— All cases being actively investigated by the Grand Jury.
	38	All Others— Cases awaiting technical advice from the National Office. Cases placed in suspense by the district or regional office.
Service Center	34	TEFRA Suspense— TEFRA investor/shareholder returns in service center ESU awaiting the partnership/S corporation examination results.
Examination Support and Processing	51	In transit to ESP
	52	Local Definition
	53	Local Definition
	54	Local Definition
	55	Local Definition
	56	Local Definition
	57	Non-Examined Closures—All returns that have been or are expected to be in the closing function for two weeks or more which will be closed with Disposal Codes 20, 21, 22, 25, 31, 32, or 35.
Appeals	80	Nondocketed
	81	Unassigned
	82	Docketed
	83	Local Definition
	84	ESP for Closure
	85	Reserved
	86	Reference Return
	87	Closed to Appeals Processing Section
88	Tried — District Counsel	
Closed	90	CLOSED (Computer Generated— All examined and non-examined Examination and Appeals closings. Cannot be input via Examination Update or Correction Request procedures.

Note: Status Codes 07, 09, 52 and 54 through 56 are for use locally to control returns. New uses of these codes must be cleared by the region prior to implementation.

Definition of Service Center Status Codes

Appears on Form 5546 as Item 30.

Location	Status Code	Definition
Correspondence or Classification Function	00	Returns in Transit—Computer Generated Returns selected by service center for examination in district offices. This status is used for returns that do not require association with related returns prior to forwarding to districts.

Location	Status Code	Definition
	01	Claims and Other Returns in Transit—Claims selected by service center for examination in district offices, and other returns selected by service center and which should be associated with related returns prior to forwarding to district offices.
	05	SOI
	06	Awaiting Classification (Computer Generated)— Returns computer identified or combination of computer identified and manually identified. These returns or related documents are awaiting association in the Service Center Control Reports Unit or are on hand awaiting classification, screening for high DIF, multiple codes, or other. Status Code 00 is generated for all bulk ordered returns with no status assigned. Two cycles later Status 06 is automatically generated if the Source Code is 01 or 02 and there is no prior status code.
Centralized Storage Correspondence	07	Local Definition
	08	Selected—Not Assigned—Returns on hand where examination/contact has not been initiated.
	09	Correspondence Examination.
	10	Initial Contact Letter Status— Returns manually identified by Processing Division (Computer Generated) and/or all other returns on which initial contact has been made and a status change submitted.
	12	Special Contact Letter Sent— Returns requiring special correspondence and awaiting response from taxpayer.
	13	Examination Suspense— Those returns which have closing action delayed as prescribed by district or regional instructions.
	17	Local Definition
	18	Local Definition
	22	30-Day Letter— Returns held in 30-day letter suspense awaiting taxpayer response.
	23	15/30-Day Letter—15/30-Day letter cases awaiting response from taxpayers.
Processing Function	24	90-Day Letter—Statutory Notice of Deficiency issued. Returns held in 90-day suspense awaiting taxpayer response.
	25	Local Definition
	51	Returns awaiting closing and releasing action in the Processing Function which will be held two weeks or more. These returns may involve quick assessments, credit transfers, or any other action requiring cycling.
	52	Local Definition
	53	Local Definition
Correspondence	54	Replies—Returns on which taxpayer correspondence has been received and the correspondence requires technical consideration by a Correspondence Tax Examiner before a reply to the taxpayer can be prepared. This does not apply to cases where the reply is an agreement or to cases that are in Status Code 24 (90-Day Statutory Notice of Deficiency issued.) Acknowledgment Letter (Form 9175) is computer generated and mailed to the taxpayer.

Location	Status Code	Definition
	55	Overage Replies—Returns identified on the Status Workload Review List as being over 30 days old. Interim Letter (Form 9174) is computer generated and mailed to the taxpayer.
	56	Local Definition
	57	Overage Replies—Returns identified on the Status Workload Review list as being over 60 days old.
Suspense	34	TEFRA Suspense— TEFRA investor/shareholder returns in service center ESU awaiting partnership/S corporation examination results.
Appeals	80	Nondocketed
	81	Unassigned
	82	Docketed
	83	Local Definition
	84	ESP for Closure
	85	Reserved
	86	Reference Return
	87	Closed to Appeals Processing Section
	88	Tried — District Counsel
	89	Reserved
Closed	90	CLOSED (Computer Generated)— All examined and nonexamined Examination and Appeals closings. Cannot be input via Examination Update or Examination Correction Request procedures.
	99	PCS controlled related return. This status code is computer generated to identify ESS/ESU inputs on the AM424 Reject Register.

Other Information

Status Codes 07, 17, 18, 52, and 56 are for use locally to control returns. New uses of these codes must be cleared by the region prior to implementation.

All classification returns must be updated to a status code greater than 06.

(5) PDT Indicator

When TC 016 is input for Potentially Dangerous Taxpayer cases the first page of AMDISA print will show PDT.

4 **Blocking Series**

MF Sorting and Blocking Series for Document Code 47 Adjustments

(Reference: IRM 48(13)2 Text 522, 522.(27) and 532.7)

Adjustment Form Number	Disposal Codes	Original or Copy of Return	Non-TEFRA Block Number	TEFRA Block Number
5344	01-04,08-10,12,13,34	*Original/ELF/SFR	000-079	080-099
	01-04,08-10,12,13,34	&Copy	900-979	980-999
	01-04,08-10,12,13,34	\$BRTVU/RTVUE/MACS	200-249	200-249
	07, 11, 12 with AOC	Either	100-179	180-199
	Partial Assessment	No Return	100-179	180-199
5351, 5546	20-22,25,30-32,35,42,45,99	*Original	600-679	680-699
	28,29,33,36-41	No Return	100-179	180-199
	@All non-examined DC's	+BRTVU/RTVUE/MACS	250-299	250-299
5403	01,03	*Original/ELF/SFR	700-749	750-759
	01,03	&Copy/BRTVU/RTVUE	790-799	760-769
	Partial Assessment	No Return	780-789	
5570	30,45	Either	700-779	780-789

* Use an original return blocking series for electronically filed returns, and cases in which the TC 150 is an SFR/Dummy TC 150. The original return blocking series is necessary since there is not a paper original return for either of these type cases. If the copy blocking series is used, a CP notice will be generated instructing Files to pull the original return and associate it with the examined closing which is inapplicable.

@ See Exhibit Text -.05(2) for a list of non-examined disposal codes.

& The copy blocking series will generate a CP notice instructing Files to pull the original return and associate it with the examined copy.

+ This blocking series will not generate a CP notice or control DLN therefore the original return will remain filed under the DLN that contains the "X".

\$ This blocking series will generate a control DLN but will NOT generate a CP notice to pull the original return and associate is with the examined copy. In most cases, the original return will remain filed under the TC 150 DLN.

For ADJ54 Blocking series refer to IRM 3(15)60. For Appeals manual assessments, use 135-138.

NMF Blocking Series

(Reference: IRM 48 (13)2 Text 833)

Type of Tax	Form No.	Deficiencies, Additional Assessments	Overassessments, Disallowed Claims, Refiles, etc.
Employment	941	120-124	125-139
	1042	140-144	145-149
	942	150-164	165-179
	943	180-187	188-195
	100% pen.	196-198	

Type of Tax	Form No.	Deficiencies, Additional Assessments	Overassessments, Disallowed Claims, Refiles, etc.
	3645	199	
Individual Income	1040	200-239	240-279
	1041	280-282	283-289
	1065	290-292	293-298
	3645	299	
Corporation	1120	300-334	335-369
	1120S & 1120 DISC	370-374	375-379
	1120L&M	380-384	385-389
	990C&T	390-392	393-398
	3645	399	
Excise	720	400-404	405-409
	730	410-414	415-419
	2290	420-424	425-429
	11C	456-457	458-459
	3780	460-462	463-464
	678	465-467	468-469
	Marijuana	485-488	489
	3645	490-495	
	Trust Fund Recovery Penalty	496-499	
Estate and Gift	706	500-524	525-549
	709	550-575	576-599
RR Retirement	CT-1	700-724	724-749
	CT-2	750-774	775-799
FUTA	940	800-849	850-899
Misc. Forms	900-949	950-999	

Note: Nonexamined closings with returns (disposal codes other than 01-04, 07-12, or 34) are numbered in the 650-699 series. Nonexamined closing without returns, i.e., disposal codes 28, 29, or 33 will be numbered in the 1NN series (it is not necessary to send closings without returns to Accounting for NMF indexing).

Note: For Forms 5570, Appeals Short Closings, assign a block number in the 700-779 series manually.

Note: Long closings to Appeals will be numbered in the 100 to 199 blocking series.

5 Disposal Codes

These two digit codes are used to indicate the disposition of an examination. The codes are assigned by the Examination Division.

Disposal Codes 01 through 04 and 07 through 13, pertain to examined returns.

Disposal Codes 03, 04 and 07 through 13 are used when an adjustment is proposed/processed to change:

- (a) Tax, penalties, or refundable credits for taxable returns.
- (b) Income/loss or special allocation items for non-taxable returns.

Disposal Codes 01 and 02 are used when no adjustments are proposed/processed to any type of return. Item 41 is required on all IMF cases with Disposal Code 01 and 02.

Disposal Codes 20 through 99 pertain to non-examined returns.

Disposal Codes 03, 04, 08, 09, 10, 12 and 13 are valid for partial assessments.

(1) Examined Disposal Codes

- 01 **No-change with Adjustments**— Applies to non-change examined returns (even if a 30-day or 90-day letter was issued) if there is an adjustment to the tax base data such as income or deduction items but no change in tax liability or refundable credits. The following are examples of no-change with adjustment examinations:
- Delinquent returns secured by the examiner and forwarded to the service center for processing. This includes delinquent return pickups that result in a zero tax liability.
 - Claims disallowed in full.
 - Income tax examination when taxpayers are issued an examination report Form 4549 and Letter 1156 (DO/IO), or Form 1902 when "Other" is checked on the reverse of Form 4700 (See IRM 4254.4).
 - Estate or gift tax cases when offsetting adjustments result in no change in tax liability. This includes gift tax cases when Letter 942 (C/DO) is issued to taxpayers (see IRM 4422.1).
 - Excise, trusts and estates, or employment tax cases when offsetting adjustments to tax base data and/or credits result in no change in tax liability.
 - Disqualified 1120 DISC/IC-DISC election.
- 02 **No change**— Applies to Examination which do not necessitate the issuance of a report because there were no adjustments or no changes in tax liability (or proposed tax changes fell below the tolerance level in LEM IV) to:
- Tax, penalties, or refundable credits for taxable returns
 - Income/loss or special allocation items for non-taxable returns. Form 4700, Examination Planning and Workpaper, should have Letter 590 checked.
- 03 **Agreed**— Applies only to returns if an agreement is received prior to the issuance of a 30-day or 60-day letter. Also applies to claims allowed in full and agreed claims partially allowed.
- 04 **Agreed**— Applies only to returns if an agreement is received after the issuance of a 30-day or 60-day letter.
- 07 **Appealed**— Returns closed to Appeals before issuance of a 90-day letter, FPAA or FSAA.
- 08 **Other**— Unagreed claims partially allowed; secured delinquent returns if dummy TC 150 was posted; partial assessment of employee share of FICA; any other manner of closing after issuance of a 30-day or 60-day letter.
Non-income Tax Returns (MFT 01, 03, 10) - Use when the taxpayer did not sign a report or request an Appeals conference.
- 09+ **Agreed**— Applies only to returns if an agreement is received after the issuance of a 90-day letter, FPAA or FSAA.

