



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

3.8.46

DECEMBER 10, 2024

EFFECTIVE DATE

(01-01-2025)

PURPOSE

- (1) This transmits revised **IRM 3.8.46**, Deposit Activity - Discovered Remittance.

MATERIAL CHANGES

- (1) IRM 3.8.46.1 - Added new Subsections 3.8.46.1.1 for background, 3.8.46.1.2 Authority, 3.8.46.1.3 for Roles and Responsibilities, 3.8.46.1.4 for Program Management and Review/Program Controls, and 3.8.46.1.5 for Related Resources.
- (2) IRM 3.8.46.1 (12) (14) & (15) - Updated the retention period for Form 4287 to two years per Document 12990, updated IRM references for IRM 10.2.14. IPU 24U0466 issued 04-02-2024
- (3) IRM 3.8.46.1(14) - Updated IRM reference for Locked Containers. IPU 24U0110 issued 01-24-2024
- (4) IRM 3.8.46.1(14) - Added reference for not delivering discovered remittances to other areas or buildings until they are sent to Receipt and Control. IPU 24U0797 issued 06-25-2024
- (5) IRM 3.8.46.1.1 (8) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (6) IRM 3.8.46.1.2(2) NOTE: - Updated IRM references for Locked Containers. IPU 24U0110 issued 01-24-2024
- (7) IRM 3.8.46.1.2 (12) & (13) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (8) IRM 3.8.46.1.3(5) - Updated IRM references for Locked Containers. IPU 24U0110 issued 01-24-2024
- (9) IRM 3.8.46.1.3 (5) & (13) - Updated IRM reference in 10.2.14, Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (10) IRM 3.8.46.1.4(5) - Updated IRM references for Locked Containers. IPU 24U0110 issued 01-24-2024
- (11) IRM 3.8.46.1.4 (14) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (12) IRM 3.8.46.2 - Added a new subsection for Annual Clearance of IRM.
- (13) IRM 3.8.46.2.1 (9) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (14) IRM 3.8.46.2.2 (14) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (15) IRM 3.8.46.3 (7) - Updated IRM references for Locked Containers. IPU 24U0110 issued 01-24-2024
- (16) IRM 3.8.46.3 (16) & (17) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (17) IRM 3.8.46.4 (15) & (16) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024

- (18) IRM 3.8.46.6 (12) & (15) - Updated Contacts for Discovered Remittance by Industry Partners. IPU 24U0797 issued 06-25-2024
- (19) IRM 3.8.46.6 (16) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (20) IRM 3.8.46.6.1 (7) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (21) IRM 3.8.46.7(3) - Updated IRM reference for Locked Containers. IPU 24U0110 issued 01-24-2024
- (22) IRM 3.8.46.7 (10) - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (23) IRM 3.8.46.10 - Added a new section for Program Reviews.
- (24) IRM 3.8.46-1 - Updated the retention period for Form 4287 to two years per Document 12990. IPU 24U0466 issued 04-02-2024
- (25) IRM 3.8.46 - Editorial changes made to update IRM references, links, titles, grammar, and punctuation. IPU 24U0797 issued 06-25-2024
- (26) IRM 3.8.46 -Revised throughout to update organizational title Wage and Investment to Taxpayer Services. IPU 24U0797 issued 06-25-2024
- (27) IRM 3.8.46 - Due to the addition of new subsections, numbering within the IRM has changed

EFFECT ON OTHER DOCUMENTS

IRM 3.8.46, Deposit Activity, Discovered Remittance, dated June 25, 2024 (Effective January 1, 2024), is superseded. IRM Procedural Update 24U0110 Issued 01/24/2024, 24U0466 Issued 04/02/2024, 24U0797 Issued 06/25/2024, are incorporated.

AUDIENCE

This IRM prescribes procedures for all Campus employees and Industry Partners who discover remittances outside of the mail opening operation and deposit areas in the restricted (Limited) area of the Submission Processing Receipt and Control Operations. This IRM also prescribes procedures for discovered cash inside the Extracting area of the restricted (Limited) area of Submission Processing Receipt and Control Operations.

James L. Fish
Director, Submission Processing
Taxpayer Services Division

3.8.46

Discovered Remittance

Table of Contents

3.8.46.1 Program Scope and Objectives

3.8.46.1.1 Background

3.8.46.1.2 Authority

3.8.46.1.3 Roles and responsibilities

3.8.46.1.4 Program Management and Review/Program Controls:

3.8.46.1.5 Related resources

3.8.46.2 Annual Clearance of IRM

3.8.46.3 Discovered Remittances

3.8.46.3.1 Remittances Taken Immediately to Receipt and Control

3.8.46.3.2 Centralized Offer In Compromise (COIC) Operation “Offer”, “Deposit” or “Application Fee”
Discovered Remittance Procedures

3.8.46.3.3 Remittances Not Taken Immediately to Receipt and Control - Function Is Located in the Same
Building as Receipt and Control

3.8.46.3.4 Remittances Not Taken Immediately to Receipt and Control - Function Is NOT Located in the
Same Building as Receipt and Control

3.8.46.3.4.1 Remittances Not Taken Immediately to Receipt and Control - Remittances Found at Home
During Telework

3.8.46.4 Cash or Other Items of Value Found Outside of Receipt and Control

3.8.46.4.1 Function Located in the Same Building as Receipt and Control

3.8.46.4.2 Function NOT Located in the Same Building as Receipt and Control

3.8.46.5 Cash or Item of Value Discovered within Receipt and Control

3.8.46.6 Remittance Discovered at a Campus Support Site

3.8.46.7 Discovered Remittances in Field Offices

3.8.46.8 Discovered Remittances by Industry Partners

3.8.46.8.1 Discovered Remittance by Industry Partners - RCO Instructions

3.8.46.9 Voluntary Disclosure Practice (VDP) program Discovered Remittance Procedures for Criminal
Investigation (CI) Lead Development Center (LDC)

3.8.46.10 Program Reviews

Exhibits

3.8.46-1 Job Aid for Form 4287, Record of Discovered Remittances

3.8.46.1
(12-10-2024)
Program Scope and Objectives

- (1) Cash and non-cash remittances found outside of the Receipt and Control Extracting and Deposit secured/restricted (Limited) area are **discovered remittances**. Cash found inside the Receipt and Control Extracting secured/restricted (Limited) area is also considered a "Discovered Remittance."
- (2) **Purpose of the program:** To ensure taxpayer payments that for some reason were not processed through the normal processing of remittances are identified and expedited for remittance processing in the appropriate secured manner when discovered. This expeditious and secure process is important to ensure that taxpayer accounts are updated as quickly as possible to prevent any detrimental circumstances that may occur because of the untimely processing of the payment.
- (3) **Audience:** This IRM prescribes procedures for all campus employees and Industry Partners who discover remittances outside of the mail opening operation and deposit areas in the restricted (Limited) area of the Submission Processing Receipt and Control Operations. This IRM also prescribes procedures for discovered cash inside the Extracting area of the restricted (Limited) area of Submission Processing Receipt and Control Operations.
- (4) **Policy Owner:** Director Submission Processing.
- (5) **Program Owner:** Submission Processing Headquarters, Accounting and Tax Payment Branch, Accounting and Deposit Section Section.
- (6) **Primary Stakeholders:** The Submission Processing Receipt and Control Deposit function.

3.8.46.1.1
(12-10-2024)
Background

- (1) This IRM stresses the importance of immediate and secure routing of discovered remittances to the Receipt and Control Operations Deposit Function to ensure taxpayer's payments are properly credited to help prevent possible detrimental circumstances that may occur because of the delay in processing the payment. This IRM provides instruction to various operations throughout IRS campuses according to their location concerning the secure handling of discovered remittances for routing to the Submission Processing Receipt and Control Deposit Function.

