APA ANNUAL REPORT TRAINING

Why Do We Have Annual Reports? (TP Perspective)
- Rev. Proc. 96-53 § 11.01(2) Requires: An original and four copies of each report, no later than 90 days after the time prescribed by law (including extensions) for filing taxpayer federal income tax return.
- e.g. TP Return for a calendar year TP is due on 9/15/2001. Annual Report is due on 12/15/01.

Why Do We Have Annual Reports? (APA Perspective)
- Compliance Without meaningful review of Annual Reports, no real way of ensuring compliance.

Obtain Case Number - APHA-R
- Complete reassignment form
- Give completed reassignment form and ORIGINAL AR to Brenda Robinson for establishment in CASE and control number assignment
- Brenda will place manila folder in your inbox for your use.

In-House AR Assignment
Assignment based on several factors:
- Pending adjustments?
- # of unreviewed prior-year Annual Reports?
- On-going negotiations?
- Training Purposes?

Field Assignment Procedures
- Call Territory Manager in that Industry and give TP name, EIN & IE that worked case.
- Territory Manager will either tell you where to send reports or you will send them to the Territory Manager if a timely response is not received.
- Prepare memo to Primary Reviewer to receive report - giving 90-day response time.
- Give Original, Distribution Memo, Status 203 Memo & 3 Copies to Send to field.

AR Review - Resources
- APA Agreement TPM (Roadmap to AR)
- Executive Memo
- Team - Leader: often the best source, they know the intent of the language being read.
- Historical file - Request from secretary
- Other Case Team Members (IE, Economist, Etc)

APA Annual Report Quick-facts
- For every APA that was completed last year 5 Annual Reports will be filed.
- Last year saw 239 reports 90% in compliance.
- Statistically, approximately 7% will require adjustment of some type.
Currently, approximately 50% of all pending annual reports are over 1 year old.