

Bipartisan Budget Act (BBA) Roadmap for Taxpayers



CENTRALIZED PARTNERSHIP PROCESS

TIMEFRAMES

TAXPAYER NOTIFICATIONS

FILING/AUDIT SELECTION

Taxpayer Files Original Return

- For all tax years beginning 01/01/2018 and forward, partnerships are automatically BBA unless taxpayer meets the criteria and "Elects Out of BBA" on a timely filed return
- Partnership Representative (PR) is designated on the filed return and will have sole authority to act on behalf of the partnership

Return Selected For Examination

- Verification of PR by exam team

AAR

- If filed, must be filed prior to issuance of NAP

30 DAYS

Issuance of NAP must be at least 30 days after date of L2205D

Notice of selection for examination
Letter 2205D

Notice of administrative proceeding (NAP)
Letter 5893/5893A

AUDIT PROCESS

Examination

- Examination steps to complete the audit issues generally remain unchanged under BBA procedures

Notice of Preliminary Partnership Examination Changes

Notice of Proposed Partnership Adjustment (NOPPA)

- Final imputed underpayment (IU) is determined

Taxpayer Can File an Appeal

- Partnership can not appeal an issue/matter more than once

270 DAYS

Issuance of the NOPPA starts the 270 day modification request period

Notice of preliminary partnership exam changes and IU (summary report package)
Letter 5895 Form 14791/886A

BBA 30-day letter
Letter 5891 Form 14791/886A

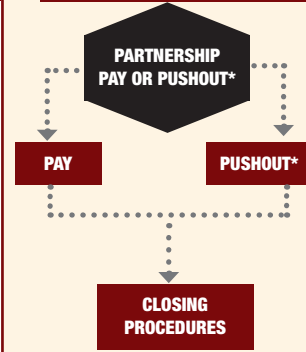
Notice of proposed partnership adjustment (NOPPA)
Letter 5892/5892A Form 14792/886A

POST AUDIT

Modification

- Modification requests may be submitted to reduce the IU amount shown on the NOPPA
- The partnership is responsible for providing all required information to the IRS for review and approval of the request

Final Partnership Adjustment (FPA)



***Pushout Responsibilities**

- Partnership is no longer liable for the IU
- Partnership will provide statements to its partners, and the IRS, on what adjustments and amounts, are being pushed out

45/90 DAYS

Issuance of FPA starts:
• 45 days to elect pushout
• 90 days to petition court

Modification determination package
Letter 5975 Form 15027

Notice of final partnership adjustment (FPA)
Letter 5933/5933A Form 15027/886A