3.8.46.1.2
(12-10-2024)
Authority

- (1) Every employee is accountable for a remittance they receive or collect on behalf of the IRS. By law, Internal Revenue Code (IRC) 7804(c) imposes liability against any officer or employee of the Internal Revenue Service or Treasury Department who fails to account for and pay over any amount of money or property collected or received in connection with the Internal Revenue Law. The statute does not require intentional misconduct, such as willfulness, on the part of the employee
- (2) The IRS mission is to provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.
- (3) The IRS frames internal controls by principles outlined in Standards for Internal Control in the Federal Government, GAO-14-704G. Internal control is a process used by management to help achieve its objective.

- (4) Government funds collected are generally deposited within three banking days (Title 31, U.S. C 3302). Internal Revenue Code 7809 further requires a 24 hour deposit standard for tax collections.
- (5) Ethical conduct for federal employees is explained in Document 9300 14 General Principles of Ethical Conduct for Federal Employees (5 C.F.R. 2635.101(b)).

3.8.46.1.3
(12-10-2024)
Roles and responsibilities

- (1) Follow up with Receipt and Control if Part 1 of Form 4287 has not been received by the initiator within seven (7) business days. The unit manager must reconcile Part 1 with the Part 3 within seven (7) business days after the date the discovered remittance was sent to Receipt and Control to ensure the discovered remittance was received by Receipt and Control for processing. If unable to obtain Part 1 back from Receipt and Control, ensure IDRS research is completed verifying the payment has posted to the taxpayer's account. Attach the IDRS print to Part 3 of the Form 4287. If the payment has not posted to the taxpayer's account or has not been identified in Unpostables function inventory, the unit manager will report any discrepancies to the Submission Processing Receipt and Control manager and document the contact. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.

3.8.46.1.4
(12-10-2024)
Program Management and Review/Program Controls:

- (1) At least once a year a HQ Analyst will conduct an unannounced internal security review of the discovered remittance process throughout the IRS organization at the consolidated campuses to ensure compliance with IRM guidelines. Each campus will also do monthly reviews of randomly selected areas throughout the consolidated campuses as part of the Internal Controls Review program coordinated by the Coordination and Support Section of the Submission Processing Program Management/Process Assurance Branch.

3.8.46.1.5
(12-10-2024)
Related resources

- (1) **A locked container is any metal container with riveted or welded seams which is locked and to which the keys and combinations are controlled.** Keys to the locked container must never be left out in the open or in an unlocked drawer or cabinet, they must be kept in a locked drawer or cabinet controlled by the manager or manager designee when not in use. Discovered Remittances must be held in the area and building of discovery, and not delivered or hand carried to areas that are not in close proximity, or to other buildings until delivered to Receipt and Control for Deposit.
- (2) All safes or vaults with a combination lock used to store discovered remittances, discovered cash or items of value until delivered to the Submission Processing Receipt and Control deposit function, must adhere to guidelines established in *IRM 10.2.14.3.6, Combination Control and Safeguarding*. Ensure Form 700, Security Container Information, is placed inside the safe and is current. The combination must be changed whenever the following occurs:
 - When the safe or lock is originally received.
 - At least once every three years.
 - When an employee who knows the combination retires, terminates employment or transfers to another office job.
 - Whenever the combination is compromised.

IRS Offices can place an order for Form 700 at www.gsaglobalsupply.gsa.gov or www.gsaadvantage.gov with either a government purchase card or AAC (Activity Address Code). The Stock Number is 7540-01-214-5372. **Current Revision Date:** 04/2001.

3.8.46.2
(12-10-2024)
Annual Clearance of IRM

- (1) This IRM is updated and published annually after review and concurrence by impacted stakeholders according to the clearance process established in IRM 1.11.9, Internal Management Documents, Clearing and Approving Internal Management Documents (IMDs).
- (2) Functional areas are responsible for reviewing the information in this IRM annually to ensure accuracy, consistency, and to promote effective program administration.

3.8.46.3
(06-25-2024)
Discovered Remittances

- (1) All campus employees identifying discovered remittances that are cash or gold coins (U.S. currency only,) or other items of value, including personal checks, money orders, cashier's checks, business checks, certified checks, voucher checks, treasury checks, draft/postcard type checks, travelers checks, and credit, debit, and gift cards, must immediately notify their unit manager or designee. **A manager or designee must be available at all times during business hours to receive and immediately log the discovered remittances on Form 4287, Record of Discovered Remittances.** The cash must be counted by the unit manager or designee and witnessed by the discovering employee when found in any function. Notate on Form 4287 in the "Name" column with the following, "Cash counted and verified." When needed, more than one line can be used to record information on Form 4287. Ensure the discovering employee and unit manager initial the Form 4287 in the appropriate column to verify the cash has been counted and verified.
 - a. When a credit or debit card is discovered, record only the last four digits of the credit or debit card number, the expiration date, the taxpayer's name and social security number (SSN) on Form 4287. (The last four digits of the credit or debit card number and the expiration date must be entered in the "Type of Remit" column).
- (2) If the remittance is attached to a tax return, the remittance and tax return must be processed together following the instructions below.
 - a. If a payment is received with a valid U.S. federal tax return and a Form W-7, Application for IRS Individual Taxpayer Identification Number, for the primary taxpayer, the payment will be posted with a temporary number until the individual taxpayer identification number (ITIN) application is processed and an ITIN assigned. Attach a copy of the Form 3244, Payment Posting Voucher, to the Form W-7 or Form W-7SP (Spanish) and tax return.
 - a. If a single remittance is discovered and more than one return is attached, enter the total amount of the remittance in the "Amount of Remit" column on Form 4287 (This is a split payment). Enter "Split" on the next line under the "Amount of Remit" column along with the number of returns that were received with the remittance.

Example: If three returns were received, enter "Split 3."

Enter the taxpayer's name and SSN on Form 4287 in the appropriate columns. For each return associated with the check, enter the type of document and the related tax period in the appropriate columns on Form 4287.

- b. An entirely blank check with a tax return is not considered a discovered remittance if the check has "Non-Negotiable" or "VOID" stamped or written on the check. Leave the blank check attached to the document. If the blank check is loose and not associated with a document, then it must be routed to Receipt & Control on Form 4287.
 - c. If "Non-Negotiable" or "VOID" is not written on the blank check, it must be routed to Receipt & Control on Form 4287.
- (3) Campus employees must prepare a Form 3244, Payment Posting Voucher, for every taxpayer associated with the discovered remittance. Locally, Receipt and Control will coordinate Form 3244 preparation responsibilities with pipeline production operations. The current version of Form 3244 will be used and can be found on the Publishing Website at *Form 3244* Preparation of Form 3244 is outlined below. The remittance and Form 3244 must then be processed together following further instructions below:

- a. **SSN/EIN** - Enter the taxpayer's SSN, ITIN or employer identification number (EIN).
- b. **Form Number/MFT** - Enter the Master File Tax (MFT) account code (reference Document 6209).
- c. **Tax Period** - Enter the tax period in YYYYMM format.
- d. **Transaction/Received Date** - Enter the date the payment was received or the postmark date, if applicable in MM-DD-YYYY format.

Note: The integrity of the IRS received date must be maintained. All payments must be credited with the earliest received date by the IRS or Department of Treasury. If a remittance is discovered in pipeline processing and the IRS received date is missing, the received date on the Form 9382, Batch/Block Tracking System (BBTS) Batch Transmittal can be used. If the received date cannot be determined, use the postmark date on the envelope. If no envelope is provided or if the postmark date is illegible, use the date of the remittance as the received date. When multiple received dates are stamped on the source document, review all of the available information (i.e., source document, postmark on envelope, date on remittance, etc.) to appropriately determine the official IRS received date stamp of the discovered remittance.

