

IRM PROCEDURAL UPDATE

DATE: 03/12/2025

NUMBER: ts-03-0325-0344

SUBJECT: Added Waiver Countries for TY24

AFFECTED IRM(s)/SUBSECTION(s): 3.22.3

CHANGE(s):

IRM 3.22.3.17.1(1) Added Field 03OTX.

(1) Section 03 contains the following Fields:

Form 1040-NR	Form 1040-SS (sp)/Form 1040-SS	Field Title
03WG		W-2 Wages
03TEX		Total Income Exempt by Treaty
03TWG		Total Wages
03TEI		Tax Exempt Interest
03INT		Taxable Interest
03QD		Qualified Dividends
03DIV		Ordinary Dividends
03GIR		Gross Individual Retirement Account (IRA) Distributions
03TIR		Taxable IRA Distributions
03GPA		Gross Pensions and Annuities
03TPA		Taxable Pensions and Annuities
03CGL		Schedule D Profit/Loss
03ADD		Additional Income
03TOT		Total Income
03TAJ		Total Adjustments
03AGI		Adjusted Gross Income
03QBI		Qualified Business Income Deduction
03INC		Taxable Income
03TTX		Tentative Tax
03AF		Additional Forms 8814 attached (ERS only)
03AT		Additional Forms 8814 Tax (ERS only)
03COD		Child Tax and Other Dependent Credit Amount
03NRC		Total Statutory Credits
03TNC		Tax on Income Not Effectively Connected
03OTX	03OTX	Total Other Taxes
03GTT		Gross Transportation Tax

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03TAX	03TAX	Total Tax
03WH		Withholding-Form(s) W-2 or 1099
0325E		Withholding-Form(s) 8805
0325F		Withholding-Form(s) 8288-A
0325G		Withholding-Form(s) 1042-S
03ESP	03ESP	Estimated Tax Payments
03ACT	03ACT	Additional Child Tax Credit
0329		Form 1040C
03RCR		Refundable Credits
03PAY	03PAY	Total Payments
03BDR	03BDR	Balance Due/Refund
03CEL	03CEL	Estimated Tax Credit Elect
03ETP		Pre-Determined Estimated Tax Penalty
03AI	03AI	Third Party Authorization Indicator
03TPN	03TPN	Third Party Designee Name
03TPI	03TPI	Third Party Designee ID Number
03EMW	03EMW	E-File Mandate Waiver Indicator
03PT	03PT	Preparer TIN
03PE	03PE	Preparer EIN
03PC	03PC	Preparer Code
03PTN	03PTN	Preparer Telephone Number

IRM 3.22.3.17.24(1) Added Field 03OTX.

(1) Total Other Taxes is transcribed in Field 03OTX from the following line:

- TY20 and later - line 23b, Form 1040-NR
- TY24 and later - line 6 Form 1040-SS

IRM 3.22.3.144.3(11) Added waiver countries for TY24.

(11) If the taxpayer notates **Claiming Waiver** and explains that they expected to meet the time requirement, but the adverse conditions in the foreign country prevented the normal conduct of business, # [REDACTED] # and continue processing if the foreign country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh
2023	Ukraine, Belarus, Sudan, Haiti, Niger, and Iraq
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's

	Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

IRM 3.22.3.145.3(6) Added waiver countries for TY24.

(6) If the taxpayer notates **Claiming Waiver** and explains that they expected to meet the time requirement, but the adverse conditions in the foreign country prevented the normal conduct of business, # [REDACTED] # and continue processing if the foreign country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh
2023	Ukraine, Belarus, Sudan, Haiti, Niger, Iraq
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries.
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

IRM 3.22.3.146.3(6) Added waiver countries for TY24.

(6) If the taxpayer notates **Claiming Waiver** and explains that they expected to meet the time requirement, but the adverse conditions in the foreign country prevented the normal conduct of business, # [REDACTED] # and continue processing if the foreign country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh
2023	Ukraine, Haiti, Niger, Belarus, Sudan, Iraq
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

IRM 3.22.3.148.2(8) Updated reference to paragraph 9 instead of paragraph 8.

(8) In most cases when only wages are excluded, Field 04OTI is a negative amount that is the same as the positive amount in Field 3445 and 3545. If Field 04OTI doesn't match the total of Fields 3445 and 3545 follow the table below.

Note: If IRC 965 income is notated on line 8, GTSEC 01 and enter F in Field 01RPC and transmit. SSPND 300 when EC 156 redisplay.

