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IRM Cite	Change Details
4.52.1.6	Removed TEFRA related materials and added materials for Bi-Partisan Budget Act of 2015 (BBA) & Investor Level Statute Control (ILSC).
4.52.1.8	Updated procedures for field case closings to include IG LB&I-04-0122-0003, Interim Guidance for Global High Wealth (GHW) Paperless Case Closing Procedures to Ogden CCP, issued January 12, 2022.
4.52.1.10	Removed this section related to Consolidated Enterprise Case Examination Plan Overview.
Exhibit 4.52.1-1	Removed exhibit related to the Enterprise Case Examination Plan.
Throughout	Clarified language and terminology throughout and reviewed and updated all references and website addresses.

**Effect on Other Documents**

IRM 4.52.1 dated December 26, 2019 is superseded. Incorporated IG LB&I-04-0122-0003, Interim Guidance for Global High Wealth (GHW) Paperless Case Closing Procedures to Ogden CCP, issued January 12, 2022.

**Audience**

GHW employees in LB&I

**Effective Date**

(04-27-2022)

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**4.52.1.1 (04-27-2022)**

**Program Scope and Objectives**

- (1) **Purpose:** This IRM provides an overview of the Global High Wealth (GHW) program and procedures used by GHW.
- (2) **Audience:** LB&I GHW employees responsible for case building and risk assessing GHW inventory and for GHW teams and other teams examining GHW enterprise cases.
- (3) **Policy Owner:** LB&I Policy under the Strategy, Policy and Governance office in the Assistant Deputy Commissioner Compliance

- Information Relating to GHW ILSC Examinations
- Integration (ADCCI) organization.
- (4) **Program Owner:** GHW is responsible for the administration, procedures, and updates related to the program.
- (5) **Program Goals:** To ensure GHW uses its limited resources to identify and examine high wealth taxpayers with the highest compliance risk in a consistent and efficient manner.
- 4.52.1.7 GHW Shared Drive
  - 4.52.1.7.1 Gaining Access to the Shared Drive
  - 4.52.1.7.2 Monitoring Access to the Shared Drive
- 4.52.1.8 Field Case Closings
- 4.52.1.9 Record Retention

#### **4.52.1.1.1 (04-27-2022)**

##### **Background**

- (1) GHW was formed to take a holistic approach in addressing the high wealth taxpayer population; to look at the complete financial picture of high wealth individuals and the enterprises they control. A GHW enterprise case consists of a key case, generally an individual income tax return, and related income tax returns where the individual has a controlling interest and significant compliance risk is deemed to exist. Controlling interest can include significant ownership of or significant influence over an entity or multiple entities within the enterprise. The enterprise case may include, but is not limited to, interests in partnerships, trusts, subchapter S corporations, C corporations, gift tax or estate returns. GHW personnel work with personnel from other business operating divisions within the IRS to address noncompliance across the entire enterprise. GHW consists of three functions: Workload Services (WLS), practice network, and the field examination groups.

#### **4.52.1.1.2 (04-27-2022)**

##### **Authority**

- (1) The following authorities apply to the Global High Wealth program:
  - IRM 4.46 series, LB&I Examination Process
  - IRM 1.2.1.2.36, Policy Statement 1-236, Fairness and Integrity in Enforcement Selection
  - IRM 1.2.1.5.10, Policy Statement 4-21, Selection of Returns for Examination

#### **4.52.1.1.3 (04-27-2022)**

##### **Roles and Responsibilities**

- (1) The Director of Pass-Through Entities (PTE) is the executive responsible for providing oversight of the GHW program.
- (2) The GHW senior managers are responsible for providing day-to-day oversight of the GHW program.
- (3) The WLS manager is responsible for the oversight of the WLS function within the GHW program.
- (4) Team managers are responsible for the oversight of the field examination groups.
- (5) The practice network manager is responsible for the practice network as an advisory function to GHW.