- e. **Taxpayer Name, Address and ZIP Code** - enter the taxpayer's last name, first name and the complete address.
- f. **Debit Transaction Data Amount** - Enter one secondary assessment transaction code with dollars and cents. If the transaction code is 570, enter "00" or "blank" in the money field.
- g. **Credit Transaction Data Amount** - Enter the credit transaction code with dollars and cents. Enter the appropriate Designated Payment Code in the indicator box (see Document 6209).
- h. **Remarks** - Enter appropriate remarks when necessary, such as Plan Number for Tax Exempt/Government Entities (TE/GE) and Employee Plans Master File (EPMF) forms and documents.
- i. **Prepared by** - Enter the employee number or the employee's name and unit.

Note: Any correspondence received must be forwarded to the correct function for processing.

Exception: If the discovered remittance is associated with a preparer tax identification number (PTIN) application, a Form 3244 does not need to be prepared. Receipt and Control will transship the documentation and remittance as outlined in *IRM 3.8.45.30.6(2)e, Exceptions to Payment Processing*.

- (4) If the remittance is found with no tax return and you are unable to determine the correct taxpayer account, the campus employee must prepare a Form 3244 *See IRM 3.8.46.3(3) above* with as much information as possible. The Receipt and Control function will apply the payment utilizing Unidentified procedures in *IRM 3.8.45.11.3, Unidentified Remittances*.
- (5) Discovered remittances must be forwarded to Receipt and Control daily with the Part 1 (Redirect to Originator after R&C) white copy and Part 2 (Retain by R&C) pink copy of the three part Form 4287. Discoverer will retain part 3 (Retain by Originator) yellow copy. The electronic Form 4287 found on the Electronic Publishing Web Site should also be used. Please ensure the correct copy of the three part form is being retained or delivered. If utilizing the electronic version, ensure all parts of Form 4287 are individually dated and initialed by all parties, or carbon paper may be utilized.
- (6) All discovered remittances that are 30 days or older must be researched by the Payment Perfection Unit (PPU) in Receipt and Control, if discovered in a Submission Processing Campus. If the remittance is discovered at a Campus Support location, the Campus Support Payment Perfection function will conduct the research. If appropriate, action must be taken to prevent adverse taxpayer impact. *Refer to IRM 3.8.45.5.7.1(1), Discovered Remittances Over 30 Days Old*.
- (7) Each unit manager or designee will maintain a daily Form 4287, Record of Discovered Remittances, to record discovered remittances.
- (8) A sequential number beginning with 001 must be assigned to each Form 4287 that is prepared throughout the current January through December calendar year. (i.e., if 50 Forms 4287 have been completed throughout the year they must be numbered 001 thru 050). The number must be placed in the upper left hand corner of Form 4287.
- (9) Before any sealed package containing a Form 4287 and related discovered remittances can be released to the designated employee that will hand-deliver the package to another employee or site, the designated employee must complete Form 4287B, Form 4287 Courier Log for Discovered Remittances. The number assigned to the Form 4287 must be noted in the first column of the Form 4287B.
- (10) The area that initiates the Form 4287 will retain the Form 4287 and the Form 4287B for two years after the end of the processing year.
- (11) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

- (12) **IRM Deviation Statement:** IRM deviations must be submitted in writing following instructions from *IRM 1.11.2.2, Internal Management Documents System - Internal Revenue Manual (IRM) Process*, and elevated through appropriate channels for executive approval.

3.8.46.3.1
(04-02-2024)

**Remittances Taken
Immediately to Receipt
and Control**

- (1) The manager or designee will immediately record the remittance on the daily Form 4287.
- (2) If the discovering unit is located within the same building, the remittances, Form 3244 (*See IRM 3.8.46.3 (4) and (5)*) and Part 1 and Part 2 of the Form 4287 will be placed in a sealed envelope. The initiating manager will retain Part 3 of Form 4287 for their records.

Note: If the Discovered Remittance is associated with a PTIN application, a Form 3244 does not need to be prepared. Notate on Form 4287, "Form 3244 is not included, PTIN Application". Receipt and Control will transship the documentation and remittance as outlined in *IRM 3.8.45.30.6(2)e, Exceptions to Payment Processing*.

- (3) A designated unit employee will hand-deliver the sealed envelope to the Receipt and Control function. The designated unit employee must complete Form 4287B before the sealed Form 4287 package is released to the employee. The number assigned to Form 4287 must be shown in column 1 of Form 4287B.
- (4) The receiving employee within Receipt and Control will initial beside each of the remittances on the Form 4287 to indicate the remittance has been received and the information on the Form 4287 is correct.
- (5) The receiving employee will give Part 1 of the initialed Form 4287 back to the unit employee.
- (6) The unit employee will return Part 1 of Form 4287 to the unit manager or designee.
- (7) Within seven business days after the date the discovered remittance was sent to Receipt and Control, the unit manager will reconcile Part 1 of the Form 4287 to Part 3. Once this has been done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all remittances sent to the designated Receipt and Control function were received. If unable to obtain Part 1 back from Receipt and Control, ensure IDRS research is completed verifying the payment has posted to the taxpayer's account. Attach the IDRS print to Part 3 of the Form 4287. If the payment has not posted to the taxpayer's account or has not been identified in Unpostables function inventory, the unit manager will report any discrepancies to the Submission Processing Receipt and Control manager and document the contact. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (8) Both Part 1 and Part 3 of Form 4287 and Form 4287B will be retained for two years after the end of the processing year.
- (9) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.3.2
(04-02-2024)
**Centralized Offer In
Compromise (COIC)
Operation “Offer”,
“Deposit” or
“Application Fee”
Discovered Remittance
Procedures**

- (1) If an “Offer”, “Deposit”, or “Application Fee” remittance is found in the COIC Operation, outside of the Campus Support/Receipt and Control Operation, the discovered remittance must be taken immediately to a manager or their designee.
- (2) The manager or their designee will immediately complete the Form 4287, Record of Discovered Remittances (Rev. 11/2007), and **place the discovered remittance in a locked container.**

Note: A

locked container is “any metal container with riveted or welded seams which is locked and to which the keys and combinations are controlled”. Per *IRM 10.2.14.3.6, Combination Control and Safeguarding*, keys to the locked container must never be left out in the open or in an unlocked drawer or cabinet, they must be kept in a locked drawer or cabinet controlled by the manager or manager designee when not in use.

- (3) At least once per day, the manager or designee will remove the remittances from the locked container and secure using one of the following methods:
 - a. Sealed in an envelope and placed in a **lockable canvas bag**.
 - b. Double-wrapped in opaque paper sealed envelopes or boxes.
- (4) The inside envelope or box is required to contain the following:
 - a. The name of the campus Receipt and Control/Campus Support person or function/team authorized to open the package.
 - b. The address, including the mail stop number, of the receiving office.
 - c. The return address of the office mailing the package.
- (5) The outside envelope is required to contain the following:
 - a. The office name and address (including mail stop number) of the receiving office.
 - b. The return address of the office mailing the package.
- (6) Form 4287B, Form 4287 Courier Log for Discovered Remittances, must be completed by the employee designated to hand-deliver the sealed package to Receipt and Control before the package is released to the employee. The number assigned to Form 4287 must be shown in the first column of Form 4287B.
- (7) The remittance(s) and Part 1 and Part 2 of the Form 4287 must be brought to the designated COIC employee(s) physically located in Campus Support/Receipt and Control Operation. Part 3 will be forwarded to the designated COIC night shift manager for later reconciliation with the returned Part 1.
- (8) Upon receipt of the Form 4287, the receiving COIC employee will initial and date beside each “Offer”, “Deposit” or “Application Fee” to indicate the remittance has been received.
- (9) The receiving COIC employee will send Part 1 of Form 4287 back to the designated night shift COIC manager or night shift designee. **This process must be completed on the same day that the remittance was received.**
- (10) Once the night shift COIC manager receives Part 1 of Form 4287, the Manager will reconcile Part 1 to Part 3 of Form 4287. Once this has been

done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all remittances sent to the designated COIC employee in the Mail File Operation were received.