- 10+ **Default**— Applies only to returns if the taxpayer fails to reply after the issuance of a 90-day letter, FPAA or FSAA.
- 11+ **Petitioned**— Applies only to returns if the taxpayer petitions tax court after the issuance of a 90-day letter, FPAA or FSAA.
- 12 **Other**— Applies to any other manner of closing not identified above, such as direct transfers to Justice Department for settlement. This code is not used for returns transferred to other districts or transferred between districts and service center or on manual assessment cases.
- 13 **Undeliverable 90-day letter, FPAA or FSAA**— Applies to returns closed after the issuance of the 90-day letter, FPAA or FSAA, if the above letter is returned as undeliverable.
- 15 You will only see this disposal code on the Form 5546, Examination Charge-out in the prior audit section. It is used when more than one Doc Code 47 disposal code is present for the same MFT and tax period in the Audit History Record at Master File.
- 16 You will only see this disposal code on the Form 5546, Examination Charge-Out in the prior audit section. It is used when a Doc Code 47 and Doc Code 51 disposal code is present for the same MFT and tax period in the Audit History Record at Master File.

(2) Non-Examined Disposal Codes

- 20* @ Accepted as Filed by Classification All returns (other than DIF) accepted on manual classification (estate, gift, etc.).
- 21* @ Accepted as Filed by Classification DIF returns accepted during screening process on which questionable items are adequately substantiated or explained by schedules or attachments to the return or other specific reason.
- 22* @ Accepted as Filed by Classification DIF returns accepted during screening process because the prior year examinations resulted in no change in tax liability and the current year return appears to have no tax potential.
- 25* @ Accepted as Filed by Classification DIF returns accepted during screening process for referral to a state under the Federal-State exchange program.
- 28 File Closings— This code is used to close an account which was established on AIMS Non-Master File for temporary control purposes. This disposal code does not reverse TC420 or TC424 at Master File.
- 29* Missing Return— This code is restricted to service center use and is used by service center personnel to indicate a DIF or other bulk ordered return that was not able to be located by the Files Unit.
- 30 Transfers Out of District— This code is used to transfer a return to another District Office/ Service Center location.
- 31 @ Survey Before Assignment— A return selected for examination is considered as surveyed before assignment, if it is disposed of without contact with taxpayers, or their representatives, and before assignment to an examiner. (See IRM 4213.).
- 32 @ Survey After Assignment— A return shall be reported as a survey after assignment if the examiner, after consideration of the return and without contact with taxpayers, or their representatives, and believes that an examination of the return would result in no material change in tax liability. (See IRM 4213.).
- 33 Error Accounts with No Returns— Used to remove records from the AIMS Data Base that were established in error.
- 34 Surveyed Claims— Allow overassessment without examination. An amount claimed must be present on the data base. (Not valid if Source Code is 07 or 09.).
- 35* @ Surveyed-Excess Inventory— Valid with Status Codes 07, 08 and 57.
- 36 No Return Filed— Taxpayer not liable—Little/No Tax due TC 590 CC50 (BMF)/CC52 (IMF)
- 37 Taxpayer Previously Filed TC 594 CC58

- 38 No Return — Taxpayer previously filed with spouse on joint return TC 594 CC59
- 39 No Return— Taxpayer no longer liable TC 591 CC50
- 40 No Return— Taxpayer unable to locate TC 593 CC57
- 41 No Return— Taxpayer due refund TC 590 CC53
- 42 Return Filed— Taxpayer unlocatable
- 45@ Reference and Information Returns— Valid only if Source Code is 45.
- 99 Other— Only to be used for:
- Information report returns accepted by Chief, PSP or Examination Branch in the Service Center. (Valid with Source Code 60 only).
 - The establishment of a linkage on PCS—you can identify these records if there is a TC421 with Disposal Code 99 and a TC424 with the same DLN present on Master File.

* For Use by Classification Only (i.e., Valid with Status Codes less than 07 or Status Code 57.

@ Cannot be used if there is an amount claimed on the data base.

+ Not valid with MFT 01, 04, 09-12, 17-19, 71-72 or 80.

36-42 Since you will not have a return to be refiled, these codes will only be valid with Blocking Series 1XX. You will, not be able to use any of these new codes if there is a claim amount on the data base.

6 **Unallowable Codes**

Reference IRM 3(27)(68)0

Unallowable Codes identify items on the Form for initial processing of 1040 series or document that are of a questionable nature or exceed statutory limitations. The codes are grouped by affected return area as follows.

Unallowable Codes 12 through 20 affect AGI

Unallowable Codes 22 through 66 affect taxable income

Unallowable Code 70 affects total tax

Unallowable Codes 80, 82-86, 88, 98 and 99 require a decision regarding the additional amount of AGI, taxable income and/or total tax.

Unallowable Explanations

Code	Explanation
13	You may not deduct moving expenses. You moved less than 50 miles. Do not use if the taxpayer is a member of the armed forces.
16	Lump Sum Distribution-Rollover
17	Lump Sum Distribution-Age less than 50 on 1/1/86; dist. from non-qualifying plan
18	Lump Sum Distribution-Paid to beneficiary and 5 year clause
19	Lump Sum Distribution-Age over 59 1/2 or not employed at distribution time, disable owner-employee or paid deceased beneficiary.
20	Lump Sum Distribution-Disqualified for special tax treatment on Lump Sum Distribution due to already filed Form 4972 after 1986
21	Section 179 Expense limited to \$10,000
22	Depreciation deduction/Sect. 179 expense limit; business use limit
32	Schedule A State and Local Sales Tax Disallowed-Tax Year 1987 and Subsequent
33	Medical deduction reduced by amount of Personal Living or Family expenses
34	Deduction for U.S. Taxes Paid disallowed

Unallowable Explanations

Code	Explanation
35	Deduction for Utility Taxes disallowed
36	Deduction for various Local Taxes disallowed
37	Deduction for Registration/Tag Fees disallowed
38	Personal/Family expenses disallowed
40	Educational expenses disallowed
41	Personal Interest — Personal Interest deduction no longer allowed
42	Non-Qualifying Charitable deduction disallowed
43	Automobile Expenses adjusted by mileage rate
45	Home Sale/Purchase expenses disallowed
46	Personal Insurance expenses disallowed
56	Fractional Exemptions
57	NRA Personal Exemption limited to one except Residents of Mexico, Canada, Japan, South Korea, American Samoa or U.S. National
58	Non-resident medical deduction disallowed
60	Generated Unallowable for Dependents
61	Generated Unallowable for Dependents
62	Generated Unallowable for Dependents
67	Missing/205C/Applied for/NRA Dependents (C&E)
68	Missing and Invalid SSNs for Dependents (ERS)
69	Invalid SSNs for Dependent (ERS)
70	Use of Widow/Widower tax rate disallowed
75	Tax adjusted by use of applicable treaty rate
79	Release credit - reinput documents only
80	Generated Unallowable for EIC Children
81	Generated Unallowable for EIC Children
83	Unspecified payment/refundable credit unallowable
85	Credit for federal tax paid on fuels or credit for purchase of diesel-powered Highway Vehicles from Form 4136
88	Missing and Invalid SSNs for EIC Children (ERS)
89	Invalid SSNs for EIC Children (ERS)
90	Generated Unallowable for EIC amount and no other Unallowable present
91	Tax adjusted by amount withheld as protest
92	Loss on sale of personal property disallowed
93	Tax adjusted by amount of duplicate deductions
98	Multiple unallowables
99	Unallowable condition not listed above

7 ***Project Codes and Push Codes***

Project Codes

Project codes are three digit numbers used in monitoring special Examination programs.

Project Code Description

000	Valid Correction Entry
007	State Information—Referrals
009	Foreign Controlled Corporations
011	Foreign Controlled Corporations (Market Segment)
012	Individual Nonfiler Strategy FY1998
013	TEFRA
015	TEFRA/Amended
016	Individual Nonfiler Strategy FY1999
077	Joint Committee Case
085	Constitutional Type Protesters
100	Research Credit-Internal Use Software
101	Oil and Gas
102	Real Estate
103	Farming
104	Audio Visual
106	Natural Resources
107	Commodities
108	BID (Business Information Database)
109	Leasing
114	Shelters/Other
118	Research and Development
121	Pre-filing Notification
122	Energy
129	Tax Examiner (Corr Exam)
131	District Information Gathering Project - Unreported Income
135	CID Referral for Potential Civil Action
136	Gasoline—FHWA
137	Diesel—FHWA
138	Other HTF—FHWA
139	Other Excise—FHWA
140	Other Taxes—FHWA

Project Code	Description
146	Form 8300-Fraud
147	Title 31—Fraud
149	Non-filer/Referral for Fraud
150	Nonfiler
151	Alleged Church
152	Family Estate Trust
153	Informant's Claims for Reward Program
154	Nonfiler/Substitute for Return
156	TDI Nonfiler
157	Form 1120S Conversion
162	Foreign Corporations And Overseas Residents Returns
164	Revenue Officer Employment Tax Examination-Study
165	Failure to File
166	Non-Taxable Receipt Schemes
167	Protest Adjustments and Other
168	Form 1040NR
172	Automated Issues Identification System
175-200	Local Definition
204	Training Return
219	Examination
227	Family Limited Partnership
228	Automated Valuation
229	Agricultural Credit Association
230	Compliance BWH Project
231	Alimony Compliance Program (Payer)
232	Alimony Compliance Program (Payee)
233	Business Trusts
234	Passive Activity Trust
235	Schedule D Loss Trust
236	Schedule E Lost Trust
237	NOL Lost Trust
238	Large K-1Trust
239	High Fees Trust
240	Charitable Trust
241	Promoter Trust
262	Dependent SSN Matching
431	Child Care Credit
432	Form 8300 Program
437	High Dollar Nonfilers
438	High Dollar Secured Delinquent Returns
441	Title 31 Non Fraud

Project Code	Description
442	QRDT - Questionable Refund Detection Team
445	AIIS DIF Returns
446	AIIS DIF CORR Returns
447	AIIS Self Employment Returns
448	AIIS Non-DIF Returns
449	Related Year High Dollar Nonfiler
500-575	Local Definition
600	(Revenue Protection Strategy) RPS EIC Unsubstantiated
601	RPS Informant
602	RPS Decedent
603	RPS Prisoners
604	RPS Duplicate Address
605	RPS Return Preparer
606	RPS EIC Ineligible Other
607	RPS Ineligible Other
636	SIGMA
637	Form 637 Registration
638	U.S. Customs Excise Project
641	RPS - Missing SSN
642	RPS - Other
643	CBRS Created Returns
644	I.G.P. Lump Sum Termination Payments
646	Partnership/ Issue Identification
647	UIRF - Unmatchable Information Return Follow-Up
648	RPS - Mixed/ Missing/Invalid SSNs
649	RPS - Invalid/Mismatched SSN on NAP
652	RPS - Duplicate SSN
653	RPS - Self -employed
654	RPS - Repeaters
655	Refund Hold — SFR
656	RPS - Fuel Credit
657	REPARS
660	Ozone Depleting Chemical
661	Rental Agreement - Sec. 467
662	FIRPTA/INTRA
663	Bankruptcy / Chapter 7
664	Bankruptcy / Chapter 11
665	Bankruptcy / Chapter 12
666	Bankruptcy / Chapter 13
667	Fuel Credit less \$500
668	Prompt Audit
669	Repeat Nonfiler

Project Code Description

670	LICH / Rehab (Low Income Housing Credit and/or Historic Rehabilitation)
671	Offshore Compliance Project
672	TRD/EP/I (Tax Rate Determination/Education Program/Individual)
673	TRD/EP/I (Tax Rate Determination/Education Program/Employer Establishment)
674	National Research Project
675	Compliance Strategies
676	Form 2290 (Highway Vehicle Use Tax)
677	Partnership and the CEP
678	Partnership - ISP & District Issue Study
679	VISA Returns
680	Scholars and Educators
681	MISC AC(I) Generated Compliance Projects with Domestic District Taxpayers
682	218 Exam
683	Non 218 Exam
684	Automotive Study
685	Self Rental Property
686	Real Estate Professionals
687	Real Estate Losses Reducing SE Tax
688	Investment Interest Expense
689	Oil & Gas Losses and Investment Interest Expense
690	Rehabilitation Credit
700-799	Local Definition
800-899	C-Team

Push Codes

Push Codes are a three digit code used when establishing AIMS controls (TC 424). Special Handling message codes used on request generate processing instructions on Form 5546. Push codes are 010, 019-041, and 121 (BMF Only). Special Handling messages are 042-049. Those not listed below are reserved for future use.