#### **4.52.1.1.4 (12-26-2019)**

##### **Program Management and Review**

- (1) **Program Reports:** The following are reports and systems GHW uses to monitor the GHW inventory:
  - The GHW database contains various reports that WLS uses to track enterprise cases including inventory statuses (e.g. risk assessed, ready to be assigned, surveyed, assigned), IDRs, and field feedback.
  - A-CIS and ERCS are used to monitor the status of enterprise cases in the GHW inventory after they have been assigned to a field group.
- (2) **Program Effectiveness:** The following are some ways GHW gauges the effectiveness of the GHW program:
  - WLS solicits feedback from the field groups about enterprise cases that have been assigned to the field to gauge whether the right returns and issues are being selected for examination.
  - GHW reviews enterprise case examination results to gauge what types of issues are the most productive to pursue.

#### **4.52.1.1.5 (12-26-2019)**

##### **Program Controls**

- (1) The following are some program controls that have been implemented to oversee the GHW program:

- GHW periodically reviews which employees have access to the various folders on the GHW shared drive to determine whether they still need access. Access is revoked for those employees who no longer need it.
- An employee who was involved in the case building and risk assessment of an enterprise case in the GHW inventory is not permitted to have any involvement in the examination of that enterprise case.

#### 4.52.1.1.6 (04-27-2022)

#### Terms/Acronyms

- (1) The following tables contains commonly used terms and acronyms.

#### Terms

<b>Term</b>	<b>Definition</b>
Case Building	Refers to actions taken in WLS to secure tax returns, establish AIMS controls, and use various programs/systems to conduct taxpayer research.
Enterprise Case	Refers to a group of returns that will be worked together as one GHW case. The group will include a key case taxpayer and can include various related entities that are controlled/owned by the key case taxpayer.
GHW Toolkit	Refers to a zip file on the GHW shared drive that contains various helpful resources (e.g. audit guides, sample IDRs, contact information, instructions, training materials, etc.) examiners can use when they examine GHW enterprise cases.
Key Case	Refers to the high-wealth individual who is the primary taxpayer in an enterprise case.
Risk Assessing	Refers to actions taken in WLS to analyze tax returns and conduct research in various programs/systems to identify potential issues that would warrant an examination.
yK-1	yK-1 is an interactive link analysis tool developed by IRS Research to discover and explore tax entities and their relationships.

## Acronyms

<b>Acronym</b>	<b>Definition</b>
AIMS	Audit Information Management System
A-CIS	AIMS Centralized Information System
BBA	Bi-Partisan Budget Act
CP&A	Compliance Planning and Analytics
EGC	Employee Group Code
ERCS	Examination Return Control System
GHW	Global High Wealth
HIHW	High Income High Wealth
IDR	Information Document Request
ILSC	Investor Level Statute Control
IMS	Issue Management System
LUQ	Large, Unusual and Questionable
MFT	Master File Tax
PBC	Primary Business Code
POA	Power of Attorney
PSP	Planning and Special Programs
PTE	Pass-Through Entities
SAIN	Standard Audit Issue Numbers
SBC	Secondary Business Code
SC	Source Code
TIN	Taxpayer Identification Number
UNAX	Unauthorized Access
WLS	Workload Services

### 4.52.1.2 (04-27-2022)

#### Population Identification

- (1) GHW is responsible for business and financial enterprises controlled by individuals with assets or income in the tens of millions of dollars. LB&I Assistant Deputy Commissioner Compliance Integration (ADCCI) has primary responsibility for overall coordination of the Annual Examination Plan and workload identification.
- (2) ADCCI utilizes computations to determine the examination potential of the enterprises controlled by high wealth individual taxpayers.

These computations were developed from Compliance Data Warehouse data and are used to preliminarily assess the level of compliance risk on filed (or unfiled) returns. ADCCI then provides WLS with an initial listing of the high wealth taxpayer population with risk scores. The returns with the highest risk indicators are further risk assessed by WLS and potentially result in the enterprise being selected for GHW examination.