- (11) The night shift COIC unit manager will report any discrepancies to the Mail File COIC employee manager. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (12) Both Part 1 and Part 3 of Form 4287 and Form 4287B will be retained for two years after the end of the processing year by the sending function.
- (13) Part 2 of Form 4287 will be retained by the work area of the COIC employee physically located in the Mail File Operation for two years after the end of the processing year.
- (14) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.3.3 (04-02-2024)

Remittances Not Taken Immediately to Receipt and Control - Function Is Located in the Same Building as Receipt and Control

- (1) The manager or designee will immediately record the remittance on the daily Form 4287.
- (2) A manager or designee must be available at all times during business hours to receive remittances.
- (3) A single team, department or operation may be designated to receive remittances from several surrounding departments.
- (4) After immediately recording the remittance on the daily Form 4287, the remittances will be placed in a **locked container**.
- (5) A locked container is "any metal container with riveted or welded seams which is locked and to which the keys and combinations are controlled." Per *IRM 10.2.14.2.9, Key Control and safeguarding*, keys to the locked container must never be left out in the open or in an unlocked drawer or cabinet, they must be kept in a locked drawer or cabinet controlled by the manager or manager designee when not in use.
- (6) At least once per day, the manager or designee will remove the remittances from the locked container.
- (7) The remittances, Forms 3244 (*See IRM 3.8.46.3(4) and (5)*) and Part 1 and Part 2 of daily Form 4287 will be placed into a sealed envelope. The initiating manager will retain Part 3 of Form 4287 for their records.

Note: If the discovered remittance is associated with a PTIN application, a Form 3244 does not need to be prepared. Notate on Form 4287, "Form 3244 is not included, PTIN Application". Receipt and Control will transship the documentation and remittance as outlined in *IRM 3.8.45.30.6(2)e, Exceptions to Payment Processing*.

- (8) The unit employee designated to deliver the envelope to the Receipt and Control function must complete the Form 4287B before the sealed envelope is released. The number assigned to the Form 4287 must be shown in the first column of the Form 4287B.

- (9) The receiving employee within Receipt and Control will initial beside each of the remittances on the Form 4287 to indicate the remittance has been received and the information on the Form 4287 is correct.
- (10) The receiving employee will give Part 1 of the initialed Form 4287 back to the unit employee.
- (11) The unit employee will return the Part 1 of Form 4287 to the unit manager.
- (12) Within seven business days after the date the discovered remittance was sent to Receipt and Control, the unit manager will reconcile Part 1 of the Form 4287 to Part 3. Once this has been done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all remittances sent to the designated Receipt and Control function were received. If unable to obtain Part 1 back from Receipt and Control, ensure IDRS research is completed verifying the payment has posted to the taxpayer's account. Attach the IDRS print to Part 3 of the Form 4287. If the payment has not posted to the taxpayer's account or has not been identified in Unpostables function inventory, the unit manager will report any discrepancies to the Submission Processing Receipt and Control manager and document the contact. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (13) Both Part 1 and Part 3 of Form 4287 and Form 4287B will be retained for two years after the end of the processing year.

Note: All remittances of \$50,000 or more must be immediately taken to the designated Receipt and Control function using the procedures in *IRM 3.8.46.3.1*.

- (14) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.3.4
(04-02-2024)

Remittances Not Taken Immediately to Receipt and Control - Function Is NOT Located in the Same Building as Receipt and Control

- (1) The manager or designee will immediately record the remittance on the daily Form 4287.
- (2) A manager or designee must be available at all times during business hours to receive remittances.
- (3) A single unit, branch or operation may be designated to receive remittances from several surrounding units.
- (4) After immediately recording the remittance on the daily Form 4287 Record of Discovered Remittances, the remittances will be placed in a **locked container**.
- (5) A locked container is "any metal container with riveted or welded seams which is locked and to which the keys and combinations are controlled" per *IRM 10.2.14.2.9, Key Control and Safeguarding*. Keys to the locked container must never be left out in the open or in an unlocked drawer or cabinet, they must be kept in a locked drawer or cabinet controlled by the manager or manager designee when not in use.
- (6) At least once per day, the manager or designee will remove the remittances from the locked container and secure using one of the following methods:

- a. Sealed in an envelope and placed in a lockable canvas bag.
 - b. Double-wrapped and double-sealed in opaque paper envelopes or boxes.
- (7) The inside envelope or box is required to contain the following:
- a. The name of the campus Receipt and Control person or function/team authorized to open the package.
 - b. The address, including mail stop number, of the receiving office.
 - c. The return address of the office mailing the package.
- (8) The outside envelope or box is required to contain the following:
- a. The office name and address (including mail stop number) of the receiving office.
 - b. The return address of the office mailing the package.
- (9) The remittances, Forms 3244 (*See IRM 3.8.46.3(4) and (5)*) and Part 1 and Part 2 of the Form 4287 must be hand-delivered by IRS courier or sent by overnight traceable mail to the designated Receipt and Control function. The IRS courier can be the interoffice mail courier or other designated IRS employee. The initiating manager will retain Part 3 of Form 4287 for their records.

Note: If the discovered remittance is associated with a PTIN application, a Form 3244 does not need to be prepared. Notate on Form 4287, "Form 3244 is not included, PTIN Application". Receipt and Control will transship the documentation and remittance as outlined in *IRM 3.8.45.30.6(2)e, Exceptions to Payment Processing*.

- (10) The remittances must be stored in a **locked container**, as described in *IRM 3.8.46.3.3(4) and (5)* until picked up by the courier. Remittances are not to be left unattended pending pickup by the courier. The courier must complete Form 4287B before the remittances and Form 4287 are released. The number assigned to the Form 4287 must be shown in the first column of Form 4287B.
- (11) The receiving employee within Receipt and Control will initial beside each of the remittances on the Form 4287 to indicate the remittance has been received and the information on the Form 4287 is correct.
- (12) On the day of receipt, the receiving employee will send Part 1 of Form 4287 back to the sending unit manager or designee.
- (13) Within seven business days after the date the discovered remittance was sent to Receipt and Control, the unit manager will reconcile Part 1 of the Form 4287 to Part 3. Once this has been done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all remittances sent to the designated Receipt and Control function were received. If unable to obtain Part 1 back from Receipt and Control, ensure IDRS research is completed verifying the payment has posted to the taxpayer's account. Attach the IDRS print to Part 3 of the Form 4287. If the payment has not posted to the taxpayer's account or has not been identified in Unpostables function inventory, the unit manager will report any discrepancies to the Submission Processing Receipt and Control manager and document the contact. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.

- (14) Both Part 1 and Part 3 of Form 4287 and Form 4287B will be retained for two years after the end of the processing year.
- (15) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.3.4.1
(03-27-2023)

**Remittances Not Taken
Immediately to Receipt
and Control -
Remittances Found at
Home During Telework**

- (1) Telework employees will immediately record the remittance on an electronic PDF Form 4287 and notify their manager.
- (2) Immediately after recording the remittance on the Form 4287, e-mail the form to your manager for signature.
- (3) Store the remittance in a sealed envelope addressed to the deposit manager and in a safe place. Hand deliver the remittance to the secured area in Deposit as soon as possible and before the end of the current workday.
- (4) The receiving manager of the electronic form 4287 will sign the form and e-mail to the Deposit manager and inform the HQ Deposit analyst of the discovered remittance.
- (5) Deposit will initial the Form 4287 in the received unit columns and email back to the discovering unit manager for reconciliation.
- (6) Discovering employee manager will reconcile the Form 4287 within 7 business days.

