



MANUAL TRANSMITTAL

Department of the Treasury
Internal Revenue Service

3.11.251

OCTOBER 21, 2025

EFFECTIVE DATE

(01-01-2026)

PURPOSE

- (1) This transmits revised IRM 3.11.251, Returns and Documents Analysis, Spousal Payment Transcript Processing.

MATERIAL CHANGES

- (1) IRM 3.11.251.1.7, Related Resources:
 - a. Paragraph (2) - Added Erroneous Refund (ERRF) tool job aid to the list of websites and electronic tools used. IPU 25U0400 issued 03-21-2025.
- (2) IRM 3.11.251.2, Processing Time Frames:
 - a. New subsection for SPT processing time frames. IPU 25U0215 issued 02-12-2025.
- (3) IRM 3.11.251.5, Integrated Data Retrieval System (IDRS) Access:
 - a. Paragraph (1) - Removed all references to CII and case ID. IPU 25U0400 issued 03-21-2025.
- (4) IRM 3.11.251.6, Spousal Payment Transcript (SPT) Organization Function Program (OFP) Information:
 - a. New subsection for the SPT OFP. IPU 25U0215 issued 02-12-2025.
- (5) IRM 3.11.251.7, What's a Spousal Payment Transcript (SPT):
 - a. Revised the frequency of the report received by Submission Processing (SP), 1040-X teams.
- (6) IRM 3.11.251.9.1, SPT Refund Prevention:
 - a. Paragraph (2) - Added the Activity Code and Category Code used when opening a control base. IPU 25U0400 issued 03-21-2025.
 - b. Paragraph (2) - Included instructions to open a control base and - R freeze on all SPT cases. Removed the table. IPU 25U0215 issued 02-12-2025.
 - c. Paragraph (2) - Updated SPT timeliness instructions to follow the chart upon receipt. IPU 25U0032 issued 01-07-2025.
 - d. Paragraph (3) - Removed paragraph (3). IPU 25U0215 issued 02-12-2025.
 - e. Paragraph (3) - Added instructions to open a control base. IPU 25U0032 issued 01-07-2025.
- (7) IRM 3.11.251.9.2, Processing a Spousal Payment Transcript:
 - a. Paragraph (1) - Added additional information when researching payments on the PTA. Added clarification when a payment has been transferred to an MFT other than 30 in the note. IPU 25U0400 issued 03-21-2025.
 - b. Paragraph (1) - Added TC 671 in the note. IPU 25U0032 issued 01-07-2025.
 - c. Paragraph (3) - Added a note to include instructions when a payment has a subsequent TC 662/672. Added a caution to use CC TXMODA and IMFOLT. IPU 25U0215 issued 02-12-2025.
 - d. Paragraph (3) - Added a note to transfer the payment prior to following ERRF procedures. IPU 25U0032 issued 01-07-2025.

- e. Paragraph (4) - Included instructions to follow Full Paid Erroneous Refund Procedures. IPU 25U0032 issued 01-07-2025.
- (8) IRM 3.11.251.10, When A Credit Transfer is Required to Resolve an SPT Case:
- a. Paragraph (1) - Added reference to paragraph 3 in the caution. IPU 25U0400 issued 03-21-2025.
 - b. Paragraph (1) - Added instructions to the caution if a payment was credited to another tax year. IPU 25U0215 issued 02-12-2025.
 - c. Paragraph (1) - Added a caution when the payment is part of a credit elect. IPU 25U0032 issued 01-07-2025.
 - d. Paragraph (3) - Added paragraph with instructions to add a Posting Delay Code when more than one credit transfer is needed. IPU 25U0400 issued 03-21-2025.
 - e. Updated the credit transfer procedures. IPU 25U0032 issued 01-07-2025.
- (9) IRM 3.11.251.11, When Category D Erroneous Refund Procedures are Required to Resolve A SPT Case:
- a. Paragraph (5) - Added a note to transfer the credit prior to following ERRF procedures. IPU 25U0032 issued 01-07-2025.
 - b. Paragraph (9) - Added a note with an IRM reference to follow prior to sending the package to the A/ER unit. IPU 25U0032 issued 01-07-2025.
- (10) IRM 3.11.251.11.1, Processing Category D Erroneous Refunds:
- a. Paragraph (1) - Updated the procedures in the note to transfer the credit prior to following ERRF procedures. IPU 25U0032 issued 01-07-2025.
- (11) Editorial changes have been made throughout the IRM to:
- a. Correct punctuation.
 - b. Correct spelling and grammatical errors.
 - c. Updated Subsection Titles.