010	Related Control	Special Handling/Push
019	Automatic Return Classification Req.	Push
020	Delinquent Return	Push
021	Substitute for Return	Push
022	Reserved	
023	Reserved	
024	Closing Agreement	Push
025	Inadequate Records Notice	Push
026	Code Section 183 Issues	Push
027	Contribution Adj/Carryover	Push
028	Involuntary Conversion	Push

029	NOL Carryovers	Push
030	Investment Credit Carryovers	Push
031	Capital Loss Carryovers	Push
032	1120-S Revocations	Push
033	Reserved for ARDI (not valid until March (1994)	Push
034	Pers Res/Cap of Property (not valid until March 1994)	Push
035	Change in Accounting Method/Period	Push
036	Expenditures/Timber Asset Sale	Push
038	Audit Issue Message 038	Push
039	Audit Issue Message 039	Push
040	Memo, rulings, etc., on specific case	Push
041	Current Return Pick-Up	Push
042	Special Handling Message 042	Special Handling
043	Special Handling Message 043	Special Handling
044	Special Handling Message 044	Special Handling
045	Special Handling Message 045	Special Handling
046	Special Handling Message 046	Special Handling
047	Special Handling Message 047	Special Handling
048	Special Handling Message 048	Special Handling
049	Joint Investigation	Push/Special Handling
121	Pre-filing Notification (BMF only)	Push

8 Activity Codes

Reference IRM 48(13)1, Exhibit 400-8

A code that identifies the type and condition of return selected for audit. This is a three-digit numeric code.

(1) Examination Activity Codes

Form 1040, 1040A, 1040C, 1040NR and 1040 with F2555 (Total Positive Income "TPI" Activity Codes)

530	1040A TPI Under \$25,000
531	Non-1040A TPI Under \$25,000
532	NB TPI \$25,000 Under \$50,000
533	NB TPI \$50,000 Under \$100,000
534	NB TPI \$100,000 and Over
535	Sch C—TGR Under \$25,000
536	Sch C—TGR \$25,000 Under \$100,000
537	Sch C—TGR \$100,000 and Over
538	Sch F—TGR Under \$100,000
539	Sch F—TGR \$100,000 and Over

Form 1041 Fiduciary (MFT05 and Non-MF MFT21)

495 Fiduciary Non Automatic

496 Fiduciary Automatic

Form 1065 Partnership

480 Returns Processed Before 1988

481 10 or Less Partners-Gross Receipts Under \$100,000

482 10 or Less Partners-Gross Receipts \$100,000 and Over

483 11 or More Partners

Forms 1066, 8288 and 8804

488 Form 8804

489 REMIC

499 FIRPTA

Form 1120S (Taxable)

202 1120S processed prior to 1/1/1991. After 12/31/90 all 1120S which produced additional tax.

Form 1120 IC DISC/DISC

224 All

Form 1120 (Including 1120L, 1120M, 1120PC)

203 No Balance Sheet

209 Under \$250,000

213 \$250,000 Under \$1,000,000

215 \$1,000,000 Under \$5,000,000

217 \$5,000,000 Under \$10,000,000

219 \$10,000,000 Under \$50,000,000

221 \$50,000,000 Under \$100,000,000

223 \$100,000,000 Under \$250,000,000

225 \$250,000,000 and Over

Form 1120-F

241 1120 FSC

259 \$10,000,000 Under \$50,000,000

263 \$50,000,000 Under \$250,000,000

265 \$250,000,000 and Over

Form 1120S (Non-Taxable)

287 1120S Nontaxable prior to 1/1/91

288 Assets under \$200,000 processed after 1/1/91

289 Assets \$200,000 under \$10,000,000 processed after 1/1/91

290 Assets \$10,000,000 and over. Nontaxable processed after 1/1/91

Estate (Gross Estate)

415 Under \$1,000,000

417 \$1,000,000 Under \$5,000,000

419 \$5,000,000 and Over

420 Form 706, 706A, 706NA

421 Form 706GS(T)/706 GS(D)

Gift (Total Gifts) Tax

- 435 Under \$600,000
- 437 \$600,000 Under \$1,000,000
- 439 \$1,000,000 and Over

Employment Tax

- 463 Form 945
- 464 Form 940
- 465 Form 941
- 466 Form 942
- 467 Form 943
- 468 Form CT-1
- 469 Form CT-2
- 470 Form 1042
- 471 Form 1040PR
- 472 Form 1040SS

Excise-Form 720

- 011 IRC 444 FY Election Txpds 8806 to 9003 only
- 014 Aviation Fuel-Gasoline Non-Commercial
- 016 Petroleum-Imported
- 017 Imported Chemical Substance
- 018 Oil Spill-Domestic Petroleum (prior to 7/1/93)
- 019 Ozone Depleting Chemicals - imported substances
- 020 Floor Stock Ozone Depleting Chemicals
- 021 Oil Spill-Imported Petroleum (prior to 7/1/1993)
- 022 Telephone: Toll, Local, Teletype
- 026 Transportation of Persons by Air
- 027 Use of International Air Travel Facilities
- 028 Transportation of Property by Air
- 029 Transportation of Persons by Water - Cruise Ship passenger tax
- 030 Policies Issued by Foreign Insurers
- 031 Obligations Not in Registered Form
- 033 Truck/Bus Chassis, Bodies, Tractors
- 036 Coal-Underground Mined.\$1.10 per ton
- 037 Coal-Underground 4.4% of Sale Price
- 038 Coal-Surface Mined.55 per ton
- 039 Coal-Surface Mined 4.4% of Sale Price
- 040 Gas Guzzler (Fuel Economy) Form 6197
- 041 Fishing Equipment
- 042 Trolling Motors, Sonar Devices
- 044 Bows and Arrows, Crossbows
- 046 Firearms
- 050 WPT - Producers Quarterly
- 051 Alcohol Sold - Not used as fuel
- 052 WPT - Annual Filer

053 Petroleum - Domestic
054 Chemicals
056 WPT-Withheld from Prod. Prior to 1-1-1984
057 Floor Stock - Tires
058 Gas Sold to make Gasohol 10%
059 Gasohol 10%
060 Diesel
061 Special Motor Fuel (SMF), Liquid Petroleum (LPG)
062 Gasoline
064 Inland Waterways Fuel Use Tax
065 Floor Stock - Gasoline
066 Tires (Highway-Type)
067 Floor Stock - Gasohol
069 Aviation Fuel - Non Gasoline Non Commercial
070 Floor Stock - Diesel Fuel - Trains
071 Dyed Diesel Fuel used in Trains
072 Floor Stock - Gas to make Gasohol
073 Gasoline sold to make Gasohol 7.7%
074 Gasoline sold to make Gasohol 5.7%
075 Gasohol 7.7%
076 Gasohol 5.7%
077 LUST - Aviation Fuel Non Commercial
078 Diesel Fuel - Buses only
079 Special Motor Fuel - Alcohol Blend
080 Unidentified Z/C code to be Reclassified
081 Vaccine - DPT
082 Vaccine - DT
083 Vaccine - MMR
084 Vaccine - Polio
085 Floor Stock - Diesel
086 Floor Stock - SMF Alcohol
087 Floor Stock - Aviation Fuel
088 Floor Stock — Diesel 24.4c
089 Floor Stock — vaccines
090 Luxury Tax - Airplanes Over \$250,000 (9103-9309)
091 Luxury Tax - Boats Over \$100,000 (9103-9309)
092 Luxury Tax - Cars Over \$30,000 (Begin 9103)
093 Luxury Tax - Furs Over \$10,000 (9103-9309)
094 Luxury Tax - Jewelry Over \$10,000 (9103-9309)
095 Aviation Fuel others 199703
096 Aviation Gasoline others 199703
098 Ozone Depleting Chemicals Manufactured
099 Expired/Repeated Abstracts - AIMS use
101 Compressed Natural Gas (CNG)

Excise-Other Forms

- 196 Form 2290
- 197 Form 11C
- 198 Form 730

Miscellaneous

- 501* Return Preparers Unrealistic Position Penalty-Sec 6694(a)
- 502* Return Preparers Willful or Reckless Conduct Penalty-Sec 6694(b)
- 503* Return Preparers Endorsing or Negotiating Tax Refund Check - Sec 6695(f)
- 504* Return Preparer ID Penalty - Section 6695(a) to (e)
- 505* Return Preparer - Injunctions - Sec. 7407
- 506* Information Return Penalty Case
- 507* Pricing Issues
- 508* Economist Studies
- 509* Form 8300 Compliance Review
- 510* Form 558
- 511* Compliance 2000
- 512* Nonfilers
- 513* CEP-EO
- 514* Record Maintenance Agreement under Section 6038A
- 515* Diesel Terminal Inspection
- 516* Diesel Fleets and Trucks Stop Inspection
- 517* Diesel on Road Inspection
- 518* Diesel all other Dyed Fuel Inspection
- 519* IRP Compliance Check
- 520* Unmatchable Information Return Follow-up
- 521* Excise Compliance
- 522* Return Preparer Multi-Functional Monitoring Team
- 588* Registry and Exemptions
- 591* Title 31 Compliance Review
- 592* Narcotics/Inf. Projects - No Return Examined
- 593* Sec 6700 Promoter Penalty
- 594* Sec 6701 Aiding and Abetting Penalty
- 595* TEFRA Tip Income
- 596* Joint Committee Survey
- 597* SEP - Non case Time
- 598* CEP PRE/POST Conference Meeting
- 599* Industry Specialist Program
- 991** Miscellaneous - Taxable
- 992** Miscellaneous - Non Taxable

*Valid for use only on SETTS Form 4502.