3.8.46.4
(05-20-2021)

**Cash or Other Items of
Value Found Outside of
Receipt and Control**

- (1) All campus employees identifying discovered remittances that are cash or other items of value, including credit, debit and gift cards must immediately notify their unit manager or designee. A manager or designee must be available at all times during business hours to receive and immediately log the discovered remittances on Form 4287. The cash must be counted by the unit manager or designee and witnessed by the discovering employee when found in any function. After counting discovered cash, notate "Cash counted and verified" in the "Name" column of Form 4287. Ensure the discovering employee and unit manager initial the Form 4287 in the appropriate column to verify the cash has been counted and verified.
- (2) When postage stamps are discovered and their total value is less than \$3.00, cross through the stamps and permanently affix them to the related return or document without obscuring taxpayer information or data. Retain the return or document with the regular work.
 - a. Discovered postage stamps valued at \$3.00 or more must be recorded on Form 4287 and forwarded to Receipt and Control for further processing. On Form 4287, enter "U.S. Postage Stamp" (or the appropriate descriptive information) in the "Type of Remit" column and enter the amount/value of the stamp in the "Amount of Remit" column.
 - b. If the value of the stamp cannot be determined, complete Form 4287 and forward to Receipt and Control, however enter "NA" (for not available) in the "Amount of Remit" column on Form 4287.
- (3) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.4.1
(04-02-2024)

Function Located in the Same Building as Receipt and Control

- (1) Each unit manager or designee will immediately record cash or other items of value, including credit, debit and gift cards on a Form 4287. This will be a separate log from the daily Form 4287 used for checks.

Note: Cash or other items of value must be hand-delivered to Receipt and Control on the same day that it is identified. There could be instances where a designated Receipt and Control employee would not be available (off season, swing shift). In this instance, the cash or other items would need to be stored in a **locked** security container (up to \$1000) or a safe or vault (over \$1000).

- (2) If the discovering unit is located within the same building, the cash or other items of value and Part 1 and Part 2 of the Form 4287 will be placed into a sealed envelope. The initiating manager will retain Part 3 of Form 4287 for their records.
- (3) The unit employee designated to hand-deliver the envelope to the Receipt and Control function must complete Form 4287B before the sealed envelope is released. The number assigned to the Form 4287 must be shown in the first column of Form 4287B. The designated unit employee will immediately hand-deliver the envelope to the Receipt and Control function.
- (4) The receiving employee within Receipt and Control will initial beside the item listed on the Form 4287 to indicate the cash or other items of value has been received and the information on the Form 4287 is correct.
- (5) The receiving employee will give Part 1 of Form 4287 back to the unit employee.
- (6) The unit employee will return Part 1 of Form 4287 to the unit manager or designee.
- (7) Within seven business days after the date the cash or other items of value were hand-delivered to Receipt and Control, the unit manager will reconcile Part 1 of the Form 4287 to Part 3. Once this is done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all cash or items of value sent to the designated Receipt and Control function were received.
- (8) Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (9) Both Part 1 and Part 3 of Form 4287 and Form 4287B will be retained for two years after the end of the processing year.
- (10) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.4.2
(04-02-2024)

Function NOT Located in the Same Building as Receipt and Control

- (1) Each unit manager or designee will immediately record cash or other items of value on a Form 4287. This will be a separate master from the daily Form 4287 used for checks.
- (2) On the same day that cash or other items of value are identified, the discovering unit manager or designee will contact the manager of the Receipt and Control function.

- (3) The managers will determine the most expeditious, secure method of getting the items of value to the Receipt and Control function.

Note: There could be instances where a designated Receipt and Control employee would not be available (off season swing shift). In this instance, the cash or other items would need to be stored in a **locked security container** (up to \$1000) or a **locked safe or vault** (over \$1000).

- (4) The cash or other item(s) of value along with Part 1 and Part 2 of daily Form 4287 will be secured using one of the following methods:
- a. Sealed in an envelope and placed in a lockable canvas bag OR,
 - b. Double-wrapped and double-sealed in opaque paper envelopes or boxes.
- (5) The inside envelope or box is required to contain the following:
- a. The name of the campus Receipt and Control person or function/team authorized to open the package.
 - b. The address, including mail stop number, of the receiving office.
 - c. The return address of the office that is forwarding the package.
- (6) The outside envelope or box is required to contain the following:
- a. The office name and address (including mail stop number, if appropriate) of the receiving office.
 - b. The return address of the office mailing the package.
- (7) The initiating manager will retain Part 3 of Form 4287 for their records.
- (8) Before being released, the courier/designated employee who will hand-deliver the remittances and Form 4287 to Receipt and Control must complete Form 4287B, Form 4287 Courier Log for Discovered Remittances. The number assigned to the Form 4287 must be shown in the first column of Form 4287B.
- (9) The receiving employee within Receipt and Control will open the sealed envelope in the presence of the delivering unit employee. The receiving employee within Receipt and Control will initial beside the item listed on the Form 4287 to indicate the cash or other items of value has been received and the information on the Form 4287 is correct.
- (10) The receiving employee will give Part 1 of Form 4287 back to the unit employee.
- (11) The unit employee will return Part 1 of Form 4287 to the unit manager or designee.
- (12) Within seven business days after the date the cash or other items of value were hand-delivered to Receipt and Control, the unit manager will reconcile Part 1 of the Form 4287 to Part 3. Once this is done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all cash or items of value sent to the designated Receipt and Control function were received.
- (13) Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (14) Both Part 1 and Part 3 of Form 4287 and Form 4287B will be retained for two years after the end of the processing year.

3.8.46.5
(04-02-2024)

**Cash or Item of Value
Discovered within
Receipt and Control**

- (15) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.
- (1) Any processing employee identifying cash or items of value, including credit cards, debit and gift cards must immediately notify the unit manager or designee.
- (2) The cash must be counted by the unit manager or designee and witnessed by the discovering employee.
- (3) The manager or designee will immediately record the remittance on the daily cash or other items of value on Form 4287.
- (4) The manager or designee will place the cash or item of value into a sealed envelope.
- (5) A manager or designee must be available at all times during business hours to receive remittances.
- (6) If not delivered immediately to the Deposit Unit, the manager or designee must store the envelope in a **locked safe** (If the amount to be stored is less than \$1,000, a locked security container may be used).
- (7) safe-type container is one of the following:
- A safe-type container accepted for general use by the IRS, General Services Administration (GSA), or Underwriters Laboratories (UL) Listing (Consult your local Physical Security and Emergency Preparedness security office).
 - Approved vaults by IRS and GSA.
- (8) At least once per day (or once weekly for campuses depositing cash on a weekly basis), prior to close of business, a clerk must hand-deliver the sealed envelopes and Part 1 and Part 2 of the daily cash or other items of value Form 4287 to the Deposit Unit; or a clerk from the Deposit Unit should pick up the sealed envelopes and Part 1 and Part 2 of the daily cash or other items of value Form 4287. The initiating manager will retain Part 3 of Form 4287 for their records. The clerk must complete Form 4287B, Form 4287 Courier Log for Discovered Remittances, before the sealed envelopes are released for hand-delivering to the Deposit Unit. The number assigned to Form 4287 must be shown in the first column of Form 4287B.
- (9) The sealed envelopes must be opened in the presence of the Extraction Unit and the Deposit Unit employees.
- (10) If no cash or items of value are found, a **SEPARATE** Form 4287 must be prepared for **EACH BUSINESS DAY** that no cash or items of value were discovered. **"No Cash"** must be annotated in large letters across the form along with the date.

Note: For campuses that deposit cash on a weekly basis without converting the cash, a separate Form 4287 for each day does not have to be completed. A continuous Form 4287 may be used until the cash is deposited. "No Cash" must still be entered next to the date if there was none received for that day.