If	And	Then
Line 9, Schedule 1, of Form 1040 includes earned income,	The earned income is identified as wages on line 9 or on an attachment, Note: If the earned income on line 9 is other than wages see paragraph (9) below.	1. Delete the wages amount from Field 04OTI. 2. Add the amount to Field 03WG and Field 03TWG.
Line 9, Schedule 1, includes amounts other than the foreign earned income exclusion (e.g., Net Operating Loss (NOL),	A manual calculation shows that the amount from Field 3445 and Field 3545 was transferred correctly to line 9,	Enter a C in the Clear Code field.
Line 45 of Form 2555, is positive,	The exclusion amount transferred to Line 8d is also positive,	1. Recompute the amount included in Field 04OTI with the exclusion amount

		as a negative. 2. If EC 218 generates assign TPNC 308.
Line 45 of Form 2555 is a negative amount,	The exclusion amount on line 8d is positive,	1. Delete the amount in Field 3445 and 3545, 2. If EC 156 generates enter "C" in the Clear Code field.

IRM 3.22.3.169.2.3.1(3) (a) Added waiver countries for TY24.

(3) The taxpayer may notate **Claiming Waiver** on the tax return if they were unable to meet the time requirements due to adverse conditions in the foreign country.

- a. If the taxpayer notates "Claiming Waiver" and explains that they expected to meet the time requirements but conditions in the foreign country prevented the normal conduct of business then # [REDACTED] # and continue processing when the foreign country is a qualified waiver country. The only countries that qualify for a waiver for each tax year are listed in the table below.

Tax Year	Countries That Qualify for Waiver
2024	Ukraine, Iraq, Haiti, Bangladesh
2023	Belarus, Haiti, Iraq, Niger, Sudan, Ukraine
2022	Ethiopia, Iraq, Ukraine, Belarus, China, Mali
2021	Afghanistan, Burma, Chad, Ethiopia, Iraq
2020	All foreign countries
2019	Democratic Republic of Congo, Haiti, Sudan, Venezuela and People's Republic of China (excluding Hong Kong and Macau)
2018	Democratic Republic of the Congo, Cuba, Iraq, and Nicaragua
2017	None
2016	South Sudan and Turkey
2015	Burundi
2014	Libya, Yemen
2013	Egypt, Lebanon, Pakistan, South Sudan, Yemen
2012	Central African Republic, Sudan, Tunisia
2011	Egypt, Libya, Syria, Yemen
2010	Cote D'Ivoire, Haiti

- b. If the taxpayer notates "Claiming Waiver" for a country other than the ones listed in the table above for each tax year, and the bona fide residence test or

physical presence test requirements are not met, then disallow the Form 2555 exclusion and assign TPNC 309.

IRM 3.22.3.232.3.4(3) Corrected typo "we" to "were".

(3) Capital gains, such as gains from the sale of stock in U.S. corporations, generally do not need to be reported on Form 1040-NR by nonresident taxpayers who spend **less than 183 days in the U.S.** If a taxpayer reports capital gains and uses a 0 percent tax rate (or doesn't include the capital gain as part of total income) AND indicates anywhere on the return that they were present in the U.S. for less than 183 days, do NOT assess tax on that income.

IRM 3.22.3.243.1(1) Added Field 03OTX.

(1) The following fields are displayed for EC 331.

1040-NR	1040-SS (sp)/1040-SS	Field Title
CL	CL	Clear Code
01FSC	01FSC	Filing Status Code
01TXP	01TXP	Tax Period
01PS	01PS	Primary SSN
	01SS	Secondary SSN
05AMT		Form 8959 Additional Medicare Tax
7118	7118	Form 8959 Additional Medicare Tax Amount
7118>	7118>	Additional Medicare Tax Computer
7118V	7118V	Additional Medicare Tax Verified
03OTX	03OTX	Total Other Taxes Amount
>>>>		Total Other Taxes Computer Amount
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax IMF Computer
7101	7101	Medicare Wages
7102	7102	Unreported Tips from Form 4137
2406		Section 24 Unreported Tips
7103	7103	Unreported Wages from Form 8919
6106	6106	Form 8919 Section 61 Total Wages
	6206	Form 8919 Section 62 Total Wages
7107	7107	Additional Medicare Tax on Wages
7107>	7107>	Additional Medicare Tax on Wages Computer
17TNE>	17TNE>	Section 17 Total Net Earnings Computer
	18TNE>	Section 18 Total Net Earnings Computer
7108	7108	Section 71 Self-Employment Income
7113	7113	Additional Medicare Tax on Self-Employment Income
7113>	7113>	Additional Medicare Tax on Self-Employment Income Computer