**Not valid for use on SETTS Form 4502.

9 Collectibility Indicator Codes

A collectibility indicator will be placed in the entity section of Master File whenever there has been collection field activity (Collection Status 26). This information will be communicated to AIMS (reflected on Form 5546 or AIMS Weekly Update), along with any subsequent updates to bankruptcy or currently not collectible status.

Indicator Code Order of Precedence Weekly AIMS Update Reports Changes in Indicators

B=Bankrupt	28=Bankrupt
N=Currently Not Collectible	29=Currently Not Collectible
C=Collection Status 26	30=Collection Status 26

10 Installment Agreement Code /Collectibility Code

Item 412 on Form 5344, Examination Closing Record is being used to monitor the number of installment agreements that are received by Examination. The current values are:

- I = installment agreement taken by Examination
- C = installment agreement coordinated with Collection
- N = no installment agreement secured

Item 411 on Form 5344 - Payment Codes

- F =Full Paid
- P =Part Paid
- N =No Payment
- 0 =Total Offset

Examination Limited due to Collectibility

Aging Reason Code 53 has been validated to assist in monitoring the number of examinations that are limited or not conducted due to collectibility. This code must be input on the AIMS data base for both surveys and examined closings.

11 Settlement Codes

The following three digit settlement codes are printed on Forms 5546 for individual return requests and "bulk ordered" returns such as DIF orders, TCMP returns, service center unallowable program returns and for requests generated under certain programs such as the Information Returns Program (IRP):

- 501 Tax Per Computer (after math verification)-Assessed liability shown on Master File.
- 502 Settlement Amount Per Computer—Balance due or refund shown on Master File. (Balance due indicated by an asterisk (*)).

- 503 Math Error (Includes adjustments to credits)—The difference between balance due or refund per computer (502 above) and balance due or refund per return.
- 506 Delinquency Penalty - Amount of delinquency penalty determined by computer.

12 Freeze Codes

A freeze can be placed on AIMS to prevent closing and/or updating a specific account or TC 424 skeletal account.

Codes A thru O and V thru W prevent closing. Codes Q, R, and S prevent closing and updating. Code U prevents closing if TC 300 contains a positive dollar amount.

Codes H and P will prevent AMCLS unless item 16, Appeals Office Code, is present.

Definitions of freeze codes are found in IRM 48(13)1 A-G, I-L, R, S, V, and W local definitions.

H	TEFRA key case
M	TCMP
N	Informants claim processed
O	Informal claim forwarded to D.O.
P	Carryback, or informal claims where restricted interest must be considered.
Q	Return on docket list not located
T	Reserved
U	Bankruptcy (Petitions filed before 10/22/94)
X	Bankruptcy (Petitions filed after 10/21/94)
Z	Computer generated, cannot be closed with DC 29

13 Statute of Limitations (Alpha Codes)

Code Messages

AA	Claim Update
BB	Carryback Update
CC	Joint Investigation Update
DD	Investment Credit Carryback
EE	No Return Filed
FF	Reference Return
GG	Non-TEFRA Flow-thru
HH	TEFRA Investor
JJ	Non-taxable Fiduciary
KK	Bankruptcy suspense
LL	Third Part Record Suspense
MM	Section 183(e)(4)
NN	Section 6501(e)
OO	Section 6501(c)
QQ	Docketed Cases
RR	Allowable Replacement Period(i.e. IRC 1034(j) and 1033(a))
SS	Reserved
TT	Mitigation (IRC 1311)
UU-ZZ	Reserved

Note: Alpha designations for EP/EO are locally defined.

14 Reporting Cycles for AIMS

Fiscal Year 1999

9810 October 23, 1998

9811	November 20, 1998
9812	December 25, 1998
9901	January 22, 1999
9902	February 19, 1999
9903	March 26, 1999
9904	April 23, 1999
9905	May 21, 1999
9906	June 25, 1999
9907	July 23, 1999
9908	August 20, 1999
9909	September 24, 1999

15 Examination Division District Office and Service Center Addresses and Phone Numbers

(Current As of 12/1/1998)

Southeast Region (Atlanta)

Regional Office Code 01

DO	District Office	ADDRESS	Phone	Service Center
52	Delaware-Maryland	31 Hopkins Plaza Baltimore, MD 21201	(410) 962-3066	Philadelphia
03	Vermont	199 Main St. Court House Plaza Burlington, VT 05401	(802)860-2109	Andover
58	Georgia	401 W. Peachtree St. NE Atlanta, GA 30365	(404) 331-6105	Atlanta
72	Gulf Coast	600 S. Maestri Pl New Orleans, LA 70130	(504) 558-3231	Memphis
35	Indiana	575 N. Pennsylvania St. Indianapolis, IN 46244	(317) 226-7707	Cincinnati
62	Kentucky- Tennessee	801 Broadway Nashville, TN 37203	(615) 736-5201	Memphis
59	North Florida	400 West Bay St. Jacksonville, FL 32202	(904) 232-2951	Atlanta
56	North-South Carolina	320 Federal Place Greensboro, NC 27401	(910)378-2058	Memphis
65	South Florida	#1 N. University Dr. Building B Ft. Lauderdale, FL 33324	(954)423-7330	Atlanta
54	Virginia- West Virginia	400 N. Eighth Street Richmond, VA 23240	(804) 771-2235	Philadelphia
	Atlanta Service Center Compliance Divi- sion Office	4800 Buford Highway Chamblee, GA 30341	(770)455-2215	
	Cincinnati Service Center Compliance Division Office	201 West Second St. Covington, KY 41019	(606)292-5301	
	Memphis Service Center Compliance Division Office	5333 Getwell Road Memphis, TN 38118	(901)546-2111	

Midstates Region (Dallas)

Regional Office Code 03

73	Arkansas- Oklahoma	55 N. Robinson St. Oklahoma City, OK 73102	(405)297-4043	Austin
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DO	District Office	ADDRESS	Phone	Service Center
76	Houston	1919 Smith Street Houston, TX 77002	(713)209-4345	Austin
36	Illinois	230 S. Dearborn Chicago, IL 60604	(312) 886-4800	Kansas City
43	Kansas- Missouri	1222 Spruce Street St. Louis, MO 63103	(314)539-3637	Kansas City
39	Midwest	310 W. Wisconsin Milwaukee, WI 53203	(414) 297-3139	Kansas City
41	North Central	316 N. Robert St. Paul, MN 55101	(612) 290-3451	Kansas City
75	North Texas	1100 Commerce St. Dallas, TX 75242	(214)767-1435	Austin
74	South Texas	300 East 8th Street Austin, TX 78701	(512)499-5971	Austin
	Austin Compliance Center	3651 S. Interregional Service Austin, TX 78741	(512)460-0200	
	Kansas City Service Center	2306 E. Bannister Road Kansas City, MO 64131	(913)344-7600	

Northeast Region (Manhattan)
Regional Office Code 06

11	Brooklyn	10 Metrotech Center 625 Fulton Street Brooklyn, NY 11201	(718) 488-2021	Brookhaven
06	Connecticut-Rhode Island	135 High Street Harford, CT 06103	(860)240-4241	Andover
13	Manhattan	290 Broadway New York, NY 10008	(212)436-1044	Brookhaven
38	Michigan	477 Michigan Avenue Detroit, MI 48226	(313)628-3535	Cincinnati
04	New England	JFK Federal Building Boston, MA 02203	(617)565-1648	Andover
22	New Jersey	970 Broad Street Newark, NJ 07102	(201)645-2118	Brookhaven
31	Ohio	550 Main Street Cincinnati, OH 45202	(513)684-3736	Cincinnati
23	Pennsylvania	600 Arch Street Philadelphia, PA 19106	(215)597-4228	Philadelphia
16	Upstate New York	111 West Huron Street Buffalo, NY 14201	(716)551-5465	Andover
	Andover Service Center	310 Lowell Street Andover, MA 05501	(508)474-5408	
	Brookhaven Service Center	1040 Waverly Avenue Holtsville, NY 11742	(516)654-6604	

DO	District Office	ADDRESS	Phone	Service Center
	Philadelphia Service Center	11601 Roosevelt Blvd Philadelphia, PA 19154	(215)516-2531	
Western Region (San Francisco)				
Regional Office Code 09				
77	Central California	55 S. Market St. San Jose, CA 95113	(408)494-8600	Fresno
95	Los Angeles	300 N. Los Angeles St. Los Angeles, CA 90012	(213)894-4146	Fresno
94	Northern California	1301 Clay Street Oakland, CA 94612	(510) 637-2570	Fresno
91	Pacific Northwest	915 Second Avenue Seattle, WA 98174	(206)220-6014	Ogden
84	Rocky Mountain	600 17th Street Denver, CO 80202	(303) 446-1130	Ogden
33	Southern California	24000 Avila Road Laguna Niguel, CA 92656	(714) 360-2077	Fresno
86	Southwest	210 E. Earll Drive Phoenix, AZ 85012	(602)207-8450	Ogden
	Fresno Service Center	5045 E. Butler Avenue Fresno, CA 93888	(209)454-6698	
	Ogden Service Center	1160 West 12th Street Ogden, UT 84201	(801)620-7175	
International (Washington)				
Regional Office Code 08				
66	Puerto Rico	PSP- CP:IN:D:C:SS:PSP:ESP	(202) 874-1575	Philadelphia
98	International	950 L'Enfant Plaza SW Washington, DC 20024		

16 Appeals Codes

These codes identify the Appeals office in possession of the case. The codes are input on Form 5344 with CC AMCLS when Exam closes cases to Appeals. Nondocketed and Docketed identify the type of case (whether taxpayer petitioned the U.S. Tax Court).

	DO	Nondocketed Appeals Code	Docketed Appeals Code
Midstates Region			
Arkansas-Oklahoma (Oklahoma City)	73	154	254
Houston	76	152	252
Illinois (Chicago)	36	131	231
Kansas-Missouri (St. Louis)	43	135	235
Midwest (Milwaukee)	39	133	233
North Central (St. Paul)	41	136	236
North Texas (Dallas)	75	150	250

	DO	Nondocketed Appeals Code	Docketed Appeals Code
South Texas (Austin)	74	155	255
Northeast Region			
Brooklyn (Long Island)	11	124	224
Connecticut-Rhode Island (Hartford)	06	122	222
Manhattan (New York City)	13	123	223
Michigan (Detroit)	38	143	243
New England (Boston)	04	121	221
New Jersey (Newark)	22	172	272
Ohio (Cincinnati)	31	141	241
Pennsylvania (Philadelphia)	23	173	273
Upstate New York (Buffalo)	16	120	220
Southeast Region			
Delaware-Maryland (Baltimore)	52	171	271
Georgia (Atlanta)	58	110	210
Gulf Coast (New Orleans)	72	153	253
Indiana (Indianapolis)	35	144	244
Kentucky-Tennessee (Nashville)	62	115	215
North Florida (Jacksonville)	59	113	213
North-South Carolina (Greensboro)	56	112	212
South Florida (Miami)	65	114	214
Virginia-West Virginia (Richmond)	54	175	275
Western Region			
Central California (San Jose)	77	168	268
Los Angeles	95	160	260
Northern California (San Francisco)	94	164	264
Pacific Northwest (Seattle)	91	165	265
Rocky Mountain (Denver)	84	151	251
Southern California (Laguna Niguel)	33	163	263
Southwest (Phoenix)	86	161	261

17 Closing Codes for Appeals

A two-digit "closing code" must be input to AIMS on each case closed by Appeals. The closing code is input from Form 5403 with CC AMCLSA. (Appeals' AIMS closing code is similar to Examination's AIMS closing code).

