



# MANUAL TRANSMITTAL

Department of the Treasury  
Internal Revenue Service

3.24.213

FEBRUARY 26, 2025

## EFFECTIVE DATE

(02-26-2025)

## PURPOSE

- (1) This transmits revised IRM 3.24.213, ISRP System, Real Estate Mortgage Investment Conduit Income Tax Returns.

## MATERIAL CHANGES

- (1) IRM 3.24.213 Changed Wage and Investment to Taxpayer Services.
- (2) Minor editorial changes have been made throughout this IRM (e.g., spelling, punctuation, formatting, etc.). Other significant changes to this IRM are shown above.

## EFFECT ON OTHER DOCUMENTS

IRM 3.24.213, ISRP System, Real Estate Mortgage Investment Conduit Income Tax Returns, dated March 2, 2022 effective April 1, 2022 is superseded.

## AUDIENCE

Taxpayer Services (TS) Submission Processing Employees, Data Conversion Operations

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3.24.213

Real Estate Mortgage Investment Conduit Income Tax Returns

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3.24.213.1  
(02-26-2025)  
**Program Scope and Objectives**

- (1) **Purpose:** Daily processing of processable paper filed Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return on the Integrated Submission and Remittance Processing System (ISRP) are covered in this IRM. This processing will convert the taxpayer data reported to electronic data records for further validations to be applied to determine if the employers return is acceptable to fulfill the filing requirement.
- (2) **Audience:** The users of the IRM are Submission Processing General Clerks; Data Conversion Operation and their support staff which includes but is not limited to the following clerks, leads and supervisors. These instructions apply to all campuses.
- (3) **Policy Owner:** The Director of Submission Processing
- (4) **Program Owner:** Return Processing Branch, Mail Management/Data Conversion (an Organization within Submission Processing)
- (5) **Primary Stakeholders:** Affected by these procedures or have input to the procedures which may include a change in workflow, additional duties, change in established time frames, and similar issues are:
  - Accounts Management (AM)
  - Small Business/Self Employed (SB/SE)
  - Large Business and International (LB&I)
  - Chief Financial Officer (CFO)
  - Taxpayer Advocate (TAS)
  - Chief Counsel, Information Technology programmers
  - Statistics of Income (SOI)
  - Tax Exempt/Government Entities (TEGE)
  - Compliance Strategy and Policy and Operations Business Support
  - Office of Servicewide Penalties are affected by the completion of these data records to posting.
- (6) **Program Goals:** This information is used to provide instruction for accurate transcription of data into the ISRP system. The Integrated Submission and Remittance Processing (ISRP) is an application designed to capture, format, and forward information related to tax submissions and remittances in electronically readable formats to downstream IRS systems. Any remittances received with a tax document are forwarded and processed for deposit to the Remittance Processing function.

3.24.213.1.1  
(12-15-2017)  
**Background**

- (1) U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Returns are sent to the IRS by filers to fulfill their requirement to report the income, deductions, and gains and losses from the operation of a real estate mortgage investment conduit REMIC. In addition, the form is used by the REMIC to report and pay tax on net income from prohibited transactions. The returns must be converted to an electronic data record for use by the IRS. Input of data present and validation of the data records during conversion of these paper returns to electronic data records is required.

3.24.213.1.2  
(03-02-2022)  
**Authority**

- (1) Authority for these procedures is found in Title 26 of the United States Code (USC) or more commonly known as the Internal Revenue Code (IRC). The IRC has been amended by acts, public laws, treasury determination.

- (2) All policy statements for Submission Processing are contained in IRM 1.2.1, Servicewide Policies and Authorities, Policy Statements for Submission Processing Activities:
- Code sections which provide the IRS with the authority to issue levies.
  - Congressional Acts which outline additional authorities and responsibilities like the Tax Act of 1986.
  - Policy Statements that provide authority for the work being done.

