

Internal Revenue Manual 4.10.8.17

4.10.8.17 Examiner Case Closing Requirements (05-14-1999)

(1) In addition to preparing all necessary reports to document audit findings and organizing the contents of the case file, examiners have other critical case closing requirements.

4.10.8.17.1 Completion of Form 5344, Examination Closing Record (06-10-2005)

(1) Completion of Form 5344 is required prior to the closing of a case.

(2) Use of Form 5344 in RGS is required.

(3) Required entries for examiners are outlined in IRM 4.4.12, Examined Closings, Surveyed Claims, and Partial Assessments.

(4) Special Note: Since grading of cases is the responsibility of the group manager (but an entry in this field is required for an agent to forward a case), examiners should enter their own grade unless instructed to enter another grade by their manager. Managers are also required to review this entry on Form 5344 prior to case closing to ensure accuracy.

4.10.8.17.2 Examination Operational Automation Database (EOAD) (06-10-2005)

(1) EOAD was designed to provide data that would allow the tracking of examination adjustments by issue. This data will be used to enhance the ability to identify specific areas of noncompliance based on examination results and track the effectiveness of the examination classification process.

(2) Capture of EOAD data is mandatory for all examinations of Individual, Corporate, S Corporation, Partnership, and Employment Tax returns.

(3) EOAD data must be entered for all issues examined, both adjusted and non-adjusted items.

(4) Data capture for EOAD should be done just prior to closing the case (after completion of the examination report and automated 5344). See IRM 4.10.16, Examination Operational Automation Database (EOAD) for detailed instructions.

4.10.8.17.3 Case Folder Color (08-11-2006)

(1) Effective March 1, 2006, Case Processing (CP) established uniform guidelines for file folder color. Examination groups must use the following file folder colors when closing cases to Case Processing:

- Red - Case with a statute date expiring within 180 days.
- Yellow - Headquarter approved usage only. Purpose of use will change periodically as interim guidance is issued and posted to the "Interim Guidance Directives" website at: "<http://sbse.web.irs.gov/MS/IGMemos>"
- Orange - IRS Employee audit
- Lavender - NRP Form 1040
- Plum - NRP Form 1120S
- Light Blue - Claims (This includes innocent spouse; injured spouse; and any other type of claim). The type of claim should be notated on Form 3198.