- 03 Agreed Pre-90 Day
- 04 Agreed Statutory Notice and nonfiler

05	Defaulted Statutory Notice
08	Agreed Appeals (Docketed)
10	District Counsel Settlement
11	Dismissed (Lack of Jurisdiction) (Appeals Notices only)
12	Dismissed (Lack of Prosecution) (Appeals Notices only)
13	Unagreed Pre-90 Day
14	District/SC Fully Sustained or OIC Rejected
15	District/SC Not Sustained or OIC Accepted
16	District/SC Partially Sustained or OIC Withdrawn
17	Tried
18	TEFRA – Petitioned Claims Court or closed to DOJ
19	TEFRA – Petitioned District Court or closed to DOJ
30	Transfer
33	Erroneous Aims Account
45	Reference Return

18 *Status Codes For Appeals*

80	Nondocketed
81	Unassigned
82	Docketed
83	Reserved
84	ESP
85	Reserved
86	Reference Return
87	Closed to Appeals Processing Sect.
88	Tried – District Counsel

19 Appeals Office Addresses and Phone Numbers

(Current as of 12/1998)

Regional Office	District Office	Appeals Office Address
Midstates Region		
	Arkansas-Oklahoma Oklahoma City DO 73	Chief, Appeals Office 8000 OKC 55 N. Robinson, Suite 939 Oklahoma City, OK 73102 (405) 297-4940
	Houston DO 76	Chief, Appeals Office 8000 HAL, Suite 750 8701 S. Gessner Rd. Houston, TX 77074 (713) 773-7251
	Illinois (Chicago) DO 36	Chief, Appeals Office 8000 CHI Suite 600 200 W. Adams St. Chicago, IL 60606 (312) 886-5736
	Kansas-Missouri (St. Louis) DO 43	Chief, Appeals Office 8000 STL 1222 Spruce St. Room 6304 St. Louis, MO 63103 (314) 539-7089
	Midwest (Milwaukee) DO 39	Chief, Appeals Office 8000 MIL, Suite 780 310 W. Wisconsin Ave. Milwaukee, WI 53203 (414) 297-3406
	North Central St. Paul DO 41	Chief, Appeals Office 8000 STP 175 5th St. East Suite 600, Box 120 St. Paul, MN 55101-2901 (612) 290-3867
	North Texas (Dallas) DO 75	Chief, Appeals Office 8000 NWSAT 4050 Alpha Road Suite 517 Dallas, TX 75244-4203 (214)308-7300
	South Texas (Austin) DO 74	Chief, Appeals Office 8000 AUS 300 E. 8th Street Suite 602 Austin, TX 78701 (512) 499-5662

Regional Office	District Office	Appeals Office Address
Northeast Region		
	Brooklyn DO 11	Chief, Appeals Office 50 Clinton Street 3rd Floor Hempstead, NY 11550 (516) 539-6202
	Connecticut-Rhode Island (Hartford) DO 06	Chief, Appeals Office 333 East River Dr. Suite 200 East Hartford, CT 06108-4202 (860)290-4000
	Manhattan ((New York City) DO 13	Chief, Appeals Office P.O. Box 2954 Church Street Station New York, NY 10008 (212) 264-7842
	Michigan (Detroit) DO 38	Chief, Appeals Office 477 Michigan Ave. STOP 33 - Rom 470 Detroit, MI 48226-2518 (313) 226-2314
	New England (Boston) DO 04	Chief, Appeals Office Room 493, 10 Causeway St. Boston, MA 02222-1083 (617) 565-7900
	New Jersey (Newark) DO 22	Chief, Appeals Office One Newark Center, Suite 1400 Newark, NJ 07102 (973) 645-3670
	Ohio (Cincinnati) DO 31	Chief, Appeals Office 312 Elm Street - Suite 2300 Cincinnati, OH 45202 (513) 684-2037
	Pennsylvania Philadelphia DO 23	Chief, Appeals Office Suite 2200 Mellon Independence Center 701 Market St. Philadelphia, PA 19106 (215) 597-2177
	Upstate New York (Buffalo) DO 16	Chief, Appeals Office Suite 400, Guaranty Bldg. 28 Church Street Buffalo, NY 14202 (716)551-5330
Southeast Region		
	Delaware-Maryland Baltimore DO 52	Chief, Appeals Office 31 Hopkins Plaza Suite 1310 Baltimore, MD 21202 (410) 962-2504

Regional Office	District Office	Appeals Office Address
	Georgia (Atlanta) DO 58	Chief, Appeals Office 401 Peachtree Street, NW Suite 1455 - STOP 1100-D Atlanta, GA 30365 (404) 331-6265
	Gulf Coast (New Orleans) DO 72	Chief, Appeals Office 600 S. Maestri Place Stop 20 Room 215 New Orleans, LA 70130 (504) 558-3160
	Indiana (Indianapolis) DO 35	Chief, Appeals Office 575 N. Pennsylvania Street Suite 594 Indianapolis, IN 46204 (317) 226-7955
	Kentucky-Tennessee (Nashville) DO 62	Chief, Appeals Office Suite 300, 810 Broadway Nashville, TN 37203-3876 (615)736-7380
	North Florida (Jacksonville) DO 59	Chief, Appeals Office 400 W. Bay St. Room 364 - STOP A Jacksonville, FL 32202 (904) 232-2492
	North-South Carolina (Greensboro) DO 56	Chief, Appeals Office 320 Fed. Place, Rm 527 Greensboro, NC 27401 (910) 378-2124
	South Florida (Ft. Lauderdale) DO 65	Chief, Appeals Office Atrium West, Suite 240 7771 W. Oakland Park Blvd. Sunrise, FL 33351 (954) 572-2801
	Virginia-West Virginia (Richmond) DO 54	Chief, Appeals Office 2727 Enterprise Pkwy. Suite 100 Richmond, VA 23294 (804) 771-2881
Western Region		
	Central California (San Jose) DO 77	Chief, Appeals Office 55 South Market St. Suite 516 San Jose, CA 95113 (408) 494-7800
	Los Angeles DO 95	Chief, Appeals Office 300 N. Los Angeles St. Room 3054 Los Angeles, CA 90012 (213) 894-4700
	Northern California (San Francisco) DO 94	Chief, Appeals Office 160 Spear St Suite 800 San Francisco, CA 94105 (415) 744-9308

Regional Office	District Office	Appeals Office Address
	Pacific Northwest (Seattle) DO 91	Chief, Appeals Office 915 Second Ave. Room 2790, Seattle, WA 98174 (206) 220-5929
	Rocky Mountain (Denver) DO 84	Chief, Appeals Office 400 Federal Building 8000 DEN 1244 Speer Blvd Denver, CO 80204 (303) 844-3536
	Southern California (Laguna Niguel) DO 33	Chief, Appeals Office Suite 4404 24000 Avila Road Laguna Niguel, CA 92656 (949) 360-2929
	Southwest (Phoenix) DO 86	Chief, Appeals Office Suite 1501 3225 N. Central Ave. Phoenix, AZ 85012 (602) 207-8193

20 *EP/EO Reporting Systems Codes*

EP/EO Determination System (EDS) (Effective 07/26/93)

EDS is a district and service center system. The district system, which includes several subsystems is run on a mini computer. The service center system, the Master File Pipeline Subsystem (MPS) is run on a mainframe.

Exempt Organizations and Employee Plans submit applications to EP/EO to determine if they meet the law requirements of the Internal Revenue Code. Application data is entered through the Clerical Screening Subsystem (CSS) to determine if all the required information was submitted. If an application is found incomplete, CSS generates a letter to the applicant requesting the missing data. If an application is found complete, the data entered is added to the Inventory Control Subsystem (ICS). This information allows EP/EO to manage their workload, generate correspondence (usually a favorable determination letter) and enter the data listed in 3(a) below, to add the applicant to the EO/BMF and EPMF in the service center and the Management Information System (MIS) in the Detroit Computing Center (DCC).

Before the applicant is added to the EO/BMF or EPMF the data entered must be validated by MPS (service center subsystem). Once the data passes the validity checks it is added to the service center database files to wait for the weekly posting cycle to master file and the monthly extract to DCC.

Database Files of MPS

PCCF — The Plan Case Control File contains the plan characteristics, entity information, filing requirements and the final disposition of each application. The data on the PCCF can be accessed via the unique case number and file source generated by CSS.

POIF — The plan/Organization Index File is an abbreviated record of the PCCF. The POIF is used to retrieve the case number when only limited data such as the File Folder Number, EIN, Name Control and on EP Cases, Plan Number is available.

The EP and EO data is stored in one database file. EP and EO cases are identified by a file source. File Sources are:

- (a) EP — Employee Plan Case
- (b) EO — Exempt Organization Case

Two types of records are added to the PCCF; an opening record and a closing record. The opening record will be in status 51 — District Office Receipt and will stay in that status until the closing record is added. The closing record is sent to DCC and the master files. Command codes are available for research through IDRS. These command codes are:

PLINF — Displays specific information from the PCCF. The case number must be used with the file source EP or EO to display the data. If the case number is unknown the command code PLINQ may be used to obtain it. PLINF with a definer of blank will display the history of status 51 and the final closing. PLINF with definer E will display the complete entity data.

PLINQ — Accesses one or more records from the POIF based on the search data entered. The case number is obtained to be used with PLINF. A definer of blank searches for EP records and a definer of "O" searches for EO records.

For complete details on the subsystems of EDS in the district refer to IRM 7690.

21 *EP/EO Key and Associate District Office Codes*

NORTHEAST (Brooklyn)

- 11 **KDO** Brooklyn
- 04 New England
- 06 Connecticut-Rhode Island
- 13 Manhattan
- 16 Upstate New York
- 22 New Jersey
- 23 Pennsylvania
- 31 **KDO** Ohio
- 38 Michigan

SOUTHEAST (Baltimore)

- 35 Indiana
- 52 **KDO** Baltimore
- 54 Virginia - West Virginia
- 56 North Carolina - South Carolina
- 58 Georgia
- 59 North Florida
- 62 Kentucky-Tennessee
- 65 South Florida

- 72 Gulf Coast
- 66 Puerto Rico
- 98 Foreign Address

MIDSTATES (Dallas)

- 75 **KDO** Dallas
- 36 Illinois
- 39 Midwest
- 41 North Central
- 43 Kansas-Missouri
- 73 Arkansas-Oklahoma
- 74 SouthTexas
- 76 Houston

WESTERN (Los Angeles)

- 95 **KDO** LosAngeles
- 33 Southern California
- 77 Central California
- 84 Rocky Mountain
- 86 Southwest
- 91 Pacific Northwest
- 94 Northern California

22 **Employee Plans Master File**

(1) **General**

Effective July 1995, all electronically filed Form 5500 Series returns will be processed in Memphis.

