

NOTICE - SOME ITEMS SUPERSEDED OR OBSOLETE

Schedule Number: N1-058-07-009

Some items in this schedule are either obsolete or have been superseded by new NARA approved records schedules. This information is accurate as of: 6/30/2021

ACTIVE ITEMS

These items, unless subsequently superseded, may be used by the agency to disposition records. It is the responsibility of the user to verify the items are still active.

Item 1B1, System Data Item 1C1, Output Reports

Item 1C2, Outputs Taxpayer Case Listitngs

Item 1D, System Documentation

SUPERSEDED AND OBSOLETE ITEMS

The remaining items on this schedule may no longer be used to disposition records. They are superseded, obsolete, filing instructions, non-records, or were lined off and not approved at the time of scheduling. References to more recent schedules are provided below as a courtesy. Some items listed here may have been previously annotated on the schedule itself.

N1-058-08-001 supersedes 1A2A and 1A2B. N1-058-11-022 supersedes 1A3A.

Item 1A1 is withdrawn. Item 1A3B is a filing instruction. Item 1B2 is presumed purged

REQUEST FOR RECORDS DISPOSITION AUTHORITY		JOB NUMBER N1-058-07-9	
TO NATIONAL ARCHIVES & RECORDS ADMINISTRATION 8601 ADELPHI ROAD COLLEGE PARK, MD 20740-6001		Date received 5/17/07	
1 FROM (Agency or establishment) Department of the Treasury		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disposition request including amendments is approved except for items that may be marked disposition not approved or withdrawn in column 10	
2 MAJOR SUBDIVISION Internal Revenue Service			
3 MINOR SUBDIVISION Wage and Investment Division, Filing Compliance Withholding Compliance System (WHCS)			
4 NAME OF PERSON WITH WHOM TO CONFER Tracee Taylor Brenda Johnson		5 TELEPHONE NUMBER (202) 283 9291 (404) 338 7171	DATE 5/11/07
		ARCHIVIST OF THE UNITED STATES <i>[Signature]</i>	
6 AGENCY CERTIFICATION 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>4</u> page(s) are not needed now for the business for 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 <input checked="" type="checkbox"/> is not required <input type="checkbox"/> is attached or <input type="checkbox"/> has been requested			
DATE 5/9/2007	SIGNATURE OF AGENCY REPRESENTATIVE <i>[Signature]</i> Daniel W Bennett		TITLE IRS Records Officer National Office, OS A RE SC Washington, DC 20224
7 ITEM NO	8 DESCRIPTION OF ITEM AND PROPOSED DISPOSITION Update to IRM 1 15 29 Records Control Schedule for Service Center Operations Item 85 (5) Withholding Compliance System (WHCS) See attached Future IRS Updates * Add WHCS to Alphabetical Listing at end of Schedule * Add Form 9045 (Withholding Compliance Referral) to Alphabetical and Forms Listings	9 GRS OR SUPERSEDED JOB CITATION NC1 058-84 1 Item 85 NC1 058 85 7, Item 85 N1-058 88-3, Item 85(5)(c)	10 ACTION TAKEN (NARA USE ONLY)
<i>SL 9/13/07 Copies sent to Agency, newman, NR</i>			

records to more effectively identify workers with withholding compliance problems For the most part where a serious under-withholding problem is found to exist for a particular employee the IRS will notify the employer to withhold federal income tax from that employee at an IRS-determined rate

A Inputs

1 Inputs from various electronic IRS sources including, W-2 file information received from SSA, the IMF (Individual Master Files), the NAP (National Account Profile), the CREF/FOF (Cross-Reference Entity File/Fact of Filing) , case majors and the PMF (Payer Master File)

Disposition Recordkeeping copies of this data are appropriately scheduled under other authorities for NAP, CREF/FOF, various Case Management Systems, and IMF