3.24.213.1.3  
(12-15-2017)  
**Roles and  
Responsibilities**

- (1) The Operations manager is responsible for securing, assigning and providing training for the staff needed to perform the task required throughout this instruction.
- (2) The Planning and Analysis Staff is responsible for providing feedback and support to local management to achieve and effectively monitor scheduled goals.
- (3) The team manager/lead is responsible for and assigning, monitoring and controlling the workflow to accomplish timely completion of the tasks required throughout this IRM.
- (4) The team employee is responsible for applying the instruction present to the assigned task on the ISRP system to accurately convert paper data to electronic data record for proper posting for use by the IRS.

3.24.213.1.4  
(12-15-2017)  
**Program Management  
and Review**

- (1) **Program Reports:** Below is a list of reports to use to show receipts, production and inventory for the paper return to electronic data conversion process. These reports will be utilized to report and monitor daily and weekly status of the program to completeness.
- PCC 2240, Daily Production Report - Program Sequence
  - PCC 6040, SC WP&C Performance and Cost Report
  - PCC 6240, SC WP&C Program Analysis Report
  - PCB 0440, Daily Workload and Staff hours Schedule
  - PCB 0540, Weekly Workload and Staffing Schedule
- (2) **Program Effectiveness:** Goals will be measured utilizing standard managerial reports by documents processed per hour and completion of each function compared to the established schedule for completion each week. Each functionality is expected to retain or exceed schedule prior to the program completion date stated in IRM 3.30.123, Work Planning and Control Processing Timeliness: Cycles, Criteria, and Critical Dates.
- (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.

3.24.213.1.5  
(12-15-2017)  
**Program Controls**

- (1) Local reports may be utilized to establish additional information for maintaining daily program control. Local reports do not replace the established official reports and required production reports.

3.24.213.1.6  
(12-15-2017)

## Terms/Definitions/ Acronyms

- (1) The following is a list of the acronyms that are used in this IRM section, this IRM uses prompts for data entry and are defined in the charts.

Acronyms	Definition
ABC	Alphanumeric Block Control
BMF	Business Master File
CCC	Computer Condition Code
DLN	Document Locator Number
EIN	Employer Identification Number
EOP	Entry Operator
IRM	Internal Revenue Manual
ISRP	Integrated Submission and Remittance Processing System
KV	Key Verification
OE	Original Entry
PTIN	Preparer Taxpayer Identification Numbers
REMIC	Real Estate Mortgage Investment Conduit
RPS	Remittance Processing System
TEFRA	Tax Equity and Fiscal Responsibility Act

3.24.213.1.7  
(12-15-2017)

## Related Resources

- (1) The following table lists the IRM primary sources of guidance on the processing of paper filed Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return.

IRM	Title	Guidance on
IRM 3.10.5	Campus Mail and Work Control - Batch/Block Tracking System (BBTS)	utilizing BBTS to drop unit production cards for daily incoming receipts and production
IRM 3.10.72	Campus Mail and Work Control - Receiving, Extracting, and Sorting	receiving, extracting, sorting, and routing mail within the Submission Processing campuses
IRM 3.10.73	Campus Mail and Work Control - Batching and Numbering	batching and numbering with a document locator number (DLN) of documents

IRM	Title	Guidance on
IRM 3.11.213	Returns and Documents Analysis, Form 1066, Real Estate Mortgage Investment Conduit Income Tax Return	document perfection to code and edit (perfect) returns and other documents for input to the Master File (MF) through the Integrated Submission and Remittance Processing System (ISRP)
IRM 3.24.38	BMF General Instructions	workstation functions, workstation keyboard, windows environment and general instruction for entering data for tax returns and related data through ISRP

- (2) Document 7071-A, Name Control Job Aid - For Use Outside of the Entity Area
- (3) The IRS adopted the Taxpayer Bill of Rights in June 2014. Employees are responsible for being familiar with and acting in accord with taxpayer rights. See IRC 7803(a)(3), and the following site for additional information about the *Taxpayer Bill of Rights*.

3.24.213.2  
(03-02-2022)  
**Introduction**

- (1) This IRM provides instructions for entering and verifying data from control documents and Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, using the Integrated Submission and Remittance Processing (ISRP) system.
- (2) General Clerks will also need to refer to IRM 3.24.38, ISRP System-BMF General Instructions, for general procedures.
- (3) IRM deviations must be submitted in writing following instructions from IRM 1.11.2.2, Internal Management Documents System - Internal Revenue Manual (IRM) Process, IRM Standards, and elevated through appropriate channels for executive approval.