The EP Key Districts and their related centralized service centers are as follows:

EP Processing Service Center	If the entity state is:
Atlanta (ATSC)	Alabama, Alaska, Arkansas, California, Florida, Georgia, Hawaii, Idaho, Louisiana, Mississippi, Nevada, North Carolina, Oregon, South Carolina, Tennessee, Washington
Holtsville (BSC)	Connecticut, Delaware, District of Columbia, Foreign Address, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Puerto Rico, Rhode Island, Vermont, Virginia
Memphis (MSC)	Arizona, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, Texas, Utah, West Virginia, Wisconsin, Wyoming.

(2) **EPMF Delinquency Investigations**

EPMF delinquency investigations are also processed through IDRS, IDRS will issue notices and TDI's, generate transactions to record fact of notice/TDI issuance for each module, and monitor closures by TC 150, 59X or 977. EPMF delinquency investigations may be initiated with Form 4864 (Request for Delinquency Notice or TDI).

(3) **Taxes and Penalties**

(Refer to IRM 3(15)(148)—0)

(4) **EP/AIMS Input Terms**

Organization Code	
Function (1st Digit)	7 EP/EO
Division (2nd Digit)	1 or 3 EP 2 EO
Group (3rd and 4th Digit)	00 thru 99

File Source

- 0 IMF Valid SSN
- 1 IMF Invalid SSN
- 2 BMF
- 4 BMF with SSN
- 5 NMF with EIN

6 NMF with SSN

7 NMF Temporary TIN

Examination Techniques

1 Office Interview Technique

2 Office Correspondence Technique

4 Field Examination

Type of Plan

1 Defined Benefit

2 Defined Contribution

3 Other (not identified on return filed)

(5) Description of EP Activity and MFT Codes

An EP/AIMS activity code is a 3 digit numeric code that identifies the type and condition of the return selected for examination.

Activity Code	Description	MFT Code
307	5500	74
308	5500—C/R	74
310	5330	76
311	990—T	34
312	5500EZ	74
319	5500—R	74
48X	1065	06/35*
464	940	10/80*
463	945	16
465	941	01/17*
53X	1040	30/20*
495,496	1041	15/21*
496	1041	05/21
2XX	1120	02/31/32*

* Non-Master File MF

(6) District Office Status Codes

Status	Definition
00	Document in Transit (computer generated)
06	Awaiting Classification (comp. generated)
07	Transferred in from other office
08	Selected, not assigned
10	Assigned, no time applied
12	Started — time applied

Status	Definition
13	Returned from Review
20	Review
22	30–Day letter
24	90–Day letter
30	Suspense issue
32	Suspense, other
34	Suspense, TEFRA-PCS
38	Suspense, All Other
51	Terminal input Function Awaiting Closure
52–54	Assigned by KDO Terminal Function
55	Cases previously held in suspense or returned from Appeals
56	(Local Definition)
60	Department of Labor Notification
80	Nondocketed
81	Unassigned–Case forwarded to Appeals
82	Docketed–Appeals
83	Locally Defined
84	EP/EO–SP for Closure
85	Suspense
86	Reference Return
87	Closed to Appeals Processing Function
88	Tried–District Counsel
89	Local Definition
90	Closed (computer generated)

(7) EP Issue Codes

Issue Code	Description
01	Minimum Funding
02	Prohibited Transactions
03	Participation/Coverage
04	Coverage
05	Exclusive Benefit
06	Vesting and Benefit Accruals
07	Discrimination of Contributions or Benefits
08	Required Distributions
09	Top Heavy Plans
10	Joint and Survivor Annuity
11	Merger/Consolidation–Transfer of Assets or Liabilities
12	Assignment and Alienation
13	Commencement of Benefits
14	Non–Discrimination Requirements

Issue Code	Description
15	Plan contributions/Benefit Limitations
16	Compensation Limitations
17	PBGC Notification
18	Employer Securities
19	Stock Bonus Plans
20	Employee Stock Ownership Plans
21	Section 414 Violation
22	Deductions (other than Actuarial)
23	Deductions Actuarial
24	Taxability
25	Reversion
26	Unrelated Business Income
27	Premature Distributions
28	Insufficient Distributions
29	Excess Distributions
30	Excess Non–Deductible Contributions
31	Delinquent Returns
32	Excess Contributions – IRA
33	Excess Contributions – 401(k)
34	Backup Withholding
35	Penalties
36	Other Issues
37	No Issues
38	Reserved Code
39	Reserved Code
40	Reserved Code

(8) EP AIMS Source Codes

Source Code	Explanation of Source Code
06	INTEREST ABATEMENT CLAIMS
20	REGULAR CLASSIFICATION
21	RICS-Nationwide Samples
30	CLAIM FOR REFUND
40	MULTI–YEAR–EXAMINATION
41	Closing Agreement
44	DELINQUENT–(Returns)
45	REFERENCE AND INFORMATION RETURN (Request for information only)
47	CEP (Large Case)
50	RELATED EXAM (related return pickup)
55	INCOMPLETE RETURNS
60	Information Reports (Intra KDO EP/EO Referral)

Source Code	Explanation of Source Code
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61	Determinations
62	Headquarters Referral
63	Appeals Referral
64	Public Affairs Referral
65	Collection Division Referral
67	Other EP/EO KDO Referral (from another KDO)
68	Regional Office Referral
69	Taxpayer Service Referral
70	REFERRALS--(Examination Division)
71	Classification Settlement Program (CSP)
72	Informant's Report (from 3rd party)
73	Taxpayer Request
74	Media Lead (News Media i.e., Newspapers, TV, News, Magazines)
75	Justice Department Referral
76	Department of Labor (Referral)
77	DOL Investigation
78	REFERRALS (OTHER)
79	PBGC
80	TCMP
81	RICS-used for Nationwide Exam
87	Discrepancy Adjustments
90	RICS - General (used for Local/Multi-Regional Samples, General Cases, Training Cases, Local Classified Issues, Converted Cases)
91	RICS - Production Recommended

(9) EP Special Project Codes

A Special Project Code is a 3–digit numeric code which will be assigned at National Office (Employee Plans Branch) for use in monitoring the EP Examination Program. Conditions and instructions for entry will be included in the IRM relating to specific EP Examination programs.

Code	Description
000	General (Non-production cases)
017-024	Local Project (Local/Multi-Regional Samples)
040	IRC 403(b) (Return/Non Returned Unit)(NW Exam)
043-044	Local Sample (Local/Multi-Regional Samples)
045	CEP Support to EO
049-062	Local Sample (Local/Multi-Regional Samples)
064-067	Local Sample (Local/Multi-Regional Samples)
068	Referrals
069	Reported Funding Deficiency (Nationwide)
070	Claims

Code	Description
071-072	Local Sample (Local/Multi-Regional Samples)
073	Reversions
074-077	Local Sample (Local/Multi-Regional Samples)
078	CEP Support to Exam. Div.
082-085	Local Sample (Local/Multi-Regional Samples)
086	HQ Required Examinations
087	Issued Waivers (Nationwide Examination)
088-089	Local Sample (Local/Multi-Regional Samples)
090	Training Cases
097	Transferred Sample Cases (Local/Multi-Regional Sample)
099	TEFRA (Local/Multi-Regional Sample)
101	Multiemployer Plans (Nationwide Exam)
200	Non-Amenders (FY 98 NationwideSample)
201	Terminations (FY 97 NationwideSample)
202	PTs/Loans (FY98 Nationwide Sample)
203	Improper Value (FY 97 Nationwide Sample)
204	EP Market Segment 5.1 (PSP) (FY 98 CNWS)
205	EP Market Segment 5.4 (MPPP)(FY 98 CNWS)
206	EP Market Segment 4.3 (DBP)(FY 98 CNWS)
207	EP Market Segment 3.6/6 (Other)(FY 98 CNWS)
208	IRC 403(b) Plans (Return/Non-Return Unit)(FY 98 CNWS)
210	Partial Terminations (FY 99 NNWS)
211	Master Prototype (FY 99 NNWS)
212	EP Market Segment 5.3.3 (TBP) (FY 99 NNWS)
213	Nationwide Sample (FY 99 NNWS)
214	Nationwide Sample (FY 99 CNWS)
215	Nationwide Sample (FY 98 CNWS)
300	Production/Converted Cases
301	Local Classified Issues
400-450	Local Sample (Local/Multi-Regional Samples)
800	EP Returns Comparison Project
901	Profiling Project
902	EP Return Comparison
903	VCR Verification Project

Note: Definition changes and new Special Project Codes are effective 10/01/94 for FY95.

(10) EP Disposal Codes

Examined — Agreed Disposal Codes (Including Penalties)

Change in Tax Liability

03 Agreed Tax Change

34 Claims Allowed in Full (Survey)

Change in Organization Status

09 Revocation

Other Changes

- 01 Regulatory/Revenue Protection
- 04 Change to Related Return
- 05 Delinquent Related Return Secured
- 06 Delinquent Return Secured
- 12 Amendment Secured
- 13 Referrals to Examination Division
- 14 Administrative
- 15 Closing Agreement

Examined — Unagreed Disposal Codes

Change in Either Tax Liability or Organization Status

- 07 Unagreed — Protest to Appeals
- 10 Unagreed — Without Protest
- 11 Unagreed — Petition to Tax Court

Examined — No Change Disposal Codes

- 02 No Change
- 08 Written Advisory — Form 5666 Required

Non-Examined Disposal Codes — Classification

Accepted on Manual Classification (Non-SEPRE)

- 20 Regular Classification

Disposal Codes (Non-Examined Screening)

- 21 Questionable Items Explained
- 22 No Examination Potential on Current Year and No Change on the Prior Year Examination
- 25 Excess Workload for KDO or POD — RICS

Non-Examined — Survey Disposal Codes

Surveyed Before Assignment

- 31 Surveyed Before Assignment
- 35 Surveyed Excess Inventory (Non-RICS Returns)

Surveyed After Assignment

- 32 Surveyed After Assignment

Non-Examined — Miscellaneous Disposal Codes

- 29 Missing Returns
- 30 Transfer out of District
- 33 Error Accounts with No Return
- 45 Reference and Information Return
- 99 Information Report and Miscellaneous

(11) EP Disposal Code Priority

Note: If more than one disposal code is applicable, use the following priority

Priority	Code	Description
1	09	Revocation
2	07,10 or 11	Unagreed
3	03	Agreed Tax Change

Priority	Code	Description
4	15	Closing agreement
5	06	Delinquent Return Secured
6	05	Delinquent Related Ret. Secured
7	04	Change Related Return
8	14	Administrative
9	12	Amendment Secured
10	01	Regulatory/Revenue Protection
11	13	Referrals to Examination Div.
12	08	Written Advisory—Form 5666 Required
13	02	No Change

(12) EP AIMS Push Codes

080 — Delinquent/Substitute Return

081 — Future Year Examination

When a request is made through AIMS to the EPMF for a specific return, if the return has not yet posted (TC150), if a push code of either 080 or 081 is entered on the AIMS request (Form 5649), the TC424 request will post and stay at EPMF until the requested return posts (TC150). The push code will hold at EPMF for 26 months and will then reverse (TC421) if the requested return has not posted. If the return posts in the interim, an AIMS opening will be extracted and sent to the requester.

23 Exempt Organizations Computer Systems Codes

(1) General

Because of the EP/EO Key District concept, Exempt Organization (EO) returns are processed in the Ogden Service Center.

