

IRM PROCEDURAL UPDATE

DATE: 01/31/2025

NUMBER: ts-21-0125-0158

SUBJECT: Clarification for When to Send a Bal Due and Request Information for Incarcerated Taxpayers; Combined Corr Dates; Added Instructions for Corr Date Input With Command Codes

AFFECTED IRM(s)/SUBSECTION(s): 21.3.3

CHANGE(s):

IRM 21.3.3.4.2.2.1 Updated paragraph 7 to remind employees to only mention IAs in letters if a balance due is requested by the TP or authorized representative. Included an exception for paragraph 7 that CTLVs and short-term payment arrangements are not IAs so the mention of this should not be included in letters if applicable. Update due to SERP Feedback 24219.

(7) If a taxpayer requests a balance due, research IDRS for an active installment agreement. If the account is in installment status (status 60), inform the taxpayer (using a pre-printed paragraph if available) that the installment agreement is still in effect and to continue making scheduled payments.

Exception: Do not include verbiage in a letter that an installment agreement is still in effect if the Status 60 account shows it is under a Continuous Wage Levy (CTLV) or a short-term payment plan. These are not IAs. A CTLV is indicated when the ALN is "XX08" on CC IADIS and DPC Code is "05" for the payment. A short-term payment plan is indicated with an ALN of "9999" on CC IADIS.

IRM 21.3.3.4.2.3 Combined paragraphs 5 and 6 for clarity. Update due to SERP Feedback 24515.

IRM 21.3.3.4.2.3 Added instructions for input of a correspondence date for other command codes besides REQ54. Update due to SERP Feedback 24529.

(1) All Policy Statement P-21-3 correspondence must receive a response. For guidelines on what Policy Statement P-21-3 correspondence is, see IRM 21.3.3.1.8, Policy Statement P-21-3, and paragraphs 1 and 2 of IRM 21.3.3.2, What is the Definition of Correspondence? - Policy Statement P-21-3 Exclusion List. See IRM 21.3.3.4.16.3.1, When to Respond, for when to issue a response.

(2) Review the tables below to determine which correspondence date to use. This list is not all inclusive.

Note: If allowed by separate IRM guidance, direct contact **CAN** be made instead of sending a letter or notice. If direct contact is made, place notes on the account per approved guidelines to indicate what was communicated to the taxpayer or authorized representative.

(3) The table below explains the correspondence date to use when answering P-21-3 criteria correspondence.

IF	THEN
A notice can be issued instead of a letter.	Use the applicable date in paragraph 5 below as the CC REQ54 Corr Date.
A notice will not address all issues.	A letter must be sent to address all taxpayer issues. Use an appropriate hold code when issuing the letter. See IRM 21.5.2.4.15, Rules on Hold Codes (HC), for more information. See paragraph 6 below for what correspondence date to use.

(4) Some issues requiring response from the IRS are not considered Policy Statement P-21-3 criteria such as internal transcripts or amended returns. Many of these responses don't normally require a correspondence date in a letter or when issuing a notice. For guidelines on what is not considered P-21-3 criteria, see IRM 21.3.3.2(3), What is the Definition of Correspondence? - Policy Statement P-21-3 Exclusion List. The table below explains when use of a correspondence date is appropriate for non-P-21-3 criteria resolution.

IF	THEN
Not an internal transcript or amended return.	Not applicable.
Is an internal transcript or amended return and it is a duplicate (true DUPF) of what is on the account.	Do not issue a letter unless required by other IRM guidance. For IMF returns, see paragraph 4 of IRM 21.6.7.4.14, True Duplicate Return, for possible exceptions. Do not use a Corr date in the CC REQ54 adjustment.
An internal transcript or amended return and needs some other resolution other than an account adjustment to tax or CRNs/IRNs (e.g., ES penalty calculation, FTD penalty re-calculation, request for information such as a signature or missing schedule.)	Follow other functional IRMs for guidelines on the appropriate letter to issue and date to use if applicable. See IRM 21.3.3.4.16.3.1, When to Respond, for more information.