- (11) All items noted on the copy of the daily cash or other items of value Form 4287 will be initialed by the Deposit Unit clerk to acknowledge receipt.
- (12) If items are missing, the employees will immediately notify the Deposit Unit manager. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (13) Part 1 of the daily Form 4287 with the initials acknowledging receipt will be returned to the sending unit.
- (14) Within seven business days after the date the cash or other items of value were hand-delivered to Deposit or picked up by Deposit, the unit manager will reconcile Part 1 of the Form 4287 to Part 3. Once this is done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all cash or items of value sent to the designated Receipt and Control function were received.
- (15) Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (16) Both Part 1 and Part 3 of the daily Form 4287 will be retained for two years after the end of the processing year.
- (17) Using the latest date shown on Form 4287B, Form 4287 Courier Log for Discovered Remittances, as the basis, the function that initiates the Form 4287B must retain the Form 4287B for two years after the end of the processing year.
- (18) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.6
(04-02-2024)
**Remittance Discovered
at a Campus Support
Site**

- (1) The manager or designee will immediately record the remittance on the daily Form 4287.
- (2) A manager or designee must be available at all times during business hours to receive remittances.
- (3) A single unit, branch or operation may be designated to receive remittances from several surrounding units.
- (4) After immediately recording the remittance on the daily Form 4287, the remittances and Form 4287 will be **placed in a locked container**.
- (5) A locked container is "any metal container with riveted or welded seams which is locked and to which the keys and combinations are controlled." Keys to the locked container must never be left out in the open or in an unlocked drawer or cabinet, they must be kept in a locked drawer or cabinet controlled by the manager or manager designee when not in use.
- (6) At least once per day, the manager or designee will remove the remittances, Form 3244 *See IRM 3.8.46.1(4) and (5)* and Part 1 and Part 2 of Form 4287 (Part 3 will be retained by the manager) from the locked container and must be secured using one of the following methods:
 - a. Sealed in an envelope and placed in a **lockable canvas bag**.
 - b. Double-wrapped and double-sealed in opaque paper envelopes or boxes.

Note: If the discovering unit is located in the same building as the Campus Support function, the discovered remittance should be placed in a sealed envelope only if hand-delivered to Campus Support. The envelope must contain the same information on the envelope as notated below in.

- (7) The inside envelope or box is required to contain the following:
 - a. The name of the Campus Support person authorized to open the package.
 - b. The address, including mail stop number, of the receiving Campus Support office.
 - c. The return address (including mail stop number) of the office mailing the package.
- (8) The outside envelope, box or lockable canvas bag is required to contain the following:
 - a. The office name and address (including mail stop number) of the receiving Campus Support office.
 - b. The return address (including mail stop number) of the office mailing the package.
 - c. Campus Support requires that a photocopy of Form 4287 must be attached.
- (9) Form 4287B, Form 4287 Courier Log for Discovered Remittances, must be completed by the courier before the sealed envelope is released to Campus Support. The number assigned to the Form 4287 must be shown in the first column of Form 4287B.
- (10) Campus Support has capability to process payments through Remittance Strategy for Paper Check Conversion (RSPCC) and must process discovered remittances if possible. Campus Support instructions for processing discovered remittances can be found in *IRM 21.1.7.9.20, Discovered Remittance*. If for some reason the discovered remittance cannot be processed through RSPCC, the remittances, Form 3244, Part 1 and Part 2 of the Form 4287 must be sent by overnight traceable mail to the designated Receipt and Control site. The initiating manager will retain Part 3 of Form 4287 for their records.

Note: If the Discovered Remittance is associated with a PTIN application, a Form 3244 does not need to be prepared. Notate on Form 4287, "Form 3244 is not included, PTIN Application". Campus Support will transship the documentation and remittance as outlined in *IRM 3.8.45.30.6(2)e, Exceptions to Payment Processing*.

- (11) The remittances must be stored in a **locked container**, as described in *IRM 3.8.46.4 (4) and (5)*, until picked up by the overnight mail company. Remittances are not to be left unattended pending pickup by the overnight mail company.
- (12) The receiving employee within Submission Processing Receipt and Control will initial beside each of the remittances on the Form 4287 to indicate the remittance has been received and the information on the Form 4287 is correct.
- (13) On the day of receipt, the receiving employee will return Part 1 of Form 4287 to the sending unit manager or designee.

- (14) Within seven business days after the date the discovered remittance was sent to Submission Processing Receipt and Control, the unit manager will reconcile Part 1 of the Form 4287 to Part 3. Once this has been done, the unit manager will initial and date the box at the bottom of Part 1 and staple Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all remittances sent to the designated Receipt and Control function were received. If unable to obtain Part 1 back from Receipt and Control, ensure IDRS research is completed verifying the payment has posted to the taxpayer's account. Attach the IDRS print to Part 3 of the Form 4287. If the payment has not posted to the taxpayer's account or has not been identified in Unpostables function inventory, the unit manager will report any discrepancies to the Submission Processing Receipt and Control manager and document the contact. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting*.
- (15) Both Part 1 and Part 3 of Form 4287 will be retained for two years after the end of the processing year.
- (16) Using the latest date shown on the Form 4287B as the basis, the function that initiates the Form 4287B must retain the Form 4287B for two years after the end of the processing year.
- (17) Management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed.

3.8.46.7
(01-01-2012)
**Discovered Remittances
in Field Offices**

- (1) Remittances collected by field office employees are not discovered remittances for purposes of *IRM 3.8.46*. Field office employees that collect remittances must transmit collected remittances on the day of receipt or as soon as possible the next business day. Refer to *IRM 3.8.47.5.4, Procedures for Sending Tax Receipts to a Submission Processing Center*, and *Addresses for Field Office Employee-Collected Remittances*.

3.8.46.8
(06-25-2024)
**Discovered Remittances
by Industry Partners**

- (1) Industry Partners identifying discovered remittances that are cash or gold coins (U.S. currency only,) or other items of value, including personal checks, money orders, cashier's checks, business checks, certified checks, voucher checks, treasury checks, draft/postcard type checks, travelers checks, and credit, debit, and gift cards, must immediately notify their Industry Partners manager or designee and immediately notated on Form 4287, Record of Discovered Remittance.
- (2) If cash is discovered, the cash must be counted by the Industry Partner manager or designee and witnessed by the discovering employee when found. Notate on Form 4287, in the "Name" column with the following, "Cash counted and verified." When needed, more than one line can be used to record information on Form 4287. Ensure the discovering employee and Industry Partner manager initial the Form 4287 in the appropriate column (Discoverer columns) to verify the cash has been counted and verified.
- (3) When a credit, debit, or gift card is discovered, record only the last four digits of the credit, debit, or gift card number, the expiration date, the taxpayer's name and social security number (SSN) on Form 4287. (The last four digits of the credit, debit, or gift card number and the expiration date will be entered in the "Type of Remit" column on Form 4287).