2 Correspondence with taxpayers and employers Responses to systemically-generated IRS "lock-in" letters and requested follow-up actions For employees (taxpayers) this means the process by which they can provide additional information to the IRS for purposes of determining the correct marital status and the appropriate number of withholding allowances For employers this includes follow-up actions based on whether or not the employee still works for them

~~a Responses from employees Received in writing, fax, or telephone, summarized, and manually recorded into Desktop Integration (IRM 1 15 35, Item 30)~~

Disposition Temporary Destroy documentation of employee response after input and verification into DI

~~b Responses from employers Written responses required if the employee no longer works for them Arranged by SSN of employee~~

Disposition Temporary Cut off after calendar year Destroy 3 years after cutoff

3 WHC referrals for lock-ins and civil penalty assessments

Superseded by
NI-058-08-001/B/1
DATE (MM/DD/YYYY)
3/15/08

Superseded by
NI-058-08-001/B/2
DATE (MM/DD/YYYY)
3/15/08

Withholding Compliance (WHC) Program
(superseded the Questionable W-4 Program)

The WHC Program uses Form W-2 information to identify taxpayers with potential income tax under-withholding problems that could result in tax compliance problems

1 A Withholding Compliance System (WHCS)

Description

WHCS is a database application designed to provide a means to monitor and control information related to the WHC Program case inventory

Background

IRS eliminated its Questionable W-4 (QW4) Program to address concerns raised by a GAO audit. New regulations took effect April 14, 2005. As a result, the QW4 Program and the Compliance Questionable W-4 Case Control System (CQW4) have been superseded/retired by the Withholding Compliance (WHC) Program and the new DB2-based Withholding Compliance System (WHCS).

The WHC Program uses the WHCS database to house its inventory of identified underwithheld taxpayers and to reflect actions on those cases. Existing IRS data such as wages and withholdings from Forms W-2 wage statements and the Individual Master Files are subjected to business rules analyses and imported into WHCS based on prescribed case creation process criteria. The program changes do not require any new collection of information since these sources of information are already available to the IRS.

The WHC Program eliminates the requirement that employers send copies of questionable Forms W-4 Employee's Withholding Allowance Certificates to the IRS. Forms W-4 are subject to review by the IRS. The primary collection, maintenance, and disposition of these are in the context of agency business functions other than the WHC Program.

Through the WHC Program, the IRS has developed a process to use information already contained in its

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

Disposition 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

B System Data

The WHCS case records consist of data relating to employee wages, exemptions, withholdings, system-generated letters, taxpayer compliance information and master file action codes, as well as employer data Also included are legacy Compliance Questionable W-4 Case Control System (CQW4) database files from the superseded Questionable W-4 Program

1 WHCS Data (October 2005-Present) Maintains data relating to taxpayer wages, exemptions, withholdings, and taxpayer compliance information

Disposition Temporary Delete 3 years after lock-in is released or 10 years after lock-in date, whichever is earlier

2 CQW4 Data Old Questionable W-4 Program data files for processing years 2001 thru 2005

Disposition Temporary Maintain 5 years (until January 2010) then delete (affect a one-time purge)

C Outputs

1 Reports Weekly reports including the Referral Disposition Report, Receipt Report, and Case Action Report, as well as other routine reporting requirements

Disposition Temporary Destroy when superseded, obsolete or no longer needed, whichever is later

2 Taxpayer Case Listings Outcome 3 Listings, AW2 Listings, and other special queries necessary to work and resolve cases, and for review purposes Outcome 3 cases meet case creation criteria but require manual review by employees before any further case actions are taken These cases are sent to the WHC program site on a weekly paper listing Additional Forms W-2 (AW2) received after the initial case creation for a given tax year which have not been loaded into WHCS are sent to the WHC program site on an annual listing for input into WHCS and subsequent processing Special queries are typically requested to identify trends and/or TINs for review purposes

Disposition Temporary Destroy when superseded, obsolete or no longer needed, whichever is later

D System Documentation

Codebooks, records layout, user guide, and other related materials

Disposition Temporary Delete/destroy when superseded or 5 years after the system is terminated, whichever is later