

REQUEST FOR RECORDS DISPOSITION AUTHORITY (See Instructions on reverse)		LEAVE BLANK (NARA use only)	
TO NATIONAL ARCHIVES and RECORDS ADMINISTRATION (NWML) 8601 ADELPHI ROAD, COLLEGE PARK, MD 20740-6001		JOB NUMBER N1-058-11- 22	
1 FROM (Agency or establishment) Department of the Treasury		DATE RECEIVED 7/12/11	
2 MAJOR SUBDIVISION Internal Revenue Service (IRS)		NOTIFICATION TO AGENCY In accordance with the provisions of 44 U S C 3303a the disposition request, including amendments, is approved except for items that may be marked "disposition not approval" or "withdrawn" in column 10	
3 MINOR SUBDIVISION Wage and Investment (W&I) Division, Filing Compliance			
4 NAME OF PERSON WITH WHOM TO CONFER Tracee Taylor		5 TELEPHONE 202-435-6308	DATE 7/12/11
5 AGENCY CERTIFICATION		ARCHIVIST OF THE UNITED STATES 	
<p>I hereby certify that I am authorized to act for this agency in matters pertaining to the disposition of its records and that the records proposed for disposal on the attached <u>2</u> page(s) are not now needed for the business of this agency or will not be needed after the retention periods specified, and that written concurrence from the General Accounting Office, under the provisions of Title 8 of the GAO Manual for Guidance of Federal Agencies,</p> <p><input checked="" type="checkbox"/> is not required, <input type="checkbox"/> is attached, or <input type="checkbox"/> has been requested</p>			
DATE 6/29/2011	SIGNATURE OF AGENCY REPRESENTATIVE Daniel W. Bennett		TITLE IRS Records Officer National Office, OS A RE RIM Washington, DC 20224
7 ITEM NO	8 DESCRIPTION OF ITEM OF PROPOSED DISPOSITION	9 GRS OR SUPERSEDED JOB CITATION	10 ACTION TAKEN (NARA USE ONLY)
	<p>Update to IRM 1.15 29 Records Control Schedule for Submissions Processing Campus Records</p> <p>See attached request to update the disposition for WHC referrals for lock-ins and civil penalty assessments covered under Item 85(5)A3.</p>	N1-058-07-9	

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JOB NUM. <

N1-058-11-

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IRM 1.15.29, Item 85(5)A3

WHC referrals for lock-ins and civil penalty assessments

Superseded Disposition Instructions:

a Lock-in referrals. Form 9045 (Withholding Compliance Referral) and related documentation

Temporary Maintain hard copies of referrals (including printed copies of all electronically received referrals) in a centralized location on site. Maintain separate files for lock-ins, rejections, and penalty assertions. File each category of form by calendar year, thereunder in TIN order. Cut off at the end of the calendar year in which the referral is closed. Destroy three years after cutoff.

b Civil penalty assessment referrals. These records are filed in the *Miscellaneous Civil Penalty Assessment File* and are scheduled under IRS IRM 1.15.29, Item 371.

NEW Proposed Disposition Instructions:

Temporary. Destroy/Delete all hard copy and electronically received Forms 9045 (Withholding Compliance Referral) for lock-in referrals (accepted or rejected) and civil penalty assessments 60 days after input and verification into WHCS or when no longer needed, whichever is later.

Rationale

The Form 9045 is used for two types of referrals: (1) WHC lock-in letter, and (2) the W-4 Civil Penalty. not entirely clear from Job No. N1-058-07-9 description

W&I Headquarters analysts recently completed an Operational Review of the Withholding Compliance (WHC) program located at the Andover campus. During the review analysts questioned WHC managers in regards to how many times they needed to recover a stored Form 9045 after it had been processed and stored. WHC managers indicated that they have not had to retrieve a F9045 since the inception of the program in April 2006. When the F9045 is received the information from the form is transferred into the WHC database, where it is controlled and monitored for subsequent actions. A W-4 Civil Penalty referral has not been received in over five years, but thousands of lock-in referrals are received each year. Out of concern for records storage as part of an upcoming office

N1-058-07-9

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N1-058-11-

move, a lack of justification or business need for maintenance of a large volume of paper forms, and adequate recordkeeping maintenance of referral information in WHCS, the WHC Program requests a decrease in retention for all Forms 9045.

For lock-in referrals, this means a decrease in hard copy retention from three years after referral is closed, for civil penalty assessments, this means a decrease in hard copy retention from six years, nine months after examination.

Maintenance of recordkeeping data, however, will be appropriately and sufficiently maintained in the WHCS database for 3 years after lock-in is released or 10 years after lock-in date, whichever is earlier. In the case of civil penalty assessments, once a determination is made to assess a civil penalty then Form 8278 (as scheduled under IRS IRM 1.15.29, Item 371) is used to document the assessment and amount calculations.

Similar treatment of all F9045 reflects current business practice. Disposition instructions approved under Job No N1-058-07-9 at the start of the WHC Program stipulated that separate files would be maintained for lock-ins (accepted and rejected) and penalty assertions. In particular, WHC Program staff anticipated that the rejected referrals would be something they would need to go back and retrieve, so they created separate F9045 categories. The reality is that the Program gets lock-in referrals on a daily basis and a decision is made to either issue the lock-in letter or reject the referral for various reasons. At that point the decision is documented in WHCS with the appropriate information (lock-in or reject code), and the F9045 is filed. and as indicated above, with no need to retrieve again.