- (4) If the remittance is attached to a tax return, the remittance and tax return must be processed together following the instructions below.
 - a. If a payment is received with a valid U.S. federal tax return and a Form W-7, Application for IRS Individual Taxpayer Identification Number, for the primary taxpayer is attached, send the tax return, Form W-7 or Form W-7SP (Spanish) and the payment to IRS.
 - b. If a single remittance is discovered and more than one return is attached, enter the total amount of the remittance in the "Amount of Remit" column on Form 4287 (This is a split payment). Enter "Split" on the next line under the "Amount of Remit" column along with the number of returns that were received with the remittance. For Example: if three returns were received, enter "Split 3." Enter the taxpayer's name and SSN on Form 4287 in the appropriate columns. For each return associated with the check, enter the type of document and the related tax period in the appropriate columns on Form 4287.
 - c. An entirely blank check with a tax return is not considered a discovered remittance if the check has "Non-Negotiable" or "VOID" stamped or written on the check. Leave the blank check attached to the document. If the blank check is loose and not associated with a document, then it must be routed to IRS Receipt & Control on Form 4287. If "Non-Negotiable" or "VOID" is not written on the blank check, it must be routed to IRS Receipt & Control on Form 4287.
- (5) After immediately recording the remittance on the Form 4287, the remittances will be placed in a locked container. A locked container is "any metal container with riveted or welded seams which is locked and to which the keys are controlled." Keys to the locked container must never be left out in the open or in an unlocked drawer or cabinet, they must be kept in a locked drawer or cabinet controlled by the Industry Partner manager or manager designee when not in use.
- (6) A sequential number beginning with 001 must be assigned to each Form 4287 that is prepared throughout the current January through December calendar year. (i.e., if 50 Forms 4287 have been completed throughout the year they will be numbered 001 thru 050). The number will be placed in the upper left hand corner of Form 4287.
- (7) **Discovered Remittances must be shipped to the appropriate campus the same day as they are discovered using overnight traceable carrier (UPS, FED-EX, or DHL) along with Form 4287.** Please ensure all parts of Form 4287 are individually dated and digitally signed by all parties. The Industry Partner manager or designee will remove the remittances from the locked security container and secure in double-wrapped and double-sealed opaque(not see through) paper envelopes or boxes. The inside envelope or box is required to contain the following:
 - a. The name or title of the IRS person authorized to open the package.
 - b. The address, including mail stop number (M/S), of the receiving IRS Campus.
 - c. The return address of the office mailing the package (Industry Partner) including mail stop if applicable.
- (8) The outside envelope, or box is required to contain the following:

- a. The IRS campus name and address (including mail stop number (M/S)) of the receiving IRS campus.
 - b. The return address (including mail stop number (M/S)) of the office mailing the package (Industry Partner).
 - c. Campuses require a copy Form 4287 for each package sent to IRS.
- (9) Form 4287B, Form 4287 Courier Log for Discovered Remittances, must be completed by the Industry Partner before the sealed envelope is released to UPS, FED-EX, or DHL. The number assigned to the Form 4287 must be shown in the first column of Form 4287B.
 - (10) Form 4287B will be maintained on the Industry Partners Share Point site Discovered Remittance folder and can be added to each time a package is mailed to an IRS campus or office.
 - (11) Before any sealed package containing a Form 4287 and related discovered remittances can be released to UPS, Fed-Ex, or DHL, the Industry Partner designated employee must complete Form 4287B Courier Log for Discovered Remittances. The number assigned to the Form 4287 (The number entered in the top left margin) must be noted in the first column of the Form 4287B.
 - (12) Please send an email containing the UPS, Fed-EX, or DHL tracking number, and attach PDF copies of Form 4287 and all copies of Form 3210 except the
 - (13) The originator or sender (Industry Partner), who is accountable until the funds are received at the destination, must establish a control to ensure delivery of tax receipts and continually follow up until the package is confirmed as received at the destination.
 - (14) The sender (Industry Partner) must reconcile Form 4287 within seven (7) business days after the date the discovered remittance was sent to IRS to ensure the discovered remittance was received by IRS Receipt and Control for processing.
 - (15) The sender (Industry Partner) must reconcile Form 4287 within seven (7) business days after the date the discovered remittance was sent to IRS to ensure the discovered remittance was received by IRS Receipt and Control for processing.
 - (16)) The Form 4287 will be maintained on the Industry Partner's SharePoint site Discovered Remittance folder for two years after the end of the processing year, as required in Document 12990, IRS Records Control Schedule (RCS) 29, Item 137, to prevent inadvertent/unlawful destruction of records. Form 4287B will be maintained on paper and stored by the *IRM 3.8.46*.
 - (17) Industry Partner management must ensure that a hard copy of the most current *IRM 3.8.46* is readily available near the locked container where discovered remittances are placed
 - (18) Submission Processing Campus Addresses for Discovered Remittances only:

Internal Revenue Service
 ATTN: Manual Deposit Manager
 M/S 6056
 3651 S. IH 35
 Austin, TX 78741

Internal Revenue Service
 ATTN: Manual Deposit Manager
 M/S 7777
 333 W. Pershing Road
 Kansas City, MO 64108-4302

Internal Revenue Service
 ATTN: Pre-Batch Deposit Manager
 M/S 6062
 1973 N Rulon White Blvd.
 Ogden, UT 84201

3.8.46.8.1
 (04-02-2024)

**Discovered Remittance
 by Industry Partners -
 RCO Instructions**

- (1) IRS is currently working with 5 Industry Partners who are digitizing paper returns filed by Taxpayers. With this effort Industry Partners will find discovered remittances that must be sent to the IRS for deposit.
- (2) The Industry Partner's that could be sending discovered remittances to the campus deposit sites are:
 22nd Century
 Iron Mountain
 Brillent
 Resultant
 Ripcord
- (3) The industry partners instructions are to send discovered remittances back to the SP site that sent the paper returns. Austin, Kansas City, and Ogden could be receiving discovered remittances.
- (4) For Austin and Kansas City, the discovered remittances will be sent to the Deposit mail stop with an ATTN: Manual Deposit Manager. For Ogden, the discovered remittances will be sent to the Deposit Mail stop with an ATTN: Pre-Batch Deposit Manager.
- (5) the HQ manual deposit analyst will send an alert email with electronic Form 4287 and 3210 attached and the tracking number of the discovered remittance package will be in the body of the email.
- (6) Industry Partner's are not allowed to retain documentation containing PII at their sites and will destroy the original forms once the reconciliation process is complete. Therefore, IRS's reconciliation process for Industry partner discovered remittances will be different than for normal in house discovered remittances.
- (7) When the package is received, deposit will acknowledge the Forms 4287 and 3210 in receiving unit columns and keep these original documents for your records according to *IRM 3.8.46* for two years following the current processing year. **CAUTION: DO NOT MAIL OR EFAX AN ACKNOWLEDGED COPY OF EITHER FORM BACK TO THE INDUSTRY PARTNER.**
- (8) Deposit will, within 5 business days, print out the Forms 4287 and 3210 attached to the alert email and acknowledge the form 3210 and initial the rec'd unit column on Form 4287, scan into an email, and send the email back to the HQ manual deposit analyst. Refer to Document 12990, IRS Records Control Schedules (RCS) 29, Item 91 for the National Archives and Records Administration (NARA) approved Form 3210, Document Transmittal retention and disposition requirement

- (9) Deposit will research the taxpayers account of the remittance. If research shows the taxpayer sent in a replacement check do NOT process the payment. Always remember to use the correct IRS received date when posting taxpayer payments.

3.8.46.9

(04-02-2024)

**Voluntary Disclosure Practice (VDP) program
Discovered Remittance Procedures for Criminal Investigation (CI) Lead Development Center (LDC)**

- (1) Taxpayers or their representative are notified by letter from Criminal Investigation (CI) to submit the full voluntary disclosure submission to the Austin Campus to participate in the Voluntary Disclosure Practice (VDP) program. The submission must be sent in two separate parts, payments to Stop 1919, and other items to Stop 4301. See *IRM 3.8.46.6 .6(5)* for complete addresses.

Note: The IRS closed the Offshore Voluntary Disclosure Program (OVDP) effective September 30, 2018. Taxpayers or their representative are notified by letter from Criminal Investigation (CI) to submit the full voluntary disclosure submission to the Austin Campus to participate in the Offshore Voluntary Disclosure Program (OVDP) by September 30, 2018. Taxpayer instructions were to send in two separate parts, payments to Stop 1919, and other items to Stop 4301. See *IRM 3.8.46.6 (5)* for complete addresses. If you receive submissions, continue to process the payment as a VDP submission.