EFFECT ON OTHER DOCUMENTS

IRM 3.11.251 dated 12-02-2024 (effective 01-02-2025) is superseded. This IRM incorporates IRM Procedural Update (IPU): 25U0032 issued on January 07, 2025, IPU 25U0215 issued February 12, 2025, and IPU 25U0400 issued March 21, 2025.

AUDIENCE

Taxpayer Services Submission Processing Tax Examiners

Scott Wallace
Director, Submission Processing
Taxpayer Services

3.11.251

Spousal Payment Transcript Processing

Table of Contents

3.11.251.1 Program Scope and Objectives

3.11.251.1.1 Background

3.11.251.1.2 Authority

3.11.251.1.3 Roles and Responsibilities

3.11.251.1.4 Program Management and Review

3.11.251.1.5 Program Controls

3.11.251.1.6 Terms and Acronyms

3.11.251.1.7 Related Resources

3.11.251.2 Processing Time Frames

3.11.251.3 IRM Deviations

3.11.251.4 IRS Employees and Covered Relationships

3.11.251.5 Integrated Data Retrieval System (IDRS) Access

3.11.251.6 Spousal Payment Transcript (SPT) Organization Function Program (OFP) Information

3.11.251.7 What's a Spousal Payment Transcript (SPT)

3.11.251.8 What Generates a Spousal Payment Transcript (SPT)

3.11.251.9 Spousal Payment Transcript (SPT) General Instructions

3.11.251.9.1 SPT Refund Prevention

3.11.251.9.2 Processing a Spousal Payment Transcript

3.11.251.10 When A Credit Transfer is Required to Resolve an SPT Case

3.11.251.11 When Category D Erroneous Refund Procedures are Required to Resolve A SPT Case

3.11.251.11.1 Processing Category D Erroneous Refunds

3.11.251.11.2 Full Paid Erroneous Refund Procedures

3.11.251.12 For Lead Tax Examiners - Reversal of TC 844

3.11.251.1
(01-02-2025)
Program Scope and Objectives

- (1) **Purpose:** This IRM covers Spousal Payment Transcript processing.
- (2) **Audience:** These procedures apply to Submission Processing (SP) 1040-X employees such as supervisory tax examining technicians, lead tax examining technicians, and tax examining technicians, who are responsible for processing the spousal payment transcripts.
- (3) **Policy Owner:** Director, Submission Processing
- (4) **Program Owner:** Submission Processing, Post Processing Section, Specialty Programs Branch
- (5) **Primary Stakeholders:** SP 1040-X employees, Accounts Management (AM), Small Business/Self-Employed (SBSE), Large Business and International (LB&I), Return Integrity Compliance Systems (RICS), Chief Financial Officer (CFO), Taxpayer Advocate Service (TAS), Chief Counsel, Information Technology programmers, Compliance, Submission Processing (SP)
- (6) **Program Goals:** This IRM provides the fundamental knowledge and procedural guidance for employees who work spousal transcripts. By following the processes and procedures provided in this IRM, employees will adjust tax accounts using an internally generated transcript in a manner that follows IRS policy and procedures while promoting the best interests of the Government.

3.11.251.1.1
(01-02-2025)
Background

- (1) Employees in the Submission Processing (SP) 1040-X organization:
 - Perform a preliminary review of a spousal payment transcript.
 - Process spousal payment transcripts using IDRS, and IAT tools.
 - Input specific Individual Master File (IMF) Adjustments to correct the accounts of both the primary and secondary taxpayer.