3.24.213.2.1  
(01-01-2015)  
**Control Documents**

- (1) The control documents from which data may be transcribed are:
  - Form 813, Document Register
  - Form 1332, Block and Selection Record
  - Form 3893, Re-entry Document Control

3.24.213.2.2  
(01-01-2015)  
**Source Document**

- (1) The source document from which data may be transcribed is:
  - Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return



3.24.213.2.3  
(01-01-2015)

**Form/Program  
Number/Tax Class and  
Document Codes**

- (1) The following table illustrates the form, program number, tax class and document code.

FORM	PROGRAM NUMBER	TAX CLASS & DOCUMENT CODE
Form 1066	12201	360

3.24.213.2.4  
(01-01-2015)

**Systemically Required  
Sections**

- (1) Section 01 will be entered and verified in all cases.  
(2) Sections 02, 03 and 07 will be entered and verified if data is present.

3.24.213.3  
(01-01-2015)

**Integrated Submission  
and Remittance  
Processing (ISRP)  
Transcription Operation  
Sheets**

- (1) The following exhibits represent specific data entry procedures.

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## Exhibit 3.24.213-1 (06-29-2016)

**Block Header Data Entry-Form 813 or Form 1332 for Original Input Documents and Form 3893 for Re-Entry Document Control.**

Elem. No.	Data Element Name	Prompt	Fld. Term.	Instructions
(1)	Service Center (SC) Block Control	ABC	No entry is required	The screen displays the Alpha-numeric Block Control (ABC) that was entered in the Entry Operator (EOP) Dialog Window. It cannot be changed.
(2)	Block Document Locator Number (DLN)	DLN	<Enter>	Enter the first 11 digits from: (a) Form 813 — the “Block DLN” box. (b) Form 1332 — the “Document Locator No.” box. (c) Form 3893 — box 2. The key verification (KV) EOP will verify the DLN from the first document of the block.
(3)	Batch Number	BATCH	<Enter>	Enter the batch number from: (a) Form 813 and Form 1332 — the “Batch Control Number” box. (b) Form 3893 — box 3. If not present, enter the number from the batch transmittal sheet.
(4)	Document Count	COUNT	<Enter>	Enter the document count from: (a) Form 813 and Form 1332 — the circled serial number. If a full block (100 documents) or if a number is not circled, enter 100. (b) Form 3893 — box 4.
(5)	Prejournalized Credit Amount	CR	<Enter>	Enter the amount from: (a) Form 813 — shown as the “Total” or “Adjusted Total”. (b) Form 3893 — box 5. <b>Enter in dollars and cents.</b>
(6)	Filling <Enter>s		<Enter>	Press <Enter> 5 times.

**Exhibit 3.24.213-1 (Cont. 1) (06-29-2016)**

**Block Header Data Entry-Form 813 or Form 1332 for Original Input Documents and Form 3893 for Re-Entry Document Control.**

Elem. No.	Data Element Name	Prompt	Fld. Term.	Instructions
(7)	Source Code	SOURCE	<Enter>	<p>If the control document is Form 3893, enter from box 11 as follows:</p> <p>(a) R = "Reprocessable" box checked.</p> <p>(b) N = "Reinput of Unpostable" box checked.</p> <p>(c) 4 = "SC Reinput" box checked.</p> <p>If none of the boxes are checked, consult your supervisor who will determine if a source code is required.</p> <p>If any other control document, press &lt;Enter&gt;.</p>
(8)	Year Digit	YEAR	<Enter>	<p>If the control document is Form 3893, enter the digit from the box 12; otherwise, press &lt;Enter&gt;.</p> <p>This is a MUST ENTER field if the source code is "R", "N", or "4".</p>
(9)	Filling <Enter>		<Enter>	<p>No entry required.</p> <p>Press &lt;Enter&gt;.</p>
(10)	Remittance Processing System (RPS) Indicator	RPS	<Enter>	<p>Enter a "2" if:</p> <p>(a) "<b>RPS</b>" is edited or stamped in the upper center margin of Form 813 or Form 1332 or "<b>RRPS</b>" is in the header of Form 1332.</p> <p>(b) box 13 is checked on Form 3893.</p>