- (2) If a taxpayer remittance is sent inadvertently to the CI Lead Development Center (LDC), then it is a discovered remittance. The manager will immediately record the remittance on the daily Form 4287 Record of Discovered Remittances,.
- (3) After immediately recording the remittance on the daily Form 4287, the remittances will be placed in a locked container. A locked container is "any metal container with riveted or welded seams which is locked and to which the keys and combinations are controlled." Keys to the locked container must never be left out in the open or in an unlocked drawer or cabinet, they must be kept in a locked drawer or cabinet controlled by the manager or manager designee when not in use.
- (4) At least once per day, the manager or designee will remove the remittances from the locked container, and complete Form 14350, Voluntary Disclosure Practice Payment Posting Voucher, *Form 14350*. Use Form 14350 (in lieu of Form 3244 Payment Posting Voucher). Form 14350 has a tabulating feature and space to record payment amounts for multiple tax years.
- (5) Send Part 1 and Part 2 of Form 4287 Record of Discovered Remittances. (Part 3 will be retained by the manager) and send the completed Form 4287, remittances atop each completed Form 14350, via overnight traceable method to:

**Internal Revenue Service
3651 S. I H 35 Stop 1919 AUSC
Austin, TX 78741
ATTN: Voluntary Disclosure Practice**

All other required items from taxpayers must be sent to:

**Internal Revenue Service
3651 S. I H 35 Stop 4301 AUSC
Austin, TX 78741
ATTN: Voluntary Disclosure Practice**

- (6) The remittances must be secured for shipment using one of the following methods:
 - a. Sealed in an envelope and placed in a lockable canvas bag
 - b. Double-wrapped and double-sealed in opaque paper envelopes or boxes.
- (7) The inside envelope or box and the outside envelope, box or canvas bag is required to contain the following:
 - a. The receiving office address listed in *IRM 3.8.46.6 (5)* above.
 - b. The return address of the office mailing the package.
- (8) On the day of receipt, the receiving Austin Campus employee will send Part 1 of Form 4287 back to the LDC to the attention of the originator.
- (9) Within seven business days after the date the discovered remittance was sent to the Austin Voluntary Disclosure Practice address, the LDC manager will reconcile Part 1 of the Form 4287 to Part 3. This is done by the unit manager initialing and dating the box at the bottom of Part 1 and stapling Part 1 and Part 3 together. The purpose of the reconciliation is to ensure that all remittances sent to the Austin Voluntary Disclosure Practice address located in the Austin Receipt and Control function were received. If unable to obtain Part 1 back from Austin Receipt and Control, ensure IDRS research is completed verifying the payment has posted to the taxpayer's account. Attach the IDRS print to Part 3 of the Form 4287. If the payment has not posted to the taxpayer's account or has not been identified in Unpostables function inventory, the unit manager will report any discrepancies to the Submission Processing Receipt and Control manager and document the contact. Losses must be reported following the procedures provided in *IRM 3.0.167.5.2, Receipt Loss Reporting Requirements*.
- (10) Both Part 1 and Part 3 of Form 4287 will be retained for two years after the end of the processing year.

3.8.46.10
(12-10-2024)
Program Reviews

- (1) Program Reviews are mission critical to the health of accounting and deposit programs to ensure integrity of the general ledger accounts and accuracy of the financial statements. It is essential that each function conducts its operations with an emphasis on mitigating risks, identifying best practices, and adhering to IRM requirements. An objective assessment of program compliance, including all applicable procedures and guidelines, is necessary to ensure that adequate internal controls are in place.
- (2) **Program Effectiveness:** The program effectiveness includes conducting reviews and analysis to detect and identify material or significant deficiencies that could adversely impact IRS audits and/or financial statements. These reviews are necessary to ensure Submission Processing is conducting business as prescribed in the governing IRM's and are designed to identify potential internal control deficiencies that may impair the integrity of the general ledger accounts and/or financial reporting.
- (3) **Program Reviews:** A program review ensures actions are in accordance with IRM procedures. SP HQ Accounting and Deposit Section conducts program reviews to verify compliance with IRM requirements, address TIGTA/GAO findings, identify risks to internal controls, address error trends, and training

needs, as needed. In addition, the reviews ensure IRM procedures are applicable, adequate, and adhere to Department of the Treasury and/or IRS guidelines.

- a. Program reviews will be planned and conducted based on business needs and priorities.
 - b. Notification will be provided to the SP campus leadership in advance
 - c. Reviews will be conducted to evaluate program delivery and conformance to administrative and/or IRM compliance requirements.
 - d. The program review summary report will outline observations and recommendations for program guidance, corrective actions, and/or mitigation strategies, as appropriate.
 - e. A memorandum signed by the Director, SP will be forwarded to the Field Director, SP with a high-level overview of the areas of improvement.
 - f. Functional areas will retain a copy of the report and all applicable supporting documentation in a centralized location.
- (4) **Corrective Action Plan:** The Corrective Action Plan is a plan of action that is developed to resolve the condition that resulted in noncompliance with IRM requirements. In addition, an effective Corrective Action Plan identifies the root cause of problems to minimize or eliminate their recurrence. Corrective actions are developed, implemented, managed, and monitored to promote program improvement.
1. As part of the Program Review process, functional areas are required to provide a written Corrective Action Plan response to the review recommendations within 30 days of receiving the program review summary report.
 2. The Corrective Action Plan must include:
 - a. Date of Review
 - b. Program Reviewed
 - c. Recommendation/Risk Identified
 - d. Corrective Action
 - e. Completion Date
 3. A copy of the program review and Corrective Action Plan must be retained as substantive documentation and evidence of mitigation and/or remediation of the noncompliance.
 4. SP HQ Accounting and Deposit will follow-up up to ensure corrective actions have been taken and to provide any additional and/or ongoing support, as needed.
- (5) **Vulnerability Assessments:** A vulnerability assessment identifies, quantifies, and prioritizes the vulnerabilities of government programs and assets including systems/technology, property, funds, and employees. Vulnerability assessments should be conducted on any business process to assess the risks of business failure and/or weakness caused by internal or external factors.

Note: Local leadership is encouraged to perform operational reviews to evaluate program delivery and encourage conformance with IRM requirements.

This Page Intentionally Left Blank

Job Aid for Form 4287, Record of Discovered Remittances

Exhibit 3.8.46-1 (Cont. 1) (04-02-2024)**Job Aid for Form 4287, Record of Discovered Remittances**

5. Type of Doc - If remittance is discovered with a document, enter type of document (Form 941, Form 1040, etc.) or enter information in the Form Number/MFT box from Form 3244.
6. Tax Period - Tax Period of the document or from the Tax Period box from Form 3244.
7. Type of Remit - Check, money order, etc.
8. Amount of Remit - Money amount of the discovered remittance.
9. Received Date - IRS received date stamped on document or date entered in the Transaction/Received Date box from Form 3244.
10. Name - Name of individual taxpayer or business.
11. SSN/EIN - Taxpayer identification number (TIN) of individual taxpayer or business.
12. Discoverer Name - Name of employee that discovered the remit.
13. Discoverer Supervisor - Initials of management official from discovering function to verify cash has been counted/verified, the form is completed with all available information associated with the discovered remittance and the package is ready for release to Receipt and Control.
14. Rec'd Unit Initial - Initials of Receipt and Control Operations employee receiving the discovered remittance from the discovering function.
15. Rec'd Unit Date - Date the Receipt and Control Operations employee received the discovered remittance from the discovering function.
16. Manager's Reconciliation Initial and Date - The white top copy of Form 4287 labeled at the bottom of the Form as (Redirect to Originator after RC) will be received back from the Receipt and Control Operations after they accept the discovered remittances. It must be reconciled by the responsible manager against the yellow copy of Form 4287 labeled as (Retain by Originator). Reconciliation is needed to ensure the Form 4287 is received back from Receipt and Control with their initials and date verifying they have received the discovered remittances. Reconciliation of Form 4287 must be performed within seven business days after the date the discovered remittance was sent to Receipt and Control.
17. A sequential number beginning with 001 must be assigned to each Form 4287 that is prepared throughout the current January through December calendar year. (i.e., if 50 Forms 4287 have been completed throughout the year they must be numbered 001 thru 050). The number will be placed in the upper left hand corner of Form 4287.