7114	7114	Railroad Retirement Compensation
7117	7117	Tier I Additional Medicare Tax
7117>	7117>	Tier I Additional Medicare Tax Computer
7119	7119	Medicare Tax Withheld
7121>	7121>	Medicare Tax Withholding Computer
7122>	7122>	Additional Medicare Tax Withholding on Medicare Wages Computer
7123	7123	Tier I Additional Medicare Tax Box 14 W-2
7124	7124	Total Additional Medicare Tax Withholding
7124>	7124>	Total Additional Medicare Tax Withholding Computer

IRM 3.22.3.246.1(1) Added Field 03OTX.

(1) The following fields are displayed for EC 334.

1040-NR	1040-SS (sp)/1040-SS	Field Title
01FSC		Filing Status Code
01TXP		Tax Period
01SPC		Special Processing Code
		Exemption Code
		Exemption Code Verified
03INC		Taxable Income
>>>>		Taxable Income Computer
03TTX		Tentative Tax
>>>>		Tentative Tax Computer
		Tentative Tax Verified
05202		Alternative Minimum Tax
>>>>		Alternative Minimum Tax Computer
0521A		Advance Premium Tax Credit Repayment
0521A>		Computed APTC Repayment Amount
03TBC>		Income Tax Before Credits Computer
03NRC		Total Statutory Credits
>>>>		Total Statutory Credits Computer
03TAC>		Tax After Personal Credits Computer (PY)
03TNC		Tax on Income Not Effectively Connected
>>>>		Tax on Income Not Effectively Connected Computer
05204	0503	Combined SE Tax
>>>>	>>>>	Combined SE Tax Computer
05SSM		Unreported Social Security and Medicare Tax for Form 4137 and 8919
>>>>		Unreported Social Security and Medicare Tax for Form 4137 and 8919 Computer
05IRA		Combined Tax on Retirement Plans
05IRA>		Combined Tax on IRA and Retirement Plans Computer

29DX>		Tax on Early Distributions Computer
05HSH	05HSH	Household Employment Tax Amount
>>>>	>>>>	Household Employment Tax Amount Computer
05FHB		First Time Home Buyer Repayment from Form 5405
>>>>		Combined First Time Homebuyer Credit Repayment
PNFH>		Primary NAP First Time Homebuyer Credit
PNRI>	PNRI>	Primary NAP First Time Homebuyer Installment
58FRC>		Form 5405 Homebuyer Credit Repayment Computer
	SNRI>	Secondary NAP First Time Homebuyer Installment
		Form 5405 Homebuyer Credit Repayment Computer
03GTT		Gross Transportation Tax
	S71NP	Section 71 Not Present
	7118	Additional Medicare Tax Computer
7118>	7118>	Additional Medicare Tax Computer
S72NP		Section 72 Not Present
7217>		Net Investment Income Tax Computer
5221		HDHP Failure Additional Tax
>>>>		Form 8889 Additional Tax Computer
05USS		Uncollected Tax on Tips
05LIR		Form 8611 Recapture Amount
05TAT		Total Additional Taxes
03OTX	03OTX	Total Other Taxes Amount
>>>>		Total Other Taxes Computer Amount
03TAX	03TAX	Total Tax IMF
>>>>	>>>>	Total Tax IMF Computer
94TXV	94TXV	Total Tax Verified
S46NP		Section 46 Not Present
4613A		10 percent Tax Rate Total Income
4613B		15 percent Tax Rate Total Income
4613C		30 percent Tax Rate Total Income
46TR1		Tax Rate Income Taxpayer Percentage 1
46TR2		Tax Rate Income Taxpayer Percentage 2
46131		XX percent Tax Rate Total Income
46132		YY percent Tax Rate Total Income
	03BDR>	Balance Due/Refund Taxpayer
	>>>>	Balance Due/Refund Computer

IRM 3.22.3.263(3) Added guidance for when there is a write-in on line 6 of Form 1040-SS.

(3) If the taxpayer has an amount written in on line 6 Form 1040-SS refer to IRM 3.22.3.247.7 EC 334.