3.11.251.1.2
(01-02-2025)
Authority

- (1) Authority for these procedures is found in IRC 6657 and corresponding Treasury regulations.

3.11.251.1.3
(01-02-2025)
Roles and Responsibilities

- (1) The Director of Submission Processing (SP) is responsible for monitoring operational performance for the SP campuses.
- (2) The Operations Manager is responsible for monitoring operational performance.
- (3) The Team Managers and Leads are responsible for performance monitoring and ensuring employees have the tools to perform their duties.
- (4) Employees are responsible for following the instructions contained in this IRM and maintaining updated IRM procedures.

3.11.251.1.4
(01-02-2025)
Program Management and Review

- (1) **Program Reports:** System control reports are on the Control-D, WebAccess (CTDWA).
- (2) **Program Effectiveness:** Program effectiveness is determined by Submission Processing's employees successfully using IRM guidance to perform necessary account actions and duties. The following are used to ensure program effectiveness:
 - Embedded Quality Submission Processing (EQSP)

- Balanced Measures
- Managerial reviews

- (3) **Annual Review:** Review the processes included in this manual annually to ensure accuracy and promote consistent tax administration. This may be included under responsibilities for a manager.

3.11.251.1.5
(01-02-2025)

Program Controls

- (1) Federal Managers Financial Integrity Act (FMFIA) of 1982 requires federal agency executives to periodically review and annually report on the agency's internal control systems.
- (2) Systemic controls are embedded in the Integrated Automation Technologies (IAT) tools and the Integrated Data Retrieval System (IDRS).

3.11.251.1.6
(01-02-2025)

Terms and Acronyms

- (1) Acronyms commonly used include the following:

Acronym	Definition
CC	Command Code
DPC	Designated Payment Code
IAT	Integrated Automation Technologies
IDRS	Integrated Data Retrieval System
IMF	Individual Master File
NC	Name Control
NSD	No Source Document
PTA	Primary Tax Account
RC	Reason Code
SDI	Source Document Indicator
SPT	Spousal Payment Transcript
SSN	Social Security Number
STA	Secondary Tax Account
TC	Transaction Code
TIN	Taxpayer Identification Number

- (2) For a comprehensive listing of any IRS acronyms, please refer to the *Acronym Database*.

3.11.251.1.7
(03-21-2025)

Related Resources

- (1) Use the following IRMs when guidance isn't provided within IRM 3.11.251, Spousal Payment Transcript Processing.
- IRM 2.4, IDRS Terminal Input.
 - IRM 21.4.5, Erroneous Refunds.
- (2) Websites and electronic tools used to process adjustments include:

- *Correspondex Letters*
- *IMF 1040X Research Portal*
- *Integrated Automation Technologies (IAT)*
- *Erroneous Refund (ERRF)*
- Integrated Data Retrieval System (IDRS)
- *Servicewide Electronic Research Program (SERP)*

Note: References to tools and websites used aren't exhaustive or complete. See the training materials and job aids for more Information.

3.11.251.2
(02-12-2025)

Processing Time Frames

- (1) Spousal Payment Transcripts (SPT) must be processed in first in/first out (FIFO) order by the oldest received date.
- (2) Payments from the same taxpayer on the same transcript are batched together.
- (3) Process the Spousal Payment Transcript within 3 calendar days from the date the site receives the case. For additional information on processing time-frames, see IRM 3.30.123, Processing Timeliness: Cycles, Criteria, and Critical Dates.

3.11.251.3
(01-02-2025)

IRM Deviations

- (1) Submit IRM deviations in writing following instructions from IRM 1.11.2.2.3, When Procedures Deviate from the IRM, and elevate through proper channels for executive approval.

3.11.251.4
(01-02-2025)

IRS Employees and Covered Relationships

- (1) IRS employees can be identified from the IRS-EMP-CD on CC TXMOD and on CC IMFOLT. There are special procedures that you must follow to protect the taxpayer employee, as well as to protect yourself.
- (2) If you access an account of an IRS employee that you don't know, work the case and see (4) below.
- (3) If you access an account of an IRS employee that you do know, or if you access an account of someone that falls under a covered relationship such as family members, friends, or neighbors, refer the case to your lead or manager and see (4) below.
- (4) Completing Form 11377-E, Taxpayer Data Access, is voluntary but highly recommended. The purpose is to document the reason(s) that the tax return and/or information on IDRS was accessed when the case wasn't assigned directly to you.