EO ACTIVITY CODES

EO ACTIVITY CODES

Form 11C (MFT 63, 96)

197 Form 11C Gambling/Wagering

Form 730 (MFT 64, 97)

198 Form 730 Wagering

Form 990/990-EZ (MFT 67) - Note: All References to Form 990 will also include Form 990EZ)

323 501 (c)(27) State Sponsored Workers Compensation Reinsurance

324 501 (n) Charitable Risk Pool

327 501(c)(1) U.S. Instrumentality

328 501(c)(2) Title Holding Corporation

339 Private School

340 Educational Other Than Private School

341 501(c)(3) Other

342 Religious Organization

EO ACTIVITY CODES

343	Scientific Organization
344	Hospital/Other Health Services
345	Church Tax Inquiry
347	501(c)(4) Civic League, Social Welfare
348	NECT, Form 990, 990EZ
349	Approved Church Examination
350	501(c)(5) Labor Organization
351	501(c)(5) Agricultural or Horticultural Organization
354	501(c)(6) Business League, Gross income under \$100,000
355	501(c)(6) Business League Gross income \$100,000 and over
356	501(c)(26) State Sponsored High Risk Health Insurance Organization
358	501(c)(7) Pleasure Recreational Social Club
360	501(c)(8) Fraternal Beneficiary Assoc.
361	501(c)(9) Employee Beneficiary Association
363	501(c)(10) Fraternal Lodge
364	501(c)(11) Teachers Retirement Fund Association
365	501(c)(12) Mutual Assets under \$500,000
366	501(c)(12) Mutual Assets \$500,000 and over
367	501(c)(23) War Veterans Before 1880
369	501(c)(13) Cemetery Company
371	501(c)(14) Credit Union Assets under \$500,000
372	501(c)(14) Credit Union Assets \$500,000 and over
373	501(c)(15) Mutual Insurance Association
374	501(c)(16) Financing of Crop Operations
375	501(c)(17) Supplemental Unemployment Trust
376	501(c)(18) Employee Funded Pension Trust
377	501(c)(19) Veterans Organization
378	501(c)(20) Legal Service Organization
381	501(e) Cooperative Hospital Service Organization
382	501(c)(22) Withdrawal Liability Payment Fund
397	501(c)(23) War Veterans Before 1880
398	501(c)(24) Trust of Terminated Plans
399	501(c)(25) Real Property Title Holding Company

Form 990—BL (MFT 56)

379	501(c)(21) Black Lung Trust
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Form 990—C (MFT 33)

383	521 Farmers Cooperative, Gross Income under \$10 Million
384	521 Farmers Cooperative, Gross Income \$10 Million and over
385	Taxable Farmers Cooperative

Form 990—PF (MFT 44)

329	501(c)(3) Private Foundation, Assets under \$25,000
330	501(c)(3) Private Foundation, Assets \$25,000 under \$100,000
331	501(c)(3) Private Foundation, Assets \$100,000 under \$500,000

EO ACTIVITY CODES

- 332 501(c)(3) Private Foundation, Assets \$500,000 under \$1 Million
- 333 501(c)(3) Private Foundation, Assets \$1 Million and over
- 346 NECT

Form 990—T (MFT 34)

- 353 IRC 529 Qualified State Sponsored Tuition Program
- 359 501(c)(27) State Sponsored Workers Compensation Reinsurance
- 362 501(c)(26) State Sponsored High Risk Health Ins. Org.
- 368 IRC 501(n) Charitable Risk Pool
- 386 501(c)(2) Title Holding Corporation
- 387 501(c)(3) Private Foundation
- 388 501(c)(3) Other Than Private Foundation
- 389 501(c)(4) Civil League, Social Welfare
- 390 501(c)(5) Labor, Agricultural, or Horticultural Organization
- 391 501(c)(6) Business League
- 392 501(c)(7) Pleasure, Recreational or Social Club
- 393 501(c)(8) Fraternal Beneficiary Lodge
- 394 501 All Others

Form 1040 (MFT 20,22,30)

- 530 Related 1040 (other) Returns
- 531 Non-1040A TPI Under \$25,000
- 532 NB TPI \$25,000 Under \$50,000
- 533 NB TPI \$50,000 Under \$100,000
- 534 NB TPI \$100,000 and over
- 535 C-TGR Under \$25,000
- 536 C-TGR \$25,000 Under \$100,000
- 537 C-TGR \$100,000 and over
- 538 F-TGR under \$100,000
- 539 F-TGR \$100,000 and over

Form 1041, Form 1041A (MFT 05,21,36)

- 337 Form 1041/1041A
- 495 Fiduciary Non-Automatic
- 496 Fiduciary Automatic

Form 1065

- 380 501(d) Apostolic or Religious Association
- 480 Related 1065 (other) Returns
- 481 Ten or less partners gross receipts under \$1000,000
- 482 Ten or less partners gross receipts \$1000,000 or more
- 483 Eleven or more partners

Form 1120

- 203 Related 1120 (other) Returns
- 338 Standard Form (Private Foundation with Revoked Exemption)
- 396 1120—POL

EO ACTIVITY CODES**Form 4720**

334 4911, 4941 thru 4945 Private Foundation

Form 5227

335 Split Interest Trust Assets, under \$1000,000

336 Split Interest Trust Assets, \$1000,000 and over

Employment Tax Returns

463 Form 945 (MFT 16) 1-1-96

464 Form 940 (MFT 10, 80)

465 Form 941 (MFT 01, 17)

466 Form 942 (MFT 04, 18)

467 Form 943 (MFT 11, 19)

468 CT-1 (MFT 09, 71)

469 CT-2 (MFT 72)

470 1042 Annual Withholding Tax Return for U.S. Source Income of Foreign Persons

Form 5330 (MFT 76)

310 Related 5330 (other) Returns

TEFRA

311 TEFRA-PCS

EO ACTIVITY CODES FOR FLOW—THROUGH ADJUSTMENTS**EO ACTIVITY CODES FOR DISCREPANCY ADJUSTMENTS****(Must use Source Code 87, any valid Project Code can be used with SC 87)****Related 1040 (Other) Returns**

*503 1040A TPI Under \$25,000

531 Non 1040A TPI Under \$25,000

532 NB TPI \$25,000 Under \$50,000

533 NB TPI \$50,000 Under \$100,000

534 NB TPI \$100,000 and Over

535 C — TGR Under \$25,000

536 C — TGR \$25,000 Under \$100,000

537 C — TGR \$100,000 and Over

538 F — TGR Under \$100,000

539 F — TGR \$100,000 and Over

Related 1041 (Other) Returns

*495 Fiduciary Non-Automatic

496 Fiduciary Automatic

Related 1065 (Other) Returns

*480 Returns Processed Before 1988

481 10 or Less Partners Gross Receipts Under \$100,000

482 10 or Less Partners Gross Receipts \$100,000 and Over

483 11 or More Partners

Related 1120 (Other) Returns

EO ACTIVITY CODES FOR DISCREPANCY ADJUSTMENTS
(Must use Source Code 87, any valid Project Code can be used with SC 87)

Form 1120S Taxable

202 1120S Taxable

Form 1120 (including 1120L, 1120M, and 1120PH)

202 1120S Taxable

*203 No Balance Sheet

209 Under \$250,000

213 \$250,000 Under \$1,000,000

215 \$1,000,000 Under \$5,000,000

217 \$5,000,000 Under \$10,000,000

219 \$10,000,000 Under \$50,000,000

221 \$50,000,000 Under \$100,000,000

223 \$100,000,000 Under \$250,000,000

225 \$250,000,000 and Over

395 Form 1120POL/Exempt

Form 1120F

241 1120 FSC

259 Under \$50,000,000

263 \$50,000,000 Under \$250,000,000

265 \$250,000,000 and Over

Form 1120S (Nontaxable)

287 Nontaxable Processed Prior to 1/1/91

288 Assets Under \$200,000 (Nontaxable processed after 1/1/91)

289 Assets \$200,000 Under \$10,000,000 (Nontaxable processed after 1/1/91)

290 Assets \$10,000,000 and Over (Nontaxable processed after 1/1/91)

338 Form 1120PF with Revoked Exemption

395 Form 1120POL Exempt

396 Form 1120POL

Related 5330 (Other) Returns

310 Return of Initial Excise Taxes

Related to Employee Benefit Plans

* Returns for discrepancy adjustments will be requested (using CC AM424 with the Activity Codes denoted by an asterisk - Master File will assign the correct activity code)

(2) EO Disposal Codes

EO Disposal Codes

No Change Disposal Code

02 No Change

08 Written Advisory-Form 5666 Required.

Regulatory/Revenue Protection Change Disposal Code

01 Regulatory/Revenue Protection

18 Chapter 42 - Under Tolerance

EO Disposal Codes

19 Amendment Secured

Tax or Status Change Disposal Codes

03 Agreed Tax or Penalty Change

04 Change to Related Return

05 Delinquent Related Return Secured

06 Delinquent Return Secured

07 Unagreed-Protest to Appeals

09 Revocation - Agreed

10 Unagreed-Without Protest

11 Unagreed-Petition to Tax Court

12 Closing Agreement

13 Referrals to Examination Division

14 Termination - Agreed

15 Church Examination-Unagreed

16 Change in Subsection - Agreed

17 Change in Foundation Status - Agreed

34 Claims Allowed in Full (Surveyed)

50 Agreed Intermediate Sanction Payments

Non-Examined-Classification Disposal Codes**Accepted on Manual Classification (Non-SERFE)**

20 Regular Classification

Disposal Codes (Non-Examined Screening) (Applicable to Source Code 02 ONLY)**Accepted During Screening (SERFE)**

21 Questionable Items Explained

22 No Examination Potential on Current Year and No Change on the Prior Year Examination

25 Excess Workload for KDO or POD

Non-Examined—Survey Disposal Codes**Surveyed Before Assignment**

31 Surveyed Before Assignment

35 Surveyed Excess Inventory (Non-SERFE Returns)

Surveyed After Assignment

32 Surveyed After Assignment

Non-Examined—Miscellaneous Disposal Codes

29 Missing Returns (Service Center ONLY)

30 Transfer Out of District

33 Error Accounts with No Return

45 Reference and Information Return

99 Information Report and Miscellaneous

EO Disposal Code Priority

If more than one disposal code is applicable, use the following priority

EO Disposal Code Priority

Priority	Code	Description
1	09	Revocation
2	07, 10, 11, or 15	Unagreed
3	03, 18 or 50	Agreed Tax or Penalty Change
4	12	Closing Agreement
5	16	Change in Subsection
6	17	Change in Foundation Status
7	14	Termination
8	06	Delinquent Return Secured
9	05	Delinquent Related Return Secured
10	04	Change to Related Return
11	19	Amendment Secured
12	01	Regulatory/Revenue Protection
13	13	Referrals to Examination Division
14	08	Written Advisory-Form 5666 required
15	02	No Change

(3) Status Codes - Master File and AIMS

These codes are used to reflect the current (and possibly the past) rating of an account. Both Master File and AIMS status codes are listed and defined below.

It should be noted, that any similarity between the value or definition of these two sets of codes is purely coincidental. Master File Status Codes for Exempt Organizations are used to define the rating of the organization as to its qualifications under specified Internal Revenue Code Sections, whereas, AIMS Status Codes are used to identify a specific type of EO return (MFT and Tax Period) of an organization that has been controlled for reporting purposes into the Examination Stream.