#### 4.52.1.3 (04-27-2022)

##### **Perform Detailed Risk Assessment and Case Building**

- (1) WLS conducts a detailed risk assessment process consisting of researching taxpayer forms and related data, identifying specific issues, observing trends, and consulting with industry or other tax specialists. Risk assessment includes preparation and review of a yK-1 analysis for each taxpayer to gain an understanding of the taxpayer enterprise (Form 1040 and all related entities). During the risk assessment, large, unusual, or questionable items (LUQs) are noted by WLS for consideration by field agents for all entities in the enterprise that are determined to pose a risk of noncompliance. Related entities considered to be high risk are identified for inclusion in the case building package.
- (2) Upon conducting a complete risk assessment, WLS risk assessors determine whether the case will be included in inventory ready for assignment. WLS personnel build enterprise case files for delivery to the field with all related returns to be examined and other tax-relevant materials.
- (3) Once an enterprise case is assigned, a virtual case folder is established on a secure shared drive for additional case-building, examination workpapers, and examination-related materials. GHW enterprise cases may consist of one or more of the following forms:

<b>Form</b>	<b>Description</b>
Form 1040	U.S. Individual Tax Return
Form 1065	U.S. Return of Partnership Income
Form 1120	U.S. Corporation Income Tax Return
Form 1120S	U.S. Income Tax Return for an S Corporation
Form 1041	U.S. Income Tax Return for Estates and Trusts





#### 4.52.1.4 (04-27-2022)

##### Additional Work Sources

- (1) In addition to the high-risk taxpayers identified by ADCCI, additional work sources are utilized to supplement inventory and balance coverage of the GHW population.
  - **Referrals:** WLS receives referrals from the field and other business units by way of a referral form located on the GHW virtual library. Once it is determined that a referral may be appropriate for GHW, the enterprise is subjected to the risk assessment process described in IRM 4.52.1.3. Referrals that are not accepted by WLS are forwarded to the appropriate Planning and Special Programs (PSP) office or back to the examination group that made the referral.
  - **Whistleblower Claims:** WLS receives whistleblower claims from the Whistleblower Office and works these claims in accordance with established Servicewide policy. See IRM 25.2, Information and Whistleblower Awards, for specific procedures on how to address whistleblower claims.
  - **Issue driven:** WLS may identify issues of significant impact to the GHW population that warrant screening for all taxpayers within this population. These issues can be identified from the WLS team, GHW field examinations and networking interactions with specialists in technical areas such as international compliance. As issues are identified, WLS will perform further research and analysis to determine whether the scope of the issue is significant in the GHW population and make recommendations accordingly.

#### 4.52.1.5 (08-12-2013)

##### Workload Services Remote Examination Support

- (1) GHW field agents are often located in different posts of duty across the country. This creates a need for WLS to provide various support services so the field can work GHW cases efficiently and effectively. This section provides guidance on the various examination support services provided by WLS.

#### 4.52.1.5.1 (12-26-2019)

## Requesting Subsequent Year and Additional Related Entity Returns

- (1) All requests for prior year, subsequent year, and related returns will be sent to WLS to be filled.
- (2) All requests will be submitted by the field team manager via email to the assigned risk assessor or case builder. The team manager will provide WLS with the following information:
  - Related entity name
  - Taxpayer Identification Number (TIN)
  - MFT code
  - Year(s)
  - Key case Information

All requested returns will be updated to the team's EGC on AIMS once the return has been received and placed in the appropriate team folder.

### 4.52.1.5.2 (04-27-2022)

#### Information Document Requests Responses

- (1) Information and documents received in response to information document requests (IDRs) issued by the examiner will be sent to the WLS unit to be scanned at the examiner's discretion.
  - WLS will scan (if needed) the entire IDR response. The IDR response will then be placed in the taxpayer "IDR Response Utah" electronic folder within five business days from the date WLS receives the IDR response.  
**Note:** If the IDR response is too voluminous to scan within five business days, WLS will notify the examiner.
  - WLS will convert all documents to PDF, with the exception of Excel spreadsheets, and make the PDF files text searchable.
  - WLS will save the original documents of any files that are converted and will purge them in accordance with established record retention policy or return the documents to the examiner.

**Exception:** If the exam team instead decides to transfer electronic files to the server, they should follow safe digital data transfer procedures. See IRM 10.8.1.3.10.6(4).

(2) WLS will create a case organizer for each key case and related entity. The case organizer will contain the following:

- Name of the IDR response
- Hyperlink for each response
- Date received
- Who prepared the IDR response

(3) All IDR responses received should be processed in the following manner:

**IDR Responses Delivered via Mail – Paper Copy**

If the IDR response is delivered via mail, the IDR response should be mailed directly to the following address:

Internal Revenue Service

Attn: Global High Wealth WLS (Applicable Risk Analyst/Territory)

324 25th Street, Room 3002, M/S 4919

Ogden, UT 84401

If the IDR response is received by mail, the examiner will send the original IDR response including the original envelope to WLS within two days. The examiner will provide WLS with the following information:

- Date the IDR response was received
- Who prepared the IDR response (taxpayer, POA, etc.)
- IDR name
- Taxpayer name and TIN
- Password information, if applicable

WLS will notify the examiner via email when the scanning has been completed. WLS will store and maintain original IDR responses in accordance with established record retention policy.

(4) **IDR Responses Delivered Electronically – Emailed Document**

If the IDR response is delivered via email to the examiner, the examiner will forward the original email encrypted to the IDR response email box at \*LB&I Global High Wealth WLS. The examiner will provide WLS with the following information:

- Date the IDR response was received
- Who prepared the IDR response (taxpayer, POA, etc.)
- IDR name

- Taxpayer name and TIN
- Password information, if applicable

WLS will notify the examiner by email when the files have been uploaded to the server.

(5) **Additional Information**

- All IDR responses are scanned in received date order.
- If an electronic spreadsheet is included in an IDR response, WLS will not scan or convert the document to a PDF. WLS will create a coversheet documenting that a spreadsheet was received and describe its contents. This coversheet will be converted into a PDF file, scanned and included in the IDR response file.
- Additional documents other than IDR responses (e.g., summons, Powers of Attorney) requiring scanning should be coordinated with the appropriate WLS risk assessor using similar procedures outlined for the IDR responses, notating to WLS the location of where the documents should be placed on the shared drive.

**4.52.1.6 (04-27-2022)**

**Bi-Partisan Budget Act of 2015 (BBA) & Investor Level Statute Control (ILSC)**

- (1) Many GHW cases include partnership and other pass-through entities subject to either the Bi-Partisan Budget Act of 2015 (BBA/Centralized Partnership Audit Regime) or Investor Level Statute Control (ILSC).
- (2) GHW established a liaison position in WLS to support GHW field examination groups in navigating BBA and ILSC and meeting their responsibilities regarding BBA and ILSC. This liaison is tasked with identifying and bridging gaps between GHW and its internal customers, including Pass-Through Entities (PTE), campus and Technical Service units. Through the implementation of a liaison position, GHW is able to ensure that BBA, ILSC and other complex casework is addressed in an effective and consistent manner.

**4.52.1.6.1 (04-27-2022)**

**Critical Information Relating to GHW BBA Examinations**

- (1) IRM 4.31.9, Centralized Partnership Audit Regime (BBA) Field Examination Procedures, provides the processes and requirements for working a BBA examination.  
**Note:** Centralized Partnership Audit Regime and BBA are terms that are used interchangeably
- (2) IRM 4.31.9.1.3 provides terms/definitions/acronyms of commonly used terms and acronyms related to BBA examinations.
- (3) IRM 4.31.9.1.4 provides related resources and links to additional BBA exam procedures including a detailed Interim Guidance Memorandum on the Centralized Partnership Audit Regime Field Exam Procedures. The purpose of this Interim Guidance Memorandum for BBA is to provide field examination procedures, processes and guidelines to LB&I and SB/SE employees who examine partnership returns under the centralized partnership audit regime or the BBA regime.

#### **4.52.1.6.2 (04-27-2022)**

##### **Critical Information Relating to GHW ILSC Examinations**

- (1) IRM 4.31.5, Investor Level Statute Control (ILSC) Examinations - Field Office Procedures, provides the processes, identifications and requirements for working an ILSC examination.
- (2) IRM 4.31.5.1.6 provides terms/definitions/acronyms of commonly used terms and acronyms related to ILSC examinations.
- (3) IRM 4.31.5.2 provides an introduction to ILSC examinations.

#### **4.52.1.7 (08-12-2013)**

##### **GHW Shared Drive**

- (1) The GHW shared drive gives GHW examiners, managers, examination technicians, and other staff the ability to share information and documentation among team members. The shared drive also permits sharing of case information with other functions such as field specialists, technical specialists, and counsel.
  - The shared drive includes a main "Global" folder.
  - Within the main "Global" folder, there are separate team folders for each GHW team to maintain their unassigned and

started cases. Within each team folder there are subfolders for each taxpayer and other team resources.

- Also within the "Global" folder, there is a folder named "Common" which includes job aids, documents and information relevant to all GHW teams. The job aids include instruction on how to establish the enterprise cases, naming convention and folder creation, which must be followed on all enterprise cases that are set up on the shared drive.

#### **4.52.1.7.1 (04-27-2022)**

##### **Gaining Access to the Shared Drive**

- (1) When access is needed to the shared drive, the team manager will request access through WLS with a Server Request form and send it to the \*LB&I GHW Server Request email box.
- (2) Although employees will be able to access the team folder, access is only authorized for the assigned taxpayer's folder. Established unauthorized access (UNAX) restrictions apply.

#### **4.52.1.7.2 (12-26-2019)**

##### **Monitoring Access to the Shared Drive**

- (1) On a semi-annual basis, the WLS manager will review the access list for the shared drive and verify the access is still needed. If any access is no longer needed, the WLS manager will terminate the access.

#### **4.52.1.8 (04-27-2022)**

##### **Field Case Closings**

- (1) The case closing and file assembly procedures for GHW generally follow the procedures for LB&I and SB/SE. There are a few minor differences because GHW enterprise case files are located on a shared drive. These differences are noted on the Consolidated Closing Checksheet that is located in the GHW Toolkit and contains closing procedures in a case checklist and assembly format. When the closing procedures are updated the file is given a new revision date.
- (2) Paperless Case Closing Procedures: GHW can generally follow the paperless case closing procedures in IRM 4.46.5.11.2.3, General

Procedures for Paperless Case Closing to Ogden CCP (LB&I Exam Areas 320-328), with the following exceptions:

- a. GHW examiners are not required to upload case files to IMS that are stored on the GHW shared drive.
- b. GHW examiners are required to upload the case closing documents listed in the GHW Virtual Case Closing Checksheet to SAIN 090, Case Closing Documents, in IMS. The GHW Virtual Case Closing Checksheet is located in the GHW Toolkit on the shared drive.
- c. If an examiner is unable to scan and upload the closing documents noted in (b) above to IMS, the examiner can follow the procedures in IRM 4.46.5.11.2.4, Exception to Paperless Case Closing to CCP, to close the case electronically to CCP and mail the case closing documents to Ogden Files.

#### **4.52.1.9 (12-26-2019)**

##### **Record Retention**

- (1) Document 12990, Records and Information Management Record Control Schedules, provides mandatory record disposition instructions for both paper and electronic records. According to Document 12990, examination case files, including copies of revenue agent reports with related work papers and other documents for coordinated industry cases, should be retired after 4 years and permanently destroyed at 15 years. GHW will retire their digital closed case files to an internal designated server space to meet the 15-year retention requirement. (GHW defines closed cases as all cases within the enterprise reaching status 90 in AIMS.) The cases will move to the permanent location no later than four years from the date when all related entities within an enterprise close and then destroyed 15 years from that date. At the 15-year point, IRM 1.15.3.8, Form 11671, Certificate of (In-house) Records Disposal, will be followed in disposing of the closed digital case file.

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