3.11.251.5
(03-21-2025)

Integrated Data Retrieval System (IDRS) Access

- (1) While working Spousal Payment Transcript (SPT) cases, employees may encounter modules that are blocked on IDRS. These modules are identified by an IDRS security violation message, "Unauthorized to Access This Account". Reassign the case to your manager. Managers must notify the local Planning

the original case in their inventory, awaiting access that can take up to five business days. Once notified that access has been granted, the case can be transferred back to the tax examiner to work following applicable procedures.

#

- 3.11.251.6
(02-12-2025)
Spousal Payment Transcript (SPT) Organization Function Program (OFP) Information
- (1) SPT OFP codes are used for reporting work closed by individual Tax Examiners working the SPT program.
 - (2) SPT OFP codes are used in conjunction with the weekly Work Planning and Control (WP&C) reporting system.
 - (3) The OFP code used for reporting the work performed under the SPT program is 710-37711.
 - (4) For additional information regarding OFP codes, refer to IRM 3.30.20, Work Planning and Control - Organization, Function, and Program (OFP) Codes.
- 3.11.251.7
(01-01-2026)
What's a Spousal Payment Transcript (SPT)
- (1) A Spousal Payment Transcript (SPT) is a weekly report that's received by Submission Processing (SP) 1040-X teams. The tax examiners on these teams research the accounts on the report and take the necessary action to correct the accounts. The SPT report is required to be processed before any other SP 1040-X workflow.
- 3.11.251.8
(01-02-2025)
What Generates a Spousal Payment Transcript (SPT)
- (1) An SPT is created when payments have been systemically transferred to the PTA from the STA and there's no systemic means to move the payment back from the PTA to the STA when a financial institution (FI) returns the payment for one of the following reasons:
 - There were insufficient funds to make the payment.
 - The account the payment came from is closed.
 - The payment has been stopped.
- 3.11.251.9
(01-02-2025)
Spousal Payment Transcript (SPT) General Instructions
- (1) Submission Processing (SP) 1040-X procedures don't apply to Spousal Payment Transcript (SPT) processing.
 - (2) Use of Integrated Automation Technologies (IAT) tools including the IAT *ERRF* tool or the IAT *Credit Transfer* tool is required when processing an SPT.
- 3.11.251.9.1
(03-21-2025)
SPT Refund Prevention
- (1) Preventing a refund is required prior to resolving a case.
 - (2) Upon receipt of the SPT case:
 - a. Open a control base with Activity Code **SP1040XSPT** and Category Code **IRRQ**.
 - b. Input a TC 570 on the primary taxpayer's account.
- 3.11.251.9.2
(03-21-2025)
Processing a Spousal Payment Transcript
- (1) When processing an SPT case, take the following action:
 1. Research the STA using command code (CC) TXMODA to locate the payment that caused the issue. The payment is posted as a Transaction Code (TC) 670R followed by a TC 667 to move the payment from the STA to the PTA.

Note: TC 671/672 indicating a reversal of the TC 670 will also be present on the STA with the same date and DLN on the daily report

 2. Research the PTA account to locate the payment. The payment is posted as a TC 666 and will have the same DLN and payment date as the TC 667 on the STA.

3. Determine if the TC 666 payment is still present on the account or if it has been refunded or is pending refund. A TC 846 on the account indicates if the payment has been refunded or is pending refund.

Note: If a subsequent TC 662/672 for the same payment is present, the payment has reversed. No further action should be taken for the payment and close the SPT open control. If the payment was transferred to an MFT other than 30, no further action should be taken. Close the SPT open control.