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Exhibit 3.24.213-2 (06-29-2016)

Section 01 Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, and Edit Sheet (Program 12201)

Elem. No.	Data Element Name	Prompt	Fld. Term.	Instructions
(1)	Section Number	SECT:	No entry is required.	Section "01" will always be generated. No entry is required.
(2)	DLN Serial Number	SER#	<Enter>	Enter the last two digits of the 13-digit DLN from the upper portion of the form. If the serial number has been generated by the system, verify that it matches the document being entered.
(3)	Check Digit	CD	<Enter>	Enter the check digit if present.
(4)	Name Control	NC	<Enter>	If the check digit is not present, enter the name control.
(5)	Employer Identification Number (EIN)	EIN	<Enter>	Enter the EIN from the pre-printed label or from the "EIN" block.
(6)	Address Check	ADDRESS CHECK?	<Enter>	Enter "Y" or "N" as appropriate.
(7)	Street Key	STREET KEY	<Enter>	Enter the street key
(8)	ZIP Key	ZIP KEY	<Enter>	Enter the zip key.
(9)	Tax Period	TAXPR	<Enter>	Enter the edited or underlined tax period from the upper right corner of the return.
(10)	Received Date	RDATE	<Enter>	Enter the date as stamped or edited on the face of the return.
(11)	Computer Condition Codes (CCC)	ES-1	<Enter>	Enter the edited code(s) from the dotted portion of Section 1, Line 1. If computer condition code "G" is present and the document is a <b>non-remittance</b> return, end the document after this element. If computer condition code "G" is present and the document is a <b>remittance</b> return, press <F6> to proceed to Section 03.
(12)	Date Real Estate Mortgage Investment Conduit (REMIC) Started	ES-2	<Enter>	Enter the date shown or edited in box B in YYYY format.

**Exhibit 3.24.213-2 (Cont. 1) (06-29-2016)****Section 01 Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, and Edit Sheet (Program 12201)**

<b>Elem. No.</b>	<b>Data Element Name</b>	<b>Prompt</b>	<b>Fld. Term.</b>	<b>Instructions</b>
(13)	Number of Residual Holders	ES-3	<Enter.	Enter from the margin to the left of the Deductions section.
(14)	Tax Equity and Fiscal Responsibility Act (TEFRA) Indicator	ES-4	<Enter>	Enter from the margin to the left of the Deductions section.
(15)	Missing Schedule Code	ES-5	<Enter>	Enter from the margin to the left of the Deductions section.
(16)	Audit Code	ES-8	<Enter>	Enter from the margin to the left of the Deductions section.
(17)	Installment Sales Indicator	ES-9	<Enter>	Enter from the margin to the left of the Deductions section.
(18)	Error Resolution System (ERS) Action Code	ES-10	<Enter>	Enter the edited digits from the bottom left margin.

**Note:** Data for prompts **ES-3** through **ES-10** will no longer appear on an attached edit sheet. Instead, this data will be edited in the margin to the left of the Deductions section. The data will be edited in **X-Y** format: where “X” represents the edit sheet line number and “Y” represents the data to be transcribed. ES-10 will not be preceded by “10”.

**Example: Edited Data...Enter on Screen**

1-235...Enter “235” for prompt “ES-1”

9-1...Enter “1” for prompt “ES-9”

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Exhibit 3.24.213-3 (06-29-2016)

Section 02 Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, (Program 12201)

