IRM PROCEDURAL UPDATE

DATE: 05/09/2025

NUMBER: ts-03-0525-3268

SUBJECT: Correcting Correspondence Paragraph; Field 05TYP Entry; Criteria to Accept for Form 2555 Waiver

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

CHANGE(s):

IRM 3.22.3.169.2.3.1(3) Clarified what entries to accept.

(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 3.22.3.261.2.2(1) Corrected 05TYP entry from "Z" to "8" for Form 8689.

(1) If the taxpayer writes "Form 8689", indicating a credit from Form 8689, *Allocation of Individual Income Tax to the USVI*, on the dotted portion of line 33 (TY19, line 19), Form 1040, or on Schedule 3, line 13 (TY19, line 14), follow the instructions below:

If	And	Then
line 25d (TY19, line 17) Form 1040 includes withholding from Form W-2VI or other VI sources,		1. Disallow the amount and adjust Field 03WH. 2. Assign TPNC 438.
Form 8689 is attached and the credit claimed on line 36 of Form 8689 exceeds the amount of Total Tax in Field 03TAX of Form 1040,		1. Reduce the Form 8689 credit to equal the amount of Total Tax. 2. Enter the amount in Field 05OTH and 05OPR and enter "8" in Field 05TYP 3. Assign TPNC 341.
Form 8689 is attached,		1. Add lines 41 and 46 of Form 8689 (TY 19, add lines 40 and 45 of Form 8689) and enter the amount in Field 05OTH and 05OPR and enter "8" in Field 05TYP. 2. If the amount is different from the amount on the dotted portion of line 33 (TY19, line 19), Form 1040, or Schedule 3, line 13 (TY19, line 14), assign TPNC 364 if EC 366 generates: **Note:** Do not verify if the amounts are correct on Form 8689.
Form 8689 is not attached,	# [redacted] #	Enter the amount in Field 05OTH and 05OPR and enter "8" in Field 05TYP. **Caution:** Before entering the amount in Field 05OTH, verify that the withholding on line 25d (TY19, line 17) does not include withholding paid to the USVI (Form W-2VI)
Form 8689 is not attached,	# [redacted]	SSPND 215

	[redacted] #	

Caution: Before entering the amount in Field 05OTH, verify that the withholding on line 25d (TY19, line 17) does not include withholding paid to the USVI on Form W-2VI or any other USVI source.

IRM 3.22.3.262.4.1(3) Removed incorrect paragraph "a" from correspondence guidance.

(3) If there is an entry for Total Payments and the preceding fields in Section 03 and 05 are blank, follow the instructions in the chart below:

If	Then
No support for withholding or other payments or credits is attached to the return,	Use CC IRPTR to search for amounts or combination of amounts that match the entry for Total Payments.
IRPTR shows withholding documents that support the amount for Total Payments,	Use the instructions in IRM 3.22.3.262.4 as applicable for each type of withholding to verify the amount claimed on the return.
IRPTR data isn't available or IRPTR doesn't support the amount claimed,	SSPND 215 and correspond using paragraph L on Form 13900.