- (2) If the payment is still present on the account and hasn't been refunded, resolve the SPT case following the procedures in IRM 3.11.251.10, When A Credit Transfer is Required to Resolve an SPT Case.
- (3) If the payment has been refunded or is pending refund, resolve the SPT case following the procedures in IRM 3.11.251.11, When Category D Erroneous Refund Procedures are Required to Resolve A SPT Case.

Caution: Use CC TXMODA and IMFOLT.

Note: Even though the payment has been refunded, the payment will need to be transferred prior to following erroneous refund procedures.

- (4) If the payment has been refunded and has been fully repaid, see IRM 3.11.251.11.2, Full Paid Erroneous Refund Procedures.

3.11.251.10
(03-21-2025)

When A Credit Transfer is Required to Resolve an SPT Case

- (1) When the TC 666 payment is still present on the account and hasn't been refunded, a credit transfer to move the money from the PTA to the STA is required to resolve the SPT case.
Caution: If any part of the payment has been credited to another tax year or used as a credit elect, reverse the credit prior to transferring the SPT payment. See Paragraph 3 below.
- (2) Transfer the credit using the IAT *Credit Transfer* tool. During "Dead Cycles" the IAT Credit Transfer tool is unavailable. To process the credit transfer:
 1. With the TXMODA screen of the primary taxpayer on IDRS, open the IAT Credit Transfer tool.
 2. In the Transferable section:
 - Select the TC 666 that matches the payment on the SPT report.
 - Verify the Total Selected field matches the amount of the TC 666 and the amount shown on the SPT report.
 3. In the Debit Side section:
 - Verify the amount in the Balance After Transfer field is correct.
 4. In the Credit Side section:
 - Verify the amount in the Balance After Transfer field is correct.
 5. In the Remarks section:
 - Uncheck the Source Doc check box.
 - In the Remarks field, input "NSD, Spousal Payment Transcript".
 6. In the Letter section, leave the Correspondence Date field blank.
 7. In the Control Bases section:
 - In the Debit Status field, use the drop-down list to select "C".
 - In the Credit Status field, use the drop-down list to select "C".
 - In the Received Date field, use an asterisk to input the current date.

- Do not change the pre-populated entry in the Activity field.
- In the Category field, use "IRRQ".
- Click the Transfer button.

8. Review the CC DRT48 screen for accuracy and transmit if correct. If you need to TERUP the credit transfer, you must TERUP the transfer on both the PTA and STA.

(3) When two credit transfers are needed to resolve a case, add a Posting Delay Code (PDC) to the 2nd transfer.

3.11.251.11
(01-07-2025)

**When Category D
Erroneous Refund
Procedures are Required
to Resolve A SPT Case**

(1) When the TC 666 payment has already been refunded or is pending, Category D erroneous refund procedures are required to resolve the SPT case.

(2) If there is a -V Freeze present on the module, do not request repayment or issue a Letter 510C, Refund in Error; Return Check. The erroneous refund issue must be addressed by Field Insolvency or Centralized Insolvency Operation (CIO). Refer the case to CIO in Philadelphia. CIO will determine the appropriate action. Refer to IRM 21.5.6.4.44, -V Freeze, for more information.

(3) See IRM 21.4.5.6, Category D Erroneous Refund Procedures, for general CAT-D erroneous refund (ERRF) information.

(4) See IRM 21.4.5.15.1.1, Statutes of Limitations Category D Erroneous Refunds IRC 6532(b) ERSED, when determining the ERSED.

(5) See IRM 21.4.5.6.1, Account Actions For Category D Erroneous Refunds, to determine the appropriate account action(s) to take on a CAT-D ERRF.

Note: Transfer the credit prior to following erroneous refund procedures.

(6) When preparing Form 12356, Erroneous Refund Worksheet, refer to IRM 21.4.5.6.2, Preparing Form 12356, Erroneous Refund Worksheet.

Note: When using the IAT ERRF tool, the tool will generate the Form 12356, Erroneous Refund Worksheet.

(7) When preparing an erroneous refund package, refer to IRM 21.4.5.6.1, Account Actions For Category D Erroneous Refunds.