Elem. No.	Data Element Name	Prompt	Fld. Term.	Instructions
(1)	Section Number	SECT:	<Enter>	Press <Enter> if already present on the screen; otherwise enter "02".
(2)	In Care of Name Line	C/O NAME	<Enter>	Enter the in care of name exactly as shown.
(3)	Foreign Address	FGN ADD	<Enter>	Enter the foreign address information as shown or edited from the entity area.
(4)	Street Address	ADDR	<Enter>	Enter the street address information as shown or edited from the entity area. <b>Caution:</b> If inputting a foreign address, enter the foreign city, province, and postal code in this field exactly as edited.
(5)	City	CITY	<Enter>	Enter the city from the entity area. <b>Caution:</b> If inputting a foreign address, <b>only</b> enter the edited foreign country code in this field.
(6)	State	ST	<Enter>	Enter the standard state abbreviation from the entity area. <b>Caution:</b> If inputting a foreign address, enter a period (.) in this field.
(7)	ZIP Code	ZIP	<Enter>	Enter the zip code from the entity area. <b>Caution:</b> If inputting a foreign address, leave this field blank. Press <Enter> to continue.

**Exhibit 3.24.213-4 (06-29-2016)****Section 03 Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, and Edit Sheet (Program 12201)**

<b>Elem. No.</b>	<b>Data Element Name</b>	<b>Prompt</b>	<b>Fld. Term.</b>	<b>Instructions</b>
(1)	Section Number	SECT:	<Enter>	Press <Enter> if already present on the screen; otherwise enter "03".
(2)	Payment Received	RMT	<Enter>	Enter the green rockered amount from the balance due area of the return or an attached cash register receipt. If no amount is edited or the edited amount is illegible, check the control document for the correct amount. This is a MUST ENTER field if a Prejournalized Credit Amount (prompt "CR") was entered in the Block Header.
(3)	Total Assets	BOXC \$	<Enter> MINUS (-)	Enter the amount from Box C.
(4)	Net Short Term Capital Gain/Loss	ES11	<Enter> MINUS (-)	Enter the edited digits from the bottom right margin.
(5)	Net Long Term Capital Gain/Loss	ES12	<Enter> MINUS (-)	Enter the edited digits from the bottom right margin.

**Note:** Data for prompts "ES-11" through "ES-12" will no longer appear on an attached edit sheet. Instead, this data will be edited in the margin to the left of the Deductions Section. The data will be edited in "X-Y" format: where "X" represents the edit sheet line number and "Y" represents the data to be transcribed.

**Example: Edited Data...Enter on Screen**

11-100...Enter "100" for prompt "ES-11"

12-1500...Enter "1500" for prompt "ES-12"



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Exhibit 3.24.213-5 (06-29-2016)

Section 07 Form 1066, U.S. Real Estate Mortgage Investment Conduit (REMIC) Income Tax Return, Section II (Program 12201)

Elem. No.	Data Element Name	Prompt	Fld. Term.	Instructions
(1)	Section Number	SECT:	<Enter>	Press <Enter> if already present on the screen; otherwise enter "07".
(2)	Total Tax	II1	<Enter>	Enter amount form Section II, Line 1.
(3)	Tax Paid on F7004	LN2	<Enter>	Enter amount from Section II, line 2.
(4)	Federal Telephone Excise Tax Paid	4...	<Enter>	For TY2006 returns, enter amount from Section II, line 2b; otherwise, press <Enter>.
(5)	Discuss with Preparer Checkbox	CKBX	<Enter>	Enter "1" if only the "Yes" box is checked; otherwise, press <Enter>.
(6)	Preparer's PTIN	PTIN	<Enter>	Enter the preparer's PTIN.
(7)	Preparer's EIN	PEIN	<Enter>	Enter the preparer's EIN.
(8)	Preparer's Telephone #	TEL#	<Enter>	Enter the preparer's telephone number.

**Exhibit 3.24.213-6 (06-29-2016)****Section 20 Form 8913 Credit for Federal Telephone Excise Tax Paid, (Program 12201)**

**Reminder:** Only transcribe this section for TY2006 returns.

<b>Elem. No.</b>	<b>Data Element Name</b>	<b>Prompt</b>	<b>Fld. Term.</b>	<b>Instructions</b>
(1)	Section Number	SECT:	<Enter>	Press <Enter> if already present on screen; otherwise, enter "20".
(2)	Tax Refund	15(D)	<Enter>	Enter the amount from line 15, column (d).
(3)	Interest on Tax Refund	15(E)	<Enter>	Enter the amount from line 15, column (e).