

PP-2008-05

3/4/08

## STATEMENT OF AUDIT PROCEDURE

### PROCEDURE FOR PROCESSING DELINQUENT RETURNS

#### I. INTRODUCTION

This Statement of Audit Procedure provides guidance to all Audit Personnel about how to forward delinquent original returns, amended returns and notifications of Federal and State Audit changes (Form NYC 3360 or Form NYC 115) submitted during an audit to the appropriate place for processing.

#### II. PROCEDURE

When a delinquent original return, amended return, Form NYC 3360 or Form NYC 115 is received by an auditor during an audit, the return and any check or other payment should be given to the Quality Management Support Group (QMSG).

QSMG will then send a transmittal letter along with the original or amended return, Form NYC 3360 or Form NYC 115 and any accompanying remittance to the bank (or its designated agent) for processing.

After a return is filed in this way, any assessments or notifications of audit changes issued based upon non-filing of the return should be closed.

Taxpayer requests for abatement of penalties should be handled according to the procedures established in the SAP that covers Penalties.

A Notice of Determination should be sent for any additional amount due based upon the audit findings at the conclusion of the audit.