Status Code Definition

Master File

Blank	EO section established—No Status
00	EO section established—No Status
01	Unconditional Exemption—Active
02	Conditional Exemption—Active
06	State University or College Filing Form 990
07	Church filed Form 990-T—Active
10	Pre-Examination of a Church—Active
11	School Certification—Active
12	A formal exemption not granted—filing an EO return—Active
	(a) Form 990 under IRC 4947 (a)(1)
	(b) Form 990-PF under IRC 4947 (a)(1)
	(c) Form 5227 Non-Exempt Charitable Trust

Status Code	Definition
	(d) Form 990-C Taxable Farmer's Coop.
18	Temporary Revocation of a Private Foundation—Active
19	Revocation of a Private Foundation—Active
20	Termination—Inactive
21	Unable to locate—Inactive
22	Revocation—Inactive
23	507(a) Termination
24	507 (b)(1)(A)
25	507(b)(1)(B)
26	Termination Merger—Inactive
28	No longer subordinate to a group ruling
29	Group Ruling has been Dissolved
40	Application pending—Inactive-No Exemption
41	No Reply to Solicitation—Inactive—No Exemption
42	Extension of Time to File No Record of Tax Exemption
70	Denied—Inactive—No Exemption
71	Failure to File Completed Form 1023/1024-No Exemption
72	Refusal to Rule—Inactive—No Exemption

AIMS

00	Document in Transit
06	Awaiting Classification
07	Transferred in (Not started)
08	Selected, Not assigned
10	Assigned No Time Applied
12	Started
20	Review
22	30 Day Letter
24	90 Day Letter
30	Suspense, Form 1254
32	Suspense, General Fraud
34	Suspense - TEFRA-PCS
38	Suspense, All Other
51	EP/EO—SPB
52	Local Definition
53	Local Definition
54	Local Definition
55	Cases previously held in suspense (status codes 30,
56	Local Definition
60	RPM Control
80	Nondocketed
81	Unassigned
82	Docketed

Status Code	Definition
83	Locally Defined
84	EP/EO SP for Closure
85	Suspense
86	Reference Returns
87	Closed to Appeals Processing Function
88	Tried-District Counsel
89	Local Definition
90	Closed-Computer Generated

(4) MFT Codes

MFT Code	Form Numbers	Master File
01	941	BMF
02	1120, All	BMF
04	942	BMF
05	1041	BMF
06	1065	BMF
09	CT-1	BMF
10	940	BMF
11	943	BMF
12	1042	BMF/NMF
16	945	BMF
17	941	NMF
18	942	NMF
19	943	NMF
20	1040	NMF
21	1041	NMF
22	1040PR	NMF
30	1040	IMF
31	1120S	NMF
32	1120	NMF
33	990C	BMF/NMF
34	990T	BMF/NMF
35	1065	NMF
36	1041-A	BMF/NMF
37	5227	BMF/NMF
44	990PF	BMF/NMF
46	EO Bonds/8038(All)	
50	4720	BMF/NMF
56	990BL	NMF
63	11-C	BMF
64	730	BMF

MFT Code	Form Numbers	Master File
66	4720A	NMF
67	990	BMF/NMF
71	CT-1	NMF
72	CT-2	NMF
76	5330	NMF
80	940	NMF
96	11C	NMF
97	730	NMF

(5) Source Codes

Source Codes

02	SERFE Selected Return
03	All Other Federal Agencies Referral
05	Related Pick-up - SERFE
06	Interest Abatement Claims
12	Delinquent Return - SERFE
20	Regular Classification
30	Claim for Refund
40	Multi-Year Examination
41	Closing Agreement
44	Delinquent Returns - Non SERFE
45	Reference and Information Returns
50	Related Pick-up - Non SERFE
60	Information Report (Intra - KDO EP/EO Referral)
**61	Determinations (Intra - KDO EP/EO Referral)
62	Headquarters Referral
63	Appeals Division Referral
**64	Public Affairs Referral
65	Collection Division Referral
67	Other EP/EO KDO Referral
**68	Regional Office Referral
**69	Taxpayer Service Referral
70	Examination Division Referral
71	Fraud Regular (Previously SC 90)
**72	Informant's Report
73	Taxpayers Request
**74	Media Lead
75	Justice Department Referral
76	Department of Labor (DOL) Referral
77	States Attorney General or other State/Local Government Agency Referral

Source Codes

80	Members of Congress/White House
87	EP/EO Discrepancy Adjustment
90	RICS New Project
**91	RICS - Regional Directed Samples
**92	RICS - General
**93	RICS - Production Field Response Required
**94	RICS - Related Pick-up
**95	RICS - Multi-Year Examination
96	RICS - other (effective 01/01/1999)
98	Justice Department Case

** New EO Source Code

(6) Principal Issue Codes**Principal Issue Codes**

01	Advertising Income
02	Business with Non-Members
03	Deductibility of Contributions/Dues
04	Delinquent Filing of EO Returns
05	Delinquent Filing of Return (other)
06	Discontinued Operations
07	Discrimination
08	Employee Benefit
09	Excess Business Holdings
10	Failure to Distribute
11	Grassroots Lobbying
12	Inadequate Records
13	Incomplete Returns
14	Inurement
15	Jeopardy Investments
16	IRC 4962 Abatements
17	Legislative Activities
18	Non-Exempt Activities
19	Non-Patronage Income
20	Operating in a Commercial Manner
21	Operational Test
22	Organizational Test
23	Particular Services for Members
24	Patronage Dividends
25	Political Activities
26	Private Foundation Status
27	Private vs. Public Interests

Principal Issue Codes

28	Public Information Not Reported 501(c) (3)
29	Rental Income from Debit Financed Property
30	Self-Dealing
31	Taxable Expenditures
32	Tax on Investment Income
33	Unrelated Trade or Business (other)
34	Other
49	Approved Church Examination
53	Chapter 42 Under Tolerance
54	Revocations (this must be the first/primary code for unagreed revocations)
55	Arbitrage Rebate (effective 1/1/1999)
56	Advance Refunding (effective 1/1/1999)
57	Yield Restriction (effective 1/1/1999)
58	Yield Burning (effective 1/1/1999)
59	Private Use (effective 1/1/1999)
60	Change in Use (effective 1/1/1999)
61	\$10 Million Limitation (effective 1/1/1999)
62	\$49 Million Limitation (effective 1/1/1999)
63	Issuance Costs (effective 1/1/1999)
64	120 Percent of Economic Life Maturity(effective 1/1/1999)
65	Claim for Refund (effective 1/1/1999)
66	Discrepance (effective 1/1/1999)
67	Excess Benefit Transactions under IRC 4958 (effective 1/1/1999)

(7) EO Project Codes and Priority Emphasis Programs (PEP's)**EO Project Codes and Priority Emphasis Programs (PEP's)**

000	General Casework
001-009	Local Sample
010	General Casework
011	Referrals/Information Reports
012	EO Support for EXAM CEP
013-016	Local Samples
017	Non-EO Forms 8038 Examinations
018	Non-EO Bond Compliance Activity
019	Local Sample
026-040	Local Samples
042	Training Cases
043-049	Local Samples
050	EO Bond Compliance Activity
051	Elementary and/or Secondary Private School
052	Private School - College or University
053	Bond Compliance Initiative

EO Project Codes and Priority Emphasis Programs (PEP's)

054	Other Private Schools
055	Non-resident Alien Issue cases
056	Tax Exempt Bonds - Related Return
057	FDN Code 09 Clean-up
058	Expired Advance Ruling Expiration Date
059	Travel Tours
060	Accel. Char. Rem. Trust (Sample)
061	Accel. Char. Rem. Trust (Target)
062	Small Private Foundations
063	Nationwide Sample
064	501 (c) (8) Orgs.
065	501 (c) (10) Orgs.
066	IRC 501(c)(7) - Investment Income
067	Low Income Housing
068	CEP Claims
069	CEP Limited Scope Exam
070	TCMP (with source code 80)
071	Status 41Projects
072	Large Case - Code 9
073	Large Case - Code 8
074	Political Action Committees (PAC's)
075	Hospitals
076	EO Tax-Exempt Bond Exams
077	990-T Filed by a Church
078	CEP Primary Entity Return
079	Delinquent Forms 990-T
080	Public College or University (Non-Private School)
081-085	Local Samples
086	Gaming Activities
087	IRC 527 Project
088	Corporate Sponsorship
089	Claims
090	Charitable Fund-raising
091	CEP Related Entity Return
092	Media Evangelist
093	Lobbying and Political Activities
094	Marketing Activities
095	OCEP
096	Nationwide Sample
097	Exam Support - VEBA's
098	Nationwide Sample
099	TEFRA-PCS Cases
100	Electric Cooperatives

EO Project Codes and Priority Emphasis Programs (PEP's)

101	USDA Child/Adult Care Food Program
102	Ex-Partnerships
103	Tax Exempt Bonds Support of Focus Groups
104	Gaming Support Focus Group
105	Bond Arbitrage Project
106	Fed Fed/Fed State Coordination - State Attorney General
107	Gaming
108	State Charity Officials
109	Other
110	Small Issue Capital Expenditure
111	Health Care - Joint Venture Referrals - CEP
112	Health Care - Joint Venture Referrals - Non-CEP
113	Exam Partnership Initiative
658	VCAP
900	Profiling Summaries
901	Profiling Project
902	EO Return Comparison Project
907	Compliance Research

(8) EO Push Codes**EO Push Codes****For Current or Prior Year Examination**

020	Delinquent Return
021	Substitute for Return
041	Current Year Pick-up

For a Subsequent (future) year Examination

022	Follow-up: Exemption Granted
023	Follow-up: Unrelated Business Income
024	Follow-up: Payout Provisions
025	Follow-up: Other

(9) MF Sorting and Blocking for Document Code 47

Adjustment Form Number	Original or Copy of Return	Non-TEFRA Block Number	TEFRA Block Number
5599	Original &	000-079	080-099
	Copy	900-979	980-999
	BRTVU/RTVUE	200-249	200-249
Going to Appeals	Either	100-179	180-199
Partial Assessment	No Return	100-179	180-199

Subsection Codes

MFT Code	Form Numbers
01	501(c)(1)
02	501(c)(2)
03	501(c)(3)
04	501(c)(4)
05	501(c)(5)
06	501(c)(6)
07	501(c)(7)
08	501(c)(8)
09	501(c)(9)
10	501(c)(10)
11	501(c)(11)
12	501(c)(12)
13	501(c)(13)
14	501(c)(14)
15	501(c)(15)
16	501(c)(16)
17	501(c)(17)
18	501(c)(18)
19	501(c)(19)
20	501(c)(20)
21	501(c)(21)
22	501(c)(22)
23	501(c)(23)
24	501(c)(24)
25	501(c)(25)
26	501(c)(26)(effective 1/1/1999)
27	501(c)(27)(effective 1/1/1999)
40	501(d)
50	501(e)
60	501(f)
70	501(k)
71	501(n)(effective 1/1/1999)
80	521
81	529 (effective 1/1/1999)
90	4947(a)(2) - Split Interest Trust
91	4947(a)(1) - Public Charity Form 990/990EZ Filer
92	4947(a)(1) - Private Foundation Form 990-PF Filer)
93	1381(a)(2) - Taxable Farmer's Cooper- ative