(8) Effective October 1, 2020, all CAT-D ERRFs must be emailed to the organizational mailbox established for each Accounting/Erroneous Refund (A/ER) function. Refer to IRM 21.4.5.15.1, Collection Statute Expiration Date for Category D Erroneous Refunds, before sending the package to the A/ER function.

(9) When sending the package to the A/ER function, refer to IRM 21.4.5.6.3, Routing Category D Erroneous Refund Packages.

Note: Prior to sending the package to the A/ER function, reassign the IDRS control base to the appropriate A/ER unit. See IRM 21.4.5.6.1, Account Actions for Category D Erroneous Refunds, for more details.

3.11.251.11.1
(01-07-2025)

**Processing Category D
Erroneous Refunds**

(1) Use the IAT *ERRF* tool to initiate erroneous refund procedures.

1. With the TXMODA screen of the primary taxpayer on IDRS, click Research.

2. In the Select ERRF Category section, select “Cat-D”. The tool should default to this selection.
3. In the TC 846 section, select the appropriate TC 846. If there’s only one refund on the account, the tool should select it by default.
4. Click “Submit”.
5. On the ERRF Actions screen:
 - Verify the TC 846 date is correct. If the date is incorrect, verify you have selected the correct TC 846.
 - Verify the ERRF amount is correct. If the amount is incorrect, edit the correct amount.
 - Delete the Demand Date from the date the tool automatically computed so the field is blank. Since these ERRFs are caused by the taxpayer (or related party), the demand date must be blank.
 - Update the control category to ERRF.
 - The tool should automatically determine which ERRF coordinator to route to using the 8th and 9th position of the Refund Schedule Number (RSN). Refer to IRM 21.4.5.6.3, Routing Category D Erroneous Refund Packages.
 - Use the date the SPT case was received as the IRS Received Date.
6. On the ERRF Action Screen Select Account Actions section:
 - If the taxpayer’s account will be in a balance due status, click the “Input TC 470 CC 93?” check box.
 - Verify the “Send 510C” check box is checked.
 - Verify the “Complete F12356” check box is checked.
 - Ensure Form 12356, Erroneous Refund Worksheet, is complete and correct. Refer to IRM 21.4.5.6.2, Preparing Form 12356, Erroneous Refund Worksheet, for more information.
7. On the ERRF Action Screen TC 971 AC 663 MISC Field section:
 - Using the “Select Category” drop down box, select “D - Cat D ERRF”.
 - Using the “Select Responsible Function” drop down box, select “SP”.
 - Using the “Select Type of Error” drop down box, select “01 – Taxpayer Error”.
8. Click Process Cat D ERRF.
9. Route the erroneous refund package to the appropriate Erroneous Refund Coordinator.

Note: Transfer the payment from the PTA to the STA prior to following erroneous refund procedures. See IRM 3.11.251.10, When A Credit Transfer is Required to Resolve an SPT Case.

3.11.251.11.2
(01-02-2025)

Full Paid Erroneous Refund Procedures

- (1) Situations exist where a newly identified erroneous refund has already been fully repaid. The erroneous refund can be satisfied by:

- The offset of an overpayment from another tax year.
- Payments received from the taxpayer.
- The taxpayer returning the erroneous refund check.

Note: The above listing is not an all-inclusive listing.

- (2) Even though the balance has been repaid, an incorrect refund was issued to the taxpayer and it is necessary to follow the CAT-D ERRF procedures in IRM 21.4.5.6.4, Full Paid Erroneous Refund Procedures, to protect the taxpayer.

3.11.251.12
(01-02-2025)

**For Lead Tax Examiners
- Reversal of TC 844**

- (1) When an account has been identified incorrectly with the Erroneous Refund TC 844, and the Letter 510C was sent, a Letter 544C must be sent to the taxpayer.
- (2) If the TC 844 can't be reversed, prepare Form 12356, Erroneous Refund Worksheet, and email to your servicing A/ER Unit, explaining the error and request the input of a TC 845.
- (3) See IRM 21.4.5.9, Reversal of TC 844.