IMF: The adjustment differs from what the taxpayer or authorized representative requested AND - a. There is a change to tax, 29X, (i.e., not .00). b. The adjustment is TC 290 .00 with only item reference numbers (IRNs), NOT TAX. c. HC3 is used for the adjustment or a notice will not issue, and a response is required.	a. A notice will issue. Do not use a Corr date in the CC REQ54 adjustment. b. See IRM 21.5.2.4.20, CP 21/CP 22, Source Codes (SC) and Reason Codes (RC) (3 numeric positions), and IRM 21.6.7.4.1, Source and Reason Codes - CP 21/CP 22A Notices, for information on when a letter needs to be issued. If Letter 4364C is sent, it does not need a Corr date. If another letter is sent, do not use a Corr date unless required. c. A letter must be sent to explain the difference. See IRM 21.5.2.4.20, CP 21/CP 22 Source Codes (SC) and Reason Codes (RC) (3 numeric positions), and IRM 21.6.7.4.1, Source and Reason Codes - CP 21/CP 22A Notices, for information. The 4364C Letter does not need a Corr date. If another letter is sent, do not use a Corr date unless required.
BMF	Follow functional guidelines in other IRMs if not outlined in IRM 21.3.3, Incoming and Outgoing Correspondence/Letters. REMINDER: When there is no monetary adjustment (e.g., TC 290 .00, TC 180 .00) or when no notice will be generated, it is not a requirement to input the correspondence date using CC REQ54.

(5) When sending a NOTICE or letter and it is necessary to use a correspondence date, follow the order below to determine the correct correspondence date for input.

Reminder: Input the appropriate date in the CORSP – DT field on CC REQ54 or into the correspondence date field of other command codes such as CC ADD34 for sending a NOTICE when applicable. Use ‘dated’ in the opening paragraph of a letter when answering correspondence inquiry and ‘of’ when answering a phone inquiry when applicable. If ‘dated’ is not available in an opening paragraph for a correspondence inquiry, ‘of’ is acceptable.

- a. The date the taxpayer or authorized representative correspondence was prepared or signed
- b. Transmission date on a fax or electronic submission receipt
- c. Envelope postmark date
- d. The Service Center Automated Mail Processing System (SCAMPS) digital dates

Note: SCAMPS places a digital date stamp on the envelope

- e. Three days prior to the IRS received date of the case
- f. Current date
- g. For inquiries at a Taxpayer Assistance Center (TAC) only, the IDRS received date

(6) The same adjustment notice generates to the taxpayer whether a Corr date is used or not in the CC REQ54 adjustment. The only difference is that when an adjustment is input with a Corr date, the adjustment notice includes the sentence: "This is the result of your inquiry of (fill in). "

(7) If working a case excluded from Policy Statement P-21-3 and the explanation on the adjustment notice will not be sufficient, the taxpayer must be provided a more detailed explanation in writing or via telephone contact. See the IF/THEN chart in paragraph 4 above when sending correspondence.

(8) When working multiple issues of the same type of form that are excluded from Policy Statement P-21-3, a date may be used as a means of identification by the taxpayer. See the IF/THEN Chart in paragraph 4 above.

Note: If no correspondence is attached, use the signature date.

(9) If multiple correspondence is being answered for the same tax period, use the most recent date as the date of correspondence per paragraph 6 above and include information that multiple correspondence is being answered with this response. Address all outstanding issues for the taxpayer correspondences with one letter if possible.

Example: The taxpayer wrote in on January 5th, 2024 and again on April 10th, 2024 with a copy of the same correspondence plus an additional issue for a tax period. The correspondence date of April 10th, 2024 should be used and include an open paragraph similar to the following: "We also received correspondence you sent us on January 5th, 2024. We are responding to that inquiry as well with this letter."

Additional verbiage cannot be added with a notice. Use the most recent date as the CC REQ54 Corr Date if a notice can be issued to answer multiple correspondence.

IRM 21.3.3.4.16.7 Added clarification to correspond for missing information when warranted. Update due to SERP Feedback 24434.

(1) Correspondence from an incarcerated taxpayer can be identified by one of the following indicators (this list is not all inclusive):

- A prisoner ID number is following the taxpayer's name
- The return address is a correctional facility
- The envelope is stamped indicating this is prisoner correspondence

- A taxpayer statement is enclosed stating they are incarcerated

(2) When it is necessary to respond to an incarcerated person, take the following steps:

- Follow established procedures to correspond for missing information if warranted.
- If a prison address is provided by the taxpayer or authorized representative with signed correspondence or a signed address change form, update the address on IDRS. Also update the prisoner number, if available, on the secondary name line at the same time the address is updated to avoid undeliverables. See paragraph 4, note in IRM 21.2.4.3.6, Undeliverable Correspondence, for more information.
- Do not update the prison address on IDRS or send confidential information to a prison address if the request is from a third party. See IRM 5.19.2.6.4.5.7, IMF Response Taxpayer Incarcerated, for more information.
- If the case is closed in CII, capture the letter per IRM 21.5.1.5.1(8), CII General Guidelines.