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From: [REDACTED]

Sent: Tuesday, September 17, 2024 3:16:02 PM

To: [REDACTED]

Cc: [REDACTED]

Bcc:

Subject: RE: Processing of Amended Returns by Field Exam

Hi ,

Please see below our response to your question regarding amended returns processing. If there are any other questions or concerns, please don't hesitate to reach out. Thanks very much.

Issue: What obligation does the Service have to process amended returns, which are not provided for in the IRC?

Analysis:

The IRM provides extensive guidance to Service employees regarding processing of submitted amended returns. For instance, IRM 3.11.6 provides procedures for processing Form 1040-X, Amended U.S. Individual Income Tax Return. IRM 3.11.6.2(10) explains that when receiving an amended return, employees who are responsible for processing amended returns should proceed with processing the return if they determine that (1) routing criteria are met; (2) the claim is complete; (3) the claim is allowable; and (4) the claim is processable.

Examination procedures are also provided for amended returns. See IRM 4.10.11.1.1(3) ("An examiner must properly identify the nature of a taxpayer's amended return (or other written request) to determine the applicable examination procedures. This IRM provides guidance for determining if an amended return (or other written request) fits the criteria of a claim for refund, request for abatement, or audit reconsideration, and provides examination and report writing guidance for each."); see *also* IRM Exhibit 4.10.11-3 (re Taxable Amended Returns).

The IRS's website also provides detailed instructions to taxpayers regarding amending a return.

Outside of the administrative context, however, courts have made clear that "[t]here is no statutory provision for an amended return, and the acceptance or rejection thereof is solely within the discretion of the Commissioner." *Goldring v. Commissioner*, 20 T.C. 79, 81 (1953); see *also Badaracco v. Commissioner*, 464 U.S. 386, 393 (1984) ("[T]he

Internal Revenue Code does not explicitly provide either for a taxpayer's filing, or for the Commissioner's acceptance, of an amended return; instead, an amended return is a creature of administrative origin and grace.”); *Ramsay v. Commissioner*, T.C. Memo. 2017-223, 2017 WL 5503163 (Nov. 15, 2017) (same). Although there is no legal requirement for the IRS to process an amended return, it is the policy of the IRS generally to process amended returns if they are valid, timely